SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
Form 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended: March 31, 2003
Commission File No. 0-14510

CEDAR INCOME FUND, LTD.
(Exact name of registrant as specified in its charter)

Maryland	42-1241468
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

44 South Bayles Avenue, Port Washington, New York 11050
(Address of principal executive offices) (Zip Code)

(516) 767-6492
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X   No __

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes __ No X

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at May 14, 2003
Common Shares	851,336

Cedar Income Fund, Ltd.

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Part I. Financial Information

Item1. Financial Statements

Cedar Income Fund, Ltd.

Consolidated Balance Sheet

	March 31, 2003 (unaudited)	December 31, 2002
Assets		
Real estate		
Land	$ 28,844,000	$ 24,741,000
Buildings and improvements	115,645,000	98,893,000
	144,489,000	123,634,000
Less: accumulated depreciation	(3,120,000)	(2,396,000)
Real estate, net	141,369,000	121,238,000
Cash and cash equivalents	1,658,000	3,827,000
Cash at joint ventures and restricted cash	2,272,000	2,883,000
Property deposits	150,000	344,000
Real estate tax deposits	554,000	627,000
Rents and other receivables, net	654,000	304,000
Prepaid expenses, net	1,228,000	496,000
Deferred rental income	551,000	432,000
Deferred charges, net	2,901,000	2,987,000
Total Assets	$ 151,337,000	$ 133,138,000
Liabilities and Shareholders' Equity		
Liabilities		
Mortgage loans payable	$ 109,047,000	$ 93,537,000
Loans payable	6,737,000	7,464,000
Accounts payable and accrued expenses	2,069,000	1,767,000
Security deposits	355,000	335,000
Deferred liabilities	5,413,000	5,195,000
Advance rents	623,000	468,000
Total Liabilities	124,244,000	108,766,000
Minority Interests	13,815,000	10,238,000
Limited partner's interest in consolidated Operating Partnership	7,261,000	7,889,000
Series A preferred 9% convertible, redeemable Operating Partnership units	2,498,000	3,000,000
	9,759,000	10,889,000
Shareholders' Equity		
Common stock ($0.01 par value, 50,000,000 shares authorized, 851,336 and 694,411 shares issued and outstanding, respectively)	9,000	7,000
Accumulated other comprehensive loss	(203,000)	(65,000)
Additional paid-in capital	3,713,000	3,303,000
Total Shareholders' Equity	3,519,000	3,245,000
Total Liabilities and Shareholders' Equity	$ 151,337,000	$ 133,138,000
Total Shareholders' Equity in the Company and limited partner's equity interest in Operating Partnership and minority interests	$ 27,093,000	$ 24,372,000

See accompanying notes to the consolidated financial statements.

Cedar Income Fund, Ltd.

Consolidated Statements of Shareholders' Equity
(unaudited)

	Common Stock	Additional Paid-In Capital	Un-distributed Net Income	Accumulated other comprehensive income	Total Shareholders' Equity
Balance at December 31, 2002	$ 7,000	$3,303,000	$ -	$ (65,000)	$ 3,245,000
Unrealized loss on change of fair value of cash flow hedge	-	-	-	(138,000)	(138,000)
Issuance of warrants	-	14,000	-	-	14,000
Issuance of stock	200	95,000	-	-	95,200
Conversion of OP units to stock	1,400	500,000	-	-	501,000
Net loss	-	(199,000)	-	-	(199,000)
Balance at March 31, 2003	$ 8,600	$3,713,000	$ -	$ (203,000)	$ 3,519,000

See accompanying notes to the consolidated financial statements.

Cedar Income Fund, Ltd.
Consolidated Statements of Operations
(unaudited)

	For the three months ended March 31, 2003	March 31, 2002
REVENUE		
Rents	$5,281,000	$2,500,000
Interest	3,000	10,000
Total Revenue	5,284,000	2,510,000
EXPENSES		
Operating, maintenance and management	1,730,000	604,000
Real estate taxes	620,000	289,000
General and administrative	523,000	248,000
Depreciation and amortization	841,000	552,000
Interest expense	2,038,000	921,000
Total Expenses	5,752,000	2,614,000
Income (loss)	(468,000)	(104,000)
Minority interests	(134,000)	(67,000)
Limited partner's interest	403,000	118,000
Net (loss)	$ (199,000)	$ (53,000)

Net (loss) per share	$ (0.24)	$ (0.08)
Dividends to shareholders	$ -	$ -
Dividends to shareholders per share	$ -	$ -
Average number of shares outstanding	833,381	692,111

</TABLE>

See accompanying notes to the consolidated financial statements.

Cedar Income Fund, Ltd.
Consolidated Statements of Cash Flows
(unaudited)

<TABLE>
<CAPTION>

<S>	For the three months ended March 31, 2003 <C>	March 31, 2002 <C>
Cash Flow From Operating Activities		
Net loss	$ (199,000)	$ (53,000)
Adjustments to reconcile net (loss) to net cash provided by operating activities:		
Minority interest	134,000	67,000
Limited partner's interest in Operating Partnership	(403,000)	(118,000)
Distribution to minority interest partners	(296,000)	-
Depreciation and amortization	672,000	552,000
Straight line rent	(119,000)	(80,000)
Changes in operating assets and liabilities:		
Increase in rent and other receivables	(350,000)	(206,000)
Increase in prepaid expenses	(732,000)	(389,000)
Decrease in taxes held in escrow	73,000	400,000
Increase in accounts payable and accrued expense	302,000	235,000
Security deposits collected, net	20,000	(16,000)
Increase (decrease) in advance rents	155,000	(90,000)
Net cash (used in) provided by operating activities	(743,000)	302,000
Cash Flow From Investing Activities		
Expenditures for real estate and improvements	(20,855,000)	(417,000)
Decrease in joint venture and restricted cash	611,000	513,000
Decrease (increase) in property deposits	194,000	(150,000)
Payment of deferred leasing costs	(62,000)	(214,000)
Net cash used in investing activities	(20,112,000)	(268,000)
Cash Flow from Financing Activities		
Proceeds from mortgages	15,769,000	-
Repayment of line of credit	(577,000)	-
Repayment of loans payable	(150,000)	-
Principal portion of scheduled mortgage payments	(258,000)	(108,000)
Contributions from minority interest partners	3,740,000	-
Deferred financing and legal costs (net)	162,000	(508,000)
Net cash provided by (used in) financing activities	18,686,000	(616,000)
Net decrease in cash and cash equivalents	(2,169,000)	(582,000)
Cash and cash equivalents at beginning of the period	3,827,000	2,872,000
Cash and cash equivalents	$ 1,658,000	$ 2,290,000
Supplemental Disclosure of Cash Activities		
Interest paid	$ 1,967,122	$ 839,000

</TABLE>

See accompanying notes to the consolidated financial statements.

Note 1. Organization and Basis of Presentation

Cedar Income Fund, Ltd. (the "Company"), organized in 1984 and qualified to operate as a real estate investment trust ("REIT"), focuses on the ownership, operation and redevelopment of community and neighborhood shopping centers located primarily in Pennsylvania and New Jersey. As of March 31, 2003, the Company owned eleven properties, aggregating approximately 2,000,000 square feet of rentable space. The Company has no employees and accordingly relies on Cedar Bay Realty Advisors, Inc. and its affiliates (collectively, "CBRA") to manage the affairs of, and provide other services to, the Company. The terms of the agreements and other information are further discussed in Note 7.

Cedar Income Fund Partnership, L.P. (the "Operating Partnership") is the entity through which the Company conducts substantially all of its business and owns (either directly or through subsidiaries) substantially all of its assets. The Company owns an approximate 29% economic interest in, and is the sole general partner of, the Operating Partnership. As of March 31, 2003, the consolidated financial statements of the Company include the accounts and operations of the Company and the Operating Partnership. The Operating Partnership has a 50% general partnership interest in The Point Shopping Center ("The Point"), a 20% general partnership interest in the Red Lion Shopping Center ("Red Lion"), a 25% general partnership interest in the Loyal Plaza Shopping Center ("Loyal Plaza"), and a 30% general partnership interest in the three Giant supermarket-anchored shopping centers, Fairview Plaza Associates, L.P. ("Fairview"), Halifax Plaza Associates, L.P. ("Halifax") and Newport Plaza Associates, L.P. ("Newport"). As the Company has operating control over the Operating Partnership, and the Operating Partnership exercises similar control over the other entities, all of the partnerships are included in the consolidated financial statements.

The accompanying interim unaudited financial statements have been prepared by the Company's management pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosure normally included in the financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") may have been condensed or omitted pursuant to such rules and regulations, although management believes that the disclosures are adequate to make the information presented not misleading. The unaudited financial statements as of March 31, 2003, and for the three months ended March 31, 2003 and 2002 include, in the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary to present fairly the financial information set forth herein. The results of operations for the interim periods are not necessarily indicative of the results that may be expected for the year ending December 31, 2003. These financial statements should be read in conjunction with the Company's audited financial statements and the notes thereto included in the Company's Form 10-K for the year ended December 31, 2002.

Note 1. Organization and Basis of Presentation (continued)

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the disclosure of contingent assets and liabilities and the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

In December 2002, the Financial Accounting Standards Board ("FASB"), issued Statement of Financial Accounting Standards No. 148, "Accounting for Stock-Based Compensation-Transition and Disclosure" ("SFAS 148"). SFAS 148 amends Statement No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"), to provide alternative methods of transition for an entity that voluntarily adopts the fair value recognition method of recording stock option expense. SFAS 148 also amends the disclosure provisions of SFAS 123 and Accounting Principals Board ("APB") Opinion No. 28. "Interim Financial Reporting", to require disclosure in the summary of significant accounting policies of the effects of an entity's accounting policy with respect to stock

options on reported net income and earnings per share in annual and interim financial statements.

SFAS 123, as amended by SFAS 148, establishes financial accounting and reporting standards for stock based employee compensation plans, including all arrangements by which employees receive shares of stock or other equity instruments of the employer or the employer incurs liabilities to employees in amounts based on the price of the employer's stock. SFAS 123 defines a fair value based method of accounting for an employee stock option or similar equity instrument and encourages all entities to adopt that method of accounting for all of their employee stock compensation plans. However, it also allows an entity to continue to measure compensation cost using the intrinsic value based method of accounting prescribed by APB Opinion No. 25, "Accounting for Stock Issued to Employees" ("Opinion No. 25"). The Company has elected to continue using Opinion No. 25 and make pro forma disclosures of net income and earnings per share as if the fair value method of accounting defined in SFAS 123 had been applied.

In 1998, the Company's shareholders approved an incentive stock option plan authorizing the issuance of option grants for up to 500,000 shares. During 2001, the Company granted to each of its five directors then in office, options to purchase 10,000 shares at $3.50 per share, the market value of the Company's common stock on the date of the grant.

Note 1. Organization and Basis of Presentation (continued)

The following table sets forth, on a pro forma basis, the net loss and net loss per share as if the fair value method of accounting defined in SFAS 123 had been applied.

Pro Forma Basic Net Loss Per Share
<TABLE>
<CAPTION>

<S>	For the quarter ended March 31, 2003 <C>	2002 <C>
Net loss as reported	$199,000	$53,000
Adjustment to amortize the value of options granted	4,000	4,000
Pro forma loss	$203,000	$57,000
Outstanding shares	833,381	692,111

</TABLE>

Note 2. Supplemental Cash Flow Disclosures

During the first quarter of 2003, 138,000 shares of common stock were issued in exchange for 552 Series A cumulative redeemable preferred Operating Partnership units, and 19,000 shares of common stock were issued at $5.00 per share to vendors for services rendered.

Note 3. Cash at Joint Ventures and Restricted Cash

Joint venture partnership agreements require, among other things, that the Company maintain separate cash accounts for the operation of the joint venture and that distributions to the general and limited partners be strictly controlled. These arrangements to date have not resulted in any significant liquidity shortfalls at the Company or the partnership level; however, the Company or any combination of the joint venture partnerships could suffer a liquidity crisis while other members of the group have sufficient liquidity. Cash at joint ventures and restricted cash amounted to approximately $2.3 million at March 31, 2003.

Note 4. Acquisition and Disposition Activity

In February 2003, the Company completed the acquisition of a 30% general partnership interest in three Giant supermarket-anchored shopping centers with an aggregate gross leaseable area of approximately 190,000 sq. ft. in the Harrisburg, Pennsylvania area. The centers cost approximately $20.8 million. The Company's general partnership interest cost $1.16 million and the limited partner, which is affiliated with the limited partner in the Loyal Plaza partnership, invested $3.74 million. The terms of the partnership agreement provide that the limited partner receive a preferential return of 12.5% on its investment before the Company is entitled to receive any distributions. The

Note 4. Acquisition and Disposition Activity (continued)

balance of the purchase price was financed by three separate mortgage loans aggregating approximately $15.9 million. One loan, in the amount of approximately $6.1 million with a term of ten years, has a fixed rate of 5.64%. The Company entered into interest rate swaps for the entire amount and for the seven year terms of the other two loans (approximately $ 4.3 million and $5.5 million), resulting in a fixed rate of 6.43%. The blended interest rate for the three loans is 6.09%. The Company intends to account for the acquisition in accordance with Statement of Financial Accounting Standards No. 141 "Business Combinations," ("SFAS 141") and Statement of Financial Accounting Standards No. 142 "Goodwill and Intangibles" ("SFAS 142"), and is currently in the process of analyzing the fair value of its in-place leases; and, consequently, no value has yet been assigned to the leases.

Note 5. Line of Credit and SWH Financing

Effective as of March 16, 2003, the Company entered into a new line of credit facility for a one-year period. The credit facility has a $2 million limit, provided, however, that only $1 million is available until the SWH financing has been repaid. The line bears interest on the outstanding balance at the greater of 6% or the bank's prime rate plus 1%. During the first quarter, the Company also exercised its rights under the SWH financing to utilize the $150,000 per month alternate amortization schedule under the loan agreement.

Note 6. Intangible Lease Asset/Liability

On July 1, 2001 and January 1, 2002, the Company adopted SFAS 141 and SFAS 142, respectively. These standards govern business combinations and asset acquisitions, and the accounting for acquired intangibles. As part of the acquisition of real estate assets, the Company determines whether an intangible asset or liability related to above- or below-market leases, was acquired as part of the acquisition of the real estate. As a result of adopting the standards, amounts totaling $5,117,000 have been recorded as intangible lease liabilities, relating to above and below market lease arrangements for properties acquired in 2002. The intangible assets and liabilities are recorded at their estimated fair market values at the date of acquisition, and are amortized over the remaining term of the respective lease to rental income. Such amortization amounted to $169,000 during the first quarter of 2003 and $0 during the first quarter of 2002. The weighted average amortization period for the intangible lease liabilities was approximately eight years.

Note 6. Intangible Lease Asset/Liability (continued)

These intangibles will be amortized as follows:

For the year ending December 31:	
2003	$ 719,000
2004	678,000
2005	642,000
2006	577,000
2007	591,000
Thereafter	1,764,000
	$ 4,971,000

Note 7. Related Party Transactions

The Company has no employees and accordingly relies on CBRA and its affiliates to manage the affairs of the Company. The Company is thus referred to as an "advised" REIT. Pursuant to the terms of an Administrative and Advisory Agreement (the "Advisory Agreement"), CBRA provides the Company with management, acquisition, leasing, advisory services, accounting systems, professional and

support personnel and office facilities. Leo S. Ullman, the Company's Chairman and Chief Executive Officer, is also the principal stockholder of CBRA. Certain of the Company's other officers are also officers and employees of CBRA.

The Advisory Agreement may be terminated (i) for cause upon not less than sixty days' prior written notice, and (ii) by vote of at least 75% of the independent directors at the end of the third or fourth year of its five-year term in the event gross assets fail to increase by 15% per annum.

Pursuant to the Advisory Agreement, effective as of January 1, 2002, CBRA will earn a disposition or acquisition fee, as applicable, equal to 1% of the sale/purchase price; no other fees will be payable in connection with such transactions. All accrued acquisition fees are included in accounts payable at March 31, 2003.

Note 7. Related Party Transactions (continued)

The following is a schedule of acquisition and disposition fees paid, accrued, or deferred by the Company to CBRA for the quarter ended March 31, 2003 and for the year ended December 31, 2002:

<TABLE>
<CAPTION>

Property	Deferred (1)	Paid	Accrued	Total
2003 Transactions				
Three Giant supermarket-anchored shopping centers	$ -	$ -	$ 180,000	$ 180,000
Totals	$ -	$ -	$ 180,000	$ 180,000
2002 Transactions				
Southpoint	$ -	$ 47,000	$ 0	$ 47,000
Red Lion	-	44,000	-	44,000
Loyal Plaza	-	-	183,000	183,000
Camp Hill	-	-	172,000	172,000
LA Fitness	-	60,000	-	60,000
Totals	$ -	$ 107,000	$ 399,000	$ 506,000

</TABLE>

(1) During 2001, the Advisory Agreement was modified and CBRA agreed to defer certain fees of $195,700 and to ultimately waive such fees if the Agreement is not terminated before December 31, 2004.

The following is a schedule of management, administrative, advisory, legal, leasing and loan placement fees paid to CBRA or its affiliates:

<TABLE>
<CAPTION>

		For the quarters ending March 31, 2003	2002
Management Fees	(1)	$ 203,000	$ 102,000
Construction Management	(2)	$ -	$ 20,000
Leasing Fees	(3)	$ -	$ 260,000
Administrative and Advisory	(4)	$ 159,000	$ 90,000
Legal	(5)	$ 58,000	$ 29,000
Loan Placement Fees	(6)	$ -	$ -

</TABLE>

(1) Management fees are calculated at 3%-4% of gross revenues collected.
(2) Construction management fees are calculated at 5% of construction costs.
(3) Leasing fees are calculated at 4%-4.5% of a new tenant's base rent.
(4) Monthly administrative and advisory fees are equal to 1/12 of 3/4 of 1% of the estimated current value of real estate assets of the Company plus 1/12 of 1/4 of 1% of the estimated current value of all other assets of the Company.
(5) Legal fees are paid to an affiliate of CBRA for the services provided by

Stuart H. Widowski, Esq., in-house counsel.
(6) Loan placement fees are calculated at 1% of the loan cost up to a maximum of $100,000.

Note 7. Related Party Transactions (continued)

Homburg Invest (USA) Inc. ("Homburg USA"), a wholly-owned U.S. subsidiary of Homburg Invest Inc. (approximately 72% owned by Richard Homburg), a real estate company listed on the Toronto (Canada) Stock Exchange, and which owns 21.6% of the Company's common shares outstanding, purchased on December 24, 2002 for $3 million, 3,300 convertible preferred Operating Partnership units at $909.09 with a liquidation value of $1,000 each and a preferred distribution rate of 9%. The Board subsequently elected Mr. Homburg a Director of the Company to serve alongside Frank Matheson who is also a Director of the Company and an officer of Homburg Invest (USA) Inc. During January 2003, 138,000 shares of common stock were issued to Homburg USA in exchange for 552 preferred operating partnership units.

The issuance of common stock to Homburg USA may result in the disqualification of the Company's status as a REIT in 2003. If Richard Homburg, directly or indirectly, together with the four other largest shareholders of the Company, were to own, during the second half of any calendar year, more than 50% of the value of the Company, it would fail to meet the "five or fewer" test (five or fewer individual shareholders owning more than 50%) for continued REIT status. The loss of REIT status, while creating no immediate income taxes for the Company or its shareholders, would mean, among other things, that the Company would be taxed as if it were a "C" corporation on future net taxable income and capital gains. Additionally, the Company would generally be disqualified for federal income tax purposes as a REIT for the four taxable years following disqualification. The Company does not presently expect to have taxable income for the year ended December 31, 2003, and as such does not contemplate paying dividends during 2003. The Company believes that as of the date of this filing, it is in full compliance with the REIT provisions of the Internal Revenue Code, and will continue to monitor the situation closely.

Note 8. Interest Rate Hedges

During 2002, the Company completed one interest rate swap transaction to hedge the Company's exposure to changes in interest rates with respect to $14 million of LIBOR based variable rate debt. The swap agreement provides for a fixed all-in rate of 4.74% (includes a credit spread of 1.95%). The swap agreement extends through November 19, 2003, on $7 million of notional principal and through November 19, 2004 on the remaining $7 million.

During the first quarter of 2003, the Company entered into two interest rate swaps to hedge the Company's exposure to changes in interest rates with respect to $9.8 million of LIBOR based variable rate debt. The swap agreements provide for a fixed all-in rate of 6.43% and extend through the seven year term of the loans.

Note 8. Interest Rate Hedges (continued)

As of March 31, 2003, unrealized losses of $616,000 representing the change in fair value of the aforementioned swaps were reflected 33% or approximately $203,000 in accumulated other comprehensive loss, a component of shareholder's equity, and 67% or approximately $413,000 is reflected in the limited partner's interest.

The Company's interest rate hedges are designated as cash flow hedges and hedge the future cash outflows on debt. Interest rate swaps that convert variable payments to fixed payments, such as those held by the Company, as well as interest rate caps, floors, collars, and forwards are cash flow hedges. The unrealized gains/losses in the fair value of these hedges are reported on the balance sheet with a corresponding adjustment to either accumulated other

comprehensive income or earnings. For cash flow hedges, the ineffective portion of a derivative's change in fair value is immediately recognized in earnings.

Note 9. Earnings Per Share

In accordance with Statement of Financial Accounting Standards No. 128, "Earnings Per Share" ("EPS") ("SFAS 128"), basic EPS are computed by dividing income available to common shareholders by the weighted average number of shares of common stock outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the entity. As the Company reported a net loss during the first quarter of 2003 and 2002, diluted EPS are not presented.

Note 10. Subsequent Events

During, the second quarter of 2003, the Company acquired a 15% general partnership interests in Pine Grove Shopping Center, a 79,000 sq. ft. center in Browns Mills, New Jersey, and Swede Square, a 101,000 sq. ft. center in East Norriton, Pennsylvania. The Pine Grove Shopping Center cost approximately $8.3 million and was financed in part by a $6 million first mortgage of which the Company guaranteed $1.8 million. Swede Square cost approximately $8 million and was financed in part by a $5 million first mortgage. Homburg USA, a related party (see Note 7), supplied substantially all of the equity required for the two acquisitions through limited partner interests. The terms of the partnership agreements provide, among other things, that the limited partner receive a 12% preferential return prior to any distributions to the Company. In addition, the Company has the option to purchase the limited partner's interest provided that the limited partner receives a 15% annualized rate of return from the acquisition date through the effective date of the exercise of the option.

Note 10. Subsequent Events (continued)

During the second quarter of 2003, the Company entered into a proposed net lease transaction with regard to a shopping center in Philadelphia, Pennsylvania. In connection therewith, the Company made a non-refundable deposit of $1 million borrowed from its unsecured line of credit. The Company is currently seeking a joint venture partner and or other financing arrangements for this transaction. In the event that the Company is unable to make such arrangements the $1 million dollar deposit would be at risk.

Item 2. Management's Discussion and Analysis of Financial Condition and Results Operations

Forward-Looking Statements

Statements made or incorporated in this Form 10-Q include certain forward-looking statements. Forward-looking statements include, without limitation, statements containing the words "anticipates," "believes," "expects," "intends," "future," and words of similar import which express the Company's belief, expectations or intentions regarding future performance or future events or trends. We caution you that, while forward-looking statements reflect good faith beliefs, they are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements as a result of factors outside of the Company's control. Certain factors that might cause such a difference include, but are not limited to, the following: real estate investment considerations, such as the effect of economic and other conditions in general and in the eastern United States in particular; the financial viability of our tenants; the continuing availability of retail center acquisitions, development and redevelopment opportunities on favorable terms; the availability of equity and debt capital in the public markets; the fact that returns from development, redevelopment and acquisition activity may not be at expected levels; the Company may be unable to realize the level of proceeds from property sales as initially expected; inherent risks in ongoing redevelopment and development projects including, but

not limited to, cost overruns resulting from weather delays, changes in the nature and scope of redevelopment and development efforts, and market factors involved in the pricing of material and labor; the need to renew leases or relet space upon the expiration of current leases; and the financial flexibility to refinance debt obligations when due. Reference is made to the statements under the caption "Risk Factors" included in the Company's Form 10-K for 2002.

Summary of Critical Accounting Policies

Basis of Presentation and Consolidation Policy

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

The consolidated financial statements of the Company include the accounts and operations of the Company and the Operating Partnership in which the Company has a 33% general partnership interest. The Operating Partnership has a 50% general partnership interest in The Point, a 20% general partnership interest in Red Lion, a 25% general partnership interest in Loyal Plaza and a 30% general partnership interest in the three Giant anchored centers purchased

Basis of Presentation and Consolidation Policy (continued)

during the first quarter. As the Company has operating control over the Operating Partnership, and the Operating Partnership exercises similar control over the other entities, all of the partnerships are included in the consolidated financial statements.

Rents and Other Receivables

Management has determined that all of the Company's leases with its various tenants are operating leases. Minimum rents are recognized on a straight-line basis over the terms of the related leases net of valuation adjustments based on management's assessment of credit, collection and other business risks. The excess of rents recognized over amounts contractually due is included in deferred rents receivable on the Company's balance sheets. The leases also typically provide for tenant reimbursements of common area maintenance and other operating expenses and real estate taxes. Ancillary and other property-related income is recognized in the period earned. The Company makes estimates as to the collectibility of its accounts receivables and assesses historical bad debts, customer creditworthiness, current economic trends and changes in customer payment patterns when evaluating the adequacy of its allowance for doubtful accounts. Such estimates have a direct impact on the Company's net income.

Real Estate Investments and Real Estate Held For Sale

Real estate investments are carried at cost less accumulated depreciation. The provision for depreciation and amortization has been calculated using the straight-line method based upon the following estimated useful lives of assets:

Buildings and Improvements	40 years
Tenant Improvements	Over the life of the lease

Expenditures for maintenance, repairs, and betterments that do not materially prolong the normal useful life of an asset are charged to operations as incurred.

Additions and betterments that substantially extend the useful lives of the properties are capitalized. Upon sale or other disposition of assets, the cost and related accumulated depreciation and amortization are removed from the accounts and the resulting gain or loss, if any, is reflected in net income. Real estate investments include capitalized interest and other costs on development and redevelopment activities and on significant construction in progress. Capitalized costs are included in the cost of the related asset and charged to operations through depreciation over the asset's estimated useful life.

In October 2001, the FASB issued Statement of Accounting Standard No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS

144"). SFAS 144 provides accounting guidance for financial accounting and reporting for the impairment or disposal of long-lived assets. SFAS 144 supersedes SFAS 121, "Accounting for the Impairment of Long-Lived Assets and for

Real Estate Investments and Real Estate Held For Sale (continued)

Long-Lived Assets to be Disposed Of." It also supersedes the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations-Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions" related to the disposal of a segment of a business. The Company adopted SFAS 144 on January 1, 2002. Accordingly, the Company periodically evaluates its real estate to determine if any impairment has occurred.

On July 1, 2001 and January 1, 2002, the Company adopted Statement of Financial Accounting Standards No. 141 "Business Combinations," and Statement of Financial Accounting Standards No. 142 "Goodwill and Intangibles", respectively. These standards govern business combinations and asset acquisitions, and the accounting for acquired intangibles. As part of the acquisition of real estate assets, the Company determines whether an intangible asset or liability related to above or below market leases, was acquired as part of the acquisition of the real estate. The intangible assets and liabilities are recorded at their estimated fair market values at the date of acquisition, and are amortized over the remaining term of the respective lease to rental income.

Real estate investments held for sale are carried at the lower of cost or fair value less cost to sell. Depreciation and amortization are suspended during the period held for sale.

Deferred Charges

Deferred charges consist of leasing commissions incurred in leasing the Company's properties. Such charges are amortized using the straight-line method over the term of the relevant lease. In addition, deferred charges include costs incurred in connection with securing long-term debt, including the costs of entering into interest rate protection agreements. Such costs are amortized over the term of the relevant agreement.

Derivative Financial Instruments

Effective January 1, 2001, the Company adopted Statement of Financial Accounting Standard No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS 133"), as amended. SFAS 133 establishes accounting and reporting standards for derivative instruments. This accounting standard requires the Company to measure derivative instruments at fair value and to record them in the Consolidated Balance Sheet as an asset or liability, depending on the Company's rights or obligations under the applicable derivative contract. The Company's derivative investments are primarily cash flow hedges that limit the base rate of variable rate debt. For cash flow hedges the ineffective portion of a derivative's change in fair value is immediately recognized in earnings, if applicable, and the effective portion of the fair value difference of the derivative is reflected separately in shareholders' equity as accumulated other comprehensive income (loss).

Derivative Financial Instruments (continued)

The Company utilizes derivative financial instruments to reduce exposure to fluctuations in interest rates. The Company has established policies and procedures for risk assessment and the approval, reporting and monitoring of derivative financial instrument activities. The Company has not, and does not plan to enter into derivative financial instruments for trading or speculative purposes. Additionally, the Company has a policy of only entering into derivative contracts with major financial institutions. The principal derivative financial instruments used by the Company are interest rate swaps and interest rate caps.

Fair Value of Financial Instruments

Statement of Financial Accounting Standards No. 107, "Disclosures about Fair Value of Financial Instruments" ("SFAS 107"), requires the Company to disclose fair value information of all financial instruments, whether or not recognized in the balance sheet, for which it is practicable to estimate fair value. The Company's financial instruments, other than debt are generally short-term in nature and contain minimal credit risk. These instruments consist

of cash and cash equivalents, rents and other receivables, and accounts payable. The carrying amount of these assets and liabilities in the consolidated balance sheets are assumed to be at fair value.

The fair value of mortgage loans payable is estimated utilizing discounted cash flow analysis, using interest rates reflective of current market conditions and the risk characteristics of the loans.

Earnings Per Share

In accordance with Statement of Financial Accounting Standards No. 128, "Earnings Per Share" ("EPS") ("SFAS 128"), basic EPS are computed by dividing income available to common shareholders by the weighted average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the entity.

Stock Option Plans and Warrants

In December 2002, the FASB issued SFAS 148, "Accounting for Stock-Based Compensation-Transition and Disclosure". SFAS 148 amends SFAS 123 "Accounting for Stock-Based Compensation" to provide alternative methods of transition for an entity that voluntarily adopts the fair value recognition method of recording stock option expense. SFAS 148 also amends the disclosure provisions of SFAS 123 and APB Opinion No. 28. "Interim Financial Reporting" to require disclosure in the summary of significant accounting policies of the effects of an entity's accounting policy with respect to stock options on reported net income and earnings per share in annual and interim financial statements.

Stock Option Plans and Warrants (continued)

SFAS 123 establishes financial accounting and reporting standards for stock-based employee compensation plans, including all arrangements by which employees receive shares of stock or other equity instruments of the employer or the employer incurs liabilities to employees in amounts based on the price of the employer's stock. SFAS 123 defines a fair value based method of accounting for an employee stock option or similar equity instrument and encourages all entities to adopt that method of accounting for all of their employee stock compensation plans. However, it also allows an entity to continue to measure compensation cost using the intrinsic value based method of accounting prescribed by APB Opinion No. 25, "Accounting for Stock Issued to Employees" ("Opinion No. 25"). The Company has elected to continue using Opinion No. 25 and make pro forma disclosures of net income and earnings per share as if the fair value method of accounting defined in SFAS 123 had been applied.

The Company accounts for non-employee stock-based awards in which goods or services are the consideration received for the equity instruments issued in accordance with SFAS 123 and EITF 96-18, "Accounting for Equity Instruments That are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services", based on the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable with charges taken into operations over the period goods and services are received.

Recent Accounting Pronouncements

In November 2002, the FASB issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others" ("FIN 45"). FIN 45 significantly changes the current practice in the accounting for, and disclosure of, guarantees. Guarantees and indemnification agreements meeting the characteristics described in FIN 45 are required to be initially recorded as a liability at fair value. FIN 45 also requires a guarantor to make significant new disclosures for virtually all guarantees even if the likelihood of the guarantor having to make payment under the guarantee is remote. The disclosure requirements within FIN 45 are effective for financial statements for annual or interim periods ending after December 15, 2002. The initial recognition and initial measurement provisions are applicable on a prospective basis to guarantees issued or modified after December 31, 2002. The Company adopted FIN 45 on January 1, 2003. The result of this adoption did not have a material effect on the results of operations or the financial position of the Company.

In January 2003, FASB Interpretation No. 46 was issued, "Consolidation of Variable Interest Entities" ("FIN 46"), which explains how to identify variable interest entities ("VIE") and how to assess whether to consolidate such entities. The provisions of this interpretation are immediately effective for VIE's formed after January 31, 2003. For VIEs formed prior to January 31, 2003, the provisions of this interpretation apply to the first fiscal year or interim

period beginning after June 15, 2003. Management has not yet determined whether any of its consolidated entities in existence on January 31, 2003 represent variable interest entities pursuant to such interpretation. Such determination could result in a change in the Company's consolidation policy related to such entities.

Results of Operations

During the first quarter of 2003, the Company acquired a 30% general partnership interest in three shopping centers with an aggregate purchase price of $20.8 million. During the second quarter of 2002, the Company acquired a 20% general partnership interest in one shopping center from a related party, based on a property value of $23 million. The Company also sold one office property for a gross sales price of approximately $4.4 million, which resulted in a loss of $49,000. During the third quarter of 2002, the Company acquired a 25% general partnership interest in one shopping center with an aggregate purchase price of approximately $18.3 million. During the fourth quarter of 2002, the Company acquired a 100% interest in a property with a purchase price of $ 17.2 million and acquired a 50% general partnership interest in a seven-acre parcel of land on which the partnership commenced construction, during the first quarter of 2003, of a 41,000 sq. ft. health club facility.

Differences in results of operations between the first quarter of 2003 and the first quarter of 2002 were driven largely by the Company's acquisition and disposition activity. Net loss before the loss on sale of properties, and income allocated to minority interest, increased approximately $359,000 from a net loss of $109,000 in the first quarter of 2002 to a net loss of $468,000 in the first quarter of 2003. Net loss attributable to common shareholders increased approximately $146,000 from a net loss of $53,000 in the first quarter of 2002 to a net loss of $199,000 in the first quarter of 2003. Net loss per share increased $0.15 from a net loss per share of $0.08 in the first quarter of 2002 to a net loss per share of $0.23 in the first quarter of 2003.

Results of operations for properties consolidated for financial reporting purposes and held throughout both the first quarter of 2002 and the first quarter of 2003 included four properties. Results of operations for properties consolidated for financial reporting purposes and purchased or sold subsequent to January 1, 2002 through March 31, 2003 included eight properties. As of March 31, 2003, the Company owned eleven shopping center properties.

Revenue and Expenses
<TABLE>
<CAPTION>

	Quarter ended				
	March 31, 2003	March 31, 2002	Difference	Acquisitions/ dispositions	Held in both years
<S>	<C>	<C>	<C>	<C>	<C>
Rents	$5,281,000	$2,504,000	$ 2,777,000	$ 2,790,000	$(13,000)
Property expenses	2,368,000	893,000	1,475,000	1,161,000	314,000
Depreciation & amortization	841,000	552,000	289,000	269,000	20,000
Interest expense	2,038,000	921,000	1,117,000	964,000	153,000
General & administrative expense	478,000	191,000	287,000	-	-

</TABLE>

Results attributable to acquisition and disposition activities

Rents increased from approximately $2,500,000 in the first quarter of 2002 to approximately $5,300,000 in the first quarter of 2003, a net increase of approximately $2,800,000 or 112%. Such net increase is attributable to the Company's acquisition and disposition activities.

Property expenses, excluding depreciation, amortization and interest expense, increased from approximately $893,000 in the first quarter of 2002 to approximately $2,368,000 in the first quarter of 2003, a net increase of approximately $1,475,000 or 165%. Such increase reflects approximately $1,161,000 attributable to the Company's acquisition activities, and approximately $314,000 attributable to properties held in both years.

Depreciation and amortization increased from approximately $552,000 in

the first quarter of 2002 to approximately $841,000 in the first quarter of 2003, a net increase of approximately $288,000 or 52%. Such increase reflects approximately $269,000 attributable to the Company's acquisition activities, and approximately $20,000 attributable to properties held in both years.

Interest expense increased from approximately $921,000 in the first quarter of 2002 to approximately $2,038,000 in the first quarter of 2003, a net increase of approximately $1,117,000 or 121%. Such increase reflects approximately $964,000 attributable to the Company's acquisition activities, and approximately $153,000 attributable to properties held in both years.

General and administrative expense increased approximately $287,000 to $478,000 in the first quarter of 2003 from approximately $191,000 in the first quarter of 2002, a change of 150%. The increase is primarily the result of the Company's growth throughout both years.

Results for properties fully operating throughout both years

Rental income for Port Richmond L.L.C. 1 ("Port Richmond"), Academy Plaza L.L.C. 1 ("Academy Plaza"), Washington Center L.L.C. 1 ("Washington Center'), and The Point Associates, L.P. ("The Point Associates"), the only properties fully operating throughout the first quarters of both years, decreased by approximately $13,000 from $2,218,000 in the first quarter of 2002 to $2,206,000 in the first quarter of 2003. Property expenses increased $314,000 from approximately $710,000 during the first quarter of 2002 to $1,024,000 during the first quarter of 2003. The increase in property expenses for the quarter ended March 31, 2003 is attributable to (1) an increase in snow removal costs of approximately $94,000, (2) an increase in real estate taxes of $66,000 resulting from a second quarter 2002 re-assessment following the completion of The Point redevelopment project, and (3) an increase of $94,000 in bad debt expense principally attributable to disputed common area maintenance ("CAM") charges with a major tenant.

Net Cash Flows

Operating Activities

Net cash flow provided by (used in) operating activities increased from $302,000 during the first quarter of 2002 to $(743,000) during the first quarter of 2003. The change of $1,045,000 is primarily attributable to increases in rent and other receivables and prepaid expenses, offset in part by a decrease of taxes held in escrow.

Investing Activities

Net cash flow used in investing activities increased to approximately $20,112,000 during the first quarter of 2003, from approximately $268,200 in the first quarter of 2002. During the first quarter of 2003, the Company completed the acquisitions of three shopping centers located in Pennsylvania aggregating 190,000 square feet for a cost of approximately $20,800,000.

Financing Activities

Net cash flow provided by (used in) financing activities increased to approximately $18,686,000 in the first quarter of 2003 from approximately $(616,000) during the first quarter of 2002. The change of approximately $19,300,000 was primarily the result of the Company borrowing approximately $16,000,000 and the receipt of $3,740,000 in equity contributions from limited partners to fund the acquisitions of three shopping centers, and the capital expenditures necessary to improve and lease its properties.

Liquidity and Capital Resources

The Company funds its operating expenses primarily from operating cash flows, although, if needed, the Company may also use its bank line of credit for this purpose. The Company funds acquisitions, developments, and other capital expenditures primarily from available cash, property-specific mortgage indebtedness, joint venture partner equity contributions, its line of credit, and to a lesser extent, operating cash flows. The Company may also acquire properties through the issuance of limited partnership Units of the Operating Partnership. Additionally, the Company may dispose of certain properties, reinvesting the proceeds from such dispositions into properties with better growth potential or more consistent with its strategic focus.

Liquidity and Capital Resources (continued):

The Company's financial liquidity is provided by $1,658,000 in cash and cash equivalents at March 31, 2003 and by the unused balance of its bank line of credit. In March 2003, the Company entered into a new line of credit that will contribute to its liquidity during 2003 (see below). The Company also believes that it has sufficient flexibility to fund its operations for at least the next twelve months including required payments in connection with the SWH financing (based on a $150,000 alternative monthly amortization schedule provided for in the SWH loan documents and adopted by the Company on April 1, 2003), property level capital expenditures, tenant improvements, leasing costs and mortgage and other scheduled principal payments.

The Company's ability, however, to meet these obligations is dependent in large part on its ability to attract joint venture partners or make other suitable financing arrangements with respect to acquisition agreements and redevelopment projects undertaken by the Company. With respect to the Camp Hill redevelopment project, and as a result of preliminary discussions with several potential partners, the Company believes it will be successful in arranging a transaction to finance the redevelopment project, however, no assurances can be given that such an arrangement will ultimately be finalized.

During the second quarter of 2003, the Company entered into a proposed net lease transaction with regard to a shopping center in Philadelphia, Pennsylvania. In connection therewith, the Company made a non-refundable deposit of $1 million fully utilizing the amount available from its unsecured line of credit. The Company is currently seeking a joint venture partner and or other financing arrangements for this acquisition. In the event that the Company is unable to make such arrangements, the $1 million deposit would be at risk.

In March 2002, the Company entered into a one-year $1 million unsecured line of credit facility with North Fork Bank, Melville, New York. The line of credit bore interest at the greater of 6% or the bank's prime rate plus 1%. The line of credit was repaid on January 26, 2003. During March 2003, the Company entered into a new line of credit facility with North Fork Bank for a one-year period. The line bears interest at the greater of 6% or the bank's prime rate plus 1%. The new credit facility has a $2 million limit, provided, however, that only $1 million will be available until the SWH financing has been repaid.

Capital Strategy

The Company focuses its investment activities on community and neighborhood shopping centers, primarily located in Pennsylvania and New Jersey, anchored principally by regional and national grocery store chains. The Company continues to seek acquisition opportunities where it can utilize its experience in shopping center renovation, expansion, re-leasing and re-merchandising to achieve long-term cash flow growth and favorable investment returns. The Company would also consider investment opportunities in markets beyond the Pennsylvania and New Jersey area provided such opportunities were consistent with its focus, had the potential to create favorable investment returns and increased value to its shareholders, and could be effectively controlled and managed.

Funds from Operations

Management believes that funds from operations ("FFO") is an appropriate measure of performance of an equity REIT. FFO is defined by the National Association of Real Estate Investment Trusts ("NAREIT") as net income or loss excluding gains or losses from debt restructuring and sales of properties plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. FFO does not represent cash generated from operating activities in accordance with accounting principles generally accepted in the United States and is not indicative of cash available to fund cash needs. FFO should not be considered as an alternative to net income, as an indicator of the Company's operating performance or as an alternative to cash flow as a measure of liquidity.

As all companies and analysts do not calculate FFO in a similar fashion, the Company's calculation of FFO presented herein may not be comparable to similarly titled measures as reported by other companies.

The following table represents the Company's FFO calculation for the quarters ended,

	March 31, 2003	March 31, 2002
Net (loss) income before limited partner's interest in Operating Partnership	$ (602,000)	$ (171,000)
Add (Less):		
Limited partner's interest in the Operating Partnership	403,000	118,000
Net (loss) income available to common shareholders	(199,000)	(53,000)
Add (less) Company's share of the following items:		
Depreciation	239,000	94,000
Minority interest	44,000	21,000
Amount distributable to minority partners	(129,000)	(40,000)
Basic and diluted funds (used in) from operations	$ (45,000)	$ 22,000
Weighted average shares outstanding	833,000	692,000

The following table represents the Company's and the Operating Partnership's FFO calculation for the quarters ended,

	March 31, 2003	March 31, 2002
Net (loss) income before limited partner's interest in Operating Partnership	$ (602,000)	$ (171,000)
Add (Less):		
Limited partner's interest in the Operating Partnership	403,000	118,000
Net (loss) income available to common shareholders	(199,000)	(53,000)
Add (less) Company's share of the following items:		
Limited partner's interest	(403,000)	(118,000)
Depreciation	725,000	302,000
Minority interest	134,000	67,000
Amount distributable to minority partners	(391,000)	(128,000)
Basic and diluted funds (used in) from operations	$ (134,000)	$ 70,000
Weighted average shares/units outstanding (1)	2,534,000	2,393,000

(1) Assumes conversion of 1,701,000 limited partnership units of the Operating Partnership.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The primary market risk facing the Company is interest rate risk on its loans payable and mortgage notes payable. The Company will, when advantageous, hedge its interest rate risk using financial instruments. The Company is not subject to foreign currency risk.

The Company is exposed to interest rate changes primarily as a result of (i) the line of credit used to maintain liquidity, fund capital expenditures and expand its real estate investment portfolio and (ii) the Camp Hill acquisition financing. The Company's interest rate risk management objectives are to limit the impact of interest rate changes on earnings and cash flows and to lower its overall borrowing costs. To achieve these objectives, the Company borrows primarily at fixed rates and may enter into derivative financial instruments such as interest rate swaps, caps and treasury locks in order to mitigate its interest rate risk on a related financial instrument. The Company does not enter into derivative or interest rate transactions for speculative purposes.

The Company will recognize all derivatives on the balance sheet at fair value. Derivatives that are not hedges will be adjusted to fair value through income. If a derivative is a hedge, depending on the nature of the hedge, changes in the fair value of the derivative will either be offset against the change in fair value of the hedged assets, liability or firm commitment through earnings, or recognized in other comprehensive income until the hedged item is recognized in earnings. The ineffective portion of a derivative's change in fair value will be immediately recognized in earnings. As of March 31, 2003, the Company has interest rate swaps on three of its mortgage loans. These derivatives had a change in fair value of approximately $616,000, of which $203,000 was recognized in other comprehensive income and the remaining $413,000 was recognized as the limited partner's interest in consolidated Operating Partnership.

The Company's interest rate risk is monitored using a variety of techniques. As of March 31, 2003, long-term debt consisted of fixed-rate secured mortgage indebtedness, fixed-rate unsecured notes, variable rate secured mortgage notes, and a variable rate line of credit facility. The average interest rate on the $88 million of fixed rate secured mortgage indebtedness outstanding at March 31, 2003 was 7.5%, with maturities at various dates through 2013. The weighted average interest rate on the Company's line of credit at March 31, 2003 was 6%. There was no outstanding balance on the line of credit at March 31, 2003.

Item 4. Controls and Procedures

The Company maintains disclosure controls and procedures and internal controls designed to ensure that information required to be disclosed in its filings under the Securities Exchange Act of 1934 is reported within the time periods specified in the Securities and Exchange Commission's ("SEC") rules and forms. In this regard, the Company has formed a Disclosure Committee currently comprised of all of the Company's executive officers as well as certain other employees with knowledge of information that may be considered in the SEC reporting process. The Committee has responsibility for the development and assessment of the financial and non-financial information to be included in the reports filed by the Company with the SEC and assists the Company's Chief Executive Officer and Chief Financial Officer in connection with their certifications contained in the Company's SEC reports. The Committee meets regularly and reports to the Audit Committee on a quarterly or more frequent basis. The Company's principal executive and financial officers have evaluated its disclosure controls and procedures within ninety days prior to the filing of this Quarterly Report on Form 10-Q and have determined that such disclosure controls and procedures are effective.

There have been no significant changes in the internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Part II Other Information

Item 6. Exhibits and Reports on Form 8-K

8-K reporting under Item 5 on the investment of funds to Cedar Income Fund, Ltd. and Cedar Income Fund Partnership, L.P., filed January 7, 2003;
8-K/A reporting under Item 7 on the financial statements, revenues and certain expenses in connection with the acquisition of the Camp Hill Mall, filed February 5, 2003; and
8-K reporting under Item 2 on the acquisition of the three Giant supermarket-anchored shopping center properties located in Pennsylvania, filed February 21, 2003.

Exhibit 99. Section 906 Certifications

SIGNATURES

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

CEDAR INCOME FUND, LTD.

Leo S. Ullman	Thomas J O'Keeffe
Leo S. Ullman	Thomas J O'Keeffe
Chairman of the Board and President	Chief financial Officer
(Principal executive officer)	(Principal financial officer)

Ann Maneri
- ------------------------------------
Ann Maneri
Controller
(Principal accounting officer)

May 15, 2003

CERTIFICATION

I, Leo S. Ullman, Chief Executive Officer of Cedar Income Fund, Ltd. the "Company"), certify that:

1. I have reviewed this quarterly report on Form 10-Q of the Company;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this quarterly report;

4. The Company's other certifying officers and I are responsible for

establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Company and we have:

(a) designed such disclosure controls and procedures to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) evaluated the effectiveness of the Company's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

(c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The Company's other certifying officers and I have disclosed, based on our most recent evaluation, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent function):

(a) all significant deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors any material weaknesses in internal controls; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls; and

6. The Company's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 15, 2003

Leo S. Ullman

Leo S. Ullman
Chief Executive Officer

CERTIFICATION

I, Thomas J. O'Keeffe, Chief Financial Officer of Cedar Income Fund, Ltd. (the "Company"), certify that:

1. I have reviewed this quarterly report on Form 10-Q of the Company;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this quarterly report;

4. The Company's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Company and we have:

(a) designed such disclosure controls and procedures to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) evaluated the effectiveness of the Company's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

(c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The Company's other certifying officers and I have disclosed, based on our most recent evaluation, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent function):

(a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors any material weaknesses in internal controls; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls; and

6. The Company's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 15, 2003

Thomas J. O'Keeffe

Thomas J. O'Keeffe
Chief Financial Officer

CERTIFICATION

I, Leo S. Ullman, Chief Executive Officer of the Cedar Income Fund, Ltd. (the "Company"), pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, do hereby certify as follows:

1. The quarterly report on Form 10-Q of the Company for the period ended March 31, 2003, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in such Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, I have executed this Certification this 15th day of May, 2003.

Leo S. Ullman

Leo S. Ullman, Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Cedar Income Fund, Ltd. and will be retained by Cedar Income Fund, Ltd. and furnished to the Securities and Exchange Commission or its staff upon request.

I, Thomas J. O'Keeffe, Chief Financial Officer of the Cedar Income Fund, Ltd. (the "Company"), pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, do hereby certify as follows:

1. The quarterly report on Form 10-Q of the Company for the period ended March 31, 2003, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in such Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

IN WITNESS WHEREOF, I have executed this Certification this 15th day of May, 2003.

Thomas J. O'Keeffe

Thomas J. O'Keeffe, Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Cedar Income Fund, Ltd. and will be retained by Cedar Income Fund, Ltd. and furnished to the Securities and Exchange Commission or its staff upon request.