# Section 1: 8-K (8-K)

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

# FORM 8-K

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

Date of Report (Date of earliest event reported):
**November 2, 2016**

## URBAN EDGE PROPERTIES

(Exact name of Registrant as specified in its charter)

| **Maryland** | **No. 001-36523** | **47-6311266** |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification Number) |

**888 Seventh Avenue**
**New York, NY 10019**
(Address of Principal Executive offices) (Zip Code)

Registrant’s telephone number including area code: **(212) 956-2556**

Former name or former address, if changed since last report: **N/A**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2.):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02 Results of Operations and Financial Condition**

On November 2, 2016, Urban Edge Properties (the "Company") announced its financial results for the three and nine months ended September 30, 2016. A copy of the Company's Earnings Press Release is furnished as Exhibit 99.1 to this report on Form 8-K. A copy of the Company's Supplemental Disclosure Package is furnished as Exhibit 99.2 to this report on Form 8-K. The information contained in this report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed "filed" with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the Company under the Securities Act of 1933, as amended.

**Item 7.01 Regulation FD Disclosure**

On November 2, 2016, the Company announced its financial results for the three and nine months ended September 30, 2016 and made available on its website the press release and Supplemental Disclosure Package described in Item 2.02 above. The information contained in this report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed "filed" with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the Company under the Securities Act of 1933, as amended.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits:

99.1 - Earnings Press Release of Urban Edge Properties dated November 2, 2016.

99.2 - Supplemental Disclosure Package of Urban Edge Properties as of September 30, 2016.

## SIGNATURE

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

**URBAN EDGE PROPERTIES**
(Registrant)

Date: November 2, 2016

By: /s/ Mark Langer
Mark Langer, Executive Vice President and Chief Financial Officer

INDEX TO EXHIBITS

| Exhibit Number | Document |
|---|---|
| 99.1 | Earnings Press Release of Urban Edge Properties dated November 2, 2016 |
| 99.2 | Supplemental Disclosure Package of Urban Edge Properties as of September 30, 2016 |

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# Section 2: EX-99.1 (EXHIBIT 99.1)

**Exhibit 99.1**

**Urban Edge Properties**
888 Seventh Avenue
New York, NY 10019
212-956-2556

For additional information:
Mark Langer, EVP and
Chief Financial Officer

**FOR IMMEDIATE RELEASE:**

**Urban Edge Properties Reports Third Quarter 2016 Operating Results**

**NEW YORK, NY, November 2, 2016** - Urban Edge Properties (NYSE:UE) (the "Company") announced today its financial results for the three and nine months ended September 30, 2016.

**Highlights include:**

- Generated net income of $0.19 per diluted share for the quarter and $0.72 per diluted share for the nine months ended September 30, 2016.
- Generated Funds from Operations applicable to diluted common shareholders ("FFO") of $0.33 per share for the quarter and $0.96 per share for the nine months ended September 30, 2016.
- Generated FFO as Adjusted of $0.32 per share for the quarter and $0.94 per share for the nine months ended September 30, 2016, an increase of 7% as compared to the third quarter of 2015 and 4% as compared to the nine months ended September 30, 2015. FFO as Adjusted excludes tenant bankruptcy settlement income and transaction costs.
- Increased same-property cash Net Operating Income ("NOI") by 4.1% as compared to the third quarter of 2015 and 3.6% as compared to the nine months ended September 30, 2015 primarily due to new rent commencements and higher recoveries resulting from higher occupancy.
- Increased same-property cash NOI including properties in redevelopment by 3.9% as compared to the third quarter of 2015 and 2.8% as compared to the nine months ended September 30, 2015. The expected vacancy of former anchor tenants at Walnut Creek and Bruckner negatively impacted this result by approximately 90 basis points. Anthropologie opened at Walnut Creek on September 16, 2016 and ShopRite is expected to open at Bruckner in the first quarter of 2018.
- Rent commencements during the third quarter included LA Fitness at Kearny, Anthropologie at Walnut Creek and Burlington Coat Factory at Garfield.
- Increased consolidated retail portfolio occupancy by 50 basis points to 96.6% as compared to September 30, 2015 and by 40 basis points as compared to June 30, 2016.
- Increased same-property retail portfolio occupancy by 50 basis points to 97.4% as compared to September 30, 2015 and by 10 basis points as compared to June 30, 2016.

- New leases, renewals and options totaling 284,000 square feet ("sf") were executed during the quarter. Same-space leases totaled 184,000 sf at an average rental rate of $25.59 per sf on a GAAP basis and $24.32 per sf on a cash basis generating average rent spreads of 21.2% on a GAAP basis and 11.0% on a cash basis.
- Executed contracts to acquire two properties for $76.0 million. Both acquisitions are located in the NY metropolitan region and are adjacent to shopping centers already owned by the Company. These off-market acquisitions are expected to generate a 7.5% unleveraged return on invested capital based on the first year of net operating income.

Refer to "Non-GAAP Financial Measures" and "Operational Metrics" for definitions and further discussions of the measures and metrics highlighted above.

**Development, Redevelopment and Anchor Repositioning:**

The Company is investing approximately $132 million in development, redevelopment and anchor repositioning projects expected to generate a 13% return on invested capital upon completion based on the expected incremental cash NOI relative to the total investment. These projects include:

- Walnut Creek, CA (South Main Street) was completed in September 2016 with the opening of a 31,000 sf Anthropologie in a former Barnes & Noble building.
- Walnut Creek (Mt Diablo) is scheduled for completion in early 2017 with the opening of a 7,000 sf Z Gallerie in the building formerly occupied by Anthropologie.
- The Outlets at Montehiedra in San Juan, Puerto Rico celebrated its grand reopening on October 7, 2016. Initial new tenants include Polo, Gap, Nike, Puma, Skechers, Maidenform (under construction), and Guess (under construction). Additionally, Caribbean Theatres completed a $6.0 million renovation of its 13 screen cinema including the addition of the first IMAX and 4DX offerings in the Caribbean. The project is scheduled to be fully completed by March 2018.
- Garfield Commons in Garfield, NJ is on schedule for completion in September 2017. Burlington Coat Factory opened in September 2016, PetSmart opened in October 2016 and 17,000 sf of shop space is under construction.
- West End Commons in North Plainfield, NJ is scheduled for completion in September 2017. New retailers include Petco, La-Z-Boy (open), AAA, Aroogas and Texas Roadhouse (open).
- Goucher Commons in Towson, MD is scheduled for completion in September 2017 with the addition of Ulta, Tuesday Morning and two other national retailers.
- Hackensack Commons in Hackensack, NJ is on schedule for completion in December 2017 with the addition of a 60,000 sf 99 Ranch Market.
- Bruckner Commons in the Bronx, NY is scheduled for completion in January 2018. The renovation and anchor repositioning includes the first ShopRite supermarket in the Bronx, a 50,000 sf discount retailer and new food and service offerings.

Bergen Town Center in Paramus, NJ is undergoing a phased renovation and expansion to be completed over the next several years. The phases include expanding the existing mall by approximately 40,000 sf and developing 60,000-75,000 sf of new retail space on entitled land across the street from the mall. The project will add leading discount and outlet retailers, entertainment venues and enhanced food and dining options. Access, parking, circulation and signage will also be improved. The total investment is now projected to be $70.0-$80.0 million as compared to the previous estimate of approximately $140 million. The reduction reflects the elimination of a proposed, new second level over the existing mall.

During the third quarter, the Company added two new projects to its development and redevelopment pipeline with aggregate expected costs of $5.0-$7.0 million. The pipeline now comprises 16 projects with total expected costs of $115.0-$140.0 million on which the Company expects to generate an 8% return on invested capital.

**Balance Sheet Highlights:**

At September 30, 2016:

- Total market capitalization (including debt and equity) was approximately $4.2 billion comprising 106.0 million common shares outstanding (on a fully diluted basis) valued at $3.0 billion and $1.2 billion of debt. The calculation of fully diluted common shares outstanding is provided in the tables accompanying this press release
- The ratio of net debt (net of cash) to total market capitalization was 25.3%
- Net debt to annualized Adjusted Earnings before interest, tax, depreciation and amortization ("EBITDA") was 5.6x. A reconciliation of net income to EBITDA and Adjusted EBITDA are provided in the tables accompanying this press release
- The Company had approximately $149.7 million of cash and cash equivalents and no amounts drawn on its $500.0 million revolving credit facility

**Non-GAAP Financial Measures**

The Company uses certain non-GAAP performance measures, in addition to the primary GAAP presentations, as we believe these measures improve the understanding of the Company's operational results. We continually evaluate the usefulness, relevance, limitations, and calculation of our reported non-GAAP performance measures to determine how best to provide relevant information to the investing public, and thus such reported measures could change. The Company's non-GAAP performance measures have limitations as they do not include all items of income and expense that affect operations, and accordingly, should always be considered as supplemental financial results. The following non-GAAP measures are commonly used by the Company and investing public to understand and evaluate our operating results and performance:

- FFO: The Company believes FFO is a useful, supplemental measure of its operating performance that is a recognized metric used extensively by the real estate industry and, in particular REITs. FFO, as defined by the National Association of Real Estate Investment Trusts ("NAREIT") and the Company, is net income (computed in accordance with GAAP), excluding gains (or losses) from sales of depreciated real estate assets, real estate impairment losses, rental property depreciation and amortization expense. The Company believes that financial analysts, investors and stockholders are better served by the presentation of comparable period operating results generated from FFO primarily because it excludes the assumption that the value of real estate assets diminish predictably. FFO does not represent cash flows from operating activities in accordance with GAAP, should not be considered an alternative to net income as an indication of our performance, and is not indicative of cash flow as a measure of liquidity or our ability to make cash distributions.

- FFO as Adjusted: The Company provides disclosure of FFO as Adjusted because it believes it is a useful supplemental measure of its core operating performance that facilitates comparability of historical financial periods. FFO as Adjusted is calculated by making certain adjustments to FFO to account for items the Company does not believe are representative of ongoing core operating results including transaction costs associated with acquisition and disposition activity and non-comparable revenues and expenses. The Company's method of calculating FFO as Adjusted may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs.

- Cash NOI: The Company uses cash NOI internally to make investment and capital allocation decisions and to compare the unlevered performance of our properties to our peers. The Company believes cash NOI is useful to investors as a performance measure because, when compared across periods, cash NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition and disposition activity on an unleveraged basis, providing perspective not immediately apparent from operating income or net income.

- Same-property Cash NOI: The Company provides disclosure of cash NOI on a same-property basis, which includes the results of properties that were owned and operated for the entirety of the reporting periods being compared totaling 77 properties for the three and nine months ended September 30, 2016 and 2015. Information on a same-property basis excludes properties under development, redevelopment or that involve anchor repositioning where a substantial portion of the gross leasable area is taken out of service and also excludes properties acquired, sold, or that are in the foreclosure process during the periods being compared. As such, same-property cash NOI assists in eliminating disparities in net income due to the development, redevelopment, acquisition or disposition of properties during the periods presented, and thus provides a more consistent performance measure for the comparison of the operating performance of the Company's properties. While there is judgment surrounding changes in designations, a property is removed from the same-property pool when a property is considered to be a redevelopment property because it is undergoing significant renovation or retenanting pursuant to a formal plan and is expected to have a significant impact on property operating income based on the retenanting that is occurring. A development or redevelopment property is moved back to the same-property pool once a substantial portion of the growth expected from the development or redevelopment is reflected in both the current and comparable prior year period, generally the earlier of one year after construction is substantially complete or when the GLA related to the redevelopment is 90% leased. Acquisitions are moved into the same-property pool once we have owned the property for the entirety of the comparable periods and the property is not under significant development or redevelopment. The Company has also provided disclosure of cash NOI on a same-property basis adjusted to include redevelopment properties. The Company calculates same-property cash NOI using net income as defined by GAAP reflecting only those income and expense items that are incurred at the property level, adjusted for the following items: lease termination fees, bankruptcy settlement income, non-cash rental income and ground rent expense and income or expenses that we do not believe are representative of ongoing operating results, if any.

- EBITDA and Adjusted EBITDA: EBITDA and Adjusted EBITDA are supplemental, non-GAAP measures utilized in various financial ratios. EBITDA and Adjusted EBITDA are presented to assist investors in the evaluation of REITs, as a measure of the Company's operational performance as they exclude various items that do not relate to or are not indicative of our operating performance and because it approximates a key performance measure in our debt covenants. Accordingly, the Company believes that the use of EBITDA and Adjusted EBITDA as opposed to income before income taxes in various ratios, provides a meaningful performance measure as it relates to the Company's ability to meet various coverage tests for the stated periods.The Company also presents the ratio of net debt (net of cash) to annualized Adjusted EBITDA, which is useful to investors as a supplemental measure in evaluating the Company's balance sheet leverage.

The Company believes net income is the most directly comparable GAAP financial measure to the non-GAAP measures outlined above. Reconciliations of these measures to net income have been provided in the tables accompanying this press release.

**Operational Metrics**

The Company presents certain operating metrics related to our properties including occupancy, leasing activity and rental rates. Operating metrics are used by the Company and useful to investors in facilitating an understanding of the operational performance for our properties.

Occupancy metrics represent the percentage of occupied gross leasable area based on executed leases (including properties in development and redevelopment) and includes leases signed, but for which rent has not yet commenced. Same-property retail portfolio occupancy includes shopping centers and malls that have been owned and operated for the entirety of the reporting periods being compared totaling 77 properties for the three and nine months ended September 30, 2016 and 2015. Occupancy metrics presented for the Company's same-property retail portfolio excludes properties under development, redevelopment or that involve anchor repositioning where a substantial portion of the gross leasable area is taken out of service and also excludes properties acquired within the past 12 months, properties sold, or that are in the foreclosure process during the periods being compared.

Executed new leases, renewals and exercised options are presented on a same-space basis. Same-space leases represent those leases signed on spaces for which there was a previous lease with comparable gross leasable area.

**ADDITIONAL INFORMATION**

For a copy of the Company's supplemental disclosure package, please access the "Investors" section of UE's website at www.uedge.com. Our website also includes other financial information, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports.

**ABOUT URBAN EDGE**

Urban Edge Properties is a NYSE listed real estate investment trust focused on managing, acquiring, developing, and redeveloping retail real estate in urban communities, primarily in the New York metropolitan region. Urban Edge owns 83 properties totaling 14.8 million square feet of gross leasable area.

**FORWARD-LOOKING STATEMENTS**

*Certain statements contained in this Press Release constitute forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of future performance. They represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Our future results, financial condition and business may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as "approximates," "believes," "expects," "anticipates," "estimates," "intends," "plans," "would," "may" or other similar expressions in this Press Release. Many of the factors that will determine the outcome of these and our other forward-looking statements are beyond our ability to control or predict; these factors include, among others, the Company's ability to complete its active development, redevelopment and anchor repositioning projects, the Company's ability to engage in the projects in its planned expansion and redevelopment pipeline and the Company's ability to achieve the estimated unleveraged returns for such projects. For further discussion of factors that could materially affect the outcome of our forward-looking statements, see "Risk Factors" in Part I, Item 1A, of our Annual Report on Form 10-K for the year ended December 31, 2015.*

*For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this Press Release. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to our forward-looking statements to reflect events or circumstances occurring after the date of this Press Release.*

**URBAN EDGE PROPERTIES**
**CONSOLIDATED BALANCE SHEETS**
**(Unaudited)**
**(In thousands, except share and per share amounts)**

| | September 30, 2016 | December 31, 2015 |
|---|---|---|
| **ASSETS** | | |
| Real estate, at cost: | | |
| Land | $ 381,550 | $ 389,080 |
| Buildings and improvements | 1,623,465 | 1,630,539 |
| Construction in progress | 105,936 | 61,147 |
| Furniture, fixtures and equipment | 4,123 | 3,876 |
| Total | 2,115,074 | 2,084,642 |
| Accumulated depreciation and amortization | (531,623) | (509,112) |
| Real estate, net | 1,583,451 | 1,575,530 |
| Cash and cash equivalents | 149,698 | 168,983 |
| Cash held in escrow and restricted cash | 7,653 | 9,042 |
| Tenant and other receivables, net of allowance for doubtful accounts of $2,324 and $1,926, respectively | 10,380 | 10,364 |
| Receivable arising from the straight-lining of rents, net of allowance for doubtful accounts of $336 and $148, respectively | 87,884 | 88,778 |
| Identified intangible assets, net of accumulated amortization of $21,734 and $22,090, respectively | 31,502 | 33,953 |
| Deferred leasing costs, net of accumulated amortization of $13,707 and $12,987, respectively | 18,844 | 18,455 |
| Deferred financing costs, net of accumulated amortization of $484 and $709, respectively | 2,177 | 2,838 |
| Prepaid expenses and other assets | 14,937 | 10,988 |
| Total assets | $ 1,906,526 | $ 1,918,931 |
| | | |
| **LIABILITIES AND EQUITY** | | |
| Liabilities: | | |
| Mortgages payable, net | $ 1,201,466 | $ 1,233,983 |
| Identified intangible liabilities, net of accumulated amortization of $70,639 and $65,220, respectively | 148,881 | 154,855 |
| Accounts payable and accrued expenses | 47,558 | 45,331 |
| Other liabilities | 14,842 | 13,308 |
| Total liabilities | 1,412,747 | 1,447,477 |
| Commitments and contingencies | | |
| Shareholders’ equity: | | |
| Common shares: $0.01 par value; 500,000,000 shares authorized and 99,608,920 and 99,290,952 shares issued and outstanding, respectively | 996 | 993 |
| Additional paid-in capital | 483,402 | 475,369 |
| Accumulated deficit | (26,203) | (38,442) |
| Noncontrolling interests: | | |
| Redeemable noncontrolling interests | 35,228 | 33,177 |
| Noncontrolling interest in consolidated subsidiaries | 356 | 357 |
| Total equity | 493,779 | 471,454 |
| Total liabilities and equity | $ 1,906,526 | $ 1,918,931 |

**URBAN EDGE PROPERTIES**
**CONSOLIDATED AND COMBINED STATEMENTS OF INCOME**
**(Unaudited)**
**(In thousands, except share and per share amounts)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | **2016** | **2015** | **2016** | **2015** |
| **REVENUE** | | | | |
| Property rentals | $ 59,138 | $ 58,111 | $ 176,750 | $ 173,077 |
| Tenant expense reimbursements | 19,888 | 19,188 | 62,274 | 63,942 |
| Management and development fees | 375 | 551 | 1,356 | 1,779 |
| Other income | 572 | 1,975 | 2,118 | 3,525 |
| Total revenue | 79,973 | 79,825 | 242,498 | 242,323 |
| **EXPENSES** | | | | |
| Depreciation and amortization | 14,435 | 13,603 | 41,908 | 41,568 |
| Real estate taxes | 12,729 | 12,227 | 38,701 | 37,568 |
| Property operating | 9,897 | 10,494 | 32,596 | 38,002 |
| General and administrative | 6,618 | 6,385 | 20,873 | 25,503 |
| Ground rent | 2,508 | 2,527 | 7,529 | 7,606 |
| Transaction costs | 223 | 151 | 307 | 22,437 |
| Provision for doubtful accounts | 149 | 427 | 994 | 1,139 |
| Total expenses | 46,559 | 45,814 | 142,908 | 173,823 |
| Operating income | 33,414 | 34,011 | 99,590 | 68,500 |
| Gain on sale of real estate | — | — | 15,618 | — |
| Interest income | 176 | 39 | 520 | 101 |
| Interest and debt expense | (12,766) | (13,611) | (39,015) | (42,021) |
| Income before income taxes | 20,824 | 20,439 | 76,713 | 26,580 |
| Income tax expense | (319) | (394) | (349) | (1,399) |
| Net income | 20,505 | 20,045 | 76,364 | 25,181 |
| Less (net income) loss attributable to noncontrolling interests in: | | | | |
| Operating partnership | (1,239) | (1,179) | (4,594) | (1,605) |
| Consolidated subsidiaries | (1) | (6) | 1 | (17) |
| Net income attributable to common shareholders | $ 19,265 | $ 18,860 | $ 71,771 | $ 23,559 |
| | | | | |
| Earnings per common share - Basic: | $ 0.19 | $ 0.19 | $ 0.72 | $ 0.24 |
| Earnings per common share - Diluted: | $ 0.19 | $ 0.19 | $ 0.72 | $ 0.24 |
| Weighted average shares outstanding - Basic | 99,304 | 99,252 | 99,281 | 99,250 |
| Weighted average shares outstanding - Diluted | 99,870 | 99,286 | 99,711 | 99,272 |

**Reconciliation of Net Income to FFO and FFO as Adjusted**

The following table reflects the reconciliation of net income to FFO and FFO as Adjusted for the three and nine months ended September 30, 2016. Net income is considered the most directly comparable GAAP measure.

| | Three Months Ended September 30, 2016 | | Nine Months Ended September 30, 2016 | |
|---|---|---|---|---|
| | (in thousands) | (per share)[2] | (in thousands) | (per share)[2] |
| Net income | $ 20,505 | $ 0.19 | $ 76,364 | $ 0.72 |
| Less (net income) attributable to noncontrolling interests in: | | | | |
| Operating partnership | (1,239) | (0.01) | (4,594) | (0.04) |
| Consolidated subsidiaries | (1) | — | 1 | — |
| Net income attributable to common shareholders | 19,265 | 0.18 | 71,771 | 0.68 |
| Adjustments: | | | | |
| Gain on sale of real estate | — | — | (15,618) | (0.15) |
| Rental property depreciation and amortization | 14,269 | 0.14 | 41,419 | 0.39 |
| Limited partnership interests in operating partnership | 1,239 | 0.01 | 4,594 | 0.04 |
| FFO Applicable to diluted common shareholders[1] | 34,773 | 0.33 | 102,166 | 0.96 |
| | | | | |
| Tenant bankruptcy settlement income | (545) | (0.01) | (2,035) | (0.02) |
| Benefit related to income taxes | — | — | (625) | (0.01) |
| Transaction costs | 223 | — | 307 | — |
| FFO as Adjusted applicable to diluted common shareholders[1] | $ 34,451 | $ 0.32 | $ 99,813 | $ 0.94 |
| | | | | |
| Weighted average diluted common shares - FFO[1] | 106,266 | | 106,009 | |

[1] Refer to the table below for reconciliation of weighted average diluted shares used in EPS calculations and weighted average diluted common shares used in FFO per share calculations.
[2] Individual items may not add up due to total rounding.

FFO and FFO as Adjusted are non-GAAP financial measures. The Company believes FFO, as defined by NAREIT, is a widely used and appropriate supplemental measure of operating performance for REITs, and that it provides a relevant basis for comparison among REITs. The Company believes FFO as Adjusted provides additional comparability between historical financial periods. Refer to "Non-GAAP Financial Measures" above.

The following table reflects the reconciliation of weighted average diluted shares used in EPS calculations and weighted average diluted common shares used in FFO per share calculations.

| **(in thousands)** | **Three Months Ended September 30, 2016** | **Nine Months Ended September 30, 2016** |
|---|---|---|
| Weighted average diluted shares used to calculate EPS | 99,870 | 99,711 |
| Assumed conversion of OP and LTIP Units to common stock[1] | 6,396 | 6,298 |
| Weighted average diluted common shares used to calculate FFO per share | 106,266 | 106,009 |

[1] OP and vested LTIP Units are excluded from the calculation of earnings per diluted share for the three and nine months ended September 30, 2016 because their inclusion is anti-dilutive. FFO includes earnings allocated to unitholders as the inclusion of these units is dilutive to FFO per share.

**Reconciliation of Net Income to Cash NOI and Same-Property Cash NOI**

The following table reflects the reconciliation of net income to cash NOI, same-property cash NOI and same-property cash NOI including properties in redevelopment for the three and nine months ended September 30, 2016 and 2015. Net income is considered the most directly comparable GAAP measure.

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| **(Amounts in thousands)** | **2016** | **2015** | **2016** | **2015** |
| Net income | $ 20,505 | $ 20,045 | $ 76,364 | $ 25,181 |
| Add: Income tax expense | 319 | 394 | 349 | 1,399 |
| Income before income taxes | 20,824 | 20,439 | 76,713 | 26,580 |
| Gain on sale of real estate | — | — | (15,618) | — |
| Interest income | (176) | (39) | (520) | (101) |
| Interest and debt expense | 12,766 | 13,611 | 39,015 | 42,021 |
| Operating income | 33,414 | 34,011 | 99,590 | 68,500 |
| Depreciation and amortization | 14,435 | 13,603 | 41,908 | 41,568 |
| General and administrative expense | 6,618 | 6,385 | 20,873 | 25,503 |
| Transaction costs | 223 | 151 | 307 | 22,437 |
| NOI | 54,690 | 54,150 | 162,678 | 158,008 |
| Less: non-cash revenue and expenses | (1,823) | (1,625) | (5,088) | (4,726) |
| Cash NOI(1) | 52,867 | 52,525 | 157,590 | 153,282 |
| Adjustments: | | | | |
| Cash NOI related to properties being redeveloped(1) | (4,425) | (4,331) | (12,634) | (13,269) |
| Tenant bankruptcy settlement income | (545) | (1,774) | (2,035) | (3,034) |
| Management and development fee income from non-owned properties | (375) | (551) | (1,356) | (1,779) |
| Cash NOI related to properties acquired, disposed, or in foreclosure(1) | (392) | (435) | (1,814) | (1,365) |
| Environmental remediation costs | — | — | — | 1,379 |
| Other(2) | 45 | (112) | 129 | (159) |
| Subtotal adjustments | (5,692) | (7,203) | (17,710) | (18,227) |
| Same-property cash NOI | $ 47,175 | $ 45,322 | $ 139,880 | $ 135,055 |
| Adjustments: | | | | |
| Cash NOI related to properties being redeveloped | 4,425 | 4,331 | 12,634 | 13,269 |
| Same-property cash NOI including properties in redevelopment | $ 51,600 | $ 49,653 | $ 152,514 | $ 148,324 |

(1) Cash NOI is calculated as total property revenues less property operating expenses, excluding the net effects of non-cash rental income and non-cash ground rent expense.

(2) Other adjustments include revenue and expense items attributable to non-same properties and corporate activities.

Cash NOI and same-property cash NOI are non-GAAP financial measures. The Company believes that same-property cash NOI is a widely used and appropriate supplemental measure of operating performance for comparison among REITs. Refer to “Non-GAAP Financial Measures” above.

**Reconciliation of Net Income to EBITDA and Adjusted EBITDA**

The following table reflects the reconciliation of net income to EBITDA and Adjusted EBITDA for the three and nine months ended September 30, 2016 and 2015. Net income is considered the most directly comparable GAAP measure.

| | Three Months Ended September 30, | | | Nine Months Ended September 30, | |
|---|---|---|---|---|---|
| **(Amounts in thousands)** | **2016** | | **2015** | **2016** | **2015** |
| Net income | $ 20,505 | | $ 20,045 | $ 76,364 | $ 25,181 |
| Depreciation and amortization | 14,435 | 13,603,000 | 13,603 | 41,908 | 41,568 |
| Interest and debt expense | 12,766 | | 13,611 | 39,015 | 42,021 |
| Income tax expense | 319 | | 394 | 349 | 1,399 |
| EBITDA | 48,025 | | 47,653 | 157,636 | 110,169 |
| Adjustments for Adjusted EBITDA: | | | | | |
| Tenant bankruptcy settlement income | (545) | | (1,774) | (2,035) | (3,034) |
| Transaction costs | 223 | | 151 | 307 | 22,437 |
| Gain on sale of real estate | — | | — | (15,618) | — |
| Equity awards issued in connection with the spin-off | — | | — | — | 7,143 |
| Environmental remediation costs | — | | — | — | 1,379 |
| Adjusted EBITDA | $ 47,703 | | $ 46,030 | $ 140,290 | $ 138,094 |

EBITDA and Adjusted EBITDA are non-GAAP financial measures. Refer to “Non-GAAP Financial Measures” above.

The following table reflects the Company's fully diluted common shares outstanding which is the total number of shares that would be outstanding assuming all possible conversions. Fully diluted common shares outstanding are utilized to calculate our equity market capitalization to allow investors the ability to assess our market value. The sum of the total equity market capitalization and total debt, as calculated in accordance with GAAP, represents the Company's total market capitalization.

| | **September 30, 2016** |
|---|---|
| Common shares outstanding | 99,478,821 |
| Diluted common shares: | |
| OP and LTIP units | 6,150,224 |
| Unvested restricted common shares and OPP units | 375,587 |
| Fully diluted common shares | 106,004,632 |



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# Section 3: EX-99.2 (EXHIBIT 99.2)

**Exhibit 99.2**

## URBAN EDGE PROPERTIES

## SUPPLEMENTAL DISCLOSURE

# PACKAGE

## September 30, 2016

**Urban Edge Properties**
**888 7th Avenue, New York, NY 10019**
**NY Office: 212-956-2556**
**www.uedge.com**

**URBAN EDGE PROPERTIES**
**SUPPLEMENTAL DISCLOSURE**
**September 30, 2016**
**(unaudited)**

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**Urban Edge Properties**
888 Seventh Avenue
New York, NY 10019
212-956-2556

For additional information:
Mark Langer, EVP and
Chief Financial Officer

**FOR IMMEDIATE RELEASE:**

# Urban Edge Properties Reports Third Quarter 2016 Operating Results

**NEW YORK, NY, November 2, 2016** - Urban Edge Properties (NYSE:UE) (the "Company") announced today its financial results for the three and nine months ended September 30, 2016.

**Highlights include:**

- Generated net income of $0.19 per diluted share for the quarter and $0.72 per diluted share for the nine months ended September 30, 2016.
- Generated Funds from Operations applicable to diluted common shareholders ("FFO") of $0.33 per share for the quarter and $0.96 per share for the nine months ended September 30, 2016.
- Generated FFO as Adjusted of $0.32 per share for the quarter and $0.94 per share for the nine months ended September 30, 2016, an increase of 7% as compared to the third quarter of 2015 and 4% as compared to the nine months ended September 30, 2015. FFO as Adjusted excludes tenant bankruptcy settlement income and transaction costs.
- Increased same-property cash Net Operating Income ("NOI") by 4.1% as compared to the third quarter of 2015 and 3.6% as compared to the nine months ended September 30, 2015 primarily due to new rent commencements and higher recoveries resulting from higher occupancy.
- Increased same-property cash NOI including properties in redevelopment by 3.9% as compared to the third quarter of 2015 and 2.8% as compared to the nine months ended September 30, 2015. The expected vacancy of former anchor tenants at Walnut Creek and Bruckner negatively impacted this result by approximately 90 basis points. Anthropologie opened at Walnut Creek on September 16, 2016 and ShopRite is expected to open at Bruckner in the first quarter of 2018.
- Rent commencements during the third quarter included LA Fitness at Kearny, Anthropologie at Walnut Creek and Burlington Coat Factory at Garfield.
- Increased consolidated retail portfolio occupancy by 50 basis points to 96.6% as compared to September 30, 2015 and by 40 basis points as compared to June 30, 2016.
- Increased same-property retail portfolio occupancy by 50 basis points to 97.4% as compared to September 30, 2015 and by 10 basis points as compared to June 30, 2016.
- New leases, renewals and options totaling 284,000 square feet ("sf") were executed during the quarter. Same-space leases totaled 184,000 sf at an average rental rate of $25.59 per sf on a GAAP basis and $24.32 per sf on a cash basis generating average rent spreads of 21.2% on a GAAP basis and 11.0% on a cash basis.
- Executed contracts to acquire two properties for $76.0 million. Both acquisitions are located in the NY metropolitan region and are adjacent to shopping centers already owned by the Company. These off-market acquisitions are expected to generate a 7.5% unleveraged return on invested capital based on the first year of net operating income.

Refer to "Non-GAAP Financial Measures" and "Operational Metrics" for definitions and further discussions of the measures and metrics highlighted above.

**Development, Redevelopment and Anchor Repositioning:**

The Company is investing approximately $132 million in development, redevelopment and anchor repositioning projects expected to generate a 13% return on invested capital upon completion based on the expected incremental cash NOI relative to the total investment. These projects include:

- Walnut Creek, CA (South Main Street) was completed in September 2016 with the opening of a 31,000 sf Anthropologie in a former Barnes & Noble building.
- Walnut Creek (Mt Diablo) is scheduled for completion in early 2017 with the opening of a 7,000 sf Z Gallerie in the building formerly occupied by Anthropologie.
- The Outlets at Montehiedra in San Juan, Puerto Rico celebrated its grand reopening on October 7, 2016. Initial new tenants include Polo, Gap, Nike, Puma, Skechers, Maidenform (under construction), and Guess (under construction). Additionally, Caribbean Theatres completed a $6.0 million renovation of its 13 screen cinema including the addition of the first IMAX and 4DX offerings in the Caribbean. The project is scheduled to be fully completed by March 2018.
- Garfield Commons in Garfield, NJ is on schedule for completion in September 2017. Burlington Coat Factory opened in September 2016, PetSmart opened in October 2016 and 17,000 sf of shop space is under construction.
- West End Commons in North Plainfield, NJ is scheduled for completion in September 2017. New retailers include Petco, La-Z-Boy (open), AAA, Aroogas and Texas Roadhouse (open).
- Goucher Commons in Towson, MD is scheduled for completion in September 2017 with the addition of Ulta, Tuesday Morning and two other national retailers.
- Hackensack Commons in Hackensack, NJ is on schedule for completion in December 2017 with the addition of a 60,000 sf 99 Ranch Market.
- Bruckner Commons in the Bronx, NY is scheduled for completion in January 2018. The renovation and anchor repositioning includes the first ShopRite supermarket in the Bronx, a 50,000 sf discount retailer and new food and service offerings.

Bergen Town Center in Paramus, NJ is undergoing a phased renovation and expansion to be completed over the next several years. The phases include expanding the existing mall by approximately 40,000 sf and developing 60,000-75,000 sf of new retail space on entitled land across the street from the mall. The project will add leading discount and outlet retailers, entertainment venues and enhanced food and dining options. Access, parking, circulation and signage will also be improved. The total investment is now projected to be $70.0-$80.0 million as compared to the previous estimate of approximately $140 million. The reduction reflects the elimination of a proposed, new second level over the existing mall.

During the third quarter, the Company added two new projects to its development and redevelopment pipeline with aggregate expected costs of $5.0-$7.0 million. The pipeline now comprises 16 projects with total expected costs of $115.0-$140.0 million on which the Company expects to generate an 8% return on invested capital.

**Balance Sheet Highlights:**

At September 30, 2016:

- Total market capitalization (including debt and equity) was approximately $4.2 billion comprising 106.0 million common shares outstanding (on a fully diluted basis) valued at $3.0 billion and $1.2 billion of debt. The calculation of fully diluted common shares outstanding is provided in the tables accompanying this press release
- The ratio of net debt (net of cash) to total market capitalization was 25.3%
- Net debt to annualized Adjusted Earnings before interest, tax, depreciation and amortization ("EBITDA") was 5.6x. A reconciliation of net income to EBITDA and Adjusted EBITDA are provided in the tables accompanying this press release
- The Company had approximately $149.7 million of cash and cash equivalents and no amounts drawn on its $500.0 million revolving credit facility

### Non-GAAP Financial Measures

The Company uses certain non-GAAP performance measures, in addition to the primary GAAP presentations, as we believe these measures improve the understanding of the Company's operational results. We continually evaluate the usefulness, relevance, limitations, and calculation of our reported non-GAAP performance measures to determine how best to provide relevant information to the investing public, and thus such reported measures could change. The Company's non-GAAP performance measures have limitations as they do not include all items of income and expense that affect operations, and accordingly, should always be considered as supplemental financial results. The following non-GAAP measures are commonly used by the Company and investing public to understand and evaluate our operating results and performance:

- FFO: The Company believes FFO is a useful, supplemental measure of its operating performance that is a recognized metric used extensively by the real estate industry and, in particular REITs. FFO, as defined by the National Association of Real Estate Investment Trusts ("NAREIT") and the Company, is net income (computed in accordance with GAAP), excluding gains (or losses) from sales of depreciated real estate assets, real estate impairment losses, rental property depreciation and amortization expense. The Company believes that financial analysts, investors and stockholders are better served by the presentation of comparable period operating results generated from FFO primarily because it excludes the assumption that the value of real estate assets diminish predictably. FFO does not represent cash flows from operating activities in accordance with GAAP, should not be considered an alternative to net income as an indication of our performance, and is not indicative of cash flow as a measure of liquidity or our ability to make cash distributions.
- FFO as Adjusted: The Company provides disclosure of FFO as Adjusted because it believes it is a useful supplemental measure of its core operating performance that facilitates comparability of historical financial periods. FFO as Adjusted is calculated by making certain adjustments to FFO to account for items the Company does not believe are representative of ongoing core operating results including transaction costs associated with acquisition and disposition activity and non-comparable revenues and expenses. The Company's method of calculating FFO as Adjusted may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs.
- Cash NOI: The Company uses cash NOI internally to make investment and capital allocation decisions and to compare the unlevered performance of our properties to our peers. The Company believes cash NOI is useful to investors as a performance measure because, when compared across periods, cash NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition and disposition activity on an unleveraged basis, providing perspective not immediately apparent from operating income or net income.
- Same-property Cash NOI: The Company provides disclosure of cash NOI on a same-property basis, which includes the results of properties that were owned and operated for the entirety of the reporting periods being compared totaling 77 properties for the three and nine months ended September 30, 2016 and 2015. Information on a same-property basis excludes properties under development, redevelopment or that involve anchor repositioning where a substantial portion of the gross leasable area is taken out of service and also excludes properties acquired, sold, or that are in the foreclosure process during the periods being compared. As such, same-property cash NOI assists in eliminating disparities in net income due to the development, redevelopment, acquisition or disposition of properties during the periods presented, and thus provides a more consistent performance measure for the comparison of the operating performance of the Company's properties. While there is judgment surrounding changes in designations, a property is removed from the same-property pool when a property is considered to be a redevelopment property because it is undergoing significant renovation or retenanting pursuant to a formal plan and is expected to have a significant impact on property operating income based on the retenanting that is occurring. A development or redevelopment property is moved back to the same-property pool once a substantial portion of the growth expected from the development or redevelopment is reflected in both the current and comparable prior year period, generally the earlier of one year after construction is substantially complete or when the GLA related to the redevelopment is 90% leased. Acquisitions are moved into the same-property pool once we have owned the property for the entirety of the comparable periods and the property is not under significant development or redevelopment. The Company has also provided disclosure of cash NOI on a same-property basis adjusted to include redevelopment properties. The Company calculates same-property cash NOI using net income as defined by GAAP reflecting only those income and expense items that are incurred at the property level, adjusted for the following items: lease termination fees, bankruptcy settlement income, non-cash rental income and ground rent expense and income or expenses that we do not believe are representative of ongoing operating results, if any.

- EBITDA and Adjusted EBITDA: EBITDA and Adjusted EBITDA are supplemental, non-GAAP measures utilized in various financial ratios. EBITDA and Adjusted EBITDA are presented to assist investors in the evaluation of REITs, as a measure of the Company's operational performance as they exclude various items that do not relate to or are not indicative of our operating performance and because it approximates a key performance measure in our debt covenants. Accordingly, the Company believes that the use of EBITDA and Adjusted EBITDA as opposed to income before income taxes in various ratios, provides a meaningful performance measure as it relates to the Company's ability to meet various coverage tests for the stated periods.The Company also presents the ratio of net debt (net of cash) to annualized Adjusted EBITDA, which is useful to investors as a supplemental measure in evaluating the Company's balance sheet leverage.

The Company believes net income is the most directly comparable GAAP financial measure to the non-GAAP measures outlined above. Reconciliations of these measures to net income have been provided in the tables accompanying this press release.

**Operational Metrics**

The Company presents certain operating metrics related to our properties including occupancy, leasing activity and rental rates. Operating metrics are used by the Company and useful to investors in facilitating an understanding of the operational performance for our properties.

Occupancy metrics represent the percentage of occupied gross leasable area based on executed leases (including properties in development and redevelopment) and includes leases signed, but for which rent has not yet commenced. Same-property retail portfolio occupancy includes shopping centers and malls that have been owned and operated for the entirety of the reporting periods being compared totaling 77 properties for the three and nine months ended September 30, 2016 and 2015. Occupancy metrics presented for the Company's same-property retail portfolio excludes properties under development, redevelopment or that involve anchor repositioning where a substantial portion of the gross leasable area is taken out of service and also excludes properties acquired within the past 12 months, properties sold, or that are in the foreclosure process during the periods being compared.

Executed new leases, renewals and exercised options are presented on a same-space basis. Same-space leases represent those leases signed on spaces for which there was a previous lease with comparable gross leasable area.

**Reconciliation of Net Income to FFO and FFO as Adjusted**

The following table reflects the reconciliation of net income to FFO and FFO as Adjusted for the three and nine months ended September 30, 2016. Net income is considered the most directly comparable GAAP measure.

| | Three Months Ended September 30, 2016 | | Nine Months Ended September 30, 2016 | |
|---|---|---|---|---|
| | (in thousands) | (per share)[2] | (in thousands) | (per share)[2] |
| Net income | $ 20,505 | $ 0.19 | $ 76,364 | $ 0.72 |
| Less (net income) attributable to noncontrolling interests in: | | | | |
| Operating partnership | (1,239) | (0.01) | (4,594) | (0.04) |
| Consolidated subsidiaries | (1) | — | 1 | — |
| Net income attributable to common shareholders | 19,265 | 0.18 | 71,771 | 0.68 |
| Adjustments: | | | | |
| Gain on sale of real estate | — | — | (15,618) | (0.15) |
| Rental property depreciation and amortization | 14,269 | 0.14 | 41,419 | 0.39 |
| Limited partnership interests in operating partnership | 1,239 | 0.01 | 4,594 | 0.04 |
| FFO Applicable to diluted common shareholders[1] | 34,773 | 0.33 | 102,166 | 0.96 |
| | | | | |
| Tenant bankruptcy settlement income | (545) | (0.01) | (2,035) | (0.02) |
| Benefit related to income taxes | — | — | (625) | (0.01) |
| Transaction costs | 223 | — | 307 | — |
| FFO as Adjusted applicable to diluted common shareholders[1] | $ 34,451 | $ 0.32 | $ 99,813 | $ 0.94 |
| | | | | |
| Weighted average diluted common shares - FFO[1] | 106,266 | | 106,009 | |

(1) Refer to the table below for reconciliation of weighted average diluted shares used in EPS calculations and weighted average diluted common shares used in FFO per share calculations.
(2) Individual items may not add up due to total rounding.

FFO and FFO as Adjusted are non-GAAP financial measures. The Company believes FFO, as defined by NAREIT, is a widely used and appropriate supplemental measure of operating performance for REITs, and that it provides a relevant basis for comparison among REITs. The Company believes FFO as Adjusted provides additional comparability between historical financial periods. Refer to “Non-GAAP Financial Measures” above.

The following table reflects the reconciliation of weighted average diluted shares used in EPS calculations and weighted average diluted common shares used in FFO per share calculations.

| **(in thousands)** | **Three Months Ended September 30, 2016** | **Nine Months Ended September 30, 2016** |
|---|---|---|
| Weighted average diluted shares used to calculate EPS | 99,870 | 99,711 |
| Assumed conversion of OP and LTIP Units to common stock[1] | 6,396 | 6,298 |
| Weighted average diluted common shares used to calculate FFO per share | 106,266 | 106,009 |

(1) OP and vested LTIP Units are excluded from the calculation of earnings per diluted share for the three and nine months ended September 30, 2016 because their inclusion is anti-dilutive. FFO includes earnings allocated to unitholders as the inclusion of these units is dilutive to FFO per share.

**Reconciliation of Net Income to Cash NOI and Same-Property Cash NOI**

The following table reflects the reconciliation of net income to cash NOI, same-property cash NOI and same-property cash NOI including properties in redevelopment for the three and nine months ended September 30, 2016 and 2015. Net income is considered the most directly comparable GAAP measure.

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| **(Amounts in thousands)** | **2016** | **2015** | **2016** | **2015** |
| Net income | $ 20,505 | $ 20,045 | $ 76,364 | $ 25,181 |
| Add: Income tax expense | 319 | 394 | 349 | 1,399 |
| Income before income taxes | 20,824 | 20,439 | 76,713 | 26,580 |
| Gain on sale of real estate | — | — | (15,618) | — |
| Interest income | (176) | (39) | (520) | (101) |
| Interest and debt expense | 12,766 | 13,611 | 39,015 | 42,021 |
| Operating income | 33,414 | 34,011 | 99,590 | 68,500 |
| Depreciation and amortization | 14,435 | 13,603 | 41,908 | 41,568 |
| General and administrative expense | 6,618 | 6,385 | 20,873 | 25,503 |
| Transaction costs | 223 | 151 | 307 | 22,437 |
| NOI | 54,690 | 54,150 | 162,678 | 158,008 |
| Less: non-cash revenue and expenses | (1,823) | (1,625) | (5,088) | (4,726) |
| Cash NOI(1) | 52,867 | 52,525 | 157,590 | 153,282 |
| Adjustments: | | | | |
| Cash NOI related to properties being redeveloped(1) | (4,425) | (4,331) | (12,634) | (13,269) |
| Tenant bankruptcy settlement income | (545) | (1,774) | (2,035) | (3,034) |
| Management and development fee income from non-owned properties | (375) | (551) | (1,356) | (1,779) |
| Cash NOI related to properties acquired, disposed, or in foreclosure(1) | (392) | (435) | (1,814) | (1,365) |
| Environmental remediation costs | — | — | — | 1,379 |
| Other(2) | 45 | (112) | 129 | (159) |
| Subtotal adjustments | (5,692) | (7,203) | (17,710) | (18,227) |
| Same-property cash NOI | $ 47,175 | $ 45,322 | $ 139,880 | $ 135,055 |
| Adjustments: | | | | |
| Cash NOI related to properties being redeveloped | 4,425 | 4,331 | 12,634 | 13,269 |
| Same-property cash NOI including properties in redevelopment | $ 51,600 | $ 49,653 | $ 152,514 | $ 148,324 |

[1] Cash NOI is calculated as total property revenues less property operating expenses, excluding the net effects of non-cash rental income and non-cash ground rent expense.

[2] Other adjustments include revenue and expense items attributable to non-same properties and corporate activities.

Cash NOI and same-property cash NOI are non-GAAP financial measures. The Company believes that same-property cash NOI is a widely used and appropriate supplemental measure of operating performance for comparison among REITs. Refer to "Non-GAAP Financial Measures" above.

**Reconciliation of Net Income to EBITDA and Adjusted EBITDA**

The following table reflects the reconciliation of net income to EBITDA and Adjusted EBITDA for the three and nine months ended September 30, 2016 and 2015. Net income is considered the most directly comparable GAAP measure.

| | Three Months Ended September 30, | | | Nine Months Ended September 30, | |
|---|---|---|---|---|---|
| **(Amounts in thousands)** | **2016** | | **2015** | **2016** | **2015** |
| Net income | $ 20,505 | | $ 20,045 | $ 76,364 | $ 25,181 |
| Depreciation and amortization | 14,435 | 13,603,000 | 13,603 | 41,908 | 41,568 |
| Interest and debt expense | 12,766 | | 13,611 | 39,015 | 42,021 |
| Income tax expense | 319 | | 394 | 349 | 1,399 |
| EBITDA | 48,025 | | 47,653 | 157,636 | 110,169 |
| Adjustments for Adjusted EBITDA: | | | | | |
| Tenant bankruptcy settlement income | (545) | | (1,774) | (2,035) | (3,034) |
| Transaction costs | 223 | | 151 | 307 | 22,437 |
| Gain on sale of real estate | — | | — | (15,618) | — |
| Equity awards issued in connection with the spin-off | — | | — | — | 7,143 |
| Environmental remediation costs | — | | — | — | 1,379 |
| Adjusted EBITDA | $ 47,703 | | $ 46,030 | $ 140,290 | $ 138,094 |

EBITDA and Adjusted EBITDA are non-GAAP financial measures. Refer to “Non-GAAP Financial Measures” above.

The following table reflects the Company's fully diluted common shares outstanding which is the total number of shares that would be outstanding assuming all possible conversions. Fully diluted common shares outstanding are utilized to calculate our equity market capitalization to allow investors the ability to assess our market value. The sum of the total equity market capitalization and total debt, as calculated in accordance with GAAP, represents the Company's total market capitalization.

| | **September 30, 2016** |
|---|---|
| Common shares outstanding | 99,478,821 |
| Diluted common shares: | |
| OP and LTIP units | 6,150,224 |
| Unvested restricted common shares and OPP units | 375,587 |
| Fully diluted common shares | 106,004,632 |

## ADDITIONAL INFORMATION

For a copy of the Company's supplemental disclosure package, please access the "Investors" section of UE's website at www.uedge.com. Our website also includes other financial information, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports.

## ABOUT URBAN EDGE

Urban Edge Properties is a NYSE listed real estate investment trust focused on managing, acquiring, developing, and redeveloping retail real estate in urban communities, primarily in the New York metropolitan region. Urban Edge owns 83 properties totaling 14.8 million square feet of gross leasable area.

## FORWARD-LOOKING STATEMENTS

*Certain statements contained in this Press Release constitute forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of future performance. They represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Our future results, financial condition and business may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as "approximates," "believes," "expects," "anticipates," "estimates," "intends," "plans," "would," "may" or other similar expressions in this Press Release. Many of the factors that will determine the outcome of these and our other forward-looking statements are beyond our ability to control or predict; these factors include, among others, the Company's ability to complete its active development, redevelopment and anchor repositioning projects, the Company's ability to engage in the projects in its planned expansion and redevelopment pipeline and the Company's ability to achieve the estimated unleveraged returns for such projects. For further discussion of factors that could materially affect the outcome of our forward-looking statements, see "Risk Factors" in Part I, Item 1A, of our Annual Report on Form 10-K for the year ended December 31, 2015.*

*For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this Press Release. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to our forward-looking statements to reflect events or circumstances occurring after the date of this Press Release.*

## Basis of Presentation

*The information contained in the Supplemental Disclosure Package does not purport to disclose all items required by GAAP and is unaudited information. This Supplemental Disclosure Package should be read in conjunction with the Company's most recent Form 10-K and Form 10-Q. The results of operations of any property acquired are included in the Company's financial statements since the date of its acquisition, although such properties may be excluded from certain metrics disclosed in this Supplemental Disclosure Package.*

## Non-GAAP Financial Measures and Forward Looking Statements

*For additional information regarding non-GAAP financial measures and forward looking statements, please see pages 3 and 8 of this Supplemental Disclosure Package.*

**URBAN EDGE PROPERTIES**

**SUMMARY FINANCIAL RESULTS AND RATIOS**

**For the three and nine months ended September 30, 2016 (unaudited)**

(in thousands, except per share, sf, rent psf and financial ratio data)

| | Three months ended September 30, 2016 | Nine months ended September 30, 2016 |
|---|---|---|
| **Summary Financial Results** | | |
| Total revenue | $ 79,973 | $ 242,498 |
| General & administrative expenses (G&A) | $ 6,618 | $ 20,873 |
| Adjusted EBITDA(7) | $ 47,703 | $ 140,290 |
| Net income attributable to common shareholders | $ 19,265 | $ 71,771 |
| Earnings per diluted share | $ 0.19 | $ 0.72 |
| Funds from operations (FFO) | $ 34,773 | $ 102,166 |
| FFO per diluted common share | $ 0.33 | $ 0.96 |
| FFO as Adjusted | $ 34,451 | $ 99,813 |
| FFO as Adjusted per diluted common share | $ 0.32 | $ 0.94 |
| Total dividends paid per share | $ 0.20 | $ 0.60 |
| Stock closing price low-high range | $27.06 to $30.15 | $22.22 to $30.15 |
| Weighted average diluted shares used in EPS computations(1) | 99,870 | 99,711 |
| Weighted average diluted common shares used in FFO computations(1) | 106,266 | 106,009 |
| **Summary Property, Operating and Financial Data** | | |
| # of Total properties / # of Retail properties | 83 / 82 | |
| Gross leasable area (GLA) sf - retail portfolio(3)(5) | 13,829,000 | |
| Weighted average annual rent psf - retail portfolio(3)(5) | $ 17.05 | |
| Consolidated occupancy at end of period | 96.3% | |
| Consolidated retail portfolio occupancy at end of period(5) | 96.6% | |
| Same-property retail portfolio occupancy at end of period(5)(2) | 97.4% | |
| Same-property retail portfolio physical occupancy at end of period(4)(5)(2) | 96.0% | |
| Same-property cash NOI growth(2) | 4.1% | 3.6% |
| Same-property cash NOI growth, including redevelopment properties | 3.9% | 2.8% |
| Cash NOI margin - total portfolio | 67.7% | 66.5% |
| Expense recovery ratio - total portfolio | 97.2% | 96.5% |
| New, renewal and option rent spread - cash basis(8) | 11.0% | 13.3% |
| New, renewal and option rent spread - GAAP basis(9) | 21.2% | 21.9% |
| Net debt to total market capitalization(6) | 25.3% | 25.3% |
| Net debt to Adjusted EBITDA(6) | 5.6x | 5.6x |
| Adjusted EBITDA to interest expense(7) | 4.0x | 3.8x |
| Adjusted EBITDA to fixed charges(7) | 2.8x | 2.7x |

(1) Weighted average diluted common shares used to calculate FFO per share and FFO as Adjusted per share for the periods presented include OP and vested LTIP Units, which are excluded from the calculation of earnings per diluted share for the periods presented because their inclusion is anti-dilutive. FFO includes earnings allocated to unit holders as the inclusion of these units is dilutive to FFO per share.

(2) The same-property pool for both cash NOI and occupancy includes retail properties the Company consolidated, owned and operated for the entirety of both periods being compared and excludes properties under development, redevelopment or that involve anchor repositioning where a substantial portion of the gross leasable area is taken out of service and excludes properties acquired, sold, or that are in the foreclosure process during the periods being compared.

(3) GLA - retail portfolio excludes 942,000 square feet of warehouses. Weighted average annual rent per square foot for our retail portfolio and warehouses was $16.30.

(4) Physical occupancy includes tenants that have access to their leased space and includes dark and paying tenants.

(5) Our retail portfolio includes shopping centers and malls and excludes warehouses.

(6) See computation on page 16.

(7) See computation on page 14.

(8) Rents have not been calculated on a straight-line basis. Previous/expiring rent is that as of time of expiration and includes any percentage rent paid as well. New rent is that which is paid at commencement.

(9) Rents are calculated on a straight-line ("GAAP") basis.

**URBAN EDGE PROPERTIES**

**CONSOLIDATED BALANCE SHEETS**

**As of September 30, 2016 (unaudited) and December 31, 2015**

(in thousands, except share and per share amounts)

| | September 30, 2016 | December 31, 2015 |
|---|---|---|
| **ASSETS** | | |
| Real estate, at cost: | | |
| Land | $ 381,550 | $ 389,080 |
| Buildings and improvements | 1,623,465 | 1,630,539 |
| Construction in progress | 105,936 | 61,147 |
| Furniture, fixtures and equipment | 4,123 | 3,876 |
| Total | 2,115,074 | 2,084,642 |
| Accumulated depreciation and amortization | (531,623) | (509,112) |
| Real estate, net | 1,583,451 | 1,575,530 |
| Cash and cash equivalents | 149,698 | 168,983 |
| Cash held in escrow and restricted cash | 7,653 | 9,042 |
| Tenant and other receivables, net of allowance for doubtful accounts of $2,324 and $1,926, respectively | 10,380 | 10,364 |
| Receivable arising from the straight-lining of rents, net of allowance for doubtful accounts of $336 and $148, respectively | 87,884 | 88,778 |
| Identified intangible assets, net of accumulated amortization of $21,734 and $22,090, respectively | 31,502 | 33,953 |
| Deferred leasing costs, net of accumulated amortization of $13,707 and $12,987, respectively | 18,844 | 18,455 |
| Deferred financing costs, net of accumulated amortization of $484 and $709, respectively | 2,177 | 2,838 |
| Prepaid expenses and other assets | 14,937 | 10,988 |
| Total assets | $ 1,906,526 | $ 1,918,931 |
| **LIABILITIES AND EQUITY** | | |
| Liabilities: | | |
| Mortgages payable, net | $ 1,201,466 | $ 1,233,983 |
| Identified intangible liabilities, net of accumulated amortization of $70,639 and $65,220, respectively | 148,881 | 154,855 |
| Accounts payable and accrued expenses | 47,558 | 45,331 |
| Other liabilities | 14,842 | 13,308 |
| Total liabilities | 1,412,747 | 1,447,477 |
| Commitments and contingencies | | |
| Shareholders' equity: | | |
| Common shares: $0.01 par value; 500,000,000 shares authorized and 99,608,920 and 99,290,952 shares issued and outstanding, respectively | 996 | 993 |
| Additional paid-in capital | 483,402 | 475,369 |
| Accumulated deficit | (26,203) | (38,442) |
| Noncontrolling interests: | | |
| Redeemable noncontrolling interests | 35,228 | 33,177 |
| Noncontrolling interest in consolidated subsidiaries | 356 | 357 |
| Total equity | 493,779 | 471,454 |
| Total liabilities and equity | $ 1,906,526 | $ 1,918,931 |

**URBAN EDGE PROPERTIES**

**CONSOLIDATED AND COMBINED STATEMENTS OF INCOME**

**For the three and nine months ended September 30, 2016 and 2015 (unaudited)**

(in thousands, except share and per share amounts)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2016 | 2015 | 2016 | 2015 |
| **REVENUE** | | | | |
| Property rentals | $ 59,138 | $ 58,111 | $ 176,750 | $ 173,077 |
| Tenant expense reimbursements | 19,888 | 19,188 | 62,274 | 63,942 |
| Management and development fees | 375 | 551 | 1,356 | 1,779 |
| Other income | 572 | 1,975 | 2,118 | 3,525 |
| Total revenue | 79,973 | 79,825 | 242,498 | 242,323 |
| **EXPENSES** | | | | |
| Depreciation and amortization | 14,435 | 13,603 | 41,908 | 41,568 |
| Real estate taxes | 12,729 | 12,227 | 38,701 | 37,568 |
| Property operating | 9,897 | 10,494 | 32,596 | 38,002 |
| General and administrative | 6,618 | 6,385 | 20,873 | 25,503 |
| Ground rent | 2,508 | 2,527 | 7,529 | 7,606 |
| Transaction costs | 223 | 151 | 307 | 22,437 |
| Provision for doubtful accounts | 149 | 427 | 994 | 1,139 |
| Total expenses | 46,559 | 45,814 | 142,908 | 173,823 |
| Operating income | 33,414 | 34,011 | 99,590 | 68,500 |
| Gain on sale of real estate | — | — | 15,618 | — |
| Interest income | 176 | 39 | 520 | 101 |
| Interest and debt expense | (12,766) | (13,611) | (39,015) | (42,021) |
| Income before income taxes | 20,824 | 20,439 | 76,713 | 26,580 |
| Income tax expense | (319) | (394) | (349) | (1,399) |
| Net income | 20,505 | 20,045 | 76,364 | 25,181 |
| Less (net income) loss attributable to noncontrolling interests in: | | | | |
| Operating partnership | (1,239) | (1,179) | (4,594) | (1,605) |
| Consolidated subsidiaries | (1) | (6) | 1 | (17) |
| Net income attributable to common shareholders | $ 19,265 | $ 18,860 | $ 71,771 | $ 23,559 |
| | | | | |
| Earnings per common share - Basic: | $ 0.19 | $ 0.19 | $ 0.72 | $ 0.24 |
| Earnings per common share - Diluted: | $ 0.19 | $ 0.19 | $ 0.72 | $ 0.24 |
| Weighted average shares outstanding - Basic | 99,304 | 99,252 | 99,281 | 99,250 |
| Weighted average shares outstanding - Diluted | 99,870 | 99,286 | 99,711 | 99,272 |

**URBAN EDGE PROPERTIES**

**SUPPLEMENTAL SCHEDULE OF NET OPERATING INCOME**

**For the three and nine months ended September 30, 2016 and 2015**

(in thousands)

| | Three Months Ended September 30, 2016 | Three Months Ended September 30, 2015 | Percent Change | Nine Months Ended September 30, 2016 | Nine Months Ended September 30, 2015 | Percent Change |
|---|---|---|---|---|---|---|
| **Total cash NOI[1]** | | | | | | |
| Total revenue | $ 77,486 | $ 77,186 | 0.4% | $234,865 | $234,089 | 0.3% |
| Total property operating expenses | (25,022) | (25,241) | (0.9)% | (78,715) | (82,904) | (5.1)% |
| **Cash NOI - total portfolio** | $ 52,464 | $ 51,945 | 1.0% | $ 156,150 | $ 151,185 | 3.3% |
| **NOI margin (NOI / Total revenue)** | 67.7% | 67.3% | | 66.5% | 64.6% | |
| **Same-property cash NOI[2]** | | | | | | |
| Property rentals | $ 51,496 | $ 50,223 | | $ 153,324 | $ 149,244 | |
| Tenant expense reimbursements | 18,114 | 17,677 | | 56,572 | 58,558 | |
| Percentage rent | 104 | 79 | | 411 | 555 | |
| Total revenue | 69,714 | 67,979 | 2.6% | 210,307 | 208,357 | 0.9% |
| Real estate taxes | (11,873) | (11,337) | | (35,675) | (34,790) | |
| Property operating | (8,345) | (8,822) | | (27,608) | (31,210) | |
| Ground rent | (2,213) | (2,211) | | (6,612) | (6,591) | |
| Provision for doubtful accounts[4] | (108) | (287) | | (532) | (711) | |
| Total property operating expenses | (22,539) | (22,657) | (0.5)% | (70,427) | (73,302) | (3.9)% |
| **Same-property cash NOI[3]** | $ 47,175 | $ 45,322 | 4.1% | $ 139,880 | $ 135,055 | 3.6% |
| Cash NOI related to properties being redeveloped | $ 4,425 | $ 4,331 | | $ 12,634 | $ 13,269 | |
| **Same-property cash NOI including properties in redevelopment** | $ 51,600 | $ 49,653 | 3.9% | $ 152,514 | $ 148,324 | 2.8% |
| Same-property physical occupancy[3] | 96.0% | 96.2% | | | | |
| Same-property leased occupancy[3] | 97.4% | 96.9% | | | | |
| Number of properties included in same-property analysis | 77 | | | | | |

[1] Total revenue includes cash received from tenant bankruptcy settlements and lease termination fees and excludes management and development fee income and non-cash amounts. Property operating expense amounts have been adjusted to exclude non-cash amounts.

[2] Excludes management and development fee income, lease termination fees, bankruptcy settlement income, non-cash rental income and ground rent expense and income or expenses that we do not believe are representative of ongoing operating results, if any.

[3] The same-property pool for both NOI and occupancy includes retail properties the Company consolidated, owned and operated for the entirety of both periods being compared and excludes properties under development, redevelopment or that involve anchor repositioning where a substantial portion of the gross leasable area is taken out of service and properties acquired, sold, or are in the foreclosure process during the periods being compared. Same-property occupancy includes dark and paying tenants.

[4] Excludes $0.1 million, $0.2 million and $0.4 million of bad debt expense related to non-cash straight-line rents for the three months ended September 30, 2015 and the nine months ended September 30, 2016 and 2015, respectively.

**URBAN EDGE PROPERTIES**
**EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION and AMORTIZATION (EBITDA)**
**For the three and nine months ended September 30, 2016 and 2015**
(in thousands)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2016 | 2015 | 2016 | 2015 |
| Net income | $ 20,505 | $ 20,045 | $ 76,364 | $ 25,181 |
| Depreciation and amortization | 14,435 | 13,603 | 41,908 | 41,568 |
| Interest expense | 12,043 | 12,952 | 36,909 | 39,942 |
| Amortization of deferred financing costs | 723 | 659 | 2,106 | 2,079 |
| Income tax expense | 319 | 394 | 349 | 1,399 |
| **EBITDA** | 48,025 | 47,653 | 157,636 | 110,169 |
| Adjustments for Adjusted EBITDA: | | | | |
| Tenant bankruptcy settlement income | (545) | (1,774) | (2,035) | (3,034) |
| Transaction costs | 223 | 151 | 307 | 22,437 |
| Gain on sale of real estate | — | — | (15,618) | — |
| Equity awards issued in connection with spin-off | — | — | — | 7,143 |
| Environmental remediation costs | — | — | — | 1,379 |
| **Adjusted EBITDA** | $ 47,703 | $ 46,030 | $ 140,290 | $ 138,094 |
| | | | | |
| Interest expense | $ 12,043 | $ 12,952 | $ 36,909 | $ 39,942 |
| | | | | |
| Adjusted EBITDA to interest expense | 4.0x | 3.6x | 3.8x | 3.5x |
| | | | | |
| Fixed charges | | | | |
| Interest and debt expense[1] | $ 12,766 | $ 13,611 | $ 39,015 | $ 42,021 |
| Scheduled principal amortization | 4,309 | 3,969 | 12,764 | 11,606 |
| Total fixed charges | $ 17,075 | $ 17,580 | $ 51,779 | $ 53,627 |
| | | | | |
| Adjusted EBITDA to fixed charges | 2.8x | 2.6x | 2.7x | 2.6x |

[1] Includes amortization of deferred financing costs

**URBAN EDGE PROPERTIES**

**CONSOLIDATED STATEMENTS OF FUNDS FROM OPERATIONS**

**For the three and nine months ended September 30, 2016 and 2015**

(in thousands, except per share amounts)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | **2016** | **2015** | **2016** | **2015** |
| Net income | $ 20,505 | $ 20,045 | $ 76,364 | $ 25,181 |
| Less (net income) attributable to noncontrolling interests in: | | | | |
| Operating partnership | (1,239) | (1,179) | (4,594) | (1,605) |
| Consolidated subsidiaries | (1) | (6) | 1 | (17) |
| Net income attributable to common shareholders | 19,265 | 18,860 | 71,771 | 23,559 |
| Adjustments: | | | | |
| Gain on sale of real estate | — | — | (15,618) | — |
| Rental property depreciation and amortization | 14,269 | 13,452 | 41,419 | 41,102 |
| Limited partnership interests in operating partnership[1] | 1,239 | 1,179 | 4,594 | 1,605 |
| **FFO Applicable to diluted common shareholders** | 34,773 | 33,491 | 102,166 | 66,266 |
| **FFO per diluted common share**[2] | 0.33 | 0.32 | 0.96 | 0.63 |
| Adjustments to FFO: | | | | |
| Tenant bankruptcy settlement income | (545) | (1,774) | (2,035) | (3,034) |
| Benefit related to income taxes | — | — | (625) | — |
| Transaction costs | 223 | 151 | 307 | 22,437 |
| Equity awards issued in connection with spin-off | — | — | — | 7,143 |
| Environmental remediation costs | — | — | — | 1,379 |
| Debt restructuring expenses | — | — | — | 1,034 |
| **FFO as Adjusted applicable to diluted common shareholders** | $ 34,451 | $ 31,868 | $ 99,813 | $ 95,225 |
| **FFO as Adjusted per diluted common share**[2] | $ 0.32 | $ 0.30 | $ 0.94 | $ 0.90 |
| Weighted Average diluted common shares[2] | 106,266 | 105,436 | 106,009 | 105,351 |

(1) Represents earnings allocated to LTIP and OP unit holders for unissued common shares which have been excluded for purposes of calculating earnings per diluted share for the periods presented. FFO applicable to diluted common shareholders and FFO as Adjusted applicable to diluted common shareholders calculations include earnings allocated to LTIP and OP unit holders and the respective weighted average share totals include the redeemable shares outstanding as their inclusion is dilutive.

(2) Weighted average diluted shares used to calculate FFO per share and FFO as Adjusted per share for the periods presented are higher than the GAAP weighted average diluted shares as a result of the dilutive impact of vested LTIP and OP units which are redeemable into our common stock for the three and nine months ended September 30, 2016 and 2015, respectively. These redeemable units are not included in the weighted average diluted share count for GAAP purposes because their inclusion is anti-dilutive.

**URBAN EDGE PROPERTIES**
**MARKET CAPITALIZATION, DEBT RATIOS AND LIQUIDITY**
**As of September 30, 2016**
(in thousands, except share amounts)

| | | September 30, 2016 |
|---|---|---|
| Closing market price of common shares | $ | 28.14 |
| Common stock shares | | |
| Basic common shares | | 99,478,821 |
| Diluted common shares: | | |
| OP and LTIP units | | 6,150,224 |
| Unvested restricted common shares and OPP units | | 375,587 |
| Diluted common shares | | 106,004,632 |
| **Equity market capitalization** | $ | 2,982,970 |

| | | |
|---|---|---|
| Total consolidated debt[2] | $ | 1,209,994 |
| Cash and cash equivalents | | (149,698) |
| Net debt | $ | 1,060,296 |
| Net Debt to Adjusted EBITDA[1] | | 5.6x |
| Total consolidated debt[2] | $ | 1,209,994 |
| Equity market capitalization | | 2,982,970 |
| Total market capitalization | $ | 4,192,964 |
| Net debt to total market capitalization at applicable market price | | 25.3% |

| | | |
|---|---|---|
| Gross real estate investments, at cost[3] | $ | 2,110,951 |
| Net debt to gross real estate investments | | 50.2% |

(1) Adjusted EBITDA for the period has been annualized.
(2) Total consolidated debt excludes unamortized debt issuance costs.
(3) Excludes Furniture, fixtures and equipment.

**URBAN EDGE PROPERTIES**
**ADDITIONAL DISCLOSURES**
(in thousands)

| | Three Months Ended September 30, 2016 | Three Months Ended September 30, 2015 | Nine Months Ended September 30, 2016 | Nine Months Ended September 30, 2015 |
|---|---|---|---|---|
| **Certain non-cash items:** | | | | |
| Straight-line rental income[1] | $ (74) | $ 41 | $ 287 | $ 68 |
| Amortization of below-market lease intangibles, net[1] | 2,158 | 2,019 | 5,907 | 6,070 |
| Straight-line ground rent expense[2] | (52) | (75) | (187) | (285) |
| Amortization of below-market lease intangibles, lessee[2] | (243) | (243) | (729) | (729) |
| Amortization of deferred financing costs[4] | (723) | (659) | (2,106) | (2,079) |
| Capitalized interest | 1,124 | 483 | 2,755 | 1,340 |
| Share-based compensation expense[3] | (1,359) | (879) | (4,080) | (9,148) |
| **Capital expenditures:** [5] | | | | |
| Development and redevelopment costs | $ 16,563 | $ 4,475 | $ 38,835 | $ 13,375 |
| Maintenance capital expenditures | 934 | 3,589 | 4,081 | 9,277 |
| Leasing commissions | 505 | 265 | 1,513 | 754 |
| Tenant improvements and allowances | 625 | 1,323 | 2,752 | 1,991 |
| Total capital expenditures | $ 18,627 | $ 9,652 | $ 47,181 | $ 25,397 |

| | September 30, 2016 | December 31, 2015 |
|---|---|---|
| **Other Liabilities:** | | |
| Deferred ground rent expense | $ 6,226 | $ 6,038 |
| Deferred tax liability, net | 3,645 | 3,607 |
| Other | 4,971 | 3,663 |
| Total other liabilities | $ 14,842 | $ 13,308 |
| **Accounts payable and accrued expenses:** | | |
| Tenant prepaid/deferred revenue | $ 13,718 | $ 16,097 |
| Accrued capital expenditures and leasing costs | 14,544 | 10,261 |
| Other | 19,296 | 18,973 |
| Total accounts payable and accrued expenses | $ 47,558 | $ 45,331 |

(1) Amounts included in the financial statement line item "Property rentals" in the consolidated and combined statements of income.
(2) Amounts included in the financial statement line item "Ground rent" in the consolidated and combined statements of income.
(3) Amounts included in the financial statement line item "General and Administrative" in the consolidated and combined statements of income. Includes $7.1 million of expenses associated with the issuance of LTIP awards in connection with the separation transaction during the nine months ended September 30, 2015.
(4) Amounts included in the financial statement line item "Interest and debt expense" in the consolidated and combined statements of income.
(5) Amounts presented on a cash basis.

**URBAN EDGE PROPERTIES**

**TENANT CONCENTRATION - TOP TWENTY-FIVE TENANTS**

**As of September 30, 2016**

| Tenant | Number of stores | Square feet | % of total square feet | Annualized base rent | % of total annualized base rent | Weighted average annual rent per square foot | Average remaining term of ABR[(1)] |
|---|---|---|---|---|---|---|---|
| The Home Depot | 7 | 920,226 | 6.2% | $ 15,801,209 | 6.9% | $ 17.17 | 14.8 |
| Walmart / Sam's Wholesale | 9 | 1,438,730 | 9.7% | 10,726,552 | 4.7% | 7.46 | 9.3 |
| The TJX Companies, Inc. | 15 | 542,522 | 3.7% | 8,683,212 | 3.8% | 16.01 | 5.1 |
| Lowe's | 6 | 976,415 | 6.6% | 8,575,004 | 3.7% | 8.78 | 11.0 |
| Stop & Shop / Koninklijke Ahold NV | 9 | 655,618 | 4.4% | 8,015,606 | 3.5% | 12.23 | 7.0 |
| Best Buy & Co | 7 | 312,952 | 2.1% | 6,966,025 | 3.0% | 22.26 | 7.5 |
| Kohl's | 8 | 716,345 | 4.8% | 6,713,770 | 2.9% | 9.37 | 5.1 |
| BJ's Wholesale Club | 4 | 454,297 | 3.1% | 5,278,625 | 2.3% | 11.62 | 10.1 |
| Sears Holdings, Inc. (Sears and Kmart) | 4 | 547,443 | 3.7% | 5,244,737 | 2.3% | 9.58 | 19.2 |
| PetSmart, Inc. | 9 | 235,309 | 1.6% | 5,133,861 | 2.2% | 21.82 | 4.8 |
| ShopRite | 4 | 265,997 | 1.8% | 4,236,388 | 1.9% | 15.93 | 7.3 |
| Toys "R" Us | 7 | 285,858 | 1.9% | 3,685,514 | 1.6% | 12.89 | 5.6 |
| Staples, Inc. | 8 | 167,554 | 1.1% | 3,612,769 | 1.6% | 21.56 | 3.0 |
| Target | 2 | 297,856 | 2.0% | 3,448,666 | 1.5% | 11.58 | 15.5 |
| Century 21 | 1 | 156,649 | 1.1% | 3,394,181 | 1.5% | 21.67 | 10.3 |
| Whole Foods | 2 | 100,682 | 0.7% | 3,365,570 | 1.5% | 33.43 | 11.2 |
| LA Fitness | 4 | 181,342 | 1.2% | 3,085,085 | 1.3% | 17.01 | 10.9 |
| Dick's Sporting Goods | 3 | 151,136 | 1.0% | 2,971,814 | 1.3% | 19.66 | 2.3 |
| 24 Hour Fitness | 1 | 53,750 | 0.4% | 2,289,750 | 1.0% | 42.60 | 15.3 |
| Anthropologie | 1 | 31,450 | 0.2% | 2,201,500 | 1.0% | 70.00 | 12.0 |
| National Wholesale Liquidators | 1 | 171,216 | 1.2% | 2,140,019 | 0.9% | 12.50 | 6.3 |
| The Gap, Inc. | 6 | 75,276 | 0.5% | 2,067,793 | 0.9% | 27.47 | 5.0 |
| Petco | 7 | 114,375 | 0.8% | 1,899,390 | 0.8% | 16.61 | 5.6 |
| Bed, Bath & Beyond | 4 | 143,973 | 1.0% | 1,874,970 | 0.8% | 13.02 | 4.6 |
| Sleepy's | 11 | 62,222 | 0.4% | 1,762,014 | 0.8% | 28.32 | 4.6 |
| **Total/Weighted Average** | 140 | 9,059,193 | 61.2% | $ 123,174,024 | 53.7% | $ 13.60 | 9.2 |

[(1)] In years, excluding tenant renewal options. Total top twenty-five tenants is weighted based on annualized base rent ("ABR").

Note: Amounts shown in the table above include all retail properties, including those in redevelopment, on a cash basis other than tenants in a free rent period which are shown at their initial cash rent.

**URBAN EDGE PROPERTIES**

**LEASING ACTIVITY**

**For the three and nine months ended September 30, 2016**

| | Three months ended September 30, 2016 | | Nine months ended September 30, 2016 | |
|---|---|---|---|---|
| | GAAP[3] | Cash[2] | GAAP[3] | Cash[2] |
| **New leases** | | | | |
| Number of new leases executed | 17 | 17 | 36 | 36 |
| Total square feet | 154,940 | 154,940 | 234,540 | 234,540 |
| Number of same space leases[1] | 6 | 6 | 16 | 16 |
| Same space square feet | 55,087 | 55,087 | 73,994 | 73,994 |
| Prior rent per square foot | $ 19.42 | $ 19.63 | $ 24.34 | $ 24.75 |
| New rent per square foot | $ 28.86 | $ 25.74 | $ 37.68 | $ 34.19 |
| Same space weighted average lease term (years) | 15.9 | 15.9 | 14.4 | 14.4 |
| Same space TIs per square foot[4] | N/A | $ 118.10 | N/A | $ 90.49 |
| Rent spread | 48.6% | 31.2% | 54.8% | 38.2% |
| **Renewals & Options** | | | | |
| Number of new leases executed | 18 | 18 | 44 | 44 |
| Total square feet | 128,914 | 128,914 | 279,830 | 279,830 |
| Number of same space leases[1] | 18 | 18 | 44 | 44 |
| Same space square feet | 128,914 | 128,914 | 279,830 | 279,830 |
| Prior rent per square foot | $ 21.83 | $ 22.88 | $ 19.64 | $ 20.28 |
| New rent per square foot | $ 24.19 | $ 23.71 | $ 21.84 | $ 21.36 |
| Same space weighted average lease term (years) | 4.9 | 4.9 | 5.0 | 5.0 |
| Same space TIs per square foot[4] | N/A | $ — | N/A | $ 0.05 |
| Rent spread | 10.8% | 3.6% | 11.2% | 5.3% |
| **Total New Leases and Renewals & Options** | | | | |
| Number of new leases executed | 35 | 35 | 80 | 80 |
| Total square feet | 283,854 | 283,854 | 514,370 | 514,370 |
| Number of same space leases[1] | 24 | 24 | 60 | 60 |
| Same space square feet | 184,001 | 184,001 | 353,824 | 353,824 |
| Prior rent per square foot | $ 21.11 | $ 21.91 | $ 20.63 | $ 21.22 |
| New rent per square foot | $ 25.59 | $ 24.32 | $ 25.15 | $ 24.05 |
| Same space weighted average lease term (years) | 8.2 | 8.2 | 7.0 | 7.0 |
| Same space TIs per square foot[4] | N/A | $ 35.36 | N/A | $ 18.97 |
| Rent spread | 21.2% | 11.0% | 21.9% | 13.3% |

[1] Leases executed on a same space basis include leases with comparable sf and prior existing tenants.
[2] Rents have not been calculated on a straight-line basis. Previous/expiring rent is that as of time of expiration and includes any percentage rent paid as well. New rent is that which is paid at commencement.
[3] Rents are calculated on a straight-line ("GAAP") basis.
[4] Includes both tenant improvements and landlord contributions.

**URBAN EDGE PROPERTIES**

**RETAIL PORTFOLIO LEASE EXPIRATION SCHEDULE**

**As of September 30, 2016**

| | ANCHOR TENANTS (SF>=10,000) | | | | SHOP TENANTS (SF<10,000) | | | | TOTAL TENANTS | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year[1] | # of leases | Square Feet | % of Total SF | Weighted Avg Annual Base Rent PSF[2] | # of leases | Square Feet | % of Total SF | Weighted Avg Annual Base Rent PSF[2] | # of leases | Square Feet | % of Total SF | Weighted Avg Annual Base Rent PSF[2] |
| M-T-M | — | — | —% | $ — | 12 | 27,000 | 1.3% | $ 43.93 | 12 | 27,000 | 0.2% | $ 43.93 |
| 2016[3] | — | — | —% | — | 19 | 46,000 | 2.3% | 39.14 | 19 | 46,000 | 0.3% | 39.14 |
| 2017 | 8 | 270,000 | 2.3% | 14.49 | 68 | 193,000 | 9.6% | 32.59 | 76 | 463,000 | 3.4% | 22.03 |
| 2018 | 20 | 981,000 | 8.3% | 10.12 | 53 | 144,000 | 7.2% | 43.20 | 73 | 1,125,000 | 8.1% | 14.35 |
| 2019 | 27 | 973,000 | 8.2% | 17.87 | 76 | 224,000 | 11.1% | 39.83 | 103 | 1,197,000 | 8.7% | 21.98 |
| 2020 | 28 | 1,090,000 | 9.2% | 14.49 | 52 | 179,000 | 8.9% | 39.16 | 80 | 1,269,000 | 9.2% | 17.97 |
| 2021 | 24 | 718,000 | 6.1% | 16.97 | 55 | 161,000 | 8.0% | 35.44 | 79 | 879,000 | 6.4% | 20.35 |
| 2022 | 17 | 916,000 | 7.8% | 10.07 | 41 | 118,000 | 5.9% | 35.90 | 58 | 1,034,000 | 7.5% | 13.02 |
| 2023 | 17 | 957,000 | 8.1% | 17.02 | 29 | 99,000 | 4.9% | 35.35 | 46 | 1,056,000 | 7.6% | 18.74 |
| 2024 | 23 | 1,224,000 | 10.4% | 12.02 | 35 | 128,000 | 6.4% | 27.84 | 58 | 1,352,000 | 9.8% | 13.52 |
| 2025 | 6 | 450,000 | 3.8% | 13.86 | 32 | 94,000 | 4.7% | 35.86 | 38 | 544,000 | 3.9% | 17.66 |
| 2026 | 7 | 517,000 | 4.4% | 9.96 | 43 | 152,000 | 7.6% | 27.91 | 50 | 669,000 | 4.8% | 14.04 |
| Thereafter | 49 | 3,528,000 | 29.8% | 15.19 | 30 | 169,000 | 8.4% | 39.83 | 79 | 3,697,000 | 26.7% | 16.31 |
| Subtotal/Average | 226 | 11,624,000 | 98.4% | $ 14.15 | 545 | 1,734,000 | 86.3% | $ 36.22 | 771 | 13,358,000 | 96.6% | $ 17.01 |
| Vacant | 11 | 195,000 | 1.6% | N/A | 93 | 276,000 | 13.7% | N/A | 104 | 471,000 | 3.4% | N/A |
| **Total/Average** | 237 | 11,819,000 | 100% | N/A | 638 | 2,010,000 | 100% | N/A | 875 | 13,829,000 | 100% | N/A |

(1) Year of expiration excludes tenant renewal options.
(2) Weighted average annual rent per square foot is calculated by annualizing tenant's in-place contractual (cash-basis) rent, including ground rent, and excludes tenant reimbursements and concessions and storage rent.
(3) Remainder of 2016.

Note: Amounts shown in table above include both current leases and signed leases that have not commenced on vacant spaces for all retail properties (including properties in redevelopment). The average base rent for our 942,000 square-foot warehouse property (excluded from the table above) is $5.41 per square foot as of September 30, 2016.

**URBAN EDGE PROPERTIES**

**RETAIL PORTFOLIO LEASE EXPIRATION SCHEDULE ASSUMING EXERCISE OF ALL RENEWALS AND OPTIONS**

**As of September 30, 2016**

| | ANCHOR TENANTS (SF>=10,000) | | | | SHOP TENANTS (SF<10,000) | | | | TOTAL TENANTS | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year[1] | # of leases | Square Feet | % of Total SF | Weighted Avg Annual Base Rent PSF[2] | # of leases | Square Feet | % of Total SF | Weighted Avg Annual Base Rent PSF[2] | # of leases | Square Feet | % of Total SF | Weighted Avg Annual Base Rent PSF[2] |
| M-T-M | — | — | —% | $ — | 12 | 27,000 | 1.3% | $ 43.93 | 12 | 27,000 | 0.2% | $ 43.93 |
| 2016[3] | — | — | —% | — | 16 | 36,000 | 1.8% | 38.91 | 16 | 36,000 | 0.3% | 38.91 |
| 2017 | 3 | 56,000 | 0.5% | 20.67 | 48 | 115,000 | 5.7% | 38.13 | 51 | 171,000 | 1.3% | 32.41 |
| 2018 | 4 | 76,000 | 0.7% | 19.71 | 40 | 101,000 | 5.0% | 51.13 | 44 | 177,000 | 1.3% | 37.64 |
| 2019 | 3 | 142,000 | 1.2% | 12.40 | 47 | 119,000 | 5.9% | 48.72 | 50 | 261,000 | 1.9% | 28.96 |
| 2020 | 4 | 66,000 | 0.6% | 25.97 | 40 | 123,000 | 6.1% | 48.54 | 44 | 189,000 | 1.4% | 40.66 |
| 2021 | 6 | 124,000 | 1.0% | 17.98 | 42 | 103,000 | 5.1% | 37.92 | 48 | 227,000 | 1.5% | 27.03 |
| 2022 | 3 | 122,000 | 1.0% | 10.28 | 37 | 113,000 | 5.6% | 36.49 | 40 | 235,000 | 1.7% | 22.88 |
| 2023 | 5 | 320,000 | 2.7% | 17.45 | 25 | 75,000 | 3.8% | 37.95 | 30 | 395,000 | 2.9% | 21.34 |
| 2024 | 11 | 215,000 | 1.8% | 17.58 | 41 | 122,000 | 6.1% | 39.04 | 52 | 337,000 | 2.4% | 25.35 |
| 2025 | 8 | 295,000 | 2.5% | 21.38 | 28 | 90,000 | 4.5% | 37.60 | 36 | 385,000 | 2.8% | 25.17 |
| 2026 | 8 | 238,000 | 2.0% | 21.32 | 44 | 136,000 | 6.8% | 36.86 | 52 | 374,000 | 2.7% | 26.97 |
| Thereafter | 171 | 9,970,000 | 84.4% | 19.33 | 125 | 574,000 | 28.6% | 43.90 | 296 | 10,544,000 | 76.2% | 20.66 |
| Subtotal/Average | 226 | 11,624,000 | 98.4% | $ 19.19 | 545 | 1,734,000 | 86.3% | $ 42.18 | 771 | 13,358,000 | 96.6% | $ 22.17 |
| Vacant | 11 | 195,000 | 1.6% | N/A | 93 | 276,000 | 13.7% | N/A | 104 | 471,000 | 3.4% | N/A |
| **Total/Average** | 237 | 11,819,000 | 100% | N/A | 638 | 2,010,000 | 100% | N/A | 875 | 13,829,000 | 100% | N/A |

[1] Year of expiration includes tenant renewal options.

[2] Weighted average annual rent per square foot is calculated by annualizing tenant's in-place contractual (cash-basis) rent, including ground rent, and excludes tenant reimbursements and concessions and storage rent and is adjusted for assumed exercised options using option rents specified in the underlying leases. Weighted average annual base rent for leases whose future option rent is based on fair market value or CPI is reported at the last stated option rent in the respective lease.

[3] Remainder of 2016.

Note: Amounts shown in table above includes both current leases and signed leases that have not commenced on vacant spaces for all retail properties (including properties in redevelopment). The average base rent for our 942,000 square-foot warehouse property assuming exercise of all options at future tenant rent (excluded from the table above) is $5.55 per square foot as of September 30, 2016.

**URBAN EDGE PROPERTIES**
**PROPERTY STATUS REPORT**
**As of September 30, 2016**
(dollars in thousands, except per sf amounts)

| Property | Total Square Feet [1] | Percent Leased [1] | Weighted Average Annual Rent per sq ft [2] | Mortgage Debt[7] | Major Tenants |
|---|---|---|---|---|---|
| **SHOPPING CENTERS AND MALLS:** | | | | | |
| **California:** | | | | | |
| Signal Hill | 45,000 | 100.0% | $26.49 | — | Best Buy |
| Vallejo (leased through 2043)[8] | 45,000 | 100.0% | 19.26 | — | Best Buy |
| Walnut Creek (1149 South Main Street)[6] | 31,000 | 100.0% | 70.00 | — | Anthropologie |
| Walnut Creek (Mt. Diablo) [4] | 7,000 | 100.0% | 115.00 | — | Z Gallerie (lease not commenced) |
| **Connecticut:** | | | | | |
| Newington | 189,000 | 100.0% | 9.72 | $10,376 [3] | Walmart, Staples |
| **Maryland:** | | | | | |
| Baltimore (Towson) | 155,000 | 89.2% | 22.42 | $14,425 [3] | hhgregg, Staples, HomeGoods, Golf Galaxy, Tuesday Morning (lease not commenced), Ulta (lease not commenced) |
| Glen Burnie | 121,000 | 90.4% | 10.06 | — | Gavigan's Home Furnishings, Pep Boys |
| Rockville | 94,000 | 98.1% | 24.53 | — | Regal Cinemas |
| Wheaton (leased through 2060)[8] | 66,000 | 100.0% | 16.36 | — | Best Buy |
| **Massachusetts:** | | | | | |
| Cambridge (leased through 2033)[8] | 48,000 | 100.0% | 21.83 | — | PetSmart, Modell's Sporting Goods |
| Chicopee | 224,000 | 100.0% | 5.50 | $7,668 [3] | Walmart |
| Milford (leased through 2019)[8] | 83,000 | 100.0% | 9.01 | — | Kohl's |
| Springfield | 182,000 | 100.0% | 5.67 | $5,289 [3] | Walmart |
| **New Hampshire:** | | | | | |
| Salem | 37,000 | 100.0% | 12.58 | — | Babies "R" Us |
| **New Jersey:** | | | | | |
| Bergen Town Center - East, Paramus | 211,000 | 92.9% | 18.50 | — | Lowe's, REI |
| Bergen Town Center - West, Paramus | 960,000 | 99.4% | 31.92 | $300,000 | Target, Century 21, Whole Foods Market, Marshalls, Nordstrom Rack, Saks Off 5th, HomeGoods, H&M, Bloomingdale's Outlet, Nike Factory Store, Old Navy, Nieman Marcus Last Call Studio, Blink Fitness |
| Brick | 278,000 | 97.1% | 18.48 | $29,507 [3] | Kohl's, ShopRite, Marshalls |
| Carlstadt (leased through 2050)[8] | 78,000 | 95.5% | 23.51 | — | Stop & Shop |
| Cherry Hill | 261,000 | 99.2% | 9.16 | $12,805 [3] | Wal-Mart, Toys "R" Us, Maxx Fitness |
| East Brunswick | 427,000 | 100.0% | 14.93 | $33,860 [3] | Lowe's, Kohl's, Dick's Sporting Goods, P.C. Richard & Son, T.J. Maxx, LA Fitness |
| East Hanover (200 - 240 Route 10 West) | 343,000 | 88.4% | 19.97 | $35,327 [3] | The Home Depot, Dick's Sporting Goods, Marshalls, Burlington Coat Factory |
| East Hanover (280 Route 10 West) | 28,000 | 100.0% | 34.71 | $4,201 [3] | REI |
| East Rutherford | 197,000 | 100.0% | 12.71 | $12,552 [3] | Lowe's |
| Eatontown | 30,000 | 15.0% | 44.00 | — | Citibank |
| Englewood[6] | 41,000 | 64.1% | 20.83 | $11,537 | New York Sports Club |
| Garfield | 263,000 | 100.0% | 13.70 | — | Walmart, Burlington Coat Factory, Marshalls, Petsmart |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | (lease not commenced) |
| Hackensack | 275,000 | 94.4% | 21.59 | $37,453 [3] | The Home Depot, 99 Ranch (lease not commenced), Staples, Petco |
| Hazlet | 95,000 | 100.0% | 3.43 | — | Stop & Shop [5] |

**URBAN EDGE PROPERTIES**
**PROPERTY STATUS REPORT**
**As of September 30, 2016**
(dollars in thousands, except per sf amounts)

| Property | Total Square Feet [1] | Percent Leased [1] | Weighted Average Annual Rent per sq ft [2] | Mortgage Debt[7] | Major Tenants |
|---|---|---|---|---|---|
| Jersey City | 236,000 | 100.0% | 12.30 | $18,727 [3] | Lowe's, P.C. Richard & Son |
| Kearny | 104,000 | 98.2% | 18.86 | — | LA Fitness, Marshalls |
| Lawnside | 147,000 | 99.3% | 14.31 | $9,869 [3] | The Home Depot, PetSmart |
| Lodi (Route 17 North) | 171,000 | 100.0% | 12.50 | $10,477 [3] | National Wholesale Liquidators |
| Lodi (Washington Street) | 85,000 | 83.6% | 20.39 | — | Blink Fitness, Aldi |
| Manalapan | 208,000 | 100.0% | 17.47 | $19,435 [3] | Best Buy, Bed Bath & Beyond, Babies "R" Us, Modell's Sporting Goods, PetSmart |
| Marlton | 213,000 | 100.0% | 14.18 | $15,943 [3] | Kohl's, ShopRite, PetSmart |
| Middletown | 231,000 | 100.0% | 13.16 | $16,044 [3] | Kohl's, Stop & Shop |
| Montclair | 18,000 | 100.0% | 26.20 | $2,429 [3] | Whole Foods Market |
| Morris Plains | 177,000 | 91.2% | 21.47 | $19,739 [3] | Kohl's, ShopRite [5] |
| North Bergen (Kennedy Blvd) | 62,000 | 100.0% | 13.73 | $4,707 [3] | Food Bazaar |
| North Bergen (Tonnelle Ave) | 410,000 | 100.0% | 20.47 | $74,244 | Walmart, BJ's Wholesale Club, PetSmart, Staples |
| North Plainfield | 218,000 | 99.0% | 10.66 | — | Costco, The Tile Shop, La-Z-Boy, Petco (lease not commenced) |
| Paramus (leased through 2033)[8] | 63,000 | 100.0% | 42.23 | — | 24 Hour Fitness |
| Rockaway | 173,000 | 94.8% | 13.64 | $12,147 [3] | ShopRite, T.J. Maxx |
| South Plainfield (leased through 2039)[8] | 56,000 | 96.3% | 20.53 | $4,732 [3] | Staples, Party City |
| Totowa | 271,000 | 100.0% | 16.96 | $22,877 [3] | The Home Depot, Bed Bath & Beyond, buy buy Baby, Marshalls, Staples |
| Turnersville | 96,000 | 100.0% | 9.62 | — | Haynes Furniture Outlet (DBA The Dump), Verizon Wireless (lease not commenced) |
| Union (2445 Springfield Ave) | 232,000 | 100.0% | 17.85 | $26,318 [3] | The Home Depot |
| Union (Route 22 and Morris Ave) | 276,000 | 99.4% | 18.79 | $29,861 [3] | Lowe's, Toys "R" Us, Office Depot |
| Watchung | 170,000 | 96.6% | 16.65 | $13,918 [3] | BJ's Wholesale Club |
| Woodbridge | 226,000 | 84.1% | 13.76 | $19,081 [3] | Walmart |
| **New York:** | | | | | |
| Bronx (1750-1780 Gun Hill Road) | 77,000 | 100.0% | 33.91 | — | Planet Fitness, Aldi |
| Bronx (Bruckner Boulevard)[6] | 489,000 | 83.3% | 16.86 | — | Kmart, Toys "R" Us, ShopRite (lease not commenced) |
| Buffalo (Amherst) | 311,000 | 96.9% | 9.19 | — | BJ's Wholesale Club, T.J. Maxx, HomeGoods, Toys "R" Us, LA Fitness |
| Commack (leased through 2021)[8] | 47,000 | 100.0% | 19.22 | — | PetSmart, Ace Hardware |
| Dewitt (leased through 2041)[8] | 46,000 | 100.0% | 22.51 | — | Best Buy |
| Freeport (240 West Sunrise Highway) (leased through 2040)[8] | 44,000 | 100.0% | 20.28 | — | Bob's Discount Furniture |
| Freeport (437 East Sunrise Highway) | 173,000 | 100.0% | 21.95 | $19,739 [3] | The Home Depot, Staples |
| Huntington | 204,000 | 99.7% | 15.64 | $15,386 [3] | Kmart, Marshalls, Old Navy, Petco |
| Inwood | 100,000 | 100.0% | 19.54 | — | Stop & Shop |
| Mount Kisco | 189,000 | 100.0% | 16.78 | $14,986 | Target, Stop & Shop |
| New Hyde Park (leased through 2029)[8] | 101,000 | 100.0% | 20.21 | — | Stop & Shop |
| Oceanside | 16,000 | 100.0% | 28.00 | — | Party City |
| Queens[6] | 46,000 | 81.3% | 37.61 | — | |

| | | | | | |
|---|---|---|---|---|---|
| Rochester | 205,000 | 100.0% | 3.08 | $4,049 [3] | Walmart |

**URBAN EDGE PROPERTIES**

**PROPERTY STATUS REPORT**

**As of September 30, 2016**

(dollars in thousands, except per sf amounts)

| Property | Total Square Feet [1] | Percent Leased [1] | Weighted Average Annual Rent per sq ft [2] | Mortgage Debt[7] | Major Tenants |
|---|---|---|---|---|---|
| Rochester (Henrietta) (leased through 2056)[8] | 165,000 | 94.2% | 3.96 | — | Kohl's |
| Staten Island | 165,000 | 88.8% | 24.03 | — | Western Beef, Planet Fitness |
| West Babylon | 66,000 | 95.1% | 17.22 | — | Best Market, Rite Aid |
| **Pennsylvania:** | | | | | |
| Allentown | 372,000 | 100.0% | 12.01 | $27,685 [3] | Burlington Coat Factory, Giant Food, Dick's Sporting Goods, T.J. Maxx, Petco, BigLots |
| Bensalem | 185,000 | 100.0% | 12.84 | $13,741 [3] | Kohl's, Ross Dress for Less, Staples, Petco |
| Bethlehem | 147,000 | 94.4% | 7.12 | $5,162 [3] | Giant Food, Petco |
| Broomall | 169,000 | 100.0% | 10.85 | $9,869 [3] | Giant Food, Planet Fitness, A.C. Moore, PetSmart |
| Glenolden | 102,000 | 100.0% | 12.41 | $6,327 [3] | Walmart |
| Lancaster | 228,000 | 100.0% | 4.76 | $4,985 [3] | Lowe's, Community Aid, Sleepy's |
| Springfield (leased through 2025)[8] | 41,000 | 100.0% | 20.90 | — | PetSmart |
| Wilkes-Barre (461 - 499 Mundy Street) | 204,000 | 91.8% | 12.89 | — | Bob's Discount Furniture, Babies "R" Us, Ross Dress for Less, Marshalls, Petco |
| Wyomissing (leased through 2065)[8] | 76,000 | 93.4% | 15.86 | — | LA Fitness, PetSmart |
| York | 111,000 | 100.0% | 8.93 | $4,808 [3] | Ashley Furniture, Tractor Supply Company, Aldi |
| **South Carolina:** | | | | | |
| Charleston (leased through 2063)[8] | 45,000 | 100.0% | 14.19 | — | Best Buy |
| **Virginia:** | | | | | |
| Norfolk (leased through 2069)[8] | 114,000 | 100.0% | 7.08 | — | BJ's Wholesale Club |
| Tyson's Corner (leased through 2035)[8] | 38,000 | 100.0% | 43.04 | — | Best Buy |
| **Puerto Rico:** | | | | | |
| Las Catalinas | 356,000 | 93.7% | 35.81 | $130,000 | Kmart, Forever 21 |
| Montehiedra[6] | 540,000 | 93.1% | 17.80 | $117,709 | Kmart, The Home Depot, Marshalls, Caribbean Theatres, Nike Factory Store, Polo Ralph Lauren |
| **Total Shopping Centers and Malls** | **13,829,000** | **96.6%** | **$17.05** | **$1,209,994** | |
| **WAREHOUSES:** | | | | | |
| East Hanover - Five Buildings[6] | 942,000 | 91.7% | 4.75 | — | J & J Tri-State Delivery, Foremost Groups Inc., PCS Wireless, Fidelity Paper & Supply Inc., Meyer Distributing Inc., Consolidated Simon Distributors Inc., Givaudan Flavors Corp., Opulux (lease not commenced) |
| **Total Urban Edge Properties** | **14,771,000** | **96.3%** | **$16.30** | **$1,209,994** | |

(1) Percent leased is expressed as a percent of total existing square feet (gross leasable area) subject to a lease.

(2) Weighted average annual rent per square foot including ground leases and executed leases for which rent has not commenced is calculated by annualizing tenant's current base rent (excluding any free rent periods), and excludes tenant reimbursements, concessions and storage rent. Excluding ground leases where the Company is the lessor, the weighted average annual rent per square foot for our retail portfolio is $19.60 per square foot.

(3) Property is included in a cross-collateralized mortgage loan. The amount of mortgage debt secured by our properties at East Brunswick and East Hanover (200-240 Route 10 West) contains parcels that are separately identified in our cross collateralized mortgage loan.

(4) Our ownership of Walnut Creek (Mt. Diablo) is 95% at September 30, 2016.

[5] The tenant has ceased operations at this location but continues to pay rent.
[6] Not included in the same-property pool for the purposes of calculating same-property cash NOI as of September 30, 2016.
[7] Mortgage debt balances exclude unamortized debt issuance costs.
[8] The Company is a lessee under a ground or building lease. The total square feet disclosed for the building will revert to the lessor upon lease expiration.

**URBAN EDGE PROPERTIES**
**PROPERTY ACQUISITIONS AND DISPOSITIONS**
**For the nine months ended September 30, 2016**

### 2016 Property Acquisitions:

None.

### 2016 Property Dispositions:

| Date Disposed | Property Name | City | State | GLA | Land Acres | Sale Price |
|---|---|---|---|---|---|---|
| 6/9/2016 | Mattatuck Commons | Waterbury | CT | 147,200 | 19.0 | $21,600 |

**URBAN EDGE PROPERTIES**

**DEVELOPMENT, REDEVELOPMENT AND ANCHOR REPOSITIONING PROJECTS**

**As of September 30, 2016**

(in thousands, except square footage data)

| PROPERTY | Project GLA[2] | Estimated Gross Cost[1] | Incurred as of 9/30/16 | Balance to Complete (Gross Cost) | Target Stabilization[3] | Project Description |
|---|---|---|---|---|---|---|
| **ACTIVE PROJECTS:** | | | | | | |
| Bruckner Boulevard | 163,000 | $ 38,400 | $ 10,800 | $ 27,600 | 2Q18 | Renovating and retenanting |
| East Hanover warehouses | 942,000 | 24,000 | 20,200 | 3,800 | 2Q17 | Renovating and retenanting |
| Montehiedra Town Center | 542,000 | 20,800 | 14,100 | 6,700 | 2Q18 | Converting to outlet/value hybrid mall |
| Garfield[4] | 85,000 | 18,800 | 11,600 | 7,200 | 4Q17 | Adding Burlington Coat, Petsmart and 17,000± sf of shop space |
| North Plainfield[4] | 47,500 | 7,800 | 2,100 | 5,700 | 4Q17 | Adding La-Z-Boy and 20,000± sf of shop space |
| Towson[4] | 39,000 | 7,000 | 600 | 6,400 | 4Q17 | Recapturing anchor and retenanting |
| Hackensack[4] | 75,000 | 5,200 | 900 | 4,300 | 1Q18 | Anchor retenanting (99 Ranch) |
| Turnersville[4] | 6,000 | 2,100 | 300 | 1,800 | 3Q17 | Replacing vacant Friendly's with Verizon |
| Glen Burnie[4] | 9,000 | 1,300 | 100 | 1,200 | 1Q18 | Developing new restaurant pad for Bubba's 33 |
| Walnut Creek (Mt. Diablo)[4] | 7,000 | 600 | — | 600 | 2Q17 | Z Gallerie replacing Anthropologie |
| Rockaway[4] | 2,700 | 100 | 100 | — | 2Q17 | Adding Popeyes |
| **Total** | 1,918,200 | $ 126,100 [5] | $ 60,800 | $ 65,300 | | |
| **COMPLETED PROJECTS PENDING TWELVE MONTH STABILIZATION:** | | | | | | |
| Freeport[4] | 155,000 | 100 | 100 | — | 1Q17 | Home Depot expansion |
| Walnut Creek | 31,000 | 5,000 | 4,900 | 100 | 4Q16 | Anthropologie opened 3Q16 |
| East Hanover REI[4] | 4,500 | 500 | 500 | — | 2Q16 | Panera Bread opened 1Q16 |
| **Total** | 190,500 | $ 5,600 | $ 5,500 | $ 100 | | |

(1) Estimated gross cost includes the allocation of internal costs such as labor, interest and taxes. The estimated gross cost includes $11.7 million of construction costs and expenses incurred by Vornado prior to the spin-off.

(2) Project GLA is subject to change based upon build-to-suit and other tenant-driven requirements.

(3) Target Stabilization reflects the first full quarter in which at least 80% of the expected NOI from the development, redevelopment or anchor repositioning project is realized on a cash basis. Properties may continue to be reflected in development or redevelopment until they are included in the company's same-property NOI pool, which is normally one year from rent commencement. Target Stabilization is an estimate and is subject to change resulting from uncertainties inherent in the development process and not wholly under the Company's control.

(4) Results from these properties are included in our same-property metrics.

(5) The estimated unleveraged yield for active projects including those pending stabilization is approximately 13% as of September 30, 2016 based on the total estimated project costs and the incremental unleveraged NOI expected from leasing activities directly attributable to the active projects. The incremental unleveraged NOI for active projects does not include NOI generated outside the project scope such as the impact on future lease rollovers at the property or the impact on the long-term value of the property.

**URBAN EDGE PROPERTIES**

**DEVELOPMENT, REDEVELOPMENT AND ANCHOR REPOSITIONING PROJECTS**

**As of September 30, 2016**

(in thousands, except square footage data)

| PROPERTY | Potential Investment[1] | Estimated Stabilization[1][4] | Project Description |
|---|---|---|---|
| **DEVELOPMENT, REDEVELOPMENT AND ANCHOR REPOSITIONING PIPELINE:** | | | |
| Bergen Town Center | $70,000-80,000 | 2018 - 2020 | Expanding, retenanting and developing approved pads for 60,000± sf of retail |
| Kearny | $8,000-9,000 | 2018 | Expanding by 20,000± sf and adding new pad |
| Montehiedra outparcel | $7,000-8,000 | 2018 | Developing 20,000± sf retail |
| Morris Plains | $6,000-7,000 | 2018 | Anchor repositioning |
| East Hanover | $4,000-5,000 | 2018 | Anchor repositioning |
| Garfield | $4,000-5,000 | 2019 | Adding additional 15,000± sf of shop space |
| Marlton | $3,000-4,000 | 2018 | Developing pads for 5,000± sf of retail |
| West Babylon | $3,000-4,000 | 2018 | Developing 10,000± sf of shops on excess land |
| Huntington | $2,000-3,000 | 2018 | Converting 11,000± sf of basement space into street-front retail |
| Woodbridge | $2,000-3,000 | 2019 | Converting to pads |
| Mt. Kisco | $2,000-3,000 | 2019 | Converting existing restaurant to three smaller restaurant spaces |
| Cherry Hill | $1,000-2,000 | 2018 | Developing approved pad for 5,000± sf of retail |
| Lawnside | $1,000-2,000 | 2019 | Developing pad for 6,000± sf of retail on excess and acquired land |
| Multiple Pad Projects[2] | $1,000-2,000 | 2018 | Developing new pads |
| Gun Hill | $1,000-2,000 | 2019 | Expanding supermarket |
| Rockaway | ±$1,000 | 2018 | Expanding supermarket |
| Total | $115,000-140,000 [3] | | |

[1] Estimated Stabilization and Potential Investment are subject to change resulting from uncertainties inherent in the development process and not wholly under the Company's control.

[2] Multiple pad projects include possible pad additions at the following properties: East Rutherford, Union, Springfield, Rochester and North Bergen. These potential projects are on land leased to anchors and require anchor collaboration.

[3] The estimated unleveraged yield for pipeline projects is approximately 8% as of September 30, 2016 based on the total estimated project costs and the incremental unleveraged NOI expected from leasing activities directly attributable to the pipeline projects. The incremental unleveraged NOI for pipeline projects does not include NOI generated outside the project scope, such as the impact on future lease rollovers at the property or the impact on the long-term value of the property.

[4] Estimated stabilization reflects the year in which at least 80% of the expected NOI from the development, redevelopment or anchor repositioning project is realized on a cash basis for one full quarter for the first time.

**URBAN EDGE PROPERTIES**
**DEBT SUMMARY**
**As of September 30, 2016 and December 31, 2015**
(in thousands)

| | September 30, 2016 | December 31, 2015 |
|---|---|---|
| Fixed rate debt[4] | $ 1,171,238 | $ 1,183,957 |
| Variable rate debt[1] | 38,756 | 60,000 |
| Total debt | $ 1,209,994 | $ 1,243,957 |
| % Fixed rate debt | 96.8% | 95.2% |
| % Variable rate debt | 3.2% | 4.8% |
| Total | 100% | 100% |
| Secured mortgage debt | $ 1,209,994 | $ 1,243,957 |
| Unsecured debt | — | — |
| Total debt | $ 1,209,994 | $ 1,243,957 |
| % Secured mortgage debt | 100% | 100% |
| % Unsecured mortgage debt | N/A | N/A |
| Total | 100% | 100% |
| Weighted average remaining maturity on secured mortgage debt | 5.1 years | 5.8 years |
| Total market capitalization (see page 16) | $ 4,192,964 | |
| % Secured mortgage debt | 28.9% | |
| % Unsecured debt | —% | |
| Total debt : Total market capitalization | 28.9% | |
| Weighted average interest rate on secured mortgage debt[2] | 4.20% | 4.15% |
| Weighted average interest rate on unsecured debt[3] | —% | |

Note: All amounts and calculations exclude unamortized debt issuance costs on mortgages payable.
[1] In June 2016, in connection with the sale of our property in Waterbury, CT, we prepaid $21.2 million of the variable rate portion of our cross collateralized mortgage loan to maintain compliance with covenant requirements.
[2] Weighted average interest rates are calculated based on balances outstanding at the respective dates.
[3] No amounts are currently outstanding on the unsecured line of credit. To the extent borrowing occurs, the line bears interest at LIBOR plus 1.15% based on our current leverage metrics as defined in the revolving credit agreement. The line matures in February 2019 and has two six-month extension options.
[4] Excludes unamortized debt issuance costs.

**URBAN EDGE PROPERTIES**

**MORTGAGE DEBT SUMMARY**

**As of September 30, 2016 (unaudited) and December 31, 2015**

(dollars in thousands)

| Debt Instrument | Maturity Date | Rate | September 30, 2016 | December 31, 2015 | Percent of Debt at September 30, 2016 |
|---|---|---|---|---|---|
| North Bergen | 1/9/18 | 4.59% | $ 74,244 | $ 75,000 | 6.1% |
| Englewood [3] | 10/1/18 | 6.22% | 11,537 | 11,537 | 1.0% |
| Cross collateralized mortgage - Fixed[4] | 9/10/20 | 4.35% | 522,762 | 533,459 | 43.2% |
| Cross collateralized mortgage - Variable [1][4] | 9/10/20 | 2.36% | 38,756 | 60,000 | 3.2% |
| Montehiedra, Puerto Rico (senior loan)[2][6] | 7/6/21 | 5.33% | 87,709 | 88,676 | 7.3% |
| Montehiedra, Puerto Rico (junior loan)[2] | 7/6/21 | 3.00% | 30,000 | 30,000 | 2.5% |
| Bergen Town Center | 4/8/23 | 3.56% | 300,000 | 300,000 | 24.8% |
| Las Catalinas | 8/6/24 | 4.43% | 130,000 | 130,000 | 10.7% |
| Mt Kisco -Target[5] | 11/15/34 | 6.40% | 14,986 | 15,285 | 1.2% |
| **Total mortgage debt** | | 4.20% | $ 1,209,994 | $ 1,243,957 | 100% |
| Unamortized debt issuance costs | | | (8,528) | (9,974) | |
| **Total mortgage debt, net** | | | $ 1,201,466 | $ 1,233,983 | |

**DEBT MATURITY SCHEDULE**

| Year | Scheduled Amortization | Balloon Payments | (Discount) Scheduled Amortization | Total | Weighted Average Interest rate at maturity | Percent of debt maturing |
|---|---|---|---|---|---|---|
| 2016[7] | $ 4,384 | $ — | $ (15) | $ 4,369 | 4.6% | 0.4% |
| 2017 | 16,845 | — | (61) | 16,784 | 4.4% | 1.4% |
| 2018 | 16,218 | 83,551 | (61) | 99,708 | 4.7% | 8.2% |
| 2019 | 17,381 | — | (61) | 17,320 | 4.4% | 1.4% |
| 2020 | 13,787 | 500,144 | (61) | 513,870 | 4.2% | 42.5% |
| 2021 | 2,801 | 117,709 | (61) | 120,449 | 4.7% | 10.0% |
| 2022 | 2,942 | — | (61) | 2,881 | 4.9% | 0.2% |
| 2023 | 3,091 | 300,000 | (61) | 303,030 | 3.6% | 25.0% |
| 2024 | 2,201 | 119,050 | (61) | 121,190 | 4.4% | 10.0% |
| Thereafter | 10,991 | — | (598) | 10,393 | 6.4% | 0.9% |
| **Total** | $ 90,641 | $ 1,120,454 | $ (1,101) | $ 1,209,994 | 4.2% | 100% |
| | | | Unamortized debt issuance costs | (8,528) | | |
| | | | Mortgage debt, net | $ 1,201,466 | | |

(1) Subject to a LIBOR floor of 1.00%, currently bears interest at LIBOR plus 136 bps. In June 2016, in connection with the sale of our property in Waterbury, CT, we prepaid $21.2 million of the variable rate portion of our cross collateralized mortgage loan to maintain compliance with covenant requirements.

(2) On January 6, 2015, we completed a loan restructuring applicable to the $120.0 million, 6.04% mortgage loan secured by Montehiedra Town Center. The loan has been extended from July 2016 to July 2021 and separated into two tranches, a senior $90.0 million position with interest at 5.33% to be paid currently, and a junior $30.0 million position with interest accruing at 3.0%. As part of the planned redevelopment of the property, the Company is committed to fund $20.0 million for leasing and building capital expenditures of which $14.5 million has been funded as of September 30, 2016.

(3) On March 30, 2015, we notified the lender that due to tenants vacating, the property's operating cash flow would be insufficient to pay its debt service. As of September 30, 2016 we were in default and the property was transferred to receivership. Urban Edge no longer manages the property but will remain its title owner until the receiver disposes of the property.

(4) See Property Status Report on page 22 for each property that comprises the cross collateralized mortgage loan.

(5) The mortgage payable balance on the loan secured by Mt. Kisco -Target includes $1.1 million of unamortized debt discount as of September 30, 2016 and December 31, 2015, respectively. The effective interest rate including amortization of the debt discount is 7.26% as of September 30, 2016.

(6) The carrying value of the senior loan secured by Montehiedra was presented net of unamortized fees of $1.7 million as of December 31, 2015. The net unamortized fees of $1.7 million were revised to be presented with the unamortized debt issuance costs.

(7) Remainder of 2016.