



Acadia Realty Trust Acquires Additional Street-Retail Assets in San Francisco Through Its Fund Platform

December 4, 2015

RYE, N.Y.--(BUSINESS WIRE)--Dec. 4, 2015-- Acadia Realty Trust (NYSE:AKR) today announced continued acquisition activity in San Francisco, California, adding an aggregate \$55.2 million of street-retail investments to its Fund IV portfolio and pipeline during fourth quarter 2015.

146 Geary St, Union Square, San Francisco, CA. In November 2015, Acadia, in partnership with City Center Realty Partners, LLC ("CCRP"), acquired a 12,400-square foot, four-story building, located in San Francisco's dynamic Union Square shopping district, for \$38.0 million. 146 Geary St has frontage on both Geary St and Maiden Ln and is situated a few steps east of Union Square plaza. This flagship property is located on a block with a concentration of luxury fashion retailers – including Chanel, Jimmy Choo, Saint Laurent, Bottega Veneta, and Valentino – and is directly across the street from Neiman Marcus. During 2017, the Acadia-CCRP joint venture intends to redevelop the property, which has been occupied by Britex Fabrics since 1952.

Fillmore-Union Collection, San Francisco, CA. Since the beginning of November 2015, Acadia added two street-retail properties – **2207-2211 Fillmore St** and **1861-1863 Union St** – to its existing joint venture with Prado Group ("Prado"), with a third street-retail asset, also located on Union St, in its acquisition pipeline. The aggregate purchase price for these three add-on investments is \$8.6 million. As previously announced, in October 2015, the Acadia-Prado joint venture acquired **2208-2216 Fillmore St**, its first property in this submarket, for \$8.6 million. Fillmore St and Union St are authentic shopping and dining corridors, nestled within San Francisco's affluent Pacific Heights and Cow Hollow neighborhoods. The corridors' highly-valued, unique local character is the result of an eclectic mix of trendy boutiques and restaurants, including local favorites, such as Elizabeth Charles, SPQR, Ambiance, and Belga, and national retailers, such as Rag & Bone, Ralph Lauren, lululemon athletica, and Nike. Tenants within the Acadia-Prado joint venture's four-property portfolio include Eileen Fisher, award-winning local restaurant La Méditerranée, and L'Occitane.

"San Francisco is certainly counted among our retailers' 'must-have' locations, delivering exceptional global branding opportunities and, as importantly, high sales productivity," stated Joel Braun, Executive Vice President and Chief Investment Officer of Acadia Realty Trust. "As such, we are pleased to continue building a presence in San Francisco's key street-retail corridors, acquiring both flagship locations and fashionable boutique space in partnership with the talented teams at CCRP and Prado. Consistent with several of our recent fund acquisitions, we believe that these investments will not only deliver attractive risk-adjusted returns, but also have potential for outsized outperformance, driven by, among other things, a constrained real estate supply and continued growth in tenant demand."

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 and making profitable opportunistic and value-add investments through its series of discretionary, institutional funds. For further information, please visit www.acadiarealty.com.

About City Center Realty Partners, LLC

City Center Realty Partners, LLC specializes in the development, redevelopment and acquisition of urban real estate. Nationwide, CCRP has developed and acquired more than \$800 million of retail, office and mixed-use properties, representing over 3 million square feet. CCRP capitalizes on over 50 years of experience in the commercial real estate industry to develop innovative solutions for complex assets. For further information, please visit www.ccrpllc.com.

About Prado Group

Prado Group is a privately-held real estate development and investment management company with a primary focus on residential, retail and mixed-use properties. Prado Group seeks in-fill, supply-constrained markets with high barriers-to-entry in the greater San Francisco Bay Area. Prado Group's goal is to enhance the communities it works in by creating high-quality, sustainable environments for people to live, work, shop, and relax. For further information, please visit www.pradogroup.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 investment opportunities. 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. 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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