

Wheeler Real Estate Investment Trust, Inc.

Form 10-K

March 21, 2014

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

**ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934**

For the fiscal year ended December 31, 2013

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

Commission file number 001-35713

WHEELER REAL ESTATE INVESTMENT TRUST, INC.

(Exact Name of Registrant as Specified in Its Charter)

Maryland
(State or Other Jurisdiction of

45-2681082
(I.R.S. Employer

Incorporation or Organization)

Identification No.)

2529 Virginia Beach Blvd., Suite 200

Virginia Beach, Virginia
(Address of Principal Executive Offices)

23452
(Zip Code)

(757) 627-9088

(Registrant's Telephone Number, Including Area Code)

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

Common stock, \$0.01 par value (NASDAQ Capital Market)

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.:

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Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

As of June 30, 2013, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was \$17,436,204.

As of March 19, 2014, there were 7,216,238 shares of common stock, \$0.01 par value per share, outstanding.

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FORWARD- LOOKING STATEMENTS

This Annual Report on Form 10-K of Wheeler Real Estate Investment Trust, Inc. contains forward-looking statements, including discussion and analysis of our financial condition, anticipated capital expenditures required to complete projects, amounts of anticipated cash distributions to our shareholders in the future and other matters. These forward-looking statements are not historical facts but are the intent, belief or current expectations of our management based on its knowledge and understanding of our business and industry. Forward-looking statements are typically identified by the use of terms such as may, will, should, potential, predicts, anticipates, expects, intends, believes, seeks, estimates, or the negative of such terms and variations of these words and similar expressions. 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.

Forward-looking statements that were true at the time made may ultimately prove to be incorrect or false. You are cautioned to not place undue reliance on forward-looking statements, which reflect our management's view only as of the date of this Annual Report on Form 10-K. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results. Factors that could cause actual results to differ materially from any forward-looking statements made in this Annual Report on Form 10-K include:

the imposition of federal taxes if we fail to qualify as a real estate investment trust (REIT) in any taxable year or forego an opportunity to ensure REIT status;

uncertainties related to the national economy, the real estate industry in general and in our specific markets;

legislative or regulatory changes, including changes to laws governing REITs;

adverse economic or real estate developments in Virginia, Florida, Georgia, South Carolina, North Carolina, Oklahoma, Tennessee and New Jersey;

increases in interest rates and operating costs;

inability to obtain necessary outside financing;

litigation risks;

lease-up risks;

inability to obtain new tenants upon the expiration of existing leases;

inability to generate sufficient cash flows due to market conditions, competition, uninsured losses, changes in tax or other applicable laws; and

the need to fund tenant improvements or other capital expenditures out of operating cash flow.

These forward-looking statements should be read in light of these factors.

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Part I

Item 1. Business

Overview

We are a Maryland corporation formed with the principal objective of acquiring, financing, developing, leasing, owning and managing income producing assets such as strip centers, neighborhood centers, grocery-anchored centers, community centers and free-standing retail properties. Our strategy is to opportunistically acquire and reinvigorate well-located, potentially dominant retail properties in secondary and tertiary markets that generate attractive risk-adjusted returns. We target competitively protected properties in communities that have stable demographics and have historically exhibited favorable trends, such as strong population and income growth. We generally lease our properties to national and regional retailers that offer consumer goods and generate regular consumer traffic. We believe our tenants carry goods that are less impacted by fluctuations in the broader U.S. economy and consumers disposable income, generating more predictable property-level cash flows.

We currently own a portfolio consisting of twenty-three retail properties, including sixteen retail shopping centers, six free-standing retail properties and one office property, totaling 1,294,572 net rentable square feet of which were approximately 94% leased as of December 31, 2013.

We believe the current market environment creates a substantial number of favorable investment opportunities with attractive yields on investment and significant upside potential. We believe the markets we plan to pursue of the Northeast, Mid-Atlantic, Southeast and Southwest are characterized by strong demographics and dynamic, diversified economies that will continue to generate jobs and future demand for commercial real estate. We anticipate that the depth and breadth of our real estate experience allows us to capitalize on revenue-enhancing opportunities in our portfolio and source and execute new acquisition and development opportunities in our markets, while maintaining stable cash flows throughout various business and economic cycles.

Jon S. Wheeler, our Chairman and President, has 32 years of experience in the real estate sector with particular experience in strategic financial and market analyses and assessments of new or existing properties to maximize returns. We have an integrated team of professionals with experience across all stages of the real estate investment cycle.

We were organized as a Maryland corporation on June 23, 2011 and elected to be taxed as a REIT beginning with our taxable year ended December 31, 2012. We conduct substantially all of our business through Wheeler Real Estate Investment Trust, L.P., a Virginia limited partnership, of which we are the sole general partner (our Operating Partnership). We are structured as an UPREIT, which means that we will own most of our properties through our Operating Partnership and its subsidiaries. As an UPREIT, we may be able to acquire properties on more attractive terms from sellers who can defer tax obligations by contributing properties to our Operating Partnership in exchange for Operating Partnership units, which will be redeemable for cash or exchangeable for shares of our common stock at our election.

WHLR Management, LLC (our Administrative Service Company), which is wholly owned by Mr. Wheeler, provides administrative services to our company. Pursuant to the terms of an administrative services agreement between our Administrative Service Company and us, our Administrative Service Company is responsible for identifying targeted real estate investments; handling the disposition of the real estate investments our board of directors has chosen to sell; and administering our day-to-day business operations, including but not limited to, leasing duties, property

management, payroll and accounting functions. We also benefit from Mr. Wheeler's partially or wholly owned related business and platform that specializes in retail real estate investment and management. Mr. Wheeler's organization includes (i) Wheeler Interests, LLC, an acquisition and asset management firm, (ii) Wheeler Real Estate, LLC, a real estate leasing management and administration firm, (iii) Wheeler Capital, LLC, a capital investment firm specializing in venture capital, financing, and small business loans, (v) Site Applications, LLC, a full service facility company equipped to handle all levels of building maintenance and (vi) TESR, LLC, a tenant coordination company specializing in tenant relations and community events (collectively, our Services Companies). The organization formerly included Wheeler Development, LLC, a full service real estate development firm, which was acquired by us on January 6, 2014. Our headquarters is located at Riversedge North, 2529 Virginia Beach Boulevard, Suite 200, Virginia Beach, Virginia 23452. Our telephone number is (757) 627-9088. Our website is located at WHLR.us. Our Internet website and the information contained therein or connected thereto does not constitute a part of this Form 10-K or any amendment or supplement hereto.

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Business and Growth Strategies

Our strategy is to opportunistically acquire and reinvigorate well-located, potentially dominant retail properties in secondary and tertiary markets that generate attractive risk-adjusted returns. Specifically, we intend to pursue the following strategies to achieve these objectives:

Maximize value through proactive asset management. We believe our market expertise, targeted leasing strategies and proactive approach to asset management will enable us to maximize the operating performance of our portfolio. We will continue to implement an active asset management program to increase the long-term value of each of our properties. This may include expanding existing tenants, re-entitling site plans to allow for additional outparcels, which are small tracts of land used for freestanding development not attached to the main buildings, and repositioning tenant mixes to maximize traffic, tenant sales and percentage rents. As we grow our portfolio, we will seek to maintain a diverse pool of assets with respect to both geographic distribution and tenant mix, helping to minimize our portfolio risk. We will utilize our experience and market knowledge to effectively allocate capital to implement our investment strategy. We continually monitor our markets for opportunities to selectively dispose of properties where returns appear to have been maximized and redeploy proceeds into new acquisitions that have greater return prospects.

Pursue value oriented investment strategy targeting properties fitting within our acquisition profile. We believe the types of retail properties we seek to acquire will provide better risk-adjusted returns compared to other properties in the retail asset class, as well as other property types in general, due to the anticipated improvement in consumer spending habits resulting from a strengthening economy coupled with the long-term nature of the underlying leases and predictability of cash flows. We will acquire retail properties based on identified market and property characteristics, including:

Property type. We focus our investment strategy on income producing assets such as strip centers, neighborhood centers, grocery-anchored centers, community centers and free-standing retail properties. We will target these types of properties because they tend to be more focused on consumer goods as opposed to enclosed malls, which we believe are more oriented to discretionary spending that is susceptible to cyclical fluctuations.

Strip center. A strip center is an attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores. Open canopies may connect the store fronts, but a strip center does not have enclosed walkways linking the stores. A strip center may be configured in a straight line or have an L or U shape.

Neighborhood centers. A neighborhood center is designed to provide convenience shopping for the day-to-day needs of consumers in the immediate neighborhood. Neighborhood centers are often anchored by a supermarket or drugstore. The anchors are supported by outparcels typically occupied by restaurants, fast food operators, financial institutions and in-line stores offering various products and services ranging from soft goods, healthcare and electronics.

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Community centers. A community center typically offers a wider range of apparel and other soft goods relative to a neighborhood center and in addition to supermarkets and drugstores, can include discount department stores as anchor tenants.

Freestanding retail properties. A freestanding retail property constitutes any retail building that is typically occupied by a single tenant. The lease terms are generally structured as triple-net with the tenant agreeing to pay rent as well as all taxes, insurance and maintenance expenses that arise from the use of the property.

Anchor tenant type. We will target properties with anchor tenants that offer consumer goods that are less impacted by fluctuations in consumers' disposable income. We believe nationally and regionally recognized anchor tenants that offer consumer goods provide more predictable property-level cash flows as they are typically higher credit quality tenants that generate stable revenues. We feel these properties will act as a catalyst for incremental leasing demand through increased property foot traffic. We will identify the credit quality of our anchor tenants by conducting a thorough analysis including, but not limited to, a review of tenant operating performance, liquidity and balance sheet strength.

Lease terms. In the near term, we intend to acquire properties that feature one or more of the following characteristics in their tenants' lease structure: properties with long-term leases (10 years remaining on the primary lease term) for anchor tenants; properties under triple-net leases, which are leases where the tenant agrees to pay rent as well as all taxes, insurance and maintenance expenses that arise from the use of the property; thereby minimizing our expenses; and properties with leases which incorporate gross percentage rent and/or rental escalations that act as an inflation hedge while maximizing operating cash flows. As a longer-term strategy, we will look to acquire properties with shorter-term lease structures (2-3 years) for in-line tenants, which are tenants that rent smaller spaces around the anchor tenants within a property, that have below market rents that can be renewed at higher market rates.

Geographic markets and demographics. We plan to seek investment opportunities throughout the United States; however, we will focus on the Northeast, Mid-Atlantic, Southeast and Southwest, which are characterized by attractive demographic and property fundamental trends. We will target competitively protected properties in communities that have stable demographics and have historically exhibited favorable trends, such as strong population and income growth. These communities will also have a combination of the following characteristics:

established trade areas with high barriers to entry,

high population base with expected annual growth rate higher than the national average,

high retail sales per square foot compared to the national average,

above average household income and expected growth,

above-average household density,

favorable infrastructure such as schools to retain and attract residents, and

below-average unemployment rate.

Capitalize on network of relationships to pursue transactions. We plan to pursue transactions in our target markets through the relationships we have developed. Leveraging these relationships, we will target property owners that our management team has transacted with previously, many of whom, we feel, will consider us a preferred counterparty due to our track record of completing fair and timely transactions. We believe this dynamic gives us a competitive advantage in negotiating and executing favorable acquisitions.

Leverage our experienced property management platform. Our executive officers, together with the management teams of our Services Companies, have over 150 years of combined experience managing, operating and leasing retail properties. We consider our Services Companies to be in the best position to oversee the day-to-day operations of our properties, which in turn helps us service our tenants. We feel this generates higher renewal and occupancy rates, minimizes rent interruptions, reduces renewal costs and helps us achieve stronger operating results. Along with this, a major component of our leasing strategy is to cultivate long-term relationships through consistent tenant dialogue in conjunction with a proactive approach to meeting the space requirements of our tenants.

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Grow our platform through a comprehensive financing strategy. We believe our capital structure will provide us with sufficient financial capacity and flexibility to fund future growth. Based on our current capitalization, we believe we will have access to multiple sources of financing that are currently unavailable to many of our private market peers or overleveraged public competitors, which will provide us with a competitive advantage. Over time, these financing alternatives may include follow-on offerings of our common stock, unsecured corporate level debt, preferred equity and credit facilities. We have a ratio of debt to total market capitalization of approximately 65%. Although we are not required by our governing documents to maintain this ratio at any particular level, our Board of Directors will review our ratio of debt to total capital on a quarterly basis, with the goal of maintaining a reasonable rate consistent with our expected ratio of debt to total market capitalization going forward. This strategy will enable us to continue to grow our asset base well into the future.

Policies With Respect to Certain Activities

The following is a discussion of certain of our investment, financing and other policies. These policies have been determined by our board of directors and, in general, may be amended or revised from time to time by our board of directors without a vote of our stockholders.

Investment Policies

Investments in Real Estate or Interests in Real Estate

We will conduct all of our investment activities through our Operating Partnership and its subsidiaries. Our investment objectives are to maximize the cash flow of our properties, acquire properties with cash flow growth potential, provide monthly cash distributions and achieve long-term capital appreciation for our stockholders through increases in the value of our company. Consistent with our policy to acquire assets for both income and capital gain, our Operating Partnership intends to hold its properties for investment with a view to long-term appreciation, to engage in the business of acquiring, developing and owning its properties and to make occasional sales of the properties as are consistent with our investment objectives. We have not established a specific policy regarding the relative priority of these investment objectives.

We expect to pursue our investment objectives primarily through the ownership by our Operating Partnership of our portfolio of properties and other acquired properties and assets. We currently intend to invest primarily in retail properties. Future investment or development activities will not be limited to any geographic area, property type or to a specified percentage of our assets. While we may diversify in terms of property locations, size and market, we do not have any limit on the amount or percentage of our assets that may be invested in any one property or any one geographic area. We intend to engage in such future investment activities in a manner that is consistent with the maintenance of our status as a REIT for U.S. federal income tax purposes. In addition, we may purchase or lease income-producing properties for long-term investment, expand and improve the properties we presently own or other acquired properties, or sell such properties, in whole or in part, when circumstances warrant.

We may also participate with third parties in property ownership, through joint ventures or other types of co-ownership. We also may acquire real estate or interests in real estate in exchange for the issuance of common stock, units, preferred stock or options to purchase stock. These types of investments may permit us to own interests in larger assets without unduly restricting our diversification and, therefore, provide us with flexibility in structuring our portfolio. We will not, however, enter into a joint venture or other partnership arrangement to make an investment that would not otherwise meet our investment policies.

Equity investments in acquired properties may be subject to existing mortgage financing and other indebtedness or to new indebtedness which may be incurred in connection with acquiring or refinancing these properties. Debt service on such financing or indebtedness will have a priority over any dividends with respect to our common stock. Investments are also subject to our policy not to fall within the definition of an investment company under the Investment Company Act of 1940, as amended (the 1940 Act).

Investments in Real Estate Mortgages

We do not intend presently or at any time in the future to invest in real estate mortgages.

Securities of or Interests in Persons Primarily Engaged in Real Estate Activities and Other Issuers

Although not presently contemplated, subject to the percentage of ownership limitations and the income and asset tests necessary for REIT qualification, we may in the future invest in securities of other REITs, other entities engaged in real estate activities or securities of other issuers where such investment would be consistent with our investment objectives. We may invest in

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the debt or equity securities of such entities, including for the purpose of exercising control over such entities. We have no current plans to invest in entities that are not engaged in real estate activities. While we may attempt to diversify our investments with respect to the retail properties owned by such entities, in terms of property locations, size and market, we do not have any limit on the amount or percentage of our assets that may be invested in any one entity, property or geographic area. Our investment objectives are to maximize cash flow of our investments, acquire investments with growth potential and provide cash distributions and long-term capital appreciation to our stockholders through increases in the value of our company. We have not established a specific policy regarding the relative priority of these investment objectives. We will not underwrite the securities of any other issuers and will limit our investment in such securities so that we will not fall within the definition of an investment company under the 1940 Act.

Investments in Other Securities

Other than as described above, we do not currently intend to invest in any additional securities such as bonds, preferred stocks or common stock, although we reserve the right to do so if our board of directors determines that such action would be in our best interests.

Dispositions

We do not currently intend to dispose of any of our properties, although we reserve the right to do so if, based upon management's periodic review of our portfolio, our board of directors determines that such action would be in our best interests. The tax consequences to our directors and executive officers who hold units resulting from a proposed disposition of a property may influence their decision as to the desirability of such proposed disposition.

Financings and Leverage Policy

In the future, we anticipate using a number of different sources to finance our acquisitions and operations, including cash flows from operations, asset sales, seller financing, issuance of debt securities, private financings (such as additional bank credit facilities, which may or may not be secured by our assets), property-level mortgage debt, common or preferred equity issuances or any combination of these sources, to the extent available to us, or other sources that may become available from time to time. Any debt that we incur may be recourse or non-recourse and may be secured or unsecured. We also may take advantage of joint venture or other partnering opportunities as such opportunities arise in order to acquire properties that would otherwise be unavailable to us. We may use the proceeds of our borrowings to acquire assets, to refinance existing debt or for general corporate purposes.

Although we are not required by our governing documents to maintain a ratio of debt to total market capitalization at any particular level, our Board of Directors will review our ratio of debt to total capital on a quarterly basis, with the goal of maintaining a reasonable rate consistent with our expected ratio of debt to total market capitalization going forward. Additionally, we intend, when appropriate, to employ prudent amounts of leverage and to use debt as a means of providing additional funds for the acquisition of assets, to refinance existing debt or for general corporate purposes. We expect to use leverage conservatively, assessing the appropriateness of new equity or debt capital based on market conditions, including prudent assumptions regarding future cash flow, the creditworthiness of tenants and future rental rates. Our charter and bylaws do not limit the amount of debt that we may incur. Our board of directors has not adopted a policy limiting the total amount of debt that we may incur.

Our board of directors will consider a number of factors in evaluating the amount of debt that we may incur. If we adopt a debt policy, our board of directors may from time to time modify such policy in light of then-current economic conditions, relative costs of debt and equity capital, market values of our properties, general conditions in the market

for debt and equity securities, fluctuations in the market price of our common stock, growth and acquisition opportunities and other factors. Our decision to use leverage in the future to finance our assets will be at our discretion and will not be subject to the approval of our stockholders, and we are not restricted by our governing documents or otherwise in the amount of leverage that we may use.

Lending Policies

We have not made any loans to third parties, although we do not have a policy limiting our ability to make loans to other persons. We may consider offering purchase money financing in connection with the sale of properties where the provision of that financing will increase the value to be received by us for the property sold. We also may make loans to joint ventures in which we participate. However, we do not intend to engage in significant lending activities. Any loan we make will be consistent with maintaining our status as a REIT.

Equity Capital Policies

To the extent that our board of directors recommends that we obtain additional capital, we may issue debt or equity securities, including additional units or senior securities of our Operating Partnership, retain earnings (subject to provisions in the Code

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requiring distributions of income to maintain REIT qualification) or pursue a combination of these methods. As long as our Operating Partnership is in existence, we will generally contribute the proceeds of all equity capital raised by us to our Operating Partnership in exchange for additional interests in our Operating Partnership, which will dilute the ownership interests of the limited partners in our Operating Partnership.

Existing stockholders will have no preemptive rights to common or preferred stock or units issued in any securities offering by us, and any such offering might cause a dilution of a stockholder's investment in us. Although we have no current plans to do so, we may in the future issue shares of common stock or units in connection with acquisitions of property.

We may, under certain circumstances, purchase shares of our common stock or other securities in the open market or in private transactions with our stockholders, provided that those purchases are approved by our board of directors. Our board of directors has no present intention of causing us to repurchase any shares of our common stock or other securities, and any such action would only be taken in conformity with applicable federal and state laws and the applicable requirements for qualification as a REIT.

Change in Investment and Financing Objectives and Policies

Our investment policies and objectives and the methods of implementing our investment objectives and policies, except to the extent set forth in our charter, may be altered by our board of directors, without approval of our stockholders. If we change these policies during the offering period, we will disclose these changes in a prospectus supplement prior to the effective time of these changes. If we change these policies after the offering, we will inform our stockholders of the change within ten days after our board of directors alters our investment objectives and policies, by either a press release or notice of another event on a Current Report on Form 8-K or another method deemed reasonable by our board of directors.

Conflict of Interest Policies

Overview. Conflicts of interest could arise in the future as a result of the relationships between us and our affiliates, on the one hand, and our Operating Partnership or any partner thereof, on the other. Our directors and officers have duties to our company under applicable Maryland law in connection with their management of our company. At the same time, we, as the general partner of our Operating Partnership, have fiduciary duties and obligations to our Operating Partnership and its other partners under Virginia law and the Partnership Agreement in connection with the management of our Operating Partnership. Our fiduciary duties and obligations, as the general partner of our Operating Partnership, may come into conflict with the duties of our directors and officers to our company.

Under Virginia law (where our Operating Partnership is formed), a general partner of a Virginia limited partnership has fiduciary duties of loyalty and care to the partnership and its partners and must discharge its duties and exercise its rights as general partner under the Partnership Agreement or Virginia law consistently with the obligation of good faith and fair dealing. The duty of loyalty requires a general partner of a Virginia general partnership to account to the partnership and hold as trustee for it any property, profit, or benefit derived by the general partner in the conduct of the partnership business or derived from a use by the general partner of partnership property, including the appropriation of a partnership opportunity, to refrain from dealing with the partnership in the conduct of the partnership's business as or on behalf of a party having an interest adverse to the partnership and to refrain from competing with the partnership in the conduct of the partnership business, although the Partnership Agreement may identify specific types or categories of activities that do not violate the duty of loyalty. The Partnership Agreement provides that, in the event of a conflict between the interests of our Operating Partnership or any partner, on the one hand, and the separate interests of our company or our stockholders, on the other hand, we, in our capacity as the

general partner of our Operating Partnership, are under no obligation not to give priority to the separate interests of our company or our stockholders, and that any action or failure to act on our part or on the part of our directors that gives priority to the separate interests of our company or our stockholders that does not result in a violation of the contract rights of the limited partners of the Operating Partnership under its Partnership Agreement does not violate the duty of loyalty that we, in our capacity as the general partner of our Operating Partnership, owe to the Operating Partnership and its partners. The duty of care requires a general partner to refrain from engaging in grossly negligent or reckless conduct, intentional misconduct or a knowing violation of law, and this duty may not be unreasonably reduced by the Partnership Agreement.

The Partnership Agreement provides that we are not liable to our Operating Partnership or any partner for monetary damages for losses sustained, liabilities incurred or benefits not derived by our Operating Partnership or any limited partner, except for liability for our intentional harm or gross negligence. The Partnership Agreement also provides that any obligation or liability in our capacity as the general partner of our Operating Partnership that may arise at any time under the Partnership Agreement or any other instrument, transaction or undertaking contemplated by the Partnership Agreement will be satisfied, if at all, out of our assets or the assets of our Operating Partnership only, and no obligation or liability of the general partner will be personally binding upon any of our directors, stockholders, officers, employees or agents, regardless of whether such obligation or liability is in the nature of contract, tort or otherwise, and none of our directors or officers will be liable or accountable in damages or otherwise to the partnership, any partner or any assignee of a partner for losses sustained, liabilities incurred or benefits not derived as a result of errors in judgment or mistakes

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of fact or law or any act or omission. Our Operating Partnership must indemnify us, our directors and officers, officers of our Operating Partnership and any other person designated by us against any and all losses, claims, damages, liabilities (whether joint or several), expenses (including, without limitation, attorneys' fees and other legal fees and expenses), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, that relate to the operations of the Operating Partnership, unless (1) an act or omission of the person was material to the matter giving rise to the action and either was committed in bad faith or was the result of active and deliberate dishonesty, (2) for any transaction for which such person actually received an improper personal benefit in violation or breach of any provision of the Partnership Agreement, or (3) in the case of a criminal proceeding, the person had reasonable cause to believe the act or omission was unlawful.

Our Operating Partnership must also pay or reimburse the reasonable expenses of any such person upon its receipt of a written affirmation of the person's good faith belief that the standard of conduct necessary for indemnification has been met and a written undertaking to repay any amounts paid or advanced if it is ultimately determined that the person did not meet the standard of conduct for indemnification. Our Operating Partnership will not indemnify or advance funds to any person with respect to any action initiated by the person seeking indemnification without our approval (except for any proceeding brought to enforce such person's right to indemnification under the Partnership Agreement) or if the person is found to be liable to our Operating Partnership on any portion of any claim in the action.

No reported decision of a Virginia appellate court has interpreted provisions similar to the provisions of the Partnership Agreement of our Operating Partnership that modify or reduce the fiduciary duties and obligations of a general partner or reduce or eliminate our liability for money damages to the Operating Partnership and its partners, and we have not obtained an opinion of counsel as to the enforceability of the provisions set forth in the Partnership Agreement that purport to modify or reduce our fiduciary duties that would be in effect were it not for the Partnership Agreement.

Sale or Refinancing of Properties. Upon the sale of certain of the properties to be owned by us, certain unit-holders could incur adverse tax consequences which are different from the tax consequences to us and to holders of our common stock. Consequently, unitholders may have differing objectives regarding the appropriate pricing and timing of any such sale or repayment of indebtedness.

While we will have the exclusive authority under the Partnership Agreement to determine whether, when, and on what terms to sell a property or when to refinance or repay indebtedness, any such decision would require the approval of our board of directors.

Policies Applicable to All Directors and Officers. Our charter and bylaws do not restrict any of our directors, officers, stockholders or affiliates from having a pecuniary interest in an investment or transaction that we have an interest in or from conducting, for their own account, business activities of the type we conduct. We intend, however, to adopt policies that are designed to eliminate or minimize potential conflicts of interest, including a policy for the review, approval or ratification of any related party transactions. This policy will provide that the audit committee of our board of directors will review the relevant facts and circumstances of each related party transaction, including if the transaction is on terms comparable to those that could be obtained in arm's length dealings with an unrelated third party before approving such transaction. We have adopted a code of business conduct and ethics, which provides that all of our directors, officers and employees are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position without our consent. However, we cannot assure you that these policies or provisions of law will always be successful in eliminating the influence of such conflicts, and if they are not successful, decisions could be made that might fail to reflect fully the interests of all stockholders.

Interested Director and Officer Transactions

Pursuant to the Maryland General Corporation Law (MGCL), a contract or other transaction between us and a director or between us and any other corporation or other entity in which any of our directors is a director or has a material financial interest is not void or voidable solely on the grounds of such common directorship or interest, the presence of such director at the meeting at which the contract or transaction is authorized, approved or ratified or the counting of the director's vote in favor thereof, provided that:

the fact of the common directorship or interest is disclosed or known to our board of directors or a committee of our board, and our board or such committee authorizes, approves or ratifies the transaction or contract by the affirmative vote of a majority of disinterested directors, even if the disinterested directors constitute less than a quorum;

the fact of the common directorship or interest is disclosed or known to our stockholders entitled to vote thereon, and the transaction or contract is authorized, approved or ratified by a majority of the votes cast by the stockholders entitled to vote other than the votes of shares owned of record or beneficially by the interested director or corporation, firm or other entity; or

the transaction or contract is fair and reasonable to us at the time it is authorized, ratified or approved.

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Furthermore, under Virginia law, we, as general partner, have a fiduciary duty of loyalty to our Operating Partnership and its partners and, consequently, such transactions also are subject to the duties that we, as general partner, owe to the Operating Partnership and its limited partners (as such duty has been modified by the Partnership Agreement). We have adopted a policy that requires that all contracts and transactions between us, our Operating Partnership or any of our subsidiaries, on the one hand, and any of our directors or executive officers or any entity in which such director or executive officer is a director or has a material financial interest, on the other hand, must be approved by the affirmative vote of a majority of our disinterested directors even if less than a quorum. Where appropriate, in the judgment of the disinterested directors, our board of directors may obtain a fairness opinion or engage independent counsel to represent the interests of non-affiliated security holders, although our board of directors will have no obligation to do so.

Policies With Respect To Other Activities

We will have authority to offer common stock, preferred stock or options to purchase stock in exchange for property and to repurchase or otherwise acquire our common stock or other securities in the open market or otherwise, and we may engage in such activities in the future. We expect, but are not obligated, to issue common stock to holders of common units upon exercise of their redemption rights. Our board of directors has the authority, without further stockholder approval, to amend our charter to increase or decrease the number of authorized shares of common stock or preferred stock and authorize us to issue additional shares of common stock or preferred stock, in one or more series, including senior securities, in any manner, and on the terms and for the consideration, it deems appropriate. We have not engaged in trading, underwriting or agency distribution or sale of securities of other issuers other than our Operating Partnership and do not intend to do so. At all times, we intend to make investments in such a manner as to qualify as a REIT, unless because of circumstances or changes in the Code, or the Treasury regulations, our board of directors determines that it is no longer in our best interest to qualify as a REIT. In addition, we intend to make investments in such a way that we will not be treated as an investment company under the 1940 Act.

Reporting Policies

We intend to make available to our stockholders our annual reports, including our audited consolidated financial statements. After this offering, we will become subject to the information reporting requirements of the Exchange Act. Pursuant to those requirements, we will be required to file annual and periodic reports, proxy statements and other information, including audited consolidated financial statements, with the SEC.

Item 1A. Risk Factors.

Not applicable.

Item 1B. Unresolved Staff Comments.

Not applicable.

Item 2. Properties. Our Portfolio

We currently own twenty-three properties located in Virginia, North Carolina, South Carolina, Florida, Georgia, Oklahoma, Tennessee and New Jersey, containing a total of approximately 1,294,572 million rentable square feet of retail space, which we refer to as our portfolio. The following table presents an overview of our portfolio, based on information as of December 31, 2013.

Table of Contents**Portfolio**

Property	Location	Number of Tenants	Net Rentable Square Feet	Percentage Leased	Annualized Base Rent	Annualized Base Rent per Leased Square Foot
Amscot Building	Tampa, FL	1	2,500	100.00%	\$ 101,395	\$ 40.56
Bixby Commons	Bixby, OK	1	75,000	100.00%	768,500	10.25
Clover Plaza	Clover, SC	10	45,575	100.00%	352,765	7.74
Forrest Gallery	Tullahoma, TN	24	214,451	90.46%	1,143,267	5.89
Harps at Harbor Point	Grove, OK	1	31,500	100.00%	364,432	11.57
Jenks Plaza	Jenks, OK	5	7,800	100.00%	143,611	18.41
Jenks Reasors	Jenks, OK	1	81,000	100.00%	912,000	11.26
Lumber River Village	Lumberton, NC	12	66,781	100.00%	526,846	7.89
Monarch Bank	Virginia Beach, VA	1	3,620	100.00%	250,757	69.27
Perimeter Square	Tulsa, OK	8	58,277	95.70%	708,055	12.70
Riversedge North	Virginia Beach, VA	1	10,550	100.00%	291,372	27.62
Shoppes at TJ Maxx	Richmond, VA	15	93,552	88.76%	922,490	11.11
South Square	Lancaster, SC	5	44,350	89.85%	317,309	7.96
Starbucks/Verizon	Virginia Beach, VA	2	5,600	100.00%	198,854	35.51
St. George Plaza	St. George, SC	6	59,279	85.75%	357,175	7.03
Surrey Plaza	Hawkinsville, GA	5	42,680	100.00%	292,486	6.85
Tampa Festival	Tampa, FL	22	137,987	100.00%	1,222,859	8.86
The Shoppes at Eagle Harbor	Carrollton, VA	6	23,303	94.48%	416,261	18.91
Twin City Commons	Batesburg-Leesville, SC	5	47,680	100.00%	450,796	9.45
Walnut Hill Plaza	Petersburg, VA	11	89,907	82.69%	575,462	7.74
Waterway Plaza	Little River, SC	9	49,750	97.59%	436,965	9.00
Westland Square	West Columbia, SC	6	62,735	83.14%	414,086	7.94
Winslow Plaza	Sicklerville, NJ	16	40,695	94.10%	582,055	15.20
Total Portfolio		173	1,294,572	94.02%	\$ 11,749,798	\$ 9.65

Description of Our Properties

The following properties comprise our current portfolio of twenty-three properties:

Amscot Building

The Amscot Building is a 2,500 square foot free-standing branch location of Amscot Corporation built by Wheeler Development in 2004. Amscot Corporation is a financial services business, offering services such as check cashing, money orders, payday advances and prepaid debit cards. The property is located in Tampa, Florida and has been 100% leased by Amscot Corporation since March 2005. The annual rent under the Amscot Corporation lease is currently

\$101,400. The Amscot Corporation lease will expire March 31, 2020, subject to three renewal terms of five years each.

Bixby Commons

Bixby Commons is a 75,000 square foot shopping center built in 2012 and located in Bixby, Oklahoma (Tulsa metropolitan area). The property is 100% leased by one tenant, Associated Wholesale Grocers (AWG), who in turn subleases 100% of the property to a Reasor's Foods grocery store under a single tenant triple net lease. The annual rent under the Reasor's Foods sublease is currently \$768,500, or a \$10.25 annualized rent per square foot. The Reasor's Foods sublease will expire on December 31, 2032 and is subject to four renewal options of five years each.

Clover Plaza

Clover Plaza is a 45,575 square foot neighborhood shopping center built in 1990. The property is located in Clover, South Carolina and is currently occupied by nine tenants, including Food Lion and Dollar Tree.

The following tenants lease more than 10% of the net rentable square feet of Clover Plaza:

Food Lion

Food Lion leases 29,000 net rentable square feet, representing 63.63% of the net rentable square feet of Clover Plaza.

Annual rent under the Food Lion lease is \$158,375.

The Food Lion lease expires on August 10, 2015 and has seven renewal options for five years each.

Table of Contents**Dollar Tree**

Dollar Tree leases 8,450 net rentable square feet, representing 19.05% of the net rentable square feet of Clover Plaza.

Annual rent under the Dollar Tree lease is \$54,925.

The Dollar Tree lease expires on April 30, 2015 and has two renewal options for five years each.

The following table sets forth the percentage leased and annualized rent per leased square foot for Clover Plaza as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot(1)
December 31, 2013	100.00%	\$ 7.74
December 31, 2012	100.00	7.59
December 31, 2011	97.86	6.81
December 31, 2010	100.00	7.17
December 31, 2009	97.15	6.90

(1) Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage leased.

The following table sets forth the lease expirations for leases in place at Clover Plaza as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
Available			0.00%	\$		\$
2014	2	2,600	5.70%	41	11.61%	15.77
2015	2	37,450	82.17%	213	60.34%	5.69
2016	2	1,625	3.57%	36	10.20%	22.15
2017	2	975	2.14%	17	4.82%	17.44
2018	1	1,300	2.85%	21	5.95%	16.15
2019			0.00%		0.00%	
2020			0.00%		0.00%	
2021			0.00%		0.00%	
2022			0.00%		0.00%	
2023	1	1,625	3.57%	25	7.08%	15.38
	10	45,575	100.00%	\$ 353	100.00%	\$ 7.75

- (1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

Forrest Gallery

Forrest Gallery is a 214,451 square foot community shopping center built in 1987, and anchored by a Kroger grocery store and a Peebles department store. The property is located in Tullahoma, Tennessee and is occupied by twenty-four primarily retail and restaurant tenants.

Kroger

Kroger leases 48,780 square feet of net rentable square feet, representing 22.75% of the net rentable square feet of Forrest Gallery.

Annual rent under the Kroger lease is \$278,716.

The Kroger lease expires on January 31, 2018 and has five remaining renewal options for five years.

Table of Contents***Pebbles***

Pebbles leases 32,680 square feet of net rentable square feet, representing 15.24% of the net rentable square feet of Forrest Gallery.

Annual rent under the Pebbles lease is \$172,550.

The Pebbles lease expires on July 29, 2016 and has five remaining renewal options for five years.

Tractor Supply

Tractor Supply leases 25,709 square feet of net rentable square feet, representing 11.99% of the net rentable square feet of Forrest Gallery.

Annual rent under the Tractor Supply lease is \$133,680.

The Tractor Supply lease expires on January 31, 2017 and has two remaining renewal options for five years.

Hastings Entertainment

Hastings Entertainment leases 24,945 square feet of net rentable square feet, representing 11.63% of the net rentable square feet of Forrest Gallery.

Annual rent under the Hastings Entertainment lease is \$106,016.

The Hastings Entertainment lease expires on January 31, 2017 and has two remaining renewal options for five years.

The following table sets forth the percentage leased and annualized rent per leased square foot for Forrest Gallery as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot⁽¹⁾
December 31, 2013	90.46%	\$ 5.89
December 31, 2012	92.75	5.97
December 31, 2011	91.73	5.49
December 31, 2010	93.64	5.60
December 31, 2009	95.53	5.37

⁽¹⁾ Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage leased.

The following table sets forth the lease expirations for leases in place at Forrest Gallery as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
Available		20,453	9.54%	\$		\$
2014	8	16,950	7.90%	145	12.69%	8.55
2015	6	18,240	8.51%	148	12.95%	8.11
2016	3	36,315	16.93%	202	17.67%	5.56
2017	4	68,113	31.76%	325	28.43%	4.77
2018	2	49,980	23.31%	292	25.55%	5.84
2019	1	4,400	2.05%	31	2.71%	7.05
2020			0.00%		0.00%	
2021			0.00%		0.00%	
2022			0.00%		0.00%	
2023			0.00%		0.00%	
	24	214,451	100.00%	\$ 1,143	100.00%	\$ 5.89

(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

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Harps at Harbor Point

Harps at Harbor Point is a 31,500 square foot shopping center built in 2012 and was acquired by our company on December 14, 2012. The property is located in Grove, Oklahoma. The property is 100% leased by one tenant, a Harps Food Store, under a single tenant triple net lease. The annual rent under the Harps Food Store lease is currently \$364,432, or an \$11.57 annualized rent per square foot. The Harps Food Store lease will expire on August 31, 2032 and is subject to eight renewal options of five years each.

Jenks Plaza

Jenks Plaza is a 7,800 square foot strip shopping center built in 2007. The property is located in Jenks, Oklahoma (Tulsa metropolitan area) and is occupied by five primarily retail and restaurant tenants.

Missle Services (Tint World)

Tint World leases 2,600 square feet of net rentable square feet, representing 33.33% of the net rentable square feet of Jenks Plaza.

Annual rent under the Tint World lease is \$49,634.

The Tint World lease expires on November 30, 2014 and has four remaining renewal options for three years.

MacBAACK (Papa Murphy s Pizza)

Papa Murphy s leases 1,500 square feet of net rentable square feet, representing 19.23% of the net rentable square feet of Jenks Plaza.

Annual rent under the Papa Murphy s lease is \$27,509.

The Papa Murphy s lease expires on October 31, 2017 and has one remaining renewal option for five years.

Cuong H. Luong and Chi Kim Thi Doan (Envy Nails)

Envy Nails leases 1,300 square feet of net rentable square feet, representing 16.67% of the net rentable square feet of Jenks Plaza.

Annual rent under the Envy Nails lease is \$25,626.

The Envy Nails lease expires on July 31, 2015 and has no remaining renewal options.

Lamode Quality Cleaners

Lamode Quality Cleaners leases 1,300 square feet of net rentable square feet, representing 16.67% of the net rentable square feet of Jenks Plaza.

Annual rent under the Lamode Quality Cleaners lease is \$22,967.

The Lamode Quality Cleaners lease expires on December 31, 2016 and has no remaining renewal options.

Chun Tony Zhang (Maple Garden)

Maple Garden leases 1,100 square feet of net rentable square feet, representing 14.10% of the net rentable square feet of Jenks Plaza.

Annual rent under the Maple Garden lease is \$17,876.

The Maple Garden lease expires on April 30, 2015 and has one remaining renewal option for five years.

The following table sets forth the percentage leased and annualized rent per leased square foot for Jenks Plaza as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot⁽¹⁾
December 31, 2013	100.00%	\$ 18.41
December 31, 2012	100.00	17.11
December 31, 2011	100.00	16.74
December 31, 2010	83.33	16.59
December 31, 2009	85.90	17.62

⁽¹⁾ Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage leased.

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The following table sets forth the lease expirations for leases in place at Jenks Plaza as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
Available			0.00%	\$		\$
2014	1	2,600	33.33%	50	34.84%	19.23
2015	2	2,400	30.77%	44	30.66%	18.33
2016	1	1,300	16.67%	23	16.03%	17.69
2017	1	1,500	19.23%	27	18.47%	17.67
2018			0.00%		0.00%	
2019			0.00%		0.00%	
2020			0.00%		0.00%	
2021			0.00%		0.00%	
2022			0.00%		0.00%	
2023			0.00%		0.00%	
	5	7,800	100.00%	\$ 144	100.00%	\$ 18.41

(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

Jenks Reasor s

Jenks Reasor s is an 81,000 square foot shopping center built in 2011 and located in Jenks, Oklahoma (Tulsa metropolitan area). The property is 100% leased by Reasor s Foods grocery store under a single tenant triple net lease. The annual rent under the Reasor s Foods lease is currently \$912,000, or an \$11.26 annualized rent per square foot. The Reasor s Foods lease expires on September 30, 2033 and has four renewal options of five years each remaining.

Lumber River Plaza

Lumber River Plaza is a 66,781 square foot neighborhood shopping center built in 1985, expanded in 1997-98 and renovated in 2004. The property is located in Lumberton, North Carolina and is currently occupied by twelve tenants, including Food Lion, Family Dollar, Rent-A-Center and CVS.

The following tenants lease more than 10% of the net rentable square feet of Lumber River Plaza:

Food Lion

Food Lion leases 30,280 net rentable square feet, representing 45.34% of the net rentable square feet of Lumber River Plaza. The Food Lion space recently underwent an interior and exterior renovation.

Annual rent under the Food Lion lease is \$155,250.

The Food Lion lease expires on June 30, 2018 and has four renewal options for five years each.

CVS

CVS leases 9,100 net rentable square feet, representing 13.63% of the net rentable square feet of Lumber River Plaza.

Annual rent under the CVS lease is \$63,700.

The CVS lease expires on September 30, 2015 and has one renewal option for an additional five year period.

Table of Contents**Family Dollar**

Family Dollar leases 8,001 net rentable square feet, representing 11.98% of the net rentable square feet of Lumber River Plaza.

Annual rent under the Family Dollar lease is \$46,746.

The Family Dollar lease expires on December 31, 2017 and has one renewal option for five years.

The following table sets forth the percentage leased and annualized rent per leased square foot for Lumber River Plaza as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot(1)
December 31, 2013	100.00%	\$ 7.89
December 31, 2012	100.00	7.71
December 31, 2011	100.00	7.80
December 31, 2010	100.00	7.48
December 31, 2009	100.00	7.39

(1) Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage leased.

The following table sets forth the lease expirations for leases in place at Lumber River Plaza as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
Available			0.00%	\$		\$
2014	4	8,600	12.88%	117	22.20%	13.60
2015	2	11,500	17.22%	99	18.79%	8.61
2016	2	5,400	8.09%	64	12.14%	11.85
2017	2	9,201	13.78%	65	12.33%	7.06
2018	2	32,080	48.03%	182	34.54%	5.67
2019			0.00%		0.00%	
2020			0.00%		0.00%	
2021			0.00%		0.00%	
2022			0.00%		0.00%	
2023			0.00%		0.00%	

12	66,781	100.00%	\$	527	100.00%	\$	7.89
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(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

Monarch Bank

The Monarch Bank property is a 3,620 square foot free-standing branch location of Monarch Bank and Monarch Financial Holdings, Inc., built in 2002. The property is located in Virginia Beach, Virginia and has been 100% leased by Monarch Bank under a single tenant triple net lease since December 2007. The annual rent under the Monarch Bank lease is currently \$250,757. The Monarch Bank lease expires December 31, 2017 and is subject to one renewal term of five years.

Perimeter Square

Perimeter Square is a 58,277 square foot neighborhood shopping center built in 1982-83. The property is located in Tulsa, Oklahoma. The property is occupied by eight tenants, providing a variety of services, and is shadow-anchored by a Wal-Mart Village Market grocery store, which recently underwent an interior and exterior renovation.

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The following tenants lease more than 10% of the Gross Leaseable Area (GLA) of Perimeter Square:

Career Point Business School

Career Point Business School leases 26,813 net rentable square feet, representing 46.01% of the net rentable square feet of Perimeter Square.

Annual Rent under the Career Point Business School lease is \$365,630.

The Career Point Business School lease expires on June 30, 2018 and is not currently subject to any renewal options.

Dollar Tree

Dollar Tree leases 10,754 net rentable square feet, representing 18.45% of the net rentable square feet of Perimeter Square.

Annual rent under the Dollar Tree lease is \$95,173.

The Dollar Tree lease expires on July 31, 2015 and is not currently subject to any renewal options.

The following table sets forth the percentage leased and annualized rent per leased square foot for Perimeter Square as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot(1)
December 31, 2013	95.70%	\$ 12.70
December 31, 2012	95.70	12.41
December 31, 2011	100.00	11.76
December 31, 2010	100.00	10.87
December 31, 2009	100.00	11.18

(1) Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage leased.

The following table sets forth the lease expirations for leases in place at Perimeter Square as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year Available	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
	2,504		4.30%	\$		\$

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2014	1	1,978	3.39%	23	3.25%	11.63
2015	2	12,754	21.89%	121	17.09%	9.49
2016			0.00%		0.00%	
2017	1	1,535	2.63%	21	2.97%	13.68
2018	2	32,113	55.10%	432	61.02%	13.45
2019	1	2,966	5.09%	41	5.79%	13.82
2020	1	4,427	7.60%	70	9.88%	15.81
2021			0.00%		0.00%	
2022			0.00%		0.00%	
2023			0.00%		0.00%	
	8	58,277	100.00%	\$ 708	100.00%	\$ 12.70

(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

Riversedge North

Riversedge North is a 10,550 square foot free-standing office building built by Wheeler Development in 2007. The property is located in Virginia Beach, Virginia and has been 100% leased by Wheeler Interests since November 2007. The annual rent under the Wheeler Interests lease is currently \$291,372. The Wheeler Interests lease will expire on November 14, 2017, subject to four renewal terms of five years each.

Table of Contents**Shoppes at TJ Maxx**

The Shoppes at TJ Maxx is a 93,552 square foot community shopping center built in 1982 and renovated in 1999, and anchored by TJ Maxx. The property is located in Richmond, Virginia on the West Broad Street shopping corridor and is occupied by fourteen primarily retail and restaurant tenants.

TJ Maxx

TJ Maxx leases 32,400 square feet of net rentable square feet, representing 34.63% of the net rentable square feet of the Shoppes at TJ Maxx.

Annual rent under the TJ Maxx lease is \$294,192.

The TJ Maxx lease expires on April 30, 2019 and has one renewal option for five years.

Cannon s Online Auctions

Cannon s Online Auctions leases 14,000 square feet of net rentable square feet, representing 14.96% of the net rentable square feet of the Shoppes at TJ Maxx.

Annual rent under the Cannon s Online Auctions lease is \$84,000.

The Cannon s Online Auctions lease expires on September 30, 2015 and is not currently subject to any renewal options.

The following table sets forth the percentage leased and annualized rent per leased square foot for Shoppes at TJ Maxx as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot⁽¹⁾
December 31, 2013	88.76%	\$ 11.11
December 31, 2012	90.60	11.21
December 31, 2011	81.20	12.24
December 31, 2010	79.82	11.77
December 31, 2009	88.35	10.85

⁽¹⁾ Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage leased.

The following table sets forth the lease expirations for leases in place at Shoppes at TJ Maxx as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring	Total Expiring	Percent of Total Net Rentable	Expiring Base Rent (in 000s)(1)	Percent of Total	Expiring Base
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	Lease	Net Rentable Square Feet	Square Feet Expiring		Base Rent	Rent Per Leased Square Foot
Available		10,513	11.24%	\$		\$
2014	2	3,612	3.86%	62	6.72%	17.17
2015	2	20,020	21.40%	157	17.03%	7.84
2016	3	6,993	7.47%	132	14.32%	18.88
2017	2	3,642	3.89%	49	5.31%	13.45
2018			0.00%		0.00%	
2019	2	33,400	35.70%	314	34.06%	9.40
2020	3	9,047	9.67%	136	14.75%	15.03
2021			0.00%		0.00%	
2022			0.00%		0.00%	
2023	1	6,325	6.77%	72	7.81%	11.38
	15	93,552	100.00%	\$ 922	100.00%	\$ 11.11

(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

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South Square

South Square is a 44,350 square foot neighborhood shopping center built in 1992. The property is located in Lancaster, South Carolina and is currently occupied by five tenants, including Food Lion and CVS.

The following tenants lease more than 10% of the net rentable square feet of South Square:

Food Lion

Food Lion leases 29,000 net rentable square feet, representing 65.39% of the net rentable square feet of South Square.

Annual rent under the Food Lion lease is \$207,350.

The Food Lion lease expires on December 31, 2017 and has four renewal options for five years each.

CVS

CVS leases 8,450 net rentable square feet, representing 19.05% of the net rentable square feet of South Square.

Annual rent under the CVS lease is \$65,487.

The CVS lease expires on October 31, 2017 and has two renewal options for five years each.

The following table sets forth the percentage leased and annualized rent per leased square foot for South Square as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot(1)
December 31, 2013	89.85%	\$ 7.96
December 31, 2012	89.85	7.94
December 31, 2011	89.85	7.94
December 31, 2010	89.85	7.94
December 31, 2009	93.24	8.07

(1) Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage leased.

The following table sets forth the lease expirations for leases in place at South Square as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring Lease	Total Expiring Net Rentable Square Feet	Percent of Total Net Rental Square Feet	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per
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	Expiring			Leased Square Foot		
Available		4,500	10.15%	\$		\$
2014			0.00%			0.00%
2015			0.00%			0.00%
2016	1	1,200	2.71%	19	5.99%	15.83
2017	2	37,450	84.44%	273	86.12%	7.29
2018	1		0.00%	9	2.84%	
2019			0.00%			0.00%
2020			0.00%			0.00%
2021			0.00%			0.00%
2022			0.00%			0.00%
2023	1	1,200	2.70%	16	5.05%	13.33
	5	44,350	100.00%	\$ 317	100.00%	\$ 7.96

(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

Table of Contents**Starbucks/Verizon**

Starbucks/Verizon is a 5,600 square foot 100% leased free-standing building built in 1985 and significantly renovated in 2012. The property is located in Fairfield Shopping Center in Virginia Beach, Virginia and is subject to a land lease with the shopping center. A Starbucks Coffee and a Verizon Wireless store occupy 2,165 square feet and 3,435 square feet, respectively, with a combined annual rent of \$198,854, or \$35.51 per square feet. The Starbucks lease provides for annual rent of \$79,452, or \$36.70 per square feet, and expires on February 28, 2023 with three available options of five years each. The Verizon Wireless lease provides for annual rent of \$118,164, or \$34.40 per square feet, and expires on October 31, 2022 with three available options of five years each.

St. George Plaza

St. George Plaza is a 59,279 square foot neighborhood shopping center built in 1982. The property is located in St. George, South Carolina and is currently occupied by six tenants, including Food Lion and Family Dollar.

The following tenants lease more than 10% of the net rentable square feet of St. George Plaza:

Food Lion

Food Lion leases 33,518 net rentable square feet, representing 56.54% of the net rentable square feet of St. George Plaza.

Annual rent under the Food Lion lease is \$219,486.

The Food Lion lease expires on February 25, 2018 and has four renewal options for five years each.

Family Dollar

Family Dollar leases 8,001 net rentable square feet, representing 13.50% of the net rentable square feet of St. George Plaza.

Annual rent under the Family Dollar lease is \$37,576.

The Family Dollar lease expires on December 31, 2016 and has one renewal option for five years.

The following table sets forth the percentage leased and annualized rent per leased square foot for St. George Plaza as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot(1)
December 31, 2013	85.75%	\$ 7.03
December 31, 2012	78.05	7.05
December 31, 2011	92.31	7.08
December 31, 2010	92.31	7.05
December 31, 2009	92.31	7.04

- (1) Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage leased.

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The following table sets forth the lease expirations for leases in place at St. George Plaza as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
Available		8,450	14.25%	\$		\$
2014			0.00%		0.00%	
2015			0.00%		0.00%	
2016	2	9,501	16.03%	58	16.25%	6.10
2017			0.00%		0.00%	
2018	4	41,328	69.72%	299	83.75%	7.23
2019			0.00%		0.00%	
2020			0.00%		0.00%	
2021			0.00%		0.00%	
2022			0.00%		0.00%	
2023			0.00%		0.00%	
	6	59,279	100.00%	\$ 357	100.00%	\$ 7.03

(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

Surrey Plaza

Surrey Plaza is a 42,680 square foot neighborhood shopping center built in 1993. The property is located in Hawkinsville, Georgia and is currently occupied by five tenants, including a Harvey's Supermarket, Rite Aid and Snap Fitness.

The following tenants lease more than 10% of the GLA of Surrey Plaza:

Harvey's Supermarket

Harvey's Supermarket leases 29,000 net rentable square feet, representing 67.95% of the net rentable square feet of the Surrey Plaza.

Annual rent under the Harvey's lease is \$187,050.

The Harvey's lease expires on January 19, 2018 and has three renewal options for five years each.

Rite Aid Pharmacy

Rite Aid leases 7,680 net rentable square feet, representing 17.99% of the net rentable square feet of Surrey Plaza.

Annual rent under the Rite Aid lease is \$49,920.

The Rite Aid lease expires on January 19, 2018 and has one renewal option for five years.

Snap Fitness

Snap Fitness leases 4,500 net rentable square feet, representing 10.54% of the net rentable square feet of Surrey Plaza.

Annual rent under the Snap Fitness lease is \$31,500.

The Snap Fitness lease expires on March 31, 2017 and has two renewal options for five years each.

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The following table sets forth the percentage leased and annualized rent per leased square foot for Surrey Plaza as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot⁽¹⁾
December 31, 2013	100.00%	\$ 6.85
December 31, 2012	100.00	7.09
December 31, 2011	89.46	7.06
December 31, 2010	92.97	7.18
December 31, 2009	100.00	7.24

The following table sets forth the lease expirations for leases in place at Surrey Plaza as of December 31, 2013, assuming that the tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
Available			0.00%	\$		\$
2014	1		0.00%	6	2.05%	
2015			0.00%		0.00%	
2016			0.00%		0.00%	
2017	1	4,500	10.54%	32	10.94%	7.11
2018	3	38,180	89.46%	255	87.01%	6.67
2019			0.00%		0.00%	
2020			0.00%		0.00%	
2021			0.00%		0.00%	
2022			0.00%		0.00%	
2023			0.00%		0.00%	
	5	42,680	100.00%	\$ 293	100.00%	\$ 6.85

(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

Tampa Festival

Tampa Festival is a 137,987 square foot community shopping center located in Tampa, Florida that was built in 1965 with extensive renovations occurring in 2009 and an 11,650 square foot expansion in 2012. The property is occupied by twenty-two primarily retail and restaurant tenants, including a Winn Dixie grocery store as its primary anchor.

Winn Dixie

Winn Dixie leases 45,600 square feet of net rentable square feet, representing 33.05% of the net rentable square feet of Tampa Festival.

Annual rent under the Winn Dixie lease is \$239,400.

The Winn Dixie lease expires on June 30, 2018 and has four remaining renewal options for five years.

Rainbow USA

Rainbow USA leases two spaces totaling 16,800 square feet of net rentable square feet, representing 11.86% of the net rentable square feet of Tampa Festival.

Annual rent under the Rainbow USA leases is \$183,950.

The Rainbow USA lease expires on January 31, 2018 and has three remaining renewal options for five years.

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Citi Trends

Citi Trends leases 15,159 square feet of net rentable square feet, representing 10.99% of the net rentable square feet of Tampa Festival.

Annual rent under the Citi Trends lease is \$94,289.

The Citi Trends lease expires on October 31, 2019 and has three remaining renewal options for five years.

Family Dollar

Family Dollar leases 15,000 square feet of net rentable square feet, representing 10.87% of the net rentable square feet of Tampa Festival.

Annual rent under the Family Dollar lease is \$93,000.

The Family Dollar lease expires on December 31, 2018 and has two remaining renewal options for five years.

The following table sets forth the percentage leased and annualized rent per leased square foot for Tampa Festival as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot⁽¹⁾
December 31, 2013	100.00%	\$ 8.86
December 31, 2012	95.59	8.19
December 31, 2011	94.10	7.35
December 31, 2010	97.20	7.60
December 31, 2009	94.72	7.42

(1) Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage leased.

The following table sets forth the lease expirations for leases in place at Tampa Festival as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year Available	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
2014	1	1,600	1.16%	18	1.47%	11.25
2015	7	12,282	8.90%	175	14.31%	14.25

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2016	4	8,375	6.07%	141	11.53%	16.84
2017	2	7,321	5.31%	71	5.81%	9.70
2018	5	81,300	58.92%	558	45.63%	6.86
2019	2	19,959	14.46%	144	11.77%	7.21
2020			0.00%		0.00%	
2021			0.00%		0.00%	
2022	1	7,150	5.18%	116	9.48%	16.22
2023			0.00%		0.00%	
	22	137,987	100.00%	\$ 1,223	100.00%	\$ 8.86

(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

The Shoppes at Eagle Harbor

The Shoppes at Eagle Harbor is a 23,303 square foot strip center built by Wheeler Development in 2009. The property is located in Carrollton, Virginia and is occupied by six tenants in a variety of businesses including retail, food service, and healthcare.

The following tenants lease more than 10% of the net rentable square feet of The Shoppes at Eagle Harbor:

Bon Secours Hampton Roads Health System

Bon Secours leases 7,012 net rentable square feet, representing 30.09% of the net rentable square feet of The Shoppes at Eagle Harbor.

Annual rent under Bon Secours lease is \$130,118.

The Bon Secours lease expires on September 30, 2015 and has four renewal options for three years each.

Table of Contents***A.J. Gators Sports Bar & Grill***

A.J. Gators Sports Bar & Grill currently leases 5,337 net rentable square feet, representing 22.90% of the net rentable square feet of The Shoppes at Eagle Harbor.

Annual rent under the A.J. Gators Sports Bar & Grill lease is \$105,456.

The A.J. Gators Sports Bar & Grill lease expires on October 31, 2016 and has one renewal option for five years.

Anytime Fitness

Anytime Fitness leases 4,084 net rentable square feet, representing 17.53% of the net rentable square feet of The Shoppes at Eagle Creek.

Annual rent under the Anytime Fitness lease is \$72,769.

The Anytime Fitness lease expires on January 31, 2019 and has one renewal option for five years.

Animal Clinic of Eagle Harbor

The Animal Clinic of Eagle Harbor leases 2,812 net rentable square feet, representing 12.07% of the net rentable square feet of The Shoppes at Eagle Harbor.

Annual rent under the Animal Clinic of Eagle Harbor lease is \$61,864.

The Animal Clinic of Eagle Harbor lease expires on July 31, 2014 and is not currently subject to any renewal options.

The following table sets forth the percentage leased and annualized rent per leased square foot for The Shoppes at Eagle Harbor as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot⁽¹⁾
December 31, 2013	94.48%	\$ 18.91
December 31, 2012	100.00	20.28
December 31, 2011	100.00	18.84
December 31, 2010	94.05	20.50
December 31, 2009	94.05	20.26

⁽¹⁾ Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage.

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The following table sets forth the lease expirations for leases in place at The Shoppes at Eagle Harbor as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
Available		1,286	5.52%	\$		\$
2014	2	4,198	18.01%	82	19.69%	19.53
2015	2	8,398	36.04%	156	37.56%	18.62
2016	1	5,337	22.90%	105	25.22%	19.67
2017			0.00%		0.00%	
2018			0.00%		0.00%	
2019	1	4,084	17.53%	73	17.53%	17.87
2020			0.00%		0.00%	
2021			0.00%		0.00%	
2022			0.00%		0.00%	
2023			0.00%		0.00%	
	6	23,303	100.00%	\$ 416	100.00%	\$ 18.91

(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

Table of Contents**Twin City Commons**

Twin City Commons is a 47,680 square foot neighborhood shopping center built in 1998 and renovated in 2002. We acquired the center on December 21, 2012. The property is located in Batesburg-Leesville, South Carolina and is currently occupied by five tenants, including a BI-LO grocery store.

BI-LO leases 41,980 net rentable square feet, representing 88.05% of the total net rentable square feet at Twin City Crossing. BI-LO is the only tenant leasing in excess of 10% of the GLA of Twin City Commons. The annual rent under the BI-LO lease is \$356,830. The BI-LO lease is set to expire on December 31, 2021 and is subject to six renewal options of five years each.

The following table sets forth the percentage leased and annualized rent per leased square foot for Twin City Commons as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot⁽¹⁾
December 31, 2013	100.00%	\$ 9.45
December 31, 2012	100.00	9.37
December 31, 2011	100.00	9.27
December 31, 2010	100.00	9.26
December 31, 2009	100.00	9.25

The following table sets forth the lease expirations for leases in place at Twin City Commons as of December 31, 2013, assuming that the tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
Available			0.00%	\$		\$
2014			0.00%		0.00%	
2015	1	1,200	2.52%	19	4.22%	15.83
2016			0.00%		0.00%	
2017	1	1,800	3.78%	36	7.99%	20.00
2018			0.00%		0.00%	
2019	1	1,200	2.52%	16	3.55%	13.33
2020			0.00%		0.00%	
2021	1	41,980	88.05%	358	79.36%	8.52
2022			0.00%		0.00%	
2023	1	1,500	3.13%	22	4.88%	14.67
	5	47,680	100.00%	\$ 451	100.00%	\$ 9.45

- (1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

Walnut Hill Plaza

Walnut Hill Plaza is an 89,907 square foot neighborhood shopping center built in 1959 and most recently renovated in 2008 by Wheeler Development. The property is located in Petersburg, Virginia. The property is occupied by eleven tenants and features a variety of retailers including Maxway, Save-A-Lot, Rent-A-Center and Family Dollar.

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The following tenants lease more than 10% of the net rentable square feet of Walnut Hill Plaza:

Variety Wholesalers

Variety Wholesalers leases 15,000 square feet of net rentable square feet, representing 16.68% of the net rentable square feet of Walnut Hill Plaza. Variety Wholesalers operates a Maxway department store at this location.

Annual rent under the Variety Wholesalers lease is \$75,000.

The Variety Wholesalers lease expires on February 28, 2018 and is not currently subject to any renewal options.

Moran Foods, Inc.

Moran Foods leases 14,812 square feet of net rentable square feet, representing 16.48% of the net rentable square feet of Walnut Hill Plaza. Moran Foods operates a Save-A-Lot grocery store at this location.

Annual rent under the Moran Foods lease is \$97,759.

The Moran Foods lease expires on February 29, 2016 and has two renewal options remaining, for five years each.

Beauty World

Beauty World leases 11,780 net rentable square feet, representing 13.10% of the net rentable square feet of Walnut Hill Plaza.

Annual Rent under the Beauty World lease is \$111,321.

The Beauty World lease expires on March 31, 2018 and has one renewal option for an additional five year period.

Citi Trends

Citi Trends clothing retailer leases 9,875 net rentable square feet, representing 10.98% of the net rentable square feet of Walnut Hill Plaza.

Annual rent under the Citi Trends lease is \$64,188.

The Citi Trends lease is in the midst of its first and only renewal option period and the lease is currently set to expire on July 30, 2018.

The following table sets forth the percentage leased and annualized rent per leased square foot for Walnut Hill Plaza as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot⁽¹⁾
December 31, 2013	82.69%	\$ 7.74
December 31, 2012	82.69	7.40

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December 31, 2011	82.69	7.31
December 31, 2010	82.69	6.31
December 31, 2009	81.86	6.23

- (1) Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage leased.

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The following table sets forth the lease expirations for leases in place at Walnut Hill Plaza as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
Available		15,562	17.31%	\$		\$
2014	2	5,078	5.65%	53	9.21%	10.44
2015			0.00%		0.00%	
2016	4	25,532	28.40%	201	34.93%	7.87
2017	1	4,680	5.21%	36	6.26%	7.69
2018	3	36,655	40.77%	252	43.70%	6.86
2019	1	2,400	2.66%	34	5.90%	14.17
2020			0.00%		0.00%	
2021			0.00%		0.00%	
2022			0.00%		0.00%	
2023			0.00%		0.00%	
	11	89,907	100.00%	\$ 576	100.00%	\$ 7.74

(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

Waterway Plaza

Waterway Plaza is a 49,750 square foot neighborhood shopping center built in 1991. The property is located in Little River, South Carolina and is currently occupied by eight tenants, including Food Lion and Family Dollar.

The following tenants lease more than 10% of the net rentable square feet of Waterway Plaza:

Food Lion

Food Lion leases 29,000 net rentable square feet, representing 58.29% of the net rentable square feet of Waterway Plaza.

Annual rent under the Food Lion lease is \$195,750.

The Food Lion lease expires on December 31, 2017 and has four renewal options for five years each.

Family Dollar

Family Dollar leases 8,450 net rentable square feet, representing 16.98% of the net rentable square feet of Waterway Plaza.

Annual rent under the Family Dollar lease is \$73,958.

The Family Dollar lease expires on October 31, 2017 and has three renewal option for five years each.

The following table sets forth the percentage leased and annualized rent per leased square foot for Waterway Plaza as of the indicated dates:

Date	Percent Leased	Annualized Rent Per Leased Square Foot(1)
December 31, 2013	97.59%	\$ 9.00
December 31, 2012	97.59	8.43
December 31, 2011	97.59	8.55
December 31, 2010	100.00	8.60
December 31, 2009	96.98	8.50

- (1) Annualized rent per leased square foot is calculated by dividing (i) annualized base rent, by (ii) square footage leased.

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The following table sets forth the lease expirations for leases in place at Waterway Plaza as of December 31, 2013, assuming that tenants do not exercise any renewal options or early termination options:

Lease Expiration Year	Number of Expiring Leases	Total Expiring Net Rentable Square Feet	Percent of Total Net Rentable Square Feet Expiring	Expiring Base Rent (in 000s)(1)	Percent of Total Base Rent	Expiring Base Rent Per Leased Square Foot
Available		1,200	2.41%	\$		\$
2014			0.00%		0.00%	
2015	1	8,450	16.98%	74	16.93%	8.76
2016	5	34,400	69.15%	278	63.62%	8.08
2017	1	1,800	3.62%	24	5.49%	13.33
2018			0.00%		0.00%	
2019	1	1,500	3.02%	21	4.81%	14.00
2020			0.00%		0.00%	
2021			0.00%		0.00%	
2022	1	2,400	4.82%	40	9.15%	16.67
2023			0.00%		0.00%	
	9	49,750	100.00%	\$ 437	100.00%	\$ 9.00

(1) Annualized rent is calculated by multiplying (i) base rental payments for the month ended December 31, 2013 for the leases expiring during the applicable period, by (ii) 12.

Westland Square

Westland Square is a 62,735 square foot neighborhood shopping center built in 1986 and renovated in 1994. The property is located in West Columbia, South Carolina and is currently occupied by six tenants, including Food Lion and Family Dollar.

The following tenants lease more than 10% of the net rentable square feet of Westland Square:

Food Lion

Food Lion leases 29,000 net rentable square feet, representing 46.23% of the net rentable square feet of Westland Square.

Annual rent under the Food Lion lease is \$224,750.

The Food Lion lease expires on May 29, 2016 and has six renewal options for five years each.

Family Dollar

Family Dollar leases 9,375 net rentable square feet, representing 14.94% of the net rentable square feet of Westland Square.

Annual rent under the Family Dollar lease is \$41,250.