



## Acadia's City Point in Downtown Brooklyn Continues to Advance with \$115.5 Million Sale of Phase Three to Extell Development Company

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### Nationally Acclaimed Developer Selects City Point as Premiere Development in Brooklyn

NEW YORK--(BUSINESS WIRE)--Jun. 3, 2015-- [Acadia Realty Trust](#) (Acadia – NYSE: AKR) and [Washington Square Partners](#) (Washington Square), co-developers of [City Point](#), the 1.9 million square foot, mixed-use development in Downtown Brooklyn, today announced the sale of the project's remaining residential development rights to nationally acclaimed developer [Extell Development Company](#) (Extell) for \$115.5 million, averaging about \$217 per buildable square foot.

City Point's Phase 3, a 21,500 square foot parcel, is Extell's first residential development in Brooklyn and is a testament to the evolution of Downtown Brooklyn into a highly desirable, modern and urbane destination. Extell will be developing a 665,000-square-foot tower which will be divided into 600,000 square feet of residential and 65,000 square feet of commercial use at the base of the building. Acadia and Washington Square will retain the commercial portion of Phase 3.

"We are looking forward to working with Gary Barnett and his talented team at Extell as we move forward with our partners at Washington Square Partners on Phase 3," said Kenneth Bernstein, President and Chief Executive Officer of Acadia. "Upon completion of construction, Extell's acquisition of Phase 3 will reflect the culmination of City Point's development plan and serves as the capstone to working with the City of New York and the New York City Economic Development Corporation in executing [New York City's 2004 Downtown Brooklyn Plan](#)."

Extell's tower will be located on Willoughby Street between Gold Street and Flatbush Avenue Extension, joining BFC Partners' and Acadia/Washington Square Partners' 250-unit mixed income, rental development ( 7 DeKalb Avenue) and the Brodsky Organization's 430-unit luxury, rental tower ( City Tower). Phase 3's commercial base will connect directly with the rest of the project's commercial base.

"We are thrilled to be entering the Brooklyn market," said Gary Barnett, president of Extell Development Company. "With City Point leading its transformation, Downtown Brooklyn has emerged as one of the strongest neighborhoods in the borough. We believe that an Extell building with high caliber design and amenities will be very well received."

Construction is slated to commence in 2017 with an anticipated completion date of 2020.

Bernstein continued, "Once complete, the tower will be one of the most prominent residential buildings in the borough."

Maintaining the project's "By Brooklyn, For Brooklyn" philosophy, Phase 3 will be developed with an emphasis on community involvement. To date, more than \$40 million has been dedicated to a substantial number of local, minority and women-owned businesses who have participated in the development and construction of City Point. At completion, City Point will have created more than 3,200 construction jobs and over 1,500 permanent jobs.

Major retailers like Century 21 Department Store, CityTarget and Alamo Drafthouse Cinema have already committed to City Point. Most recently, Anna Castellani, president of Local Culture Management, announced that she will be opening DeKalb Market Hall, a 26,000-square-foot food destination, in early 2016.

For more information about City Point, visit the website at <http://citypointbrooklyn.com/>

### About Acadia Realty Trust

Acadia Realty Trust is an equity real estate investment trust focused on delivering long-term, profitable growth via its dual – core and fund – operating platforms and its disciplined, location-driven investment strategy. Acadia Realty Trust is accomplishing this goal by building a best-in-class core real estate portfolio with meaningful concentrations of assets in the nation's most dynamic urban and street-retail corridors; making profitable opportunistic and value-add investments through its series of discretionary, institutional funds; and maintaining a strong balance sheet. [www.acadiarealty.com](http://www.acadiarealty.com).

### About Washington Square Partners

Washington Square Partners was established to fill a critical gap between consultants who offer analytical research and developers who create projects. The firm provides real estate development advisory services to private developers, property owners, retailers, governmental agencies, and not-for-profit institutions. Clients hire Washington Square Partners because of the firm's record of innovation in implementing development projects that require creative, strategic thinking. Washington Square Partners has guided some of the most complex, groundbreaking projects in the New York metropolitan area, including the Cooper Union campus redevelopment in Manhattan, the Downtown Brooklyn rezoning and City Point, and the development of the first new shopping center in the Bronx in decades. [www.washsquare.com](http://www.washsquare.com)

### About Extell Development Company

Founded and headed by Gary Barnett, the nationally acclaimed Extell Development Company operates in Manhattan as well as other premier cities across the nation. In collaboration with world class architects and design professionals, Extell's properties are distinguished by sophisticated design, gracious floor plans and first class amenities. The company recently completed the development of One57, a signature 90-story residential

condominium with the five-star Park Hyatt Hotel at its base. [www.extelldev.com](http://www.extelldev.com)

#### Safe Harbor Statement

Certain matters in this press release may constitute forward-looking statements within the meaning of federal securities law and as such may involve known and unknown risks, uncertainties and other factors that may cause the actual results, performances or achievements of Acadia to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. These forward-looking statements include statements regarding Acadia's future financial results and its ability to capitalize on potential opportunities arising from continued economic uncertainty. Factors that could cause the Company's forward-looking statements to differ from its future results include, but are not limited to, those discussed under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's most recent annual report on Form 10-K filed with the SEC on February 20, 2015 ("Form 10-K") and other periodic reports filed with the SEC, including risks related to: (i) the current global financial environment and its effect on retail tenants; (ii) the Company's reliance on revenues derived from major tenants; (iii) the Company's limited control over joint venture investments; (iv) the Company's partnership structure; (v) real estate and the geographic concentration of the Company's properties; (vi) market interest rates; (vii) leverage; (viii) liability for environmental matters; (ix) the Company's growth strategy; (x) the Company's status as a REIT; (xi) uninsured losses and (xii) the loss of key executives. Copies of the Form 10-K and the other periodic reports Acadia files with the SEC are available on the Company's website at [www.acadiarealty.com](http://www.acadiarealty.com). Any forward-looking statements in this press release speak only as of the date hereof. Acadia expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Acadia's expectations with regard thereto or change in events, conditions or circumstances on which any such statement is based.

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Source: Acadia Realty Trust

Acadia:

Amy L. Racanello

[aracanello@acadiarealty.com](mailto:aracanello@acadiarealty.com)

914-288-8100

or

City Point:

Cassandra Small

[csmall@quinn.pr](mailto:csmall@quinn.pr)

212-868-1900, ext. 393

or

Extell:

Anna LaPorte

[anna@m18pr.com](mailto:anna@m18pr.com)

212-604-0318