

**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): April 26, 2016

**ACADIA REALTY TRUST**

(Exact name of registrant as specified in its charter)

Maryland  
(State or other jurisdiction of incorporation)

1-12002  
(Commission File Number)

23-2715194  
(I.R.S. Employer Identification No.)

411 Theodore Fremd Avenue

Suite 300

Rye, New York 10580

(Address of principal executive offices) (Zip Code)

(914) 288-8100

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

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:

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 April 26, 2016, Acadia Realty Trust (the "Company") issued a press release announcing its consolidated financial results for the quarter ended March 31, 2016. A copy of this press release is attached to this report on Form 8-K as Exhibit 99.1 and incorporated herein by reference. In addition, on April 26, 2016, the Company made available supplemental information concerning the ownership, operations and portfolio of the Company as of and for the quarter ended March 31, 2016. A copy of this supplemental information is attached to this report on Form 8-K as Exhibit 99.2 and incorporated herein by reference. The information included in this Item 2.02, including the information included in Exhibits 99.1 and 99.2 attached hereto, is intended to be furnished solely pursuant to this Item 2.02, and is not deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference into any filing under the Securities Act of 1933, as amended ("Securities Act") or the Exchange Act, or otherwise subject to the liabilities of Sections 11 and 12 (a) (2) of the Securities Act.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

| Exhibit Number | Description   |
|----------------|---|
| 99.1           | Press release of the Company dated April 26, 2016.  |
| 99.2           | Financial and Operating Reporting Supplement of the Company for the quarter ended March 31, 2016. |

**SIGNATURES**

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 hereunto duly authorized.

**ACADIA REALTY TRUST**  
(Registrant)

Date: April 28, 2016

By: /s/ Jonathan Grisham

Name: Jonathan Grisham  
Title: Sr. Vice President  
and Chief Financial Officer

## ACADIA REALTY TRUST REPORTS FIRST QUARTER 2016 OPERATING RESULTS

**RYE, NY (April 26, 2016)** - Acadia Realty Trust (NYSE:AKR) (“Acadia” or the “Company”) today reported operating results for the quarter ended March 31, 2016. All per share amounts, below, are on a fully-diluted basis.

Acadia operates dual platforms, comprised of a high-quality core real estate portfolio (“Core Portfolio”), which owns and operates meaningful concentrations of assets in the nation’s most dynamic urban and street-retail corridors, and a series of discretionary, institutional funds (“Funds”) that target opportunistic and value-add investments.

### HIGHLIGHTS

- **Earnings:** Generated funds from operations (“FFO”) per share of \$0.41 for the first quarter; generated earnings per share (“EPS”) of \$0.40 for the first quarter
- **Core Portfolio Operating Results:** Excluding redevelopments, generated same-property net operating income (“NOI”) growth of 3.6% for the first quarter, compared to 2015; achieved a leased rate of 96.6% as of quarter end
- **Core Portfolio Acquisitions:** During 2016, acquired, or entered into contracts to acquire, \$271.6 million of urban/street-retail property value, already exceeding the low end of full-year 2016 core acquisition guidance; this includes \$115.3 million completed during first quarter 2016
- **Fund Dispositions:** During 2016, completed \$153.8 million of Fund III dispositions, generating a blended 42.3% IRR and 3.43x multiple; this includes \$107.3 million completed during first quarter 2016
- **Fund III Promote:** During 2016, generated approximately \$6.8 million (approximately \$0.09 per share) of net promote income for the Company from Fund III asset sales, including \$4.7 million (approximately \$0.06 per share) recognized during first quarter 2016
- **Fund Acquisitions:** During first quarter 2016, Fund IV completed \$27.8 million of street-retail investments
- **Balance Sheet:** Maintained conservative leverage levels by matchfunding acquisitions, raising \$189.5 million of net proceeds during 2016 through operating partnership unit (“OP unit”) issuance, a public offering on a forward basis and the Company’s at-the-market (“ATM”) facility

“I am pleased to report that 2016 is off to a strong start,” stated Kenneth F. Bernstein, President and CEO of Acadia Realty Trust. “In contrast to the current global volatility, during first quarter 2016, our core portfolio, once again, delivered steady growth. Furthermore, we continue to selectively add high-quality street and urban retail properties to our core portfolio in a handful of gateway cities, responding to consumers’ and retailers’ desire for live-work-play retail experiences. At the same time, we continue to execute on our fund platform’s opportunistic and value-add mandate, profitably harvesting the embedded value in our stabilized assets and planting the seeds for future profit taking. And, by maintaining a healthy balance sheet, with plenty of dry powder, we are well positioned to act on interesting investment opportunities for the benefit of all of our stakeholders.”

### FINANCIAL RESULTS

FFO for the quarter ended March 31, 2016 was \$31.1 million, or \$0.41 per share, which included \$0.06 of net Promote income. This compares to FFO for the quarter ended March 31, 2015 of \$23.1 million, or \$0.32 per share, which was net of \$1.1 million, or \$0.01 per share, of acquisition costs.

Net income for the quarter ended March 31, 2016 was \$28.9 million, or \$0.40 per share. This included \$15.1 million, or \$0.21 per share, of income from the gain on Fund III’s disposition of Cortlandt Town Center. Net income for the quarter ended March 31, 2015 was \$16.5 million, or \$0.24 per share, which included \$5.4 million of gain, or \$0.08 per share, also from the disposition of a Fund III asset.

*Please refer to the tables and notes accompanying this press release for further details on operating results and additional disclosures related to FFO and net income.*

## CORE PORTFOLIO

- **Differentiated Core Portfolio Continues To Deliver Solid Operating Results**
- **Acquired, Or Entered Into Contracts To Acquire, \$271.6 Million Of Urban/Street-Retail Properties**

### Core Operating Results

Excluding redevelopment activities, same-property NOI in the Core Portfolio increased 3.6% for the quarter ended March 31, 2016, compared to 2015.

The Core Portfolio was 96.3% occupied and 96.6% leased as of March 31, 2016, compared to 96.5% occupied and 96.9% leased as of December 31, 2015. The leased rate includes space that is leased but not yet occupied.

During the quarter, the Company generated a 9.5% increase in average rents on a GAAP basis, and a 4.2% increase on a cash basis, on 12 new and renewal leases aggregating 43,000 square feet.

### Core Acquisitions

During and subsequent to first quarter 2016, the Company acquired, or entered into contracts to acquire, \$271.6 million of Core Portfolio properties, as further described below. This compares to the Company's full-year 2016 Core Portfolio acquisition guidance range of \$200 to \$400 million.

During first quarter 2016, the Company completed \$115.3 million of Core Portfolio acquisitions, as follows:

**Carlyle House, 985-991 Madison Ave, Upper East Side, New York, NY.** In March 2016, the Company entered into a 49-year master lease for the 6,920-square-foot, two-level retail space located at the base of the Carlyle House on Madison Ave, between 76th and 77th Streets, on the Upper East Side of Manhattan. Madison Ave is one of Manhattan's premier luxury retail corridors, catering to affluent locals as well as domestic and international visitors. The property is located a few blocks north of Ralph Lauren's menswear flagship at the Rhineland Mansion (at 72nd St), Apple's new Upper East Side flagship (at 74th St), and the recently-opened Met Breuer (at 75th St). The property's current retail tenants include Vera Wang, Perrin Paris, and Yves Delorme; however, the Company will have the opportunity to immediately recapture any of the five retail leases when its master lease commences on May 1, 2016. This lease position has been capitalized for the Company's financial statements at a total value of \$76.5 million which consists of a \$7.0 million upfront payment in addition to the future annual master lease rent obligations.

**Gotham Plaza, 149-169 E 125th St, Harlem, New York, NY.** As previously reported, in January 2016, the Company acquired a 49% interest in Gotham Plaza from Blumenfeld Development Group, Ltd. for \$38.8 million in an off-market transaction. Gotham Plaza is a 122,900-square foot urban property located between Lexington Ave and 3rd Ave in Harlem's 125th St retail corridor. This already-strong shopping, arts, and entertainment destination is experiencing a retail transformation, driven by a surge of new development, a growing residential base, and increasing incomes. This three-level, mixed-use property is currently 98% occupied and contains street-level retail shops - including Bank of America, The Children's Place, and Payless ShoeSource - in addition to two stories of office space and underground parking. Acadia funded its investment using a combination of OP units and the assumption of its \$10.5 million prorated share of non-recourse debt secured by the property.

The Company currently has \$156.3 million of street-retail acquisitions under contract, including the following:

**Street-Retail Portfolio.** As previously disclosed, subsequent to quarter end, the Company entered into a contract to acquire a portfolio of five street-retail properties, located in one of its current major urban markets, for \$150.0 million. In connection with this acquisition, the Company expects to assume \$59.7 million of in-place mortgage debt with various lenders. This acquisition is consistent with the Company's Core Portfolio investment strategy, which targets high-quality street, urban and dense suburban retail properties located in select gateway cities in the United States. The Company expects to complete this acquisition in phases prior to December 31, 2016.

No assurance can be given that the Company will successfully close on acquisitions under contract, which are subject to customary closing conditions and, in certain instances, lender approval of the assumption of existing mortgage debt.

## **FUND PLATFORM**

- **Continued The Profitable Monetization Of Fund III, With \$153.8 Million Of Assets Sold During 2016; These Profitable Asset Sales Generated Approximately \$6.8 Million Of Net Promote Income**

### **Fund Dispositions**

During and subsequent to first quarter 2016, the Company completed \$153.8 million of dispositions within Fund III, as follows:

**Heritage Shops at Millennium Park, the Loop, Chicago, IL.** In April 2016, Acadia completed the sale of Heritage Shops at Millennium Park in Chicago, IL for \$46.5 million, compared to an all-in cost basis of \$33.0 million. During its 5.1-year hold period, Fund III generated a 33.7% IRR and 2.99x multiple on its equity investment in this high-yielding property, with approximately 45% of the profit resulting from property operations.

**Cortlandt Town Center, Mohegan Lake, NY.** As previously reported, in January 2016, Fund III completed the recapitalization of Cortlandt Town Center, a 641,000-square foot power center located in Westchester County, NY, with an institutional partner at a \$165.0 million valuation, compared to an all-in cost basis of \$94.7 million. Fund III sold a 65% interest in the property for \$107.3 million. In January 2009, Fund III acquired the property for \$78.0 million. At the time, the property was 84% occupied, due to the bankruptcies of junior-anchors Linens 'n Things and Levitz Furniture. During its 7.0-year hold period, Fund III successfully increased the property's occupancy to 97%. Fund III is also developing a 150,000-170,000 square foot shopping center directly across the street. Fund III's sale of the 65% interest in Cortlandt Town Center generated a 44.6% IRR and 3.61x multiple on a 65% share of its total equity investment in that property.

Through quarter end, Fund III has returned 127% of invested capital, net of promote.

### **Fund III Promote**

Year to date, the Company has generated approximately \$6.8 million (approximately \$0.09 per share) of net promote income from Fund III; this includes approximately \$4.7 million (\$0.06 per share) recognized during first quarter 2016, resulting from the recapitalization of Cortlandt Town Center, and approximately \$2.1 million (\$0.03 per share) during second quarter 2016, resulting from the sale of Heritage Shops at Millennium Park. This compares to the Company's full-year 2016 promote income guidance of \$9.0 to \$11.0 million (\$0.12 to \$0.14 per share).

### **Fund Acquisitions**

During first quarter 2016, the Company, on behalf of Fund IV, completed \$27.8 million of opportunistic and value-add acquisitions, as discussed below:

**900 W Randolph St, West Loop, Chicago, IL.** As previously reported, in February 2016, Fund IV made a \$14.0 million preferred equity investment in a portfolio of ten buildings located on the 900 block of W Randolph St in Chicago's thriving Fulton Market district. The portfolio was acquired by Tucker Development, who plans to rehabilitate the historic properties to create an approximately 90,000-square foot commercial destination with shopping, dining, and office uses. This redevelopment will contribute to the continued reimagining of this emerging innovation district, which is already known for its award-winning restaurants, art galleries, residential lofts, and creative office space.

**Restaurants at Fort Point, Seaport District, Boston, MA.** As previously reported, in January 2016, Fund IV acquired a retail condominium containing 15,700 square feet of restaurant, café, and bar spaces, located in Boston's vibrant, live-work-play Seaport district, for \$11.5 million. The Seaport retail market is experiencing robust rent growth, and,

as the existing below-market leases at the property expire, Fund IV will have an opportunity to unlock significant embedded value.

**Fillmore-Union Collection, San Francisco, CA.** During first quarter 2016, Fund IV, in partnership with Prado Group, completed the previously-announced acquisition of 1964-1966 Union St for \$2.3 million. This is the fourth street-retail property owned by the joint venture along Fillmore St and Union St in San Francisco.

## **BALANCE SHEET**

### **• Maintained Conservative Leverage Levels By Matchfunding Acquisitions, Raising \$189.5 Million Of Net Proceeds During 2016**

The Company fueled its current year-to-date acquisitions and pipeline - and maintained its conservative leverage levels - by sourcing \$65.0 million of net proceeds during 2016 through (i) OP units issued in connection with the acquisition of Gotham Plaza (\$28.3 million) and (ii) its ATM facility (\$36.7 million).

Additionally, in April 2016, the Company completed a public offering of 3,600,000 of its common shares on a forward basis, which is expected to result in approximately \$124.5 million of net proceeds to the Company. The Company expects to physically settle the forward sale agreement in full, which settlement is expected to occur on one or more dates no later than approximately 12 months after the date of the related offering.

The aggregate new capital was raised at an average gross price of \$34.48 per unit/share (\$33.99 per unit/share net of related costs).

By effectively matchfunding this core activity, the Company has further strengthened its already-solid, low-leveraged balance sheet. As of March 31, 2016, the Company's debt to EBITDA ratio for the Core Portfolio was 4.1x. Including its pro-rata share of Fund debt, the Company's debt to EBITDA ratio was 5.4x over the same period.

## **GUDIANCE**

The Company reaffirms its previously-announced 2016 guidance for FFO per share of a range of \$1.52 to \$1.60 and EPS of a range of \$0.99 to \$1.07. These forecasts are before any acquisition-related costs.

## **CONFERENCE CALL**

Management will conduct a conference call on Wednesday, April 27, 2016 at 12:00 PM ET to review the Company's earnings and operating results. Dial-in and webcast information is listed below.

### **Live Conference Call:**

Date: Wednesday, April 27, 2016

Time: 12:00 PM ET

Dial#: 877-791-3298

Passcode: "Acadia Realty" or "81679955"

Webcast (Listen-only): [www.acadiarealty.com](http://www.acadiarealty.com) under Investors, Presentations & Events

### **Phone Replay:**

Dial#: 855-859-2056

Passcode: "81679955#"

Available Through: Wednesday, May 4, 2016

**Webcast Replay:** [www.acadiarealty.com](http://www.acadiarealty.com) under Investors, Presentations & Events

## **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. For further information, please visit [www.acadiarealty.com](http://www.acadiarealty.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 19, 2016 ("Form 10-K") and other periodic reports filed with the SEC, including risks related to: (i) political and economic uncertainty; (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.



**ACADIA REALTY TRUST AND SUBSIDIARIES**

**Consolidated Statements of Operations<sup>1</sup>**  
*(dollars and Common Shares in thousands, except per share data)*

|   | <b>For the Quarters ended</b> |             |
|---|-------------------------------|-------------|
|   | <b><u>March 31,</u></b>       |             |
| <i>Revenues</i>                                       | <b>2016</b>                   | <b>2015</b> |
|   | <hr/>                         | <hr/>       |
| Rental income   | \$ 38,590                     | \$ 38,187   |
| Interest income                                       | 4,638                         | 3,408       |
| Expense reimbursements                                | 7,959                         | 10,066      |
| Other property income                                 | 1,295                         | 669         |
| Other income  | 201                           | 151         |
| Total revenues  | <hr/>                         | <hr/>       |
|   | 52,683                        | 52,481      |
|   | <hr/>                         | <hr/>       |
| <i>Operating expenses</i>                             |                               |             |
| Property operating                                    | 5,537                         | 7,731       |
| Other operating                                       | 291                           | 2,120       |
| Real estate taxes                                     | 6,165                         | 6,292       |
| General and administrative                            | 9,352                         | 7,532       |
| Depreciation and amortization                         | 16,849                        | 13,658      |
| Total operating expenses                              | <hr/>                         | <hr/>       |
|   | 38,194                        | 37,333      |
|   | <hr/>                         | <hr/>       |
| Operating income                                      | 14,489                        | 15,148      |
| Equity in earnings of unconsolidated affiliates       | 1,954                         | 6,593       |
| Loss on debt extinguishment                           | —                             | (109)       |
| Gain on disposition of properties                     | 65,393                        | 27,143      |
| Interest expense and other finance costs              | (8,038)                       | (8,821)     |
| Income from continuing operations before income taxes | <hr/>                         | <hr/>       |
|   | 73,798                        | 39,954      |
| Income tax benefit (provision)                        | 77                            | (1,417)     |
| Net income  | <hr/>                         | <hr/>       |
|   | 73,875                        | 38,537      |

ACADIA REALTY TRUST AND SUBSIDIARIES

Consolidated Statements of Operations, Continued<sup>1</sup>

(dollars and Common Shares in thousands, except per share data)

|   | For the Quarters ended |                  |
|---|------------------------|------------------|
|   | <u>March 31,</u>       |                  |
|   | 2016                   | 2015             |
| Net income attributable to noncontrolling interests       | (44,950)               | (21,990)         |
| Net income attributable to Common Shareholders            | <u>\$ 28,925</u>       | <u>\$ 16,547</u> |
| Less: Net Income attributable to participating securities | (365)                  | (240)            |
| Net Income attributable to Common Shareholders - basic    | <u>\$ 28,560</u>       | <u>\$ 16,307</u> |
| Weighted average shares for diluted earnings per share    | <u>71,200</u>          | <u>68,360</u>    |
| Net Earnings per share - basic and diluted <sup>2</sup>   | <u>\$ 0.40</u>         | <u>\$ 0.24</u>   |

**ACADIA REALTY TRUST AND SUBSIDIARIES**

**Reconciliation of Net Income to Funds From Operations<sup>1,3</sup>**

*(dollars and Common Shares in thousands, except per share data)*

|  | <b>For the Quarters ended</b> |                 |
|--|-------------------------------|-----------------|
|  | <b><u>March 31,</u></b>       |                 |
|  | <b>2016</b>                   | <b>2015</b>     |
|  | <hr/>                         | <hr/>           |
| Net income attributable to Common Shareholders   | \$ 28,925                     | \$ 16,547       |
| Depreciation of real estate and amortization of leasing costs<br>(net of noncontrolling interests' share): | 15,328                        | 10,936          |
| Gain on disposition (net of noncontrolling interests' share):  | (15,140)                      | (5,402)         |
| Income attributable to noncontrolling interests' in  |                               |                 |
| Operating Partnership  | 1,855                         | 967             |
| Distributions - Preferred OP Units   | 139                           | 6               |
| Funds from operations attributable to Common Shareholders and<br>Common OP Unit holders                    | <hr/> \$ 31,107               | <hr/> \$ 23,054 |
| <i>Funds from operations per share - Diluted</i>   |                               |                 |
| Weighted average Common Shares and OP Units <sup>4</sup>   | <hr/> 75,845                  | <hr/> 72,586    |
| Funds from operations, per Common Share and Common OP Unit   | <hr/> \$ 0.41                 | <hr/> \$ 0.32   |

**ACADIA REALTY TRUST AND SUBSIDIARIES**

**Reconciliation of Operating Income to Net Property Operating Income (“NOI”)<sup>1</sup>**

*(dollars in thousands)*

|   | <b>For the Quarters ended</b> |                       |
|---|-------------------------------|-----------------------|
|   | <b><u>March 31,</u></b>       |                       |
|   | <b>2016</b>                   | <b>2015</b>           |
|   | <hr/>                         | <hr/>                 |
| Operating income  | \$ 14,489                     | \$ 15,148             |
| Add back:   |                               |                       |
| General and administrative  | 9,352                         | 7,532                 |
| Depreciation and amortization   | 16,849                        | 13,658                |
| Impairment of asset   | —                             | —                     |
| Less:   |                               |                       |
| Interest income   | (4,638)                       | (3,408)               |
| Above/below market rent, straight-line rent and other adjustments           | (3,513)                       | (568)                 |
|   | <hr/>                         | <hr/>                 |
| Consolidated NOI  | 32,539                        | 32,362                |
| Noncontrolling interest in NOI  | (7,052)                       | (9,371)               |
| Pro-rata share of NOI   | <hr/> 25,487                  | <hr/> 22,991          |
| Operating Partnerships’ interest in Opportunity Funds                       | (1,289)                       | (1,582)               |
| Operating Partnerships’ share of unconsolidated joint ventures <sup>1</sup> | 3,269                         | 2,513                 |
| NOI - Core Portfolio  | <hr/> <hr/> \$ 27,467         | <hr/> <hr/> \$ 23,922 |

Note:

<sup>1</sup>Does not include share of unconsolidated joint ventures within Opportunity Funds

**ACADIA REALTY TRUST AND SUBSIDIARIES**

**Consolidated Balance Sheets<sup>1</sup>**

*(dollars in thousands)*

|   | As of                       |                             |
|---|-----------------------------|-----------------------------|
|   | March 31,<br>2016           | December 31,<br>2015        |
|   | <u>                    </u> | <u>                    </u> |
| <b>ASSETS</b>   |                             |                             |
| Operating real estate   |                             |                             |
| Land  | \$ 497,830                  | \$ 514,120                  |
| Buildings and improvements  | 1,586,398                   | 1,593,350                   |
| Construction in progress  | 22,227                      | 19,239                      |
|   | <u>2,106,455</u>            | <u>2,126,709</u>            |
| Less: accumulated depreciation  | 286,880                     | 298,703                     |
| Net operating real estate   | 1,819,575                   | 1,828,006                   |
| Real estate under development   | 639,759                     | 609,574                     |
| Notes receivable and preferred equity investments, net  | 154,679                     | 147,188                     |
| Investments in and advances to unconsolidated affiliates  | 210,309                     | 173,277                     |
| Cash and cash equivalents   | 84,860                      | 72,776                      |
| Cash in escrow  | 23,185                      | 26,444                      |
| Restricted cash   | 10,840                      | 10,840                      |
| Rents receivable, net   | 41,844                      | 40,425                      |
| Deferred charges, net   | 21,776                      | 22,568                      |
| Acquired lease intangibles, net   | 64,396                      | 52,593                      |
| Prepaid expenses and other assets   | 50,791                      | 48,628                      |
| Assets of properties held for sale  | 26,313                      | —                           |
| Total assets  | <u>\$ 3,148,327</u>         | <u>\$ 3,032,319</u>         |
| <b>LIABILITIES</b>  |                             |                             |
| Mortgage and other notes payable, net   | \$ 955,003                  | \$ 1,050,051                |
| Unsecured notes payable, net  | 341,555                     | 308,555                     |
| Distributions in excess of income from, and investments in, unconsolidated affiliates   | 23,613                      | 13,244                      |
| Accounts payable and accrued expenses   | 37,962                      | 38,754                      |
| Dividends and distributions payable   | 19,343                      | 37,552                      |
| Acquired lease intangibles, net   | 36,373                      | 31,809                      |
| Other liabilities   | 106,002                     | 31,000                      |
| Total liabilities   | <u>1,519,851</u>            | <u>1,510,965</u>            |
| <b>EQUITY</b>   |                             |                             |
| Shareholders' Equity  |                             |                             |
| Common shares, \$.001 par value, authorized 100,000,000 shares; issued and outstanding 71,566,457 and 70,258,415 shares, respectively | 72                          | 70                          |
| Additional paid-in capital  | 1,140,914                   | 1,092,239                   |
| Accumulated other comprehensive loss  | (11,467)                    | (4,463)                     |
| Retained earnings   | 23,695                      | 12,642                      |
| Total shareholders' equity  | <u>1,153,214</u>            | <u>1,100,488</u>            |
| Noncontrolling interests  | 475,262                     | 420,866                     |
| Total equity  | <u>1,628,476</u>            | <u>1,521,354</u>            |
| Total liabilities and equity  | <u>\$ 3,148,327</u>         | <u>\$ 3,032,319</u>         |

## ACADIA REALTY TRUST AND SUBSIDIARIES

*(dollars and Common Shares in thousands, except per share data)*

### Notes to Financial Highlights:

<sup>1</sup> For additional information and analysis concerning the Company's results of operations, reference is made to the Company's Quarterly Supplemental Disclosure furnished on Form 8-K to the SEC and included on the Company's website at [www.acadiarealty.com](http://www.acadiarealty.com).

<sup>2</sup> Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue Common Shares were exercised or converted into Common Shares. The effect of the conversion of Common OP Units is not reflected in the above table as they are exchangeable for Common Shares on a one-for-one basis. The income allocable to such units is allocated on the same basis and reflected as noncontrolling interests in the consolidated financial statements. As such, the assumed conversion of these units would have no net impact on the determination of diluted earnings per share.

<sup>3</sup> The Company considers funds from operations ("FFO") as defined by the National Association of Real Estate Investment Trusts ("NAREIT") and net property operating income ("NOI") to be appropriate supplemental disclosures of operating performance for an equity REIT due to their widespread acceptance and use within the REIT and analyst communities. FFO and NOI are presented to assist investors in analyzing the performance of the Company. They are helpful as they exclude various items included in net income that are not indicative of the operating performance, such as gains (losses) from sales of depreciated property, depreciation and amortization, and impairment of depreciable real estate. In addition, NOI excludes interest expense. The Company's method of calculating FFO and NOI may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs. FFO does not represent cash generated from operations as defined by generally accepted accounting principles ("GAAP") and is not indicative of cash available to fund all cash needs, including distributions. It should not be considered as an alternative to net income for the purpose of evaluating the Company's performance or to cash flows as a measure of liquidity. Consistent with the NAREIT definition, the Company defines FFO as net income (computed in accordance with GAAP), excluding gains (losses) from sales of depreciated property, plus depreciation and amortization, impairment of depreciable real estate, and after adjustments for unconsolidated partnerships and joint ventures.

<sup>4</sup> In addition to the weighted average Common Shares outstanding, basic and diluted FFO also assume full conversion of a weighted average 4,523 and 3,906 OP Units into Common Shares for the quarters ended March 31, 2016 and 2015, respectively. Diluted FFO also includes the assumed conversion of Preferred OP Units into 428 and 25 Common Shares for the quarters ended March 31, 2016 and 2015, respectively. In addition, diluted FFO also includes the effect of 138 and 360 employee share options, restricted share units and LTIP units for the quarters ended March 31, 2016 and 2015, respectively.

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First Quarter 2016

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Visit [www.acadiarealty.com](http://www.acadiarealty.com) for additional investor and portfolio information

## Company Information

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Acadia Realty Trust is a fully-integrated equity real estate investment trust, focused on the ownership, acquisition, redevelopment and management of high-quality retail properties located in key street and urban retail corridors as well as suburban locations within high-barrier-to-entry, densely-populated metropolitan areas. Acadia owns, or has an ownership interest in, these properties through its core portfolio and through a series of opportunistic/value-add investment funds. Additional information may be found on the Company's website at [www.acadiarealty.com](http://www.acadiarealty.com).

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Symbol AKR

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**Market Capitalization**

(including pro-rata share of Fund debt, in thousands)

|  | Capitalization              |             |                       |
|--|-----------------------------|-------------|-----------------------|
|  | Total Market Capitalization | based on    |                       |
|  | \$                          | %           | Net Debt <sup>1</sup> |
| <b>Equity Capitalization</b>                       |                             |             |                       |
| Common Shares                                      | 71,566                      |             |                       |
| Common Operating Partnership ("OP") Units          | 4,428                       |             |                       |
| Combined Common Shares and OP Units                | 75,994                      |             |                       |
| Share Price at March 31, 2016                      | \$ 35.13                    |             |                       |
| Equity Capitalization - Common Shares and OP Units | \$ 2,669,669                |             |                       |
| Preferred OP Units                                 | 15,040 <sup>2</sup>         |             |                       |
| <b>Total Equity Capitalization</b>                 | <b>2,684,709</b>            | <b>78%</b>  | <b>80%</b>            |
| <b>Debt Capitalization</b>                         |                             |             |                       |
| Consolidated debt                                  | 1,305,987                   |             |                       |
| Adjustment to reflect pro-rata share of debt       | (542,718)                   |             |                       |
| <b>Total Debt Capitalization</b>                   | <b>763,269</b>              | <b>22%</b>  | <b>20%</b>            |
| <b>Total Market Capitalization</b>                 | <b>\$ 3,447,978</b>         | <b>100%</b> | <b>100%</b>           |

Notes:

<sup>1</sup> Reflects debt net of:

|  |           |
|--|-----------|
| Core Portfolio cash  | \$ 64,312 |
| pro-rata share of Funds cash   | 6,590     |
| and pro-rata share of restricted cash relating to City Point financing | 3,071     |
| for total cash netted against debt of                                  | \$ 73,973 |

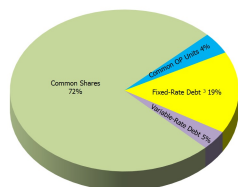
<sup>2</sup> Represents 188 Series A and 141,593 Series C Preferred OP Units convertible into 25,067 and 403,054 Common OP units, respectively multiplied by the Common Share price at quarter end.

<sup>3</sup> Fixed-rate debt includes notional principal fixed through interest rate swap transactions.

<sup>4</sup> Less than 1% Preferred OP Units

|                       | Changes in Total Outstanding Common Shares and OP Units (in thousands) |          |        | Weighted Average |         |
|-----------------------|--|----------|--------|------------------|---------|
|                       | Common Shares  | OP Units | Total  | Diluted EPS      | FFO     |
|                       |  |          |        | Quarter          | Quarter |
| Balance at 12/31/2015 | 70,259   | 3,857    | 74,116 |                  |         |
| ATM Issuance          | 1,050  | —        | 1,050  |                  |         |
| Other                 | 257  | 571      | 828    |                  |         |
| Balance at 3/31/2016  | 71,566   | 4,428    | 75,994 | 71,200           | 75,845  |

**Market Capitalization <sup>4</sup>**



Income Statements - Pro-rata Consolidation 1

(in thousands)

|  | Three months ended March 31, 2016 |                  |                  |
|--|-----------------------------------|------------------|------------------|
|  | Core Portfolio                    | Funds            | Total            |
| <b>CORE PORTFOLIO AND FUND INCOME</b>                        |                                   |                  |                  |
| <b>PROPERTY REVENUES</b>                                     |                                   |                  |                  |
| Minimum rents  | \$ 28,613                         | \$ 2,377         | \$ 30,990        |
| Percentage rents   | 84                                | 32               | 116              |
| Expense reimbursements - CAM                                 | 2,379                             | 239              | 2,618            |
| Expense reimbursements - Taxes                               | 4,422                             | 294              | 4,716            |
| Other property income  | 305                               | 70               | 375              |
| <b>Total Property Revenues</b>                               | <b>35,803</b>                     | <b>3,012</b>     | <b>38,815</b>    |
| <b>PROPERTY EXPENSES</b>                                     |                                   |                  |                  |
| Property operating - CAM                                     | 2,999                             | 437              | 3,436            |
| Other property operating (Non-CAM)                           | 282                               | 65               | 347              |
| Real estate taxes  | 5,055                             | 520              | 5,575            |
| <b>Total Property Expenses</b>                               | <b>8,336</b>                      | <b>1,022</b>     | <b>9,358</b>     |
| <b>NET OPERATING INCOME - PROPERTIES</b>                     | <b>27,467</b>                     | <b>1,990</b>     | <b>29,457</b>    |
| <b>OTHER INCOME (EXPENSE)</b>                                |                                   |                  |                  |
| Interest income  | 3,124                             | 361              | 3,485            |
| Straight-line rent income                                    | 765                               | 245              | 1,010            |
| Above/below market rent                                      | 1,132                             | 57               | 1,189            |
| Interest expense <sup>2</sup>                                | (5,787)                           | (566)            | (6,353)          |
| Amortization of finance costs                                | (297)                             | (109)            | (406)            |
| Above/below market interest expense                          | 383                               | —                | 383              |
| Asset and property management expense                        | (84)                              | (62)             | (146)            |
| Other income/(expense)                                       | 691                               | 17               | 708              |
| Transaction costs  | (178)                             | (34)             | (212)            |
| <b>CORE PORTFOLIO AND FUND INCOME</b>                        | <b>27,216</b>                     | <b>1,899</b>     | <b>29,115</b>    |
| <b>FEE INCOME</b>  |                                   |                  |                  |
| Asset and property management fees                           | 3,144                             | 7                | 3,151            |
| Transactional fees <sup>3</sup>                              | 1,692                             | —                | 1,692            |
| Income tax (provision)/benefit                               | 117                               | (5)              | 112              |
| <b>Total Fee Income</b>                                      | <b>4,953</b>                      | <b>2</b>         | <b>4,955</b>     |
| <b>PROMOTE, RCP AND OTHER INCOME</b>                         |                                   |                  |                  |
| Equity in earnings from RCP investments                      | —                                 | 27               | 27               |
| Promote income, net - Fund capital transactions <sup>4</sup> | 4,736                             | —                | 4,736            |
| <b>Total Promote, RCP and Other Income</b>                   | <b>4,736</b>                      | <b>27</b>        | <b>4,763</b>     |
| <b>General and Administrative</b>                            | <b>(7,688)</b>                    | <b>(27)</b>      | <b>(7,715)</b>   |
| Depreciation and amortization                                | (14,198)                          | (1,130)          | (15,328)         |
| Non-real estate depreciation and amortization                | (150)                             | —                | (150)            |
| Gain on disposition of properties                            | —                                 | 15,140           | 15,140           |
| <b>Income before noncontrolling interests</b>                | <b>14,869</b>                     | <b>15,911</b>    | <b>30,780</b>    |
| Noncontrolling interest - OP                                 | (898)                             | (957)            | (1,855)          |
| <b>NET INCOME</b>  | <b>\$ 13,971</b>                  | <b>\$ 14,954</b> | <b>\$ 28,925</b> |



<sup>1</sup> Quarterly results are unaudited, although they reflect all adjustments, which in the opinion of management, are necessary for a fair presentation of operating results for the interim periods.

The Company's investments in consolidated and unconsolidated joint ventures are reflected separately for revenues and expenses by calculating its pro-rata share for each of the above line items.

In total, net income agrees with net income as reported in the Company's Form 10Q's and 10K for the corresponding periods.

<sup>2</sup> Net of capitalized interest of \$1,052 for the three months.

<sup>3</sup> Consists of development, construction, leasing and legal fees.

<sup>4</sup> Net of payments totaling \$1,548 during the quarter under the Company's Long Term Investment Alignment Program.

**Income Statements - Funds 1**

(in thousands)

|  | AKR Pro-     |             | AKR Pro-      |               | AKR Pro-     |              | AKR Pro-        |                  | AKR Pro-      |              | Total              |
|--|--------------|-------------|---------------|---------------|--------------|--------------|-----------------|------------------|---------------|--------------|--------------------|
|  | Mervyns I    | rata share  | Fund II       | rata share    | Mervyns II   | rata share   | Fund III        | rata share       | Fund IV       | rata share   | AKR Pro-rata share |
| <b>PROPERTY REVENUES</b>                     |              |             |               |               |              |              |                 |                  |               |              |                    |
| Minimum rents                                | \$ —         | \$ —        | \$ 1,592      | \$ 451        | \$ —         | \$ —         | \$ 3,845        | \$ 944           | \$ 4,247      | \$ 982       | \$ 2,377           |
| Percentage rents                             | —            | —           | —             | —             | —            | —            | 38              | 9                | 99            | 23           | 32                 |
| Expense reimbursements - CAM                 | —            | —           | 169           | 48            | —            | —            | 385             | 94               | 419           | 97           | 239                |
| Expense reimbursements - Taxes               | —            | —           | 41            | 12            | —            | —            | 835             | 205              | 335           | 77           | 294                |
| Other property income                        | —            | —           | 29            | 8             | —            | —            | 12              | 3                | 254           | 59           | 70                 |
| <b>Total Property Revenues</b>               | <b>—</b>     | <b>—</b>    | <b>1,831</b>  | <b>519</b>    | <b>—</b>     | <b>—</b>     | <b>5,115</b>    | <b>1,255</b>     | <b>5,354</b>  | <b>1,238</b> | <b>3,012</b>       |
| <b>PROPERTY EXPENSES</b>                     |              |             |               |               |              |              |                 |                  |               |              |                    |
| Property operating - CAM                     | —            | —           | 423           | 120           | —            | —            | 750             | 184              | 574           | 133          | 437                |
| Other property operating (Non-CAM)           | —            | —           | 27            | 8             | —            | —            | 137             | 34               | 98            | 23           | 65                 |
| Real estate taxes                            | —            | —           | 291           | 82            | —            | —            | 1,099           | 270              | 728           | 168          | 520                |
| <b>Total Property Expenses</b>               | <b>—</b>     | <b>—</b>    | <b>741</b>    | <b>210</b>    | <b>—</b>     | <b>—</b>     | <b>1,986</b>    | <b>488</b>       | <b>1,400</b>  | <b>324</b>   | <b>1,022</b>       |
| <b>NET OPERATING INCOME - PROPERTIES</b>     | <b>—</b>     | <b>—</b>    | <b>1,090</b>  | <b>309</b>    | <b>—</b>     | <b>—</b>     | <b>3,129</b>    | <b>767</b>       | <b>3,954</b>  | <b>914</b>   | <b>1,990</b>       |
| <b>OTHER INCOME (EXPENSE)</b>                |              |             |               |               |              |              |                 |                  |               |              |                    |
| Interest income                              | —            | —           | 182           | 52            | —            | —            | 226             | 55               | 1,097         | 254          | 361                |
| Straight-line rent income                    | —            | —           | 325           | 92            | —            | —            | 132             | 32               | 523           | 121          | 245                |
| Above/below market rent                      | —            | —           | —             | —             | —            | —            | 18              | 4                | 228           | 53           | 57                 |
| Interest expense                             | —            | —           | (40)          | (11)          | —            | —            | (490)           | (120)            | (1,880)       | (435)        | (566)              |
| Amortization of finance costs                | —            | —           | (79)          | (22)          | —            | —            | (101)           | (25)             | (268)         | (62)         | (109)              |
| Asset and property management expense 2      | —            | —           | —             | —             | —            | —            | (49)            | (12)             | (215)         | (50)         | (62)               |
| Other income/(expense)                       | —            | —           | 18            | 5             | 2            | 1            | (4)             | (1)              | 52            | 12           | 17                 |
| Transaction costs                            | —            | —           | —             | —             | —            | —            | —               | —                | (149)         | (34)         | (34)               |
| <b>Fund Income</b>                           | <b>—</b>     | <b>—</b>    | <b>1,496</b>  | <b>425</b>    | <b>2</b>     | <b>1</b>     | <b>2,861</b>    | <b>700</b>       | <b>3,342</b>  | <b>773</b>   | <b>1,899</b>       |
| <b>FEE INCOME</b>                            |              |             |               |               |              |              |                 |                  |               |              |                    |
| Asset and property management fees           | —            | —           | —             | —             | —            | —            | 27              | 7                | —             | —            | 7                  |
| Income tax benefit                           | —            | —           | —             | —             | —            | —            | (20)            | (5)              | —             | —            | (5)                |
| <b>Total Fee Income</b>                      | <b>—</b>     | <b>—</b>    | <b>—</b>      | <b>—</b>      | <b>—</b>     | <b>—</b>     | <b>7</b>        | <b>2</b>         | <b>—</b>      | <b>—</b>     | <b>2</b>           |
| <b>PROMOTE, RCP AND OTHER INCOME</b>         |              |             |               |               |              |              |                 |                  |               |              |                    |
| Equity in earnings from RCP investments      | 27           | 6           | —             | —             | 73           | 21           | —               | —                | —             | —            | 27                 |
| <b>Total Promote, RCP and Other Income</b>   | <b>27</b>    | <b>6</b>    | <b>—</b>      | <b>—</b>      | <b>73</b>    | <b>21</b>    | <b>—</b>        | <b>—</b>         | <b>—</b>      | <b>—</b>     | <b>27</b>          |
| <b>GENERAL AND ADMINISTRATIVE</b>            |              |             |               |               |              |              |                 |                  |               |              |                    |
| Depreciation and amortization                | —            | —           | (749)         | (212)         | —            | —            | (1,133)         | (278)            | (2,768)       | (640)        | (1,130)            |
| Gain on disposition of properties            | —            | —           | —             | —             | —            | —            | 61,684          | 15,140           | —             | —            | 15,140             |
| <b>Income before noncontrolling interest</b> | <b>27</b>    | <b>6</b>    | <b>742</b>    | <b>212</b>    | <b>75</b>    | <b>22</b>    | <b>63,430</b>   | <b>15,567</b>    | <b>447</b>    | <b>104</b>   | <b>15,911</b>      |
| Noncontrolling interest - OP                 | —            | —           | (46)          | (13)          | (4)          | (1)          | (3,818)         | (937)            | (26)          | (6)          | (957)              |
| <b>NET INCOME</b>                            | <b>\$ 27</b> | <b>\$ 6</b> | <b>\$ 696</b> | <b>\$ 199</b> | <b>\$ 71</b> | <b>\$ 21</b> | <b>\$59,612</b> | <b>\$ 14,630</b> | <b>\$ 421</b> | <b>\$ 98</b> | <b>\$ 14,954</b>   |

## Notes:

1 Quarterly results are unaudited, although they reflect all adjustments, which in the opinion of management, are necessary for a fair presentation of operating results for the interim periods. The Company's investments in consolidated and unconsolidated joint ventures are reflected separately for revenues and expenses by calculating its pro-rata share for each of the above line items. In total, net income agrees with net income as reported in the Company's Form 10Q's and 10K for the corresponding periods.

The Company currently invests in Funds I, II, III & IV and Mervyn's which are consolidated with the Company's financial statements.

2 Funds I, II, III & IV and the Mervyn's entities pay various fees and promotes to the Company. As it is the recipient of such fees, the Company does not recognize its pro-rata share of these expenses.

3 For information on our pro-rata share of fund investments, see the "Fund Overview" page in this supplemental.

**Funds from Operations ("FFO")<sup>1</sup>**

(in thousands)

|  | Current<br>Quarter<br>3 months ended<br>March 31, 2016 | Quarter<br>3 months ended<br>March 31, 2015 |
|--|--|---|
| <b><u>Funds from operations ("FFO"):</u></b>   |  |   |
| Net Income   | \$ 28,925  | \$ 16,547                                   |
| Add back:  |  |   |
| Depreciation of real estate and amortization of leasing costs:<br>(net of noncontrolling interest share) | 15,328   | 10,936                                      |
| Gain on disposition of properties (net of noncontrolling interest share)                                 | (15,140)   | (5,402)                                     |
| Income attributable to noncontrolling interests'<br>share in Operating Partnership                       | 1,994  | 973   |
| <b>FFO to Common Shareholders and Common OP Unit holders</b>   | <b>\$ 31,107</b>                                       | <b>\$ 23,054</b>                            |
| Add back: Transaction costs  | 212  | 1,113                                       |
| <b>FFO before transaction costs</b>  | <b>\$ 31,319</b>                                       | <b>\$ 24,167</b>                            |
| <b><u>Adjusted Funds from operations ("AFFO"):</u></b>   |  |   |
| Diluted FFO  | \$ 31,107  | \$ 23,054                                   |
| Straight-line rent, net  | (1,010)  | (955)                                       |
| Above/below market rent  | (1,189)  | (1,225)                                     |
| Amortization of finance costs  | 406  | 405   |
| Above/below market interest  | (383)  | (345)                                       |
| Loss on extinguishment of debt   | —  | 21  |
| Non-real estate depreciation   | 150  | 130   |
| Leasing commissions  | (17)   | (210)                                       |
| Tenant improvements  | (2,229)  | (1,091)                                     |
| Capital expenditures   | (284)  | (1,677)                                     |
| <b>AFFO to Common Shareholders and Common OP Unit holders</b>  | <b>\$ 26,551</b>                                       | <b>\$ 18,107</b>                            |
| <b>Total weighted average diluted shares and OP Units:</b>   | <b>75,845</b>  | <b>72,586</b>                               |
| <b>Diluted FFO per Common share and OP Unit:</b>   |  |   |
| FFO  | \$ 0.41  | \$ 0.32                                     |
| FFO before transaction costs   | \$ 0.41  | \$ 0.33                                     |
| AFFO   | \$ 0.35  | \$ 0.25                                     |
| AFFO before transaction costs  | \$ 0.35  | \$ 0.26                                     |

## Notes:

<sup>1</sup> Quarterly results are unaudited, although they reflect all adjustments, which in the opinion of management are necessary for a fair presentation of operating results for the interim periods.

**EBITDA**

(in thousands)

|                                   | <b>Current Quarter</b>                   |                  |                  |
|-----------------------------------|--|------------------|------------------|
|                                   | <b>Three months ended March 31, 2016</b> |                  |                  |
|                                   | <b>Core</b>                              |                  |                  |
|                                   | <b>Portfolio</b>                         | <b>Funds</b>     | <b>Total</b>     |
| <b>NET INCOME</b>                 | <b>\$ 13,971</b>                         | <b>\$ 14,954</b> | <b>\$ 28,925</b> |
| <b>Adjustments:</b>               |  |                  |                  |
| Depreciation and amortization     | 14,348                                   | 1,130            | 15,478           |
| Interest expense                  | 5,787                                    | 566              | 6,353            |
| Amortization of finance costs     | 297                                      | 109              | 406              |
| Above/below market interest       | (383)                                    | —                | (383)            |
| Gain on disposition of properties | —  | (15,140)         | (15,140)         |
| Provision for income taxes        | (117)                                    | 5                | (112)            |
| Noncontrolling interest - OP      | 898                                      | 957              | 1,855            |
| <b>EBITDA</b>                     | <b>\$ 34,801</b>                         | <b>\$ 2,581</b>  | <b>\$ 37,382</b> |

**Core Portfolio**Same Property Performance <sup>1</sup>

(in thousands)

|  | Quarter            |                  |                                   |
|--|--------------------|------------------|-----------------------------------|
|  | Three months ended |                  | Change<br>Favorable/(Unfavorable) |
|  | March 31, 2016     | March 31, 2015   |                                   |
| <b>Summary</b>   |                    |                  |                                   |
| Minimum rents  | \$ 25,218          | \$ 24,478        | 3.0%                              |
| Property operating expenses, net of reimbursements     | (1,118)            | (1,325)          | 15.6%                             |
| Other net property income/(expense)                    | 27                 | 145              | (81.4)%                           |
| Same Property NOI                                      | <u>\$ 24,127</u>   | <u>\$ 23,298</u> | <u>3.6%</u>                       |
| <b>Reconciliation of Same Property NOI to Core NOI</b> |                    |                  |                                   |
| NOI of Properties excluded from Same Property NOI      | <u>3,340</u>       | <u>624</u>       |                                   |
| Core NOI <sup>2</sup>                                  | <u>\$ 27,467</u>   | <u>\$ 23,922</u> |                                   |
| <b>Other same property information</b>                 |                    |                  |                                   |
| Physical Occupancy                                     | 96.3%              | 96.5%            |                                   |
| Leased Occupancy                                       | 96.4%              | 96.9%            |                                   |

## Notes:

<sup>1</sup> The above amounts include the pro-rata activity related to the Company's Core consolidated and unconsolidated investments.<sup>2</sup> See "Income Statement - Consolidated."



**Fee income by Fund**

(in thousands)

|   | <u>Fund II</u>  | <u>Fund III</u> | <u>Fund IV</u>  | <u>Other</u>  | <u>Total</u>    |
|---|-----------------|-----------------|-----------------|---------------|-----------------|
| <b>Quarter ended March 31, 2016</b>                           |                 |                 |                 |               |                 |
| Asset and property management fees and priority distributions | \$ 534          | \$ 861          | \$ 1,592        | \$ 157        | \$ 3,144        |
| Transactional fees  | 715             | 237             | 632             | 108           | 1,692           |
| Total fees and priority distributions                         | <u>\$ 1,249</u> | <u>\$ 1,098</u> | <u>\$ 2,224</u> | <u>\$ 265</u> | <u>\$ 4,836</u> |

**Pro-Rata Consolidated Balance Sheet**

(in thousands)

|  | Notes | Consolidated<br>Balance<br>Sheet<br>As Reported | Noncontrolling<br>Interest in<br>Consolidated<br>Subsidiaries | Company's<br>Interest in<br>Unconsolidated<br>Subsidiaries | Pro-Rata<br>Consolidated<br>Balance<br>Sheet | Notes  |
|--|-------|---|---|--|--|--|
| <b>ASSETS</b>  |       |   |   |  |  |  |
| <b>Real estate</b>   |       |   |   |  |  |  |
| Land   |       | \$ 497,830                                      | \$ (115,168)  | \$ 41,349  | \$ 424,011                                   | 1 The interim consolidated balance sheet is unaudited, although it reflects all adjustments, which in the opinion of management, are necessary for the fair presentation of the consolidated balance sheet for the interim period.   |
| Buildings and improvements                                     |       | 1,586,398                                       | (320,605)   | 217,443  | 1,483,236                                    |  |
| Construction in progress                                       |       | 22,227  | (14,716)  | 290  | 7,801  |  |
|  |       | 2,106,455                                       | (450,489)   | 259,082  | 1,915,048                                    |  |
| Less: accumulated depreciation                                 |       | (286,880)                                       | 52,413  | (13,393)   | (247,860)                                    | 2 The Company currently invests in Funds I, II, III & IV and Mervyns I & II which are consolidated within the Company's financial statements. To provide investors with supplemental information, the Company's investments in these joint ventures are reflected above on a pro-rata basis by calculating its ownership percentage for each of the asset and liability line items. Similarly, the presentation also includes the Company's pro-rata share of assets and liabilities for unconsolidated investments which are accounted for under the equity method of accounting in the Company's financial statements. |
| Net real estate  |       | 1,819,575                                       | (398,076)   | 245,689  | 1,667,188                                    |  |
| Net real estate under development                              | 3     | 639,759   | (460,313)   | 7,511  | 186,957                                      | 3 The components of Net real estate under development are as follows:  |
|  |       |   |   |  |  | Fund II \$ 556,555   |
| Cash and cash equivalents                                      |       | 84,860  | (17,666)  | 3,708  | 70,902                                       | Fund III 41,903  |
| Cash in escrow   |       | 23,185  | (14,662)  | 2,551  | 11,074                                       | Fund IV 37,608   |
| Restricted cash  |       | 10,840  | (7,769)   | —  | 3,071  | Other 3,693  |
| Investments in and advances to unconsolidated affiliates       |       | 210,309   | (74,267)  | (133,408)  | 2,634  |  |
| Rents receivable, net  |       | 10,045  | (1,564)   | 2,313  | 10,794                                       |  |
| Straight-line rents receivable, net                            |       | 31,799  | (10,772)  | 1,875  | 22,902                                       |  |
| Notes receivable   |       | 154,679   | (45,205)  | —  | 109,474                                      |  |
| Deferred charges, net  |       | 21,776  | (8,460)   | 1,197  | 14,513                                       |  |
| Prepaid expenses and other assets                              | 4     | 50,791  | 22,131  | 312  | 73,234                                       | 4 The components of Prepaid expenses and other assets are as follows:  |
| Acquired lease intangibles                                     |       | 64,396  | (7,442)   | 12,077   | 69,031                                       | Due from Fund Investors \$ 38,179  |
| Assets of real estate held for sale                            |       | 26,313  | (15,886)  | —  | 10,427                                       | Accrued interest on Notes receivable 11,655  |
|  |       |   |   |  |  | Prepaid expenses 7,336   |
|  |       |   |   |  |  | Other 16,064   |
|  |       |   |   |  |  | Total \$ 73,234  |
| <b>Total Assets</b>  |       | <b>\$ 3,148,327</b>                             | <b>\$ (1,039,951)</b>   | <b>\$ 143,825</b>  | <b>\$ 2,252,201</b>                          | <b>Total 639,759</b>   |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>                    |       |   |   |  |  |  |
| Mortgage and other notes payable                               |       | \$ 963,161                                      | \$ (580,266)  | \$ 146,310   | \$ 529,205                                   |  |
| Unsecured notes payable  |       | 342,826   | (108,762)   | —  | 234,064                                      |  |
| Valuation of debt at acquisition, net of amortization          |       | 1,726   | —   | 1,059  | 2,785  |  |
| Unamortized loan costs   |       | (11,155)  | 6,638   | (1,399)  | (5,916)                                      |  |
| Acquired lease intangibles                                     |       | 36,373  | (5,615)   | 9,259  | 40,017                                       |  |
| Accounts payable and accrued expenses                          |       | 37,962  | (10,692)  | 2,818  | 30,088                                       |  |
| Dividends and distributions payable                            |       | 19,343  | —   | —  | 19,343                                       |  |
| Share of losses in excess of inv. in unconsolidated affiliates |       | 23,613  | (6,245)   | (17,368)   | —  |  |
| Other liabilities  |       | 106,002   | (8,857)   | 3,146  | 100,291                                      |  |
| <b>Total Liabilities</b>                                       |       | <b>1,519,851</b>                                | <b>(713,799)</b>  | <b>143,825</b>   | <b>949,877</b>                               |  |
| Shareholders' equity:  |       |   |   |  |  |  |
| Common shares  |       | 72  | —   | —  | 72   |  |
| Additional paid-in capital                                     |       | 1,140,914                                       | —   | —  | 1,140,914                                    |  |
| Accumulated other comprehensive loss                           |       | (11,467)  | —   | —  | (11,467)                                     |  |
| Retained earnings  |       | 23,695  | —   | —  | 23,695                                       |  |
| Total controlling interest                                     |       | 1,153,214                                       | —   | —  | 1,153,214                                    |  |
| Noncontrolling interest in subsidiary                          |       | 475,262   | (326,152)   | —  | 149,110                                      |  |
| <b>Total Shareholders' Equity</b>                              |       | <b>1,628,476</b>                                | <b>(326,152)</b>  | <b>—</b>   | <b>1,302,324</b>                             |  |
| <b>Total Liabilities and Shareholders' Equity</b>              |       | <b>\$ 3,148,327</b>                             | <b>\$ (1,039,951)</b>   | <b>\$ 143,825</b>  | <b>\$ 2,252,201</b>                          |  |

Structured Financing Portfolio

(in thousands)

| Investment                                  | Previous<br>Principal | Current Period |                    |                      |                     |                   | Stated<br>Interest<br>Rate | Effective<br>Interest<br>Rate <sup>1</sup> | Maturity<br>Dates |
|---|-----------------------|----------------|--------------------|----------------------|---------------------|-------------------|----------------------------|--|-------------------|
|   |                       | Advances       | Repayments         | Current<br>Principal | Accrued<br>Interest | Total             |                            |  |                   |
| First mortgage notes                        | \$ 65,169             | \$ 400         | \$ (7,500)         | \$ 58,069            | \$ 1,220            | \$ 59,289         | 6.70%                      | 7.01%                                      | 2016 to 2018      |
| Mezzanine, preferred equity and other notes | 47,878                | —              | (13,000)           | 34,878               | 9,977               | 44,855            | 14.77%                     | 14.83%                                     | 2016 to 2020      |
| <b>Total notes receivable</b>               | <b>\$ 113,047</b>     | <b>\$ 400</b>  | <b>\$ (20,500)</b> | <b>\$ 92,947</b>     | <b>\$ 11,197</b>    | <b>\$ 104,144</b> | <b>9.73%</b>               | <b>9.94%</b>                               |                   |

Note:

<sup>1</sup> Inclusive of points and exit fees.

Reconciliation of Notes Receivable to the Consolidated Balance Sheet

|   |                   |
|---|-------------------|
| Total Notes Receivable per above                  | \$ 92,947         |
| Other loans (pro-rata share)                      | <u>15,913</u>     |
| Total Notes Receivable per Pro-Rata Balance Sheet | <u>\$ 108,860</u> |

**Transactional Activity**

(in thousands)

**Core Portfolio**

| Property Name        | Transaction Price | Acadia      |                   | Month of Transaction | Location      | Key Tenants                           |
|----------------------|-------------------|-------------|-------------------|----------------------|---------------|---------------------------------------|
|                      |                   | Ownership % | Acadia Share      |                      |               |                                       |
| Gotham Plaza 1       | \$ 79,163         | 49%         | \$ 38,790         | January              | Manhattan, NY | Bank of America, The Children's Place |
| 991 Madison Avenue 2 | <u>76,461</u>     | 100%        | <u>76,461</u>     | March                | Manhattan, NY | Vera Wang, Perrin Paris               |
| <b>Total</b>         | <u>\$ 155,624</u> |             | <u>\$ 115,251</u> |                      |               |                                       |

**Funds**

**Acquisitions**

| Property Name             | Transaction Price | Fund        |                  | Acadia          |         | Month of Transaction | Location | Key Tenants |
|---------------------------|-------------------|-------------|------------------|-----------------|---------|----------------------|----------|-------------|
|                           |                   | Ownership % | Fund Share       | Share           | Share   |                      |          |             |
| 1964 Union Street         | \$ 2,250          | 90%         | \$ 2,025         | \$ 468          | January | San Francisco, CA    | —        |             |
| Restaurants at Fort Point | <u>11,500</u>     | 100%        | <u>11,500</u>    | <u>2,659</u>    | January | Boston, MA           | —        |             |
| <b>Total</b>              | <u>\$ 13,750</u>  |             | <u>\$ 13,525</u> | <u>\$ 3,127</u> |         |                      |          |             |

**Fund IV:**

**Dispositions**

**Fund III:**

|                         |                   |      |                   |                  |         |                  |   |
|-------------------------|-------------------|------|-------------------|------------------|---------|------------------|---|
| Cortlandt Town Center 3 | \$ 165,000        | 65%  | \$ 107,250        | \$ 42,503        | January | Mohegan Lake, NY | — |
| Heritage Shops          | <u>46,500</u>     | 100% | <u>46,500</u>     | <u>18,428</u>    | April   | Chicago, IL      |   |
|                         | <u>\$ 211,500</u> |      | <u>\$ 153,750</u> | <u>\$ 60,931</u> |         |                  |   |

**Structured Finance Investments**

| Fund IV:               | Principal | Interest Rate | Maturity Date  | Month of Transaction | Location    | Extension Options |
|------------------------|-----------|---------------|----------------|----------------------|-------------|-------------------|
| 900 W. Randolph Street | \$ 14,000 | 15%           | February, 2021 | February             | Chicago, IL | 2 x 12 mos.       |

Notes:

<sup>1</sup> Acquired a 49% interest in this property for \$38,790. The \$79,163 represents the total value of the property at the time of our transaction.

<sup>2</sup> Acquired a 49-year master lease interest in this property. The lease position has been capitalized for the Company's financial statements at a total value of \$76,461 which consists of a \$7,000 upfront payment in addition to the future annual master lease rent obligations.

<sup>3</sup> Sold a 65% interest in this property for \$107,250. The \$165,000 represents the total value of the property at the time of our transaction.

Note: 2016 FFO and EPS guidance and comparable 2015 results are before acquisition related costs

(in millions except per share amounts, all per share amounts are fully diluted)

|   | 2016 Guidance        | 2015 Actual | Notes  |
|---|----------------------|-------------|--|
| <b>Summary:</b>   |                      |             |  |
| Funds from Operations ("FFO") per share (before acquisition costs)          | \$1.52 to \$1.60     | \$1.56      | <ul style="list-style-type: none"> <li>- 2015 included \$0.13 of gain from the sale of air rights</li> <li>- Before 2015 acquisition costs, which totaled \$0.03</li> </ul>  |
| Earnings per Share ("EPS") (before acquisition costs)                       | \$0.99 to \$1.07     | \$0.97      |  |
| <b>FFO Components:</b>  |                      |             |  |
| Core and pro-rata share of Fund portfolio income (before acquisition costs) | \$120.5 to \$124.5   | \$110.5     | - 2015 acquisition costs totaled \$2.2 million   |
| Asset and property management fee income, net of TRS taxes                  | \$11.0 to \$13.0     | \$13.1      |  |
| Transactional fee income, net of TRS taxes                                  | \$7.0 to \$8.0       | \$8.6       |  |
| Other Fund related income, net  | \$9.0 to \$11.0      | \$11.0      | <ul style="list-style-type: none"> <li>- 2015 included \$0.13 of gain from the sale of air rights</li> <li>- Net of projected payments under the Company's Long-Term Fund Investment Alignment Program ("FIAP")</li> </ul> |
| General and administrative expense  | \$(31.0) to \$(30.5) | \$(29.4)    |  |
| FFO   | \$116.5 to \$126.0   | \$113.8     |  |
| <b>Additional Guidance Assumptions:</b>                                     |                      |             |  |
| Fully diluted Common Shares and OP Units                                    | 77,000 to 79,000     | 73,100      |  |
| Same property net operating income ("NOI") growth                           | 3.0% to 4.0%         |             |  |
| Core acquisitions   | \$200.0 to \$400.0   |             |  |
| Fund acquisitions   | \$200.0 to \$400.0   |             |  |

**Net Asset Valuation  
Information**

(in thousands)

|  | CORE              |                         | FUND II           |                    |                    |                   | FUND III     |                   |                    |                  | FUND IV      |                   |                    |                  |
|--|-------------------|-------------------------|-------------------|--------------------|--------------------|-------------------|--------------|-------------------|--------------------|------------------|--------------|-------------------|--------------------|------------------|
|  | Quarterly         | Annualized<br>(x4)      | Fund Level        |                    | AKR Pro-rata Share |                   | Fund Level   |                   | AKR pro-rata share |                  | Fund Level   |                   | AKR pro-rata share |                  |
|  |                   |                         | Quarterly         | Annualized<br>(x4) | %                  | \$                | Quarterly    | Annualized (x4)   | %                  | \$               | Quarterly    | Annualized (x4)   | %                  | \$               |
| <b>Current NOI</b>                                     |                   |                         |                   |                    |                    |                   |              |                   |                    |                  |              |                   |                    |                  |
| Net Operating Income                                   | \$ 27,467         | <sup>1</sup> \$ 109,868 | \$ 1,090          | \$ 4,360           | 28.33%             | \$ 1,235          | \$ 3,129     | \$ 12,516         | 39.63%             | \$ 4,960         | \$ 3,954     | \$ 15,816         | 23.12%             | \$ 3,657         |
| Less:  |                   |                         |                   |                    |                    |                   |              |                   |                    |                  |              |                   |                    |                  |
| (Income)/ loss from properties sold or under contract  |                   |                         | —                 | —                  | —                  | —                 | (1,422)      | (5,688)           | —                  | (2,254)          | —            | —                 | —                  | —                |
| (Income)/ loss from pre-stabilized assets <sup>2</sup> |                   |                         | (452)             | (1,808)            | —                  | (512)             | (547)        | (2,188)           | —                  | (867)            | (1,280)      | (5,120)           | —                  | (1,184)          |
| (Income)/ loss from development projects <sup>3</sup>  |                   |                         | —                 | —                  | —                  | —                 | —            | —                 | —                  | —                | (143)        | (572)             | —                  | (132)            |
| Net Operating Income of stabilized assets              |                   |                         | <u>638</u>        | <u>2,552</u>       | —                  | <u>723</u>        | <u>1,160</u> | <u>4,640</u>      | —                  | <u>1,839</u>     | <u>2,531</u> | <u>10,124</u>     | —                  | <u>2,341</u>     |
| <b>Assets under contract for sale, net of debt</b>     |                   |                         |                   |                    |                    |                   |              |                   |                    |                  |              |                   |                    |                  |
|  |                   |                         |                   |                    |                    |                   |              | \$ 22,022         |                    | \$ 8,727         |              |                   |                    |                  |
| <b>Costs to Date</b>                                   |                   |                         |                   |                    |                    |                   |              |                   |                    |                  |              |                   |                    |                  |
| Pre-stabilized assets <sup>2</sup>                     |                   |                         | \$ 73,505         |                    |                    | \$ 20,824         |              | \$ 64,623         |                    | \$ 25,610        |              | \$ 148,199        |                    | \$ 34,264        |
| Development projects <sup>3</sup>                      | \$ 88,150         |                         | <u>402,600</u>    |                    |                    | <u>114,057</u>    |              | <u>37,300</u>     |                    | <u>14,782</u>    |              | <u>147,400</u>    |                    | <u>34,079</u>    |
| Total Costs to Date                                    | <u>\$ 88,150</u>  |                         | <u>\$ 476,105</u> |                    |                    | <u>\$ 134,881</u> |              | <u>\$ 101,923</u> |                    | <u>\$ 40,392</u> |              | <u>\$ 295,599</u> |                    | <u>\$ 68,343</u> |
| <b>Debt</b>  | <u>\$ 539,213</u> |                         | <u>\$ 401,196</u> |                    |                    | <u>\$ 107,068</u> |              | <u>\$ 184,949</u> |                    | <u>\$ 45,402</u> |              | <u>\$ 324,469</u> |                    | <u>\$ 71,586</u> |

Gross asset value <sup>2</sup>

Net Asset Value

Notes:

<sup>1</sup> Does not include a full quarter of NOI for those assets purchased during the first quarter 2016. See "Transactions Activity" page in this supplemental for descriptions of those acquisitions.

<sup>2</sup> Consists of the following projects:

Fund II:

161st Street

Fund III:

640 Broadway

654 Broadway

Nostrand

Fund IV:

2819 Kennedy Blvd

Paramus Plaza

17 East 71st Street

1035 Third Avenue

1151 Third Avenue

Eden Square

<sup>3</sup> See "Redevelopment Activity" page in this supplemental

**Selected Financial Ratios**

(in thousands)

|   | Three months ended March 31, |           |  | Three months ended March 31, |            | Three months ended December 31, |  |
|---|------------------------------|-----------|--|------------------------------|------------|---------------------------------|--|
|   | 2016                         | 2015      |  | 2016                         | 2015       |                                 |  |
| <b><u>COVERAGE RATIOS</u></b>                                 |                              |           | <b><u>LEVERAGE RATIOS</u></b>                                |                              |            |                                 |  |
| <b><u>Fixed-Charge Coverage Ratios</u></b>                    |                              |           | <b><u>Debt/Market Capitalization Ratios</u></b>              |                              |            |                                 |  |
| EBITDA <sup>2</sup> divided by:                               | \$ 34,801                    | \$ 26,902 | Debt + Preferred Equity (Preferred O.P. Units)               | \$ 778,309                   | \$ 702,730 |                                 |  |
| Interest expense  | 5,787                        | 5,635     | Total Market Capitalization                                  | 3,447,978                    | 3,159,675  |                                 |  |
| Principal Amortization  | 1,031                        | 1,363     | <b>Debt+Preferred Equity/Total Market Capitalization</b>     | 23%                          | 22%        |                                 |  |
| Preferred Dividends <sup>3</sup>                              | 139                          | 6         |  |                              |            |                                 |  |
| <b>Fixed-Charge Coverage Ratio - Core Portfolio</b>           | 5.0x                         | 3.8x      | Debt <sup>6</sup>  | 704,336                      | 654,666    |                                 |  |
|   |                              |           | Total Market Capitalization                                  | 3,374,005                    | 3,111,611  |                                 |  |
| EBITDA divided by:  | \$ 37,382                    | \$ 29,953 | <b>Net Debt+Preferred Equity/Total Market Capitalization</b> | 21%                          | 21%        |                                 |  |
| Interest expense  | 6,353                        | 6,191     |  |                              |            |                                 |  |
| Principal Amortization  | 1,158                        | 1,562     |  |                              |            |                                 |  |
| Preferred Dividends   | 139                          | 6         | <b><u>Debt/EBITDA Ratios</u></b>                             |                              |            |                                 |  |
| <b>Fixed-Charge Coverage Ratio - Core Portfolio and Funds</b> | 4.9x                         | 3.9x      | Debt   | 539,213                      | 515,513    |                                 |  |
|   |                              |           | EBITDA (Annualized) <sup>7</sup>                             | 131,488                      | 119,052    |                                 |  |
|   |                              |           | <b>Debt/EBITDA - Core Portfolio</b>                          | 4.1x                         | 4.3x       |                                 |  |
| <b><u>Payout Ratios</u></b>                                   |                              |           |  |                              |            |                                 |  |
| Dividends declared (per share/OP Unit) <sup>4</sup>           | \$ 0.25                      | \$ 0.24   | Debt <sup>5</sup>  | 474,901                      | 477,306    |                                 |  |
|   |                              |           | EBITDA (Annualized) <sup>7</sup>                             | 131,488                      | 119,052    |                                 |  |
| Dividends (Shares) & Distributions (OP Units) declared        | \$ 19,342                    | \$ 17,671 | <b>Net Debt/EBITDA - Core Portfolio</b>                      | 3.6x                         | 4.0x       |                                 |  |
| FFO   | 31,107                       | 23,054    |  |                              |            |                                 |  |
| <b>FFO Payout Ratio</b>                                       | 62%                          | 77%       | Debt <sup>4</sup>  | 763,269                      | 701,899    |                                 |  |
| <b>FFO Payout Ratio before acquisition costs</b>              | 62%                          | 73%       | EBITDA (Annualized) <sup>7</sup>                             | 141,812                      | 127,124    |                                 |  |
|   |                              |           | <b>Debt/EBITDA - Core Portfolio and Funds</b>                | 5.4x                         | 5.5x       |                                 |  |
| Dividends (Shares) & Distributions (OP Units) paid            | \$ 19,342                    | \$ 17,671 |  |                              |            |                                 |  |
| AFFO  | 26,551                       | 18,107    | Debt <sup>6</sup>  | 704,336                      | 654,666    |                                 |  |
| <b>AFFO Payout Ratio</b>                                      | 73%                          | 98%       | EBITDA (Annualized) <sup>7</sup>                             | 141,812                      | 127,124    |                                 |  |
| <b>AFFO Payout Ratio before acquisition costs</b>             | 72%                          | 92%       | <b>Net Debt/EBITDA - Core Portfolio and Funds</b>            | 5.0x                         | 5.1x       |                                 |  |

Notes:

- 1
  - 2
  - 3
  - 4
  - 5
  - 6
  - 7
- Quarterly results are unaudited, although they reflect all adjustments, which in the opinion of management, are necessary for a fair presentation of operating results for the interim periods. The coverage ratios include the Company's pro-rata share of FFO, AFFO, EBITDA, interest expense and principal amortization related to both the Company's consolidated and unconsolidated investments in joint ventures.
- See page 9 for a calculation of EBITDA.
- Represents preferred distributions on Preferred Operating partnership Units.
- Includes the Company's pro-rata share of consolidated and unconsolidated joint venture debt.
- Reflects debt net of the current Core Portfolio cash balance at end of period.
- Reflects debt net of the current Core Portfolio and pro-rata share of the Funds cash balance at end of period.
- Annualized EBITDA is adjusted to include the estimated amount of net Promote income to be earned during 2016.

**Portfolio Debt - Summary**

Reconciliation from Pro-Rata Share of Debt to Consolidated Debt per Financial Statement

(in thousands)

|   | Acadia Pro-Rata Share of Debt <sup>2</sup> |             |                   |             |                   |             | Reconciliation to Consolidated Debt as Reported |                   |                     |                     |
|---|--|-------------|-------------------|-------------|-------------------|-------------|---|-------------------|---------------------|---------------------|
|   | Core Portfolio                             |             | Funds             |             | Total             |             | Add:  | Less:             | Acadia              |                     |
|   | Principal                                  | Interest    | Principal         | Interest    | Principal         | Interest    | Noncontrolling                                  | Pro-rata Share of | Consolidated        |                     |
| Unsecured Debt                          | Balance                                    | Rate        | Balance           | Rate        | Balance           | Rate        | Interest Share of                               | Unconsolidated    | Debt                |                     |
|   |  |             |                   |             |                   |             | Consolidated Debt <sup>3</sup>                  | Debt <sup>4</sup> | As Reported         |                     |
| Fixed-Rate Debt <sup>1</sup>            | \$ 199,071                                 | 3.9%        | \$ —              | n/a         | \$ 199,071        | 3.9%        | 26%   | \$ —              | \$ —                | \$ 199,071          |
| Variable-Rate Debt                      | 929  | 1.9%        | 34,064            | 2.8%        | 34,993            | 1.9%        | 5%  | 108,762           | —                   | 143,755             |
|   |  |             |                   |             |                   |             |   |                   |                     | 31%                 |
| <b>Mortgage and Other Notes Payable</b> |  |             |                   |             |                   |             |   |                   |                     |                     |
| Fixed-Rate Debt <sup>1</sup>            | 339,213                                    | 4.6%        | 76,004            | 4.3%        | 415,217           | 4.3%        | 54%   | 347,007           | (106,818)           | 655,406             |
| Variable-Rate Debt                      | —  | —           | 113,988           | 2.4%        | 113,988           | 2.4%        | 15%   | 233,259           | (39,492)            | 307,755             |
|   |  |             |                   |             |                   |             |   |                   |                     | 69%                 |
| <b>Total</b>                            | <b>\$ 539,213</b>                          | <b>4.3%</b> | <b>\$ 224,056</b> | <b>3.1%</b> | <b>\$ 763,269</b> | <b>3.8%</b> | <b>100%</b>                                     | <b>\$ 689,028</b> | <b>\$ (146,310)</b> | <b>1,305,987</b>    |
| Unamortized premium                     |  |             |                   |             |                   |             |   |                   |                     | 1,726               |
| Unamortized loan costs                  |  |             |                   |             |                   |             |   |                   |                     | (11,155)            |
|   |  |             |                   |             |                   |             |   |                   |                     | <b>\$ 1,296,558</b> |

Notes:

- <sup>1</sup> Fixed-rate debt includes notional principal fixed through swap transactions.
- <sup>2</sup> Represents the Company's pro-rata share of debt based on its percent ownership.
- <sup>3</sup> Represents the noncontrolling interest pro-rata share of consolidated partnership debt based on its percent ownership.
- <sup>4</sup> Represents the Company's pro-rata share of unconsolidated partnership debt based on its percent ownership.



**Portfolio Debt - Detail**

(in thousands)

| Property                                   | Principal Balance at |                | Acadia's Pro-rata Share |                   | Interest           | Maturity   | Extension   |
|--|----------------------|----------------|-------------------------|-------------------|--------------------|------------|-------------|
|  | March 31, 2016       |                | Percent                 | Amount            | Rate               | Date       | Options     |
| <b><u>CORE PORTFOLIO</u></b>               |                      |                |                         |                   |                    |            |             |
| <b><u>Fixed-Rate Debt</u></b>              |                      |                |                         |                   |                    |            |             |
| 330-340 River Street                       | \$                   | 10,356         | 100.0%                  | \$ 10,356         | 5.24%              | 5/1/2016   | 1 x 60 mos. |
| Brandywine Town Center                     |                      | 166,200        | 22.2%                   | 36,933            | 5.99%              | 7/1/2016   | None        |
| Rhode Island Place Shopping Center         |                      | 15,662         | 100.0%                  | 15,662            | 6.35%              | 12/1/2016  | None        |
| 239 Greenwich Avenue                       |                      | 26,000         | 75.0%                   | 19,500            | 5.42%              | 2/11/2017  | None        |
| 639 West Diversey                          |                      | 4,115          | 100.0%                  | 4,115             | 6.65%              | 3/1/2017   | None        |
| Merrillville Plaza                         |                      | 25,057         | 100.0%                  | 25,057            | 5.88%              | 8/1/2017   | None        |
| Bedford Green                              |                      | 29,038         | 100.0%                  | 29,038            | 5.10%              | 9/5/2017   | None        |
| 163 Highland Avenue                        |                      | 9,537          | 100.0%                  | 9,537             | 4.66%              | 2/1/2024   | None        |
| Crossroads Shopping Center                 |                      | 67,500         | 49.0%                   | 33,075            | 3.94%              | 9/30/2024  | None        |
| 840 N. Michigan                            |                      | 73,500         | 88.4%                   | 64,996            | 4.36%              | 2/10/2025  | None        |
| Georgetown Portfolio                       |                      | 17,496         | 50.0%                   | 8,748             | 4.72%              | 12/10/2027 | None        |
| Unsecured interest rate swaps <sup>1</sup> |                      | 199,071        | 100.0%                  | 199,071           | 3.87%              | Various    |             |
| Secured interest rate swaps <sup>1</sup>   |                      | 93,208         | 88.2%                   | 82,196            | 3.17%              | Various    |             |
| <b>Sub-Total Fixed-Rate Debt</b>           |                      | <b>736,740</b> |                         | <b>538,284</b>    | <b>4.33%</b>       |            |             |
| <b><u>Secured Variable-Rate Debt</u></b>   |                      |                |                         |                   |                    |            |             |
| 664 N. Michigan                            |                      | 42,792         | 100.0%                  | 42,792            | Libor + 165        | 6/28/2018  | 1 x 60 mos. |
| 4401 N. White Plains Road                  |                      | 5,983          | 100.0%                  | 5,983             | Libor + 190        | 9/1/2022   | None        |
| 28 Jericho Turnpike                        |                      | 15,205         | 100.0%                  | 15,205            | Libor + 190        | 1/23/2023  | None        |
| 60 Orange Street                           |                      | 7,947          | 98.0%                   | 7,788             | Libor + 175        | 4/3/2023   | None        |
| Gotham Plaza                               |                      | 21,281         | 49.0%                   | 10,428            | Libor + 160        | 6/10/2023  | None        |
| Secured interest rate swaps <sup>1</sup>   |                      | (93,208)       | 88.2%                   | (82,196)          | Libor + 147        |            |             |
| <b><u>Unsecured Variable-Rate Debt</u></b> |                      |                |                         |                   |                    |            |             |
| Unsecured Line of Credit <sup>2</sup>      |                      | —              | 100.0%                  | —                 | Libor + 140        | 1/31/2018  | 1 x 12 mos. |
| Unsecured Term Loan                        |                      | 50,000         | 100.0%                  | 50,000            | Libor + 130        | 11/25/2019 | None        |
| Unsecured Term Loan                        |                      | 50,000         | 100.0%                  | 50,000            | Libor + 130        | 7/2/2020   | None        |
| Unsecured Term Loan                        |                      | 50,000         | 100.0%                  | 50,000            | Libor + 130        | 1/4/2021   | None        |
| Unsecured Term Loan                        |                      | 50,000         | 100.0%                  | 50,000            | Libor + 160        | 12/18/2022 | None        |
| Unsecured interest rate swaps <sup>1</sup> |                      | (199,071)      | 100.0%                  | (199,071)         | Libor + 147        |            |             |
| <b>Sub-Total Variable-Rate Debt</b>        |                      | <b>929</b>     |                         | <b>929</b>        | <b>Libor + 147</b> |            |             |
| <b>Total Debt - Core Portfolio</b>         | <b>\$</b>            | <b>737,669</b> |                         | <b>\$ 539,213</b> | <b>4.33%</b>       |            |             |



**Portfolio Debt - Detail (continued)**

(in thousands)

| Property   | Entity        | Principal Balance at |       | Acadia's Pro-rata Share |                    | Interest Rate | Maturity Date | Extension Options |
|--|---------------|----------------------|-------|-------------------------|--------------------|---------------|---------------|-------------------|
|  |               | March 31, 2016       |       | Percent                 | Amount             |               |               |                   |
| <b>Funds</b>                                     |               |                      |       |                         |                    |               |               |                   |
| <b>Fixed-Rate Debt</b>                           |               |                      |       |                         |                    |               |               |                   |
| CityPoint <sup>3</sup>                           | Fund II       | \$ 19,000            | 25.4% | \$ 4,824                | 1.25%              | 12/23/2016    | 1 x 12 mos.   |                   |
| 216th Street <sup>3</sup>                        | Fund II       | 25,500               | 28.1% | 7,159                   | 5.80%              | 10/1/2017     | None          |                   |
| CityPoint <sup>3,6</sup>                         | Fund II       | 5,262                | 26.7% | 1,403                   | 1.00%              | 8/23/2019     | None          |                   |
| CityPoint <sup>3</sup>                           | Fund II       | 200,000              | 26.7% | 53,341                  | 4.75%              | 5/29/2020     | None          |                   |
| 1964 Union Street                                | Fund IV       | 1,463                | 20.8% | 304                     | 3.80%              | 10/1/2025     | None          |                   |
| 2207 Fillmore Street <sup>3</sup>                | Fund IV       | 1,120                | 20.8% | 233                     | 4.50%              | 10/31/2025    | None          |                   |
| Interest rate swaps <sup>1</sup>                 | Funds II & IV | 34,741               | 25.2% | 8,740                   | 3.23%              | Various       |               |                   |
| <b>Sub-Total Fixed-Rate Debt</b>                 |               | <b>287,086</b>       |       | <b>76,004</b>           | <b>4.3%</b>        |               |               |                   |
| <b>Variable-Rate Debt</b>                        |               |                      |       |                         |                    |               |               |                   |
| Nostrand Avenue                                  | Fund III      | 11,440               | 39.6% | 4,534                   | Libor + 265        | 5/1/2016      | 2 x 12 mos.   |                   |
| Broughton Street Portfolio                       | Fund IV       | 20,000               | 23.1% | 4,624                   | Libor + 300        | 5/5/2016      | 1 x 6 mos.    |                   |
| 640 Broadway <sup>3</sup>                        | Fund III      | 22,001               | 25.0% | 5,504                   | Libor + 295        | 7/1/2016      | None          |                   |
| CityPoint <sup>3</sup>                           | Fund II       | 20,000               | 26.7% | 5,334                   | Libor + 170        | 8/23/2016     | 1 x 12 mos.   |                   |
| Acadia Strategic Opportunity II LLC              | Fund II       | 20,000               | 28.3% | 5,666                   | Libor + 275        | 10/19/2016    | None          |                   |
| Acadia Strategic Opportunity IV LLC <sup>4</sup> | Fund IV       | 82,710               | 23.1% | 19,123                  | Libor + 165        | 11/18/2016    | None          |                   |
| Promenade at Manassas <sup>3</sup>               | Fund IV       | 25,000               | 22.8% | 5,696                   | Libor + 140        | 11/19/2016    | 2 x 12 mos.   |                   |
| CityPoint <sup>3</sup>                           | Fund II       | 62,000               | 25.4% | 15,742                  | Sifma + 160        | 12/23/2016    | 1 x 12 mos.   |                   |
| 1701 Belmont Avenue <sup>3,7</sup>               | Fund IV       | 3,111                | 22.8% | 709                     | Prime + 50         | 1/31/2017     | None          |                   |
| Acadia Strategic Opportunity IV LLC <sup>5</sup> | Fund IV       | 40,116               | 23.1% | 9,275                   | Libor + 275        | 2/9/2017      | 1 x 6 mos.    |                   |
| Heritage Shops                                   | Fund III      | 24,478               | 39.6% | 9,701                   | Libor + 155        | 2/28/2017     | 1 x 12 mos.   |                   |
| 654 Broadway                                     | Fund III      | 8,780                | 39.6% | 3,480                   | Libor + 188        | 3/1/2017      | 2 x 12 mos.   |                   |
| Arundel Plaza <sup>3</sup>                       | Fund III      | 10,000               | 35.7% | 3,567                   | Libor + 200        | 4/8/2017      | 1 x 12 mos.   |                   |
| New Hyde Park Shopping Center                    | Fund III      | 11,120               | 39.6% | 4,407                   | Libor + 185        | 5/1/2017      | 2 x 12 mos.   |                   |
| 938 W. North Avenue <sup>3</sup>                 | Fund IV       | 12,500               | 18.5% | 2,312                   | Libor + 235        | 5/1/2017      | 1 x 12 mos.   |                   |
| 1151 Third Avenue                                | Fund IV       | 12,481               | 23.1% | 2,886                   | Libor + 175        | 6/3/2017      | 2 x 12 mos.   |                   |
| 210 Bowery                                       | Fund IV       | 4,654                | 23.1% | 1,076                   | Libor + 275        | 10/15/2017    | 1 x 12 mos.   |                   |
| 2819 Kennedy Boulevard <sup>3</sup>              | Fund IV       | 6,814                | 22.8% | 1,553                   | Libor + 215        | 12/9/2017     | 2 x 12 mos.   |                   |
| Eden Square <sup>3</sup>                         | Fund IV       | 16,000               | 22.8% | 3,646                   | Libor + 200        | 12/17/2017    | 1 x 12 mos.   |                   |
| 161st Street <sup>3</sup>                        | Fund II       | 29,500               | 28.1% | 8,282                   | Libor + 250        | 4/1/2018      | None          |                   |
| 230/240 W. Broughton                             | Fund IV       | 8,594                | 11.6% | 993                     | Libor + 190        | 5/1/2018      | None          |                   |
| Paramus Plaza <sup>3</sup>                       | Fund IV       | 14,099               | 11.6% | 1,630                   | Libor + 170        | 2/20/2019     | None          |                   |
| Lake Montclair                                   | Fund IV       | 14,807               | 23.1% | 3,423                   | Libor + 215        | 5/1/2019      | None          |                   |
| Cortlandt Town Center                            | Fund III      | 93,000               | 13.9% | 12,900                  | Libor + 175        | 1/28/2020     | None          |                   |
| 17 E. 71st Street                                | Fund IV       | 19,000               | 23.1% | 4,393                   | Libor + 190        | 6/9/2020      | None          |                   |
| 1035 Third Avenue                                | Fund IV       | 42,000               | 23.1% | 9,710                   | Libor + 235        | 1/27/2021     | None          |                   |
| CityPoint <sup>3</sup>                           | Fund II       | 19,934               | 26.7% | 5,317                   | Libor + 139        | 11/1/2021     | None          |                   |
| 3104 M Street <sup>3,7</sup>                     | Fund III      | 4,130                | 31.7% | 1,309                   | Prime + 50         | 12/10/2021    | None          |                   |
| Interest rate swaps <sup>1</sup>                 | Funds II & IV | (34,741)             | 25.2% | (8,740)                 | Libor + 198        |               |               |                   |
| <b>Sub-Total Variable-Rate Debt</b>              |               | <b>623,528</b>       |       | <b>148,052</b>          | <b>Libor + 200</b> |               |               |                   |
| <b>Total Debt - Funds</b>                        |               | <b>\$ 910,614</b>    |       | <b>\$ 224,056</b>       | <b>3.07%</b>       |               |               |                   |
| <b>Total Debt - Core Portfolio and Funds</b>     |               | <b>\$ 1,648,283</b>  |       | <b>\$ 763,269</b>       | <b>3.96%</b>       |               |               |                   |

**Portfolio Debt - Notes**

(in thousands)

<sup>1</sup> The Company has hedged a portion of its variable-rate debt with variable to fixed-rate swap agreements

<sup>2</sup> This is an unsecured revolving facility which has a current capacity up to \$150,000 and can be increased to \$300,000. The interest rate will vary based on levels of leverage. As of March 31, 2016, the interest rate is LIBOR + 140 basis points.

<sup>3</sup> Acadia's interest in this Fund debt is also reflected net of other JV interests at the investment level.

<sup>4</sup> Total current availability under this facility is \$150,000. Fund IV also has the ability to increase the size of this facility to a total of \$206,478.

<sup>5</sup> Total current availability under this facility is \$50,000.

<sup>6</sup> This loan was made in connection with the New Markets Tax Credit and contains a borrower option to purchase the loan for \$1 at the end of the term.

<sup>7</sup> Bears interest at the greater of 4% or the Prime Rate plus 50 basis points.

**Future Debt Maturities <sup>1</sup>**

(in thousands)

**Core Portfolio**

| Year         | Total Debt Maturities |                   |                   | Acadia's Pro-rata Share |                   |                   | Weighted Average Interest Rate of Maturing Debt |                 |                    |
|--------------|-----------------------|-------------------|-------------------|-------------------------|-------------------|-------------------|---|-----------------|--------------------|
|              | Scheduled             |                   |                   | Scheduled               |                   |                   | Total Debt                                      | Fixed-Rate Debt | Variable-Rate Debt |
|              | Amortization          | Maturities        | Total             | Amortization            | Maturities        | Total             |   |                 |                    |
| 2016         | \$ 3,253              | \$ 191,999        | \$ 195,252        | \$ 2,943                | \$ 62,732         | \$ 65,675         | 5.97%   | 5.97%           | n/a                |
| 2017         | 4,037                 | 82,926            | 86,963            | 3,463                   | 76,426            | 79,889            | 5.51%   | 5.51%           | n/a                |
| 2018         | 3,674                 | 40,058            | 43,732            | 2,629                   | 40,058            | 42,687            | 2.09%   | n/a             | 2.09%              |
| 2019         | 3,263                 | 50,000            | 53,263            | 2,176                   | 50,000            | 52,176            | 1.74%   | n/a             | 1.74%              |
| 2020         | 3,374                 | 50,000            | 53,374            | 2,247                   | 50,000            | 52,247            | 1.84%   | n/a             | 1.84%              |
| Thereafter   | 12,526                | 292,559           | 305,085           | 7,588                   | 238,951           | 246,539           | 2.65%   | 4.12%           | 1.26%              |
| <b>Total</b> | <b>\$ 30,127</b>      | <b>\$ 707,542</b> | <b>\$ 737,669</b> | <b>\$ 21,046</b>        | <b>\$ 518,167</b> | <b>\$ 539,213</b> |   |                 |                    |

**Funds**

| Year         | Total Debt Maturities |                   |                   | Acadia's Pro-rata Share |                   |                   | Weighted Average Interest Rate of Maturing Debt |                 |                    |
|--------------|-----------------------|-------------------|-------------------|-------------------------|-------------------|-------------------|---|-----------------|--------------------|
|              | Scheduled             |                   |                   | Scheduled               |                   |                   | Total Debt                                      | Fixed-Rate Debt | Variable-Rate Debt |
|              | Amortization          | Maturities        | Total             | Amortization            | Maturities        | Total             |   |                 |                    |
| 2016         | \$ 1,460              | \$ 282,049        | \$ 283,509        | \$ 468                  | \$ 71,021         | \$ 71,489         | 2.26%   | 1.25%           | 2.33%              |
| 2017         | 1,050                 | 174,344           | 175,394           | 273                     | 49,332            | 49,605            | 2.78%   | 4.68%           | 2.25%              |
| 2018         | 918                   | 38,094            | 39,012            | 202                     | 9,275             | 9,477             | 2.99%   | n/a             | 2.99%              |
| 2019         | 1,279                 | 124,967           | 126,246           | 214                     | 18,970            | 19,184            | 2.17%   | 1.00%           | 2.26%              |
| 2020         | 398                   | 218,539           | 218,937           | 102                     | 57,627            | 57,729            | 4.57%   | 4.75%           | 2.34%              |
| Thereafter   | 1,169                 | 66,347            | 67,516            | 312                     | 16,260            | 16,572            | 2.58%   | 4.10%           | 2.53%              |
| <b>Total</b> | <b>\$ 6,274</b>       | <b>\$ 904,340</b> | <b>\$ 910,614</b> | <b>\$ 1,414</b>         | <b>\$ 222,485</b> | <b>\$ 224,056</b> |   |                 |                    |

Note:

<sup>1</sup> Does not include any applicable extension options

Core Portfolio Retail Properties - Detail 1

| Property   | Key Tenants                                    | Year Acquired | Acadia's interest | Gross Leaseable Area |         |        |         | In Place Occupancy |         |        |        | Leased    | Annualized   | Annualized    |  |
|--|--|---------------|-------------------|----------------------|---------|--------|---------|--------------------|---------|--------|--------|-----------|--------------|---------------|--|
|  |  |               |                   | Street               | Anchors | Shops  | Total   | Street             | Anchors | Shops  | Total  | Occupancy | Base Rent    | Base Rent PSF |  |
|  |  |               |                   |                      |         |        |         |                    |         |        |        |           |              |               |  |
| <b>STREET AND URBAN RETAIL</b>                         |  |               |                   |                      |         |        |         |                    |         |        |        |           |              |               |  |
| <b>Chicago Metro</b>                                   |  |               |                   |                      |         |        |         |                    |         |        |        |           |              |               |  |
| 664 N. Michigan Avenue                                 | Tommy Bahama, Ann Taylor Loft, Harley Davidson | 2013          | 100.0%            | 18,141               | —       | —      | 18,141  | 100.0%             | —       | —      | 100.0% | 100.0%    | \$ 4,412,967 | \$ 243.26     |  |
| 840 N. Michigan Avenue                                 | H & M, Verizon Wireless                        | 2014          | 88.4%             | 87,135               | —       | —      | 87,135  | 100.0%             | —       | —      | 100.0% | 100.0%    | 7,610,395    | 87.34         |  |
| Rush and Walton Streets Collection - 6 properties      | Lululemon, Brioni, BHLDN, Marc Jacobs          | 2011/12       | 100.0%            | 41,533               | —       | —      | 41,533  | 95.8%              | —       | —      | 95.8%  | 100.0%    | 6,231,019    | 156.63        |  |
| 651-671 West Diversey                                  | Trader Joe's, Urban Outfitters                 | 2011          | 100.0%            | 46,259               | —       | —      | 46,259  | 100.0%             | —       | —      | 100.0% | 100.0%    | 1,935,129    | 41.83         |  |
| Clark Street and W. Diversey Collection - 3 properties | Ann Taylor, Akira                              | 2011/12       | 100.0%            | 23,531               | —       | —      | 23,531  | 95.6%              | —       | —      | 95.6%  | 95.6%     | 1,232,791    | 54.82         |  |
| Halsted and Armitage Collection - 9 properties         | Intermix, BCBG, Club Monaco                    | 2011/12       | 100.0%            | 44,658               | —       | —      | 44,658  | 95.2%              | —       | —      | 95.2%  | 95.2%     | 1,808,072    | 42.53         |  |
| North Lincoln Park Chicago Collection - 6 properties   | Forever 21, Aldo, Carhartt, Chase Bank         | 2011/14       | 100.0%            | 22,125               | —       | 29,130 | 51,255  | 100.0%             | —       | 67.6%  | 81.6%  | 81.6%     | 1,663,879    | 39.78         |  |
| Roosevelt Galleria                                     | Petco, Vitamin Shoppe                          | 2015          | 100.0%            | —                    | —       | 37,995 | 37,995  | —                  | —       | 100.0% | 100.0% | 100.0%    | 1,066,439    | 28.07         |  |
|  |  |               |                   | 283,382              | —       | 67,125 | 350,507 | 98.3%              | —       | 86.0%  | 95.9%  | 96.4%     | 25,960,691   | 77.23         |  |
| <b>New York Metro</b>                                  |  |               |                   |                      |         |        |         |                    |         |        |        |           |              |               |  |
| 83 Spring Street                                       | Paper Source                                   | 2012          | 100.0%            | 3,000                | —       | —      | 3,000   | 100.0%             | —       | —      | 100.0% | 100.0%    | 686,272      | 228.76        |  |
| 152-154 Spring Street                                  | —  | 2014          | 100.0%            | 2,936                | —       | —      | 2,936   | 100.0%             | —       | —      | 100.0% | 100.0%    | 2,242,681    | 763.86        |  |
| Mercer Street  | 3 X 1 Denim                                    | 2011          | 100.0%            | 3,375                | —       | —      | 3,375   | 100.0%             | —       | —      | 100.0% | 100.0%    | 431,250      | 127.78        |  |
| East 17th Street                                       | Union Fare                                     | 2008          | 100.0%            | 11,467               | —       | —      | 11,467  | 100.0%             | —       | —      | 100.0% | 100.0%    | 1,300,014    | 113.37        |  |
| West 54th Street                                       | Stage Coach Tavern                             | 2007          | 100.0%            | 5,773                | —       | —      | 5,773   | 78.4%              | —       | —      | 78.4%  | 78.4%     | 1,848,960    | 408.36        |  |
| 61 Main Street   | Chicos   | 2014          | 100.0%            | 3,400                | —       | —      | 3,400   | 100.0%             | —       | —      | 100.0% | 100.0%    | 351,560      | 103.40        |  |
| 181 Main Street  | TD Bank  | 2012          | 100.0%            | 11,350               | —       | —      | 11,350  | 100.0%             | —       | —      | 100.0% | 100.0%    | 866,365      | 76.33         |  |
| 4401 White Plains Road                                 | Walgreens                                      | 2011          | 100.0%            | —                    | 12,964  | —      | 12,964  | —                  | 100.0%  | —      | 100.0% | 100.0%    | 625,000      | 48.21         |  |
| Bartow Avenue  | Sleepy's                                       | 2005          | 100.0%            | —                    | —       | 14,676 | 14,676  | —                  | —       | 100.0% | 100.0% | 100.0%    | 371,379      | 25.31         |  |
| 239 Greenwich Avenue                                   | Betteridge Jewelers, Coach                     | 1998          | 75.0%             | 16,553               | —       | —      | 16,553  | 100.0%             | —       | —      | 100.0% | 100.0%    | 1,481,080    | 89.48         |  |
| 252-256 Greenwich Avenue                               | Madewell, Calypso, Jack Wills                  | 2014          | 100.0%            | 7,986                | —       | —      | 7,986   | 100.0%             | —       | —      | 100.0% | 100.0%    | 1,308,431    | 163.84        |  |
| Third Avenue   | Planet Fitness                                 | 2006          | 100.0%            | —                    | 21,650  | 18,670 | 40,320  | —                  | 100.0%  | 100.0% | 100.0% | 100.0%    | 918,690      | 22.78         |  |
| 868 Broadway   | Dr. Martens                                    | 2013          | 100.0%            | 2,031                | —       | —      | 2,031   | 100.0%             | —       | —      | 100.0% | 100.0%    | 702,531      | 345.90        |  |
| 313-315 Bowery2  | John Varvatos, Patagonia                       | 2013          | 100.0%            | 6,600                | —       | —      | 6,600   | 100.0%             | —       | —      | 100.0% | 100.0%    | 435,600      | 66.00         |  |
| 120 West Broadway                                      | HSBC Bank, Citibank                            | 2013          | 100.0%            | 13,838               | —       | —      | 13,838  | 91.3%              | —       | —      | 91.3%  | 100.0%    | 1,905,910    | 150.80        |  |
| 131-135 Prince Street                                  | Folli Follie, Uno De 50                        | 2014          | 100.0%            | 3,200                | —       | —      | 3,200   | 100.0%             | —       | —      | 100.0% | 100.0%    | 1,269,324    | 396.66        |  |

|   |                                       |      |        |                |                |                |                |              |               |              |              |              |                      |                 |
|---|---------------------------------------|------|--------|----------------|----------------|----------------|----------------|--------------|---------------|--------------|--------------|--------------|----------------------|-----------------|
| 2520 Flatbush Avenue                              | Bob's Discount Furniture, Capital One | 2014 | 100.0% | —              | —              | 29,114         | 29,114         | —            | —             | 100.0%       | 100.0%       | 100.0%       | 1,054,338            | 36.21           |
| Shops at Grand                                    | Stop & Shop (Ahold)                   | 2014 | 100.0% | —              | 52,336         | 47,639         | 99,975         | —            | 100.0%        | 93.7%        | 97.0%        | 97.0%        | 2,958,185            | 30.51           |
| Gotham Plaza                                      | Bank of America, Children's Place     | 2016 | 49.0%  | —              | —              | 26,180         | 26,180         | —            | —             | 91.6%        | 91.6%        | 91.6%        | 1,464,945            | 61.09           |
|   |                                       |      |        | 91,509         | 86,950         | 136,279        | 314,738        | 97.3%        | 100.0%        | 96.2%        | 97.6%        | 98.0%        | 22,222,515           | 72.36           |
| <b>San Francisco Metro</b>                        |                                       |      |        |                |                |                |                |              |               |              |              |              |                      |                 |
| City Center                                       | City Target, Best Buy                 | 2015 | 100.0% | —              | 174,311        | 30,337         | 204,648        | —            | 100.0%        | 82.9%        | 97.5%        | 97.5%        | 7,613,310            | 38.17           |
|   |                                       |      |        | —              | 174,311        | 30,337         | 204,648        | —            | 100.0%        | 82.9%        | 97.5%        | 97.5%        | 7,613,310            | 38.17           |
| <b>District of Columbia Metro</b>                 |                                       |      |        |                |                |                |                |              |               |              |              |              |                      |                 |
| 1739-53 & 1801-03 Connecticut Avenue              | Ruth Chris Steakhouse, TD Bank        | 2012 | 100.0% | 22,907         | —              | —              | 22,907         | 90.2%        | —             | —            | 90.2%        | 100.0%       | 1,228,605            | 59.44           |
| Rhode Island Place Shopping Center                | TJ Maxx                               | 2012 | 100.0% | —              | 24,996         | 32,533         | 57,529         | —            | 100.0%        | 83.1%        | 90.4%        | 90.4%        | 1,460,379            | 28.07           |
| M Street and Wisconsin Corridor - 7 Properties    | Lacoste, Juicy Couture, Coach         | 2011 | 62.3%  | 31,629         | —              | —              | 31,629         | 100.0%       | —             | —            | 100.0%       | 100.0%       | 2,729,071            | 86.28           |
|   |                                       |      |        | 54,536         | 24,996         | 32,533         | 112,065        | 95.9%        | 100.0%        | 83.1%        | 93.1%        | 95.1%        | 5,418,055            | 51.93           |
| <b>Boston Metro</b>                               |                                       |      |        |                |                |                |                |              |               |              |              |              |                      |                 |
| 330-340 River Street                              | Whole Foods                           | 2012 | 100.0% | —              | 40,800         | 13,426         | 54,226         | —            | 100.0%        | 100.0%       | 100.0%       | 100.0%       | 1,130,470            | 20.85           |
|   |                                       |      |        | —              | 40,800         | 13,426         | 54,226         | —            | 100.0%        | 100.0%       | 100.0%       | 100.0%       | 1,130,470            | 20.85           |
| Total Street and Urban Retail                     |                                       |      |        | 429,427        | 327,057        | 279,700        | 1,036,184      | 97.8%        | 100.0%        | 91.0%        | 96.6%        | 97.1%        | \$ 62,345,041        | \$ 62.27        |
| <b>Acadia Share Total Street and Urban Retail</b> |                                       |      |        | <b>402,867</b> | <b>327,057</b> | <b>266,348</b> | <b>996,272</b> | <b>97.6%</b> | <b>100.0%</b> | <b>88.0%</b> | <b>96.6%</b> | <b>97.1%</b> | <b>\$ 59,317,076</b> | <b>\$ 61.63</b> |

Notes:

<sup>1</sup> The above occupancy and rent amounts do not include space which is currently leased, other than "leased occupancy", but for which rent payment has not yet commenced. Residential and office GLA is excluded.

613-623 West Diversey Parkway and 991 Madison Avenue are under redevelopment.

<sup>2</sup> Represents the annual base rent paid to Acadia pursuant to a master lessee and does not reflect the rent paid by the retail tenants at the property.





|   |  |      |        |   |                  |                  |                  |                  |              |              |              |              |                      |                       |                 |
|---|--|------|--------|---|------------------|------------------|------------------|------------------|--------------|--------------|--------------|--------------|----------------------|-----------------------|-----------------|
| Merrillville Plaza                            | Jo-Ann Fabrics, TJ Maxx                                    | 1998 | 100.0% | — | 123,220          | 112,867          | 236,087          | —                | 100.0%       | 93.4%        | 96.8%        | 96.8%        | 3,267,912            | 14.29                 |                 |
| <b>Michigan</b>                               |  |      |        |   |                  |                  |                  |                  |              |              |              |              |                      |                       |                 |
| Bloomfield Town Square                        | Best Buy, Home Goods,<br>TJ Maxx, Dick's Sporting Goods    | 1998 | 100.0% | — | 153,839          | 81,947           | 235,786          | —                | 100.0%       | 100.0%       | 100.0%       | 100.0%       | 3,631,169            | 15.40                 |                 |
| <b>Ohio</b>                                   |  |      |        |   |                  |                  |                  |                  |              |              |              |              |                      |                       |                 |
| Mad River Station                             | Babies 'R' Us  | 1999 | 100.0% | — | 58,185           | 65,150           | 123,335          | —                | 100.0%       | 67.4%        | 82.8%        | 82.8%        | 1,396,788            | 13.69                 |                 |
| <b>Delaware</b>                               |  |      |        |   |                  |                  |                  |                  |              |              |              |              |                      |                       |                 |
| Brandywine Town Center                        | Lowes, Bed Bath & Beyond,<br>Target, Dick's Sporting Goods | 2003 | 22.2%  | — | 775,803          | 48,608           | 824,411          | —                | 94.0%        | 80.0%        | 93.1%        | 93.1%        | 12,397,942           | 16.15                 |                 |
| Market Square Shopping Center                 | Trader Joe's, TJ Maxx                                      | 2003 | 22.2%  | — | 42,850           | 59,197           | 102,047          | —                | 100.0%       | 100.0%       | 100.0%       | 100.0%       | 2,774,471            | 27.19                 |                 |
| Naamans Road                                  | —  | 2006 | 100.0% | — | —                | 19,984           | 19,984           | —                | —            | 75.0%        | 75.0%        | 75.0%        | 637,701              | 42.55                 |                 |
| <b>Pennsylvania</b>                           |  |      |        |   |                  |                  |                  |                  |              |              |              |              |                      |                       |                 |
| Mark Plaza                                    | Kmart  | 1993 | 100.0% | — | 104,956          | 1,900            | 106,856          | —                | 100.0%       | 100.0%       | 100.0%       | 100.0%       | 240,664              | 2.25                  |                 |
| Plaza 422                                     | Home Depot   | 1993 | 100.0% | — | 139,968          | 16,311           | 156,279          | —                | 100.0%       | 100.0%       | 100.0%       | 100.0%       | 850,978              | 5.45                  |                 |
| Route 6 Plaza                                 | Kmart  | 1994 | 100.0% | — | 146,568          | 29,021           | 175,589          | —                | 100.0%       | 79.3%        | 96.6%        | 96.6%        | 1,205,595            | 7.11                  |                 |
| Chestnut Hill                                 | —  | 2006 | 100.0% | — | —                | 37,646           | 37,646           | —                | —            | 100.0%       | 100.0%       | 100.0%       | 911,489              | 24.21                 |                 |
| Abington Towne Center <sup>3</sup>            | Target, TJ Maxx  | 1998 | 100.0% | — | 184,616          | 31,662           | 216,278          | —                | 100.0%       | 70.4%        | 95.7%        | 95.7%        | 1,040,142            | 21.10                 |                 |
| Total Suburban Properties                     |  |      |        | — | 3,376,803        | 1,210,662        | 4,587,465        | —                | 98.3%        | 88.7%        | 95.8%        | 96.0%        | 66,959,103           | 16.18                 |                 |
| <b>Acadia Share Total Suburban Properties</b> |  |      |        | — | <b>2,594,125</b> | <b>1,071,713</b> | <b>3,665,838</b> | —                | <b>99.2%</b> | <b>88.8%</b> | <b>96.1%</b> | <b>96.5%</b> | <b>\$ 51,654,065</b> | <b>\$ 15.80</b>       |                 |
| <b>TOTAL CORE PROPERTIES</b>                  |  |      |        |   | <b>429,427</b>   | <b>3,703,860</b> | <b>1,490,362</b> | <b>5,623,649</b> | <b>97.8%</b> | <b>98.4%</b> | <b>89.1%</b> | <b>95.9%</b> | <b>96.2%</b>         | <b>\$ 129,304,144</b> | <b>\$ 25.16</b> |
| <b>Acadia Share Total Core Properties</b>     |  |      |        |   | <b>402,867</b>   | <b>2,961,687</b> | <b>1,338,062</b> | <b>4,702,615</b> | <b>97.6%</b> | <b>99.3%</b> | <b>89.2%</b> | <b>96.3%</b> | <b>96.6%</b>         | <b>\$ 110,971,142</b> | <b>\$ 25.97</b> |

Notes:

<sup>1</sup> The above occupancy and rent amounts do not include space which is currently leased, other than "leased occupancy", but for which rent payment has not yet commenced. Residential and office GLA is excluded.

<sup>2</sup> Anchor GLA includes a 97,300 square foot Wal-Mart store which is not owned by the Company. This square footage has been excluded for calculating annualized base rent per square foot.

<sup>3</sup> Anchor GLA includes a 157,616 square foot Target store which is not owned by the Company. This square footage has been excluded for calculating annualized base rent per square foot.

Core Portfolio Top Tenants - Ranked by Annual Base Rent (ABR) <sup>1</sup>

| Tenant                            | Number of stores<br>in Core<br>portfolio | Pro-Rata         |                      |                     |              |
|-----------------------------------|--|------------------|----------------------|---------------------|--------------|
|                                   |  | Combined         |                      | Percentage of Total |              |
|                                   |  | GLA              | Base Rent            | Portfolio GLA       | Base Rent    |
| Royal Ahold <sup>2</sup>          | 4  | 207,513          | \$ 3,625,951         | 4.4%                | 3.3%         |
| Best Buy                          | 2  | 86,686           | 3,574,348            | 1.8%                | 3.2%         |
| Target                            | 2  | 155,822          | 3,229,025            | 3.3%                | 2.9%         |
| Albertsons Companies <sup>3</sup> | 3  | 171,182          | 3,154,331            | 3.6%                | 2.8%         |
| Ascena Retail Group <sup>4</sup>  | 5  | 23,233           | 2,427,684            | 0.5%                | 2.2%         |
| Verizon                           | 2  | 31,371           | 2,384,931            | 0.7%                | 2.1%         |
| LA Fitness                        | 2  | 100,000          | 2,336,500            | 2.1%                | 2.1%         |
| Home Depot                        | 3  | 312,718          | 1,827,600            | 6.6%                | 1.6%         |
| TJX Companies <sup>5</sup>        | 8  | 209,198          | 1,670,851            | 4.4%                | 1.5%         |
| Walgreens                         | 3  | 37,499           | 1,412,716            | 0.8%                | 1.3%         |
| Sleepy's                          | 10                                       | 123,927          | 1,348,089            | 2.6%                | 1.2%         |
| Kate Spade                        | 2  | 4,250            | 1,341,182            | 0.1%                | 1.2%         |
| Citibank                          | 4  | 16,160           | 1,233,029            | 0.3%                | 1.1%         |
| Kmart                             | 3  | 273,969          | 1,170,078            | 5.8%                | 1.1%         |
| JP Morgan Chase                   | 6  | 27,374           | 1,092,078            | 0.6%                | 1.0%         |
| Bob's Discount Furniture          | 2  | 34,819           | 1,064,237            | 0.7%                | 1.0%         |
| TD Bank                           | 2  | 15,560           | 1,060,904            | 0.3%                | 1.0%         |
| Trader Joe's                      | 2  | 19,094           | 967,216              | 0.4%                | 0.9%         |
| Urban Outfitters                  | 2  | 19,902           | 893,186              | 0.4%                | 0.8%         |
| HSBC Bank                         | 2  | 5,686            | 884,901              | 0.1%                | 0.8%         |
| <b>TOTAL</b>                      | <b>69</b>                                | <b>1,875,963</b> | <b>\$ 36,698,837</b> | <b>39.5%</b>        | <b>33.1%</b> |

**Note:**

<sup>1</sup> Does not include tenants that operate at only one Acadia Core location.

<sup>2</sup> Stop and Shop (4)

<sup>3</sup> Shaw's (2), Acme (1)

<sup>4</sup> Ann Taylor Loft (2), Catherines (1), Dress Barn (1), Lane Bryant (1)

<sup>5</sup> TJMaxx (5), Marshalls (1), HomeGoods (2)

Core Portfolio Lease Expirations

| Year                | Street Tenants |                   |               |                  |              | Anchor Tenants |                   |              |                 |               | Shop Tenants  |                   |               |                 |               | Total Tenants |                   |               |                 |              |
|---------------------|----------------|-------------------|---------------|------------------|--------------|----------------|-------------------|--------------|-----------------|---------------|---------------|-------------------|---------------|-----------------|---------------|---------------|-------------------|---------------|-----------------|--------------|
|                     | No. of Leases  | Gross Leased Area |               | Base Rent        |              | No. of Leases  | Gross Leased Area |              | Base Rent       |               | No. of Leases | Gross Leased Area |               | Base Rent       |               | No. of Leases | Gross Leased Area |               | Base Rent       |              |
|                     |                | Expiring          | Percent       | PSF              | Percent      |                | Expiring          | Percent      | PSF             | Percent       |               | Expiring          | Percent       | PSF             | Percent       |               | Expiring          | Percent       | PSF             | Percent      |
| M to M <sup>1</sup> | —              | —                 | —             | \$               | —            | —              | —                 | \$           | —               | —             | 5             | 17,936            | 1.4%          | \$ 16.70        | 0.8%          | 5             | 17,936            | 0.3%          | \$ 16.70        | 0.2%         |
| 2016                | 4              | 32,842            | 7.8%          | 38.96            | 3.0%         | 3              | 149,045           | 4.4%         | 12.00           | 3.7%          | 38            | 158,942           | 11.9%         | 21.53           | 9.2%          | 45            | 340,829           | 6.6%          | 19.04           | 5.0%         |
| 2017                | 8              | 34,503            | 8.2%          | 94.83            | 7.6%         | 7              | 321,386           | 9.5%         | 11.53           | 7.6%          | 49            | 197,495           | 14.9%         | 30.89           | 16.4%         | 64            | 553,384           | 10.8%         | 23.63           | 10.1%        |
| 2018                | 5              | 70,756            | 16.9%         | 84.91            | 14.0%        | 8              | 472,193           | 13.9%        | 18.09           | 17.4%         | 58            | 181,964           | 13.7%         | 30.16           | 14.7%         | 71            | 724,913           | 14.1%         | 27.64           | 15.5%        |
| 2019                | 7              | 18,858            | 4.5%          | 166.68           | 7.3%         | 9              | 334,577           | 9.9%         | 8.82            | 6.0%          | 29            | 93,115            | 7.0%          | 25.27           | 6.3%          | 45            | 446,550           | 8.7%          | 18.92           | 6.5%         |
| 2020                | 12             | 32,005            | 7.6%          | 120.36           | 9.0%         | 9              | 488,606           | 14.4%        | 12.46           | 12.4%         | 26            | 100,784           | 7.6%          | 21.44           | 5.8%          | 47            | 621,395           | 12.1%         | 19.48           | 9.4%         |
| 2021                | 11             | 61,647            | 14.7%         | 60.24            | 8.6%         | 11             | 425,753           | 12.6%        | 11.48           | 10.0%         | 17            | 89,482            | 6.7%          | 24.04           | 5.8%          | 39            | 576,882           | 11.2%         | 18.64           | 8.3%         |
| 2022                | 5              | 19,361            | 4.6%          | 149.32           | 6.7%         | 2              | 69,837            | 2.1%         | 26.15           | 3.7%          | 21            | 86,831            | 6.5%          | 27.40           | 6.4%          | 28            | 176,029           | 3.4%          | 40.31           | 5.5%         |
| 2023                | 5              | 22,169            | 5.3%          | 95.95            | 4.9%         | 5              | 205,067           | 6.0%         | 17.92           | 7.5%          | 13            | 74,549            | 5.6%          | 27.72           | 5.5%          | 23            | 301,785           | 5.9%          | 26.08           | 6.1%         |
| 2024                | 8              | 60,828            | 14.5%         | 95.70            | 13.5%        | 7              | 330,390           | 9.7%         | 20.41           | 13.8%         | 23            | 108,515           | 8.2%          | 28.96           | 8.4%          | 38            | 499,733           | 9.7%          | 31.43           | 12.1%        |
| 2025                | 6              | 22,998            | 5.5%          | 144.82           | 7.7%         | 6              | 179,820           | 5.3%         | 18.59           | 6.8%          | 24            | 79,047            | 6.0%          | 39.54           | 8.4%          | 36            | 281,865           | 5.5%          | 34.76           | 7.6%         |
| Thereafter          | 10             | 43,839            | 10.4%         | 173.01           | 17.5%        | 8              | 414,517           | 12.1%        | 13.09           | 11.2%         | 16            | 139,662           | 10.5%         | 33.05           | 12.5%         | 34            | 598,018           | 11.8%         | 29.48           | 13.5%        |
| <b>Total</b>        | <b>81</b>      | <b>419,806</b>    | <b>100.0%</b> | <b>\$ 102.48</b> | <b>99.8%</b> | <b>75</b>      | <b>3,391,191</b>  | <b>99.9%</b> | <b>\$ 14.44</b> | <b>100.1%</b> | <b>319</b>    | <b>1,328,322</b>  | <b>100.0%</b> | <b>\$ 28.08</b> | <b>100.2%</b> | <b>475</b>    | <b>5,139,319</b>  | <b>100.1%</b> | <b>\$ 25.16</b> | <b>99.8%</b> |

254,916 Anchor GLA Owned by Tenants

254,916 Anchor GLA Owned by Tenants

9,621 Total Vacant

57,753 Total Vacant

162,040 Total Vacant

229,414 Total Vacant

429,427 Total Square Feet

3,703,860 Total Square Feet

1,490,362 Total Square Feet

5,623,649 Total Square Feet

Note:

<sup>1</sup> Leases currently under month to month or in process of renewal

|   | 3 months ended    |                   |
|---|-------------------|-------------------|
|   | March 31, 2016    |                   |
|   | GAAP <sup>3</sup> | Cash <sup>2</sup> |
| <b>New leases</b>                         |                   |                   |
| Number of new leases executed             | 3                 | 3                 |
| GLA                                       | 15,938            | 15,938            |
| New base rent                             | \$ 26.21          | \$ 24.60          |
| Previous base rent                        | \$ 24.73          | \$ 24.85          |
| Average cost per square foot              | \$ 67.66          | \$ 67.66          |
| Weighted Average Lease Term (years)       | 10.7              | 10.7              |
| Percentage growth in base rent            | 6.0%              | (1.0)%            |
| <b>Renewal leases</b>                     |                   |                   |
| Number of renewal leases executed         | 9                 | 9                 |
| GLA                                       | 27,077            | 27,077            |
| New base rent                             | \$ 28.04          | \$ 27.45          |
| Expiring base rent                        | \$ 25.14          | \$ 25.61          |
| Average cost per square foot              | \$ —              | \$ —              |
| Weighted Average Lease Term (years)       | 6.8               | 6.8               |
| Percentage growth in base rent            | 11.5%             | 7.2 %             |
| <b>Total new and renewal Leases</b>       |                   |                   |
| Number of new and renewal leases executed | 12                | 12                |
| GLA commencing                            | 43,015            | 43,015            |
| New base rent                             | \$ 27.36          | \$ 26.39          |
| Expiring base rent                        | \$ 24.99          | \$ 25.33          |
| Average cost per square foot              | \$ 25.07          | \$ 25.07          |
| Weighted Average Lease Term (years)       | 8.2               | 8.2               |
| Percentage growth in base rent            | 9.5%              | 4.2 %             |

## Notes:

<sup>1</sup> Based on lease execution dates. Does not include leased square footage and costs

related to first generation space and the Company's major redevelopment projects; renewal leases include exercised options.

<sup>2</sup> 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.

<sup>3</sup> Rents are calculated on a straight-line ("GAAP") basis.

**Core Portfolio Capital Expenditures**

---

Current Quarter

|   | <b>Current Quarter</b> | <b>Historical</b>        |
|---|------------------------|--------------------------|
|   | <b>3 months ended</b>  | <b>Prior Year ended</b>  |
|   | <b>March 31, 2016</b>  | <b>December 31, 2015</b> |
| Leasing Commissions                                     | \$ 17                  | \$ 1,566                 |
| Tenant Improvements                                     | 2,229                  | 6,349                    |
| Capital Expenditures                                    | 284                    | 3,602                    |
| <b>Total Capital Expenditures</b>                       | <b>\$ 2,530</b>        | <b>\$ 11,517</b>         |
| Other redevelopment and re-anchoring related activities | \$ —                   | \$ 4,107 <sup>1</sup>    |

Note:

<sup>1</sup> Costs associated with the re-anchoring of Branch and Crossroads shopping centers.

Property Demographics - Core

| Property   | City          | State | Base Rent    | Total GLA | 3-Mile Radius |         |                  |                |            |
|--|---------------|-------|--------------|-----------|---------------|---------|------------------|----------------|------------|
|  |               |       |              |           | Total Pop.    | # HH    | Median HH Income | Avg. HH Income |            |
| <b><u>Core - Street and Urban Retail</u></b>           |               |       |              |           |               |         |                  |                |            |
| 664 N. Michigan Avenue                                 | Chicago       | IL    | \$ 4,412,967 | 18,141    | 295,897       | 163,646 | \$ 74,143        | \$ 115,275     |            |
| 840 N. Michigan Avenue                                 | Chicago       | IL    | 7,610,395    | 87,135    | 307,531       | 172,435 | 79,109           | 122,284        |            |
| Rush and Walton Streets Collection - 6 properties      | Chicago       | IL    | 6,231,019    | 41,533    | 319,505       | 178,056 | 75,196           | 116,122        |            |
| 613-623 West Diversey Parkway                          | Chicago       | IL    | —            | 19,265    | 404,680       | 217,820 | 70,480           | 105,904        |            |
| 651-671 West Diversey                                  | Chicago       | IL    | 1,935,129    | 46,259    | 413,506       | 220,785 | 70,198           | 105,234        |            |
| Clark Street and W. Diversey Collection - 3 properties | Chicago       | IL    | 1,232,791    | 23,531    | 406,523       | 217,890 | 70,388           | 105,694        |            |
| Halsted and Armitage Collection - 9 properties         | Chicago       | IL    | 1,808,072    | 44,658    | 443,549       | 238,098 | 72,697           | 108,583        |            |
| North Lincoln Park Chicago Collection - 6 properties   | Chicago       | IL    | 1,663,879    | 51,255    | 496,377       | 247,811 | 68,233           | 99,096         |            |
| Roosevelt Galleria                                     | Chicago       | IL    | 1,066,439    | 37,995    | 357,206       | 178,934 | 65,333           | 100,927        |            |
| 83 Spring Street                                       | Manhattan     | NY    | 686,272      | 3,000     | 981,658       | 479,147 | 85,920           | 121,994        |            |
| 152-154 Spring Street                                  | Manhattan     | NY    | 2,242,681    | 2,936     | 918,561       | 473,494 | 87,476           | 126,722        |            |
| Mercer Street  | Manhattan     | NY    | 431,250      | 3,375     | 942,758       | 457,309 | 85,389           | 121,063        |            |
| East 17th Street                                       | Manhattan     | NY    | 1,300,014    | 11,467    | 1,079,577     | 547,698 | 91,428           | 133,947        |            |
| West 54th Street                                       | Manhattan     | NY    | 1,848,960    | 5,773     | 1,249,501     | 636,418 | 91,179           | 137,662        |            |
| 61 Main Street   | Westport      | CT    | 351,560      | 3,400     | 46,740        | 17,572  | 126,406          | 193,141        |            |
| 181 Main Street  | Westport      | CT    | 866,365      | 11,350    | 46,401        | 17,290  | 132,350          | 187,954        |            |
| 4401 White Plains Road                                 | Bronx         | NY    | 625,000      | 12,964    | 571,325       | 214,126 | 52,977           | 65,542         |            |
| Bartow Avenue  | Bronx         | NY    | 371,379      | 14,676    | 578,872       | 215,091 | 47,890           | 58,583         |            |
| 239 Greenwich Avenue                                   | Greenwich     | CT    | 1,481,080    | 16,553    | 67,092        | 24,790  | 112,373          | 169,820        |            |
| 252-256 Greenwich Avenue                               | Greenwich     | CT    | 1,308,431    | 7,986     | 67,228        | 25,117  | 110,894          | 176,008        |            |
| Third Avenue   | Bronx         | NY    | 918,690      | 40,320    | 1,239,993     | 443,231 | 35,628           | 49,095         |            |
| 868 Broadway   | Manhattan     | NY    | 702,531      | 2,031     | 1,077,976     | 547,276 | 91,410           | 134,095        |            |
| 313-315 Bowery   | Manhattan     | NY    | 435,600      | 6,600     | 1,032,158     | 506,284 | 85,730           | 122,785        |            |
| 120 West Broadway                                      | Manhattan     | NY    | 1,905,910    | 13,838    | 878,321       | 422,645 | 85,293           | 121,409        |            |
| 131-135 Prince Street                                  | Manhattan     | NY    | 1,269,324    | 3,200     | 990,615       | 484,990 | 88,621           | 132,090        |            |
| 2520 Flatbush Avenue                                   | Brooklyn      | NY    | 1,054,338    | 29,114    | 553,769       | 211,713 | 56,343           | 68,554         |            |
| Shops at Grand   | Queens        | NY    | 2,958,185    | 99,975    | 935,540       | 331,826 | 56,790           | 68,721         |            |
| Gotham Plaza   | Manhattan     | NY    | 1,464,945    | 26,180    | 1,316,651     | 547,928 | 64,400           | 99,981         |            |
| 991 Madison Avenue                                     | Manhattan     | NY    | —            | 6,920     | 1,265,411     | 626,933 | 89,711           | 139,825        |            |
| City Center  | San Francisco | CA    | 7,613,310    | 204,648   | 514,866       | 247,768 | 79,424           | 109,896        |            |
| 1739-53 & 1801-03 Connecticut Avenue                   | Washington    | DC    | 1,228,605    | 22,907    | 338,815       | 164,797 | 81,801           | 108,533        |            |
| Rhode Island Place Shopping Center                     | Washington    | DC    | 1,460,379    | 57,529    | 348,349       | 157,678 | 66,984           | 86,314         |            |
| M Street and Wisconsin Corridor - 7 properties         | Georgetown    | DC    | 2,729,071    | 31,629    | 321,861       | 160,430 | 87,539           | 114,211        |            |
| 330-340 River Street                                   | Cambridge     | MA    | 1,130,470    | 54,226    | 492,750       | 214,634 | 65,037           | 91,540         |            |
| Total Core Street and Urban Retail                     |               |       |              |           |               |         |                  |                |            |
| Weighted Average - Based on annual base rent           |               |       |              |           |               | 536,346 | 258,098          | \$ 78,351      | \$ 114,180 |



Property Demographics - Core (continued)

| Property                                     | City             | State | 3-Mile Radius |           |            |         |                  |                |            |
|--|------------------|-------|---------------|-----------|------------|---------|------------------|----------------|------------|
|  |                  |       | Base Rent     | Total GLA | Total Pop. | # HH    | Median HH Income | Avg. HH Income |            |
| <b>Core - Suburban Properties</b>            |                  |       |               |           |            |         |                  |                |            |
| Elmwood Park Shopping Center                 | Elmwood Park     | NJ    | \$ 3,858,824  | 149,070   | 252,982    | 84,585  | \$ 60,290        | \$ 69,299      |            |
| Marketplace of Absecon                       | Absecon          | NJ    | 1,376,956     | 104,556   | 32,668     | 11,471  | 61,717           | 73,395         |            |
| 60 Orange Street                             | Bloomfield       | NJ    | 695,000       | 101,715   | 338,909    | 125,166 | 56,211           | 67,492         |            |
| Village Commons Shopping Center              | Smithtown        | NY    | 2,775,897     | 87,330    | 67,473     | 22,922  | 109,170          | 123,046        |            |
| Branch Plaza                                 | Smithtown        | NY    | 2,635,073     | 124,439   | 67,554     | 22,991  | 108,660          | 122,359        |            |
| Amboy Center                                 | Staten Island    | NY    | 2,046,521     | 63,290    | 151,900    | 55,451  | 87,868           | 98,504         |            |
| Pacesetter Park Shopping Center              | Pomona           | NY    | 1,223,342     | 98,159    | 36,144     | 11,216  | 112,281          | 126,247        |            |
| LA Fitness                                   | Staten Island    | NY    | 1,391,500     | 55,000    | 128,131    | 45,167  | 79,348           | 89,832         |            |
| Crossroads Shopping Center                   | White Plains     | NY    | 6,843,208     | 310,762   | 109,134    | 42,516  | 96,092           | 118,263        |            |
| New Loudon Center                            | Latham           | NY    | 2,060,935     | 255,673   | 42,827     | 17,479  | 67,391           | 81,548         |            |
| 28 Jericho Turnpike                          | Westbury         | NY    | 1,650,000     | 96,363    | 95,953     | 29,144  | 108,872          | 129,163        |            |
| Bedford Green                                | Bedford Hills    | NY    | 2,190,667     | 90,589    | 25,440     | 8,955   | 99,204           | 140,115        |            |
| Town Line Plaza                              | Rocky Hill       | CT    | 1,720,212     | 206,346   | 46,399     | 19,437  | 72,685           | 86,521         |            |
| Methuen Shopping Center                      | Methuen          | MA    | 1,257,627     | 130,021   | 99,701     | 34,864  | 50,705           | 60,706         |            |
| Crescent Plaza                               | Brockton         | MA    | 1,812,245     | 218,148   | 98,838     | 34,781  | 57,332           | 64,961         |            |
| 201 Needham Street                           | Newton           | MA    | 591,861       | 20,409    | 105,304    | 36,441  | 129,789          | 181,225        |            |
| 163 Highland Avenue                          | Newton           | MA    | 1,275,673     | 40,505    | 94,925     | 33,363  | 132,872          | 186,226        |            |
| The Gateway Shopping Center                  | So. Burlington   | VT    | 2,038,751     | 101,655   | 48,384     | 19,261  | 51,446           | 63,537         |            |
| Hobson West Plaza                            | Naperville       | IL    | 1,159,961     | 99,137    | 94,989     | 34,059  | 103,910          | 126,405        |            |
| Merrillville Plaza                           | Hobart           | IN    | 3,267,912     | 236,087   | 26,123     | 10,805  | 47,909           | 58,578         |            |
| Bloomfield Town Square                       | Bloomfield Hills | MI    | 3,631,169     | 235,786   | 56,773     | 22,617  | 62,547           | 94,909         |            |
| Mad River Station                            | Dayton           | OH    | 1,396,788     | 123,335   | 65,307     | 28,938  | 56,592           | 69,153         |            |
| Mark Plaza                                   | Edwardsville     | PA    | 240,664       | 106,856   | 86,196     | 36,839  | 37,495           | 45,983         |            |
| Plaza 422                                    | Lebanon          | PA    | 850,978       | 156,279   | 45,792     | 18,157  | 44,301           | 52,611         |            |
| Route 6 Plaza                                | Honesdale        | PA    | 1,205,595     | 175,589   | 6,832      | 2,962   | 37,786           | 44,999         |            |
| Chestnut Hill                                | Philadelphia     | PA    | 911,489       | 37,646    | 147,436    | 62,292  | 58,777           | 77,506         |            |
| Abington Towne Center                        | Abington         | PA    | 1,040,142     | 216,278   | 89,439     | 35,119  | 78,159           | 95,124         |            |
| Total Core Suburban Properties               |                  |       |               |           |            | 91,091  | 33,244           | \$ 78,621      | \$ 96,464  |
| Weighted Average - Based on annual base rent |                  |       |               |           |            |         |                  |                |            |
| Total Core Properties                        |                  |       |               |           |            | 335,681 | 156,762          | \$ 78,473      | \$ 106,196 |
| Weighted Average - Based on annual base rent |                  |       |               |           |            |         |                  |                |            |
| Brandywine/Market Square/Naamans Rd 1        | Wilmington       | DE    | \$ 15,810,114 | 946,442   | 507,575    | 193,705 | \$ 72,923        | \$ 88,573      |            |

Note:  
<sup>1</sup> Based on 10 mile radius demographics given the unique trade market for this asset. This has been excluded from the average calculations of 3-mile radius due to its unique trade market.





Property Demographics - Funds

| Property                                     | City                  | State | Base          | Total   | 3-Mile Radius | #       | Median HH | Avg. HH    |
|--|-----------------------|-------|---------------|---------|---------------|---------|-----------|------------|
|  |                       |       | Rent          | GLA     | Total Pop.    |         |           |            |
| <b>Fund II</b>                               |                       |       |               |         |               |         |           |            |
| 216th Street                                 | Manhattan             | NY    | \$ 2,574,000  | 60,000  | 963,175       | 337,894 | \$ 37,629 | \$ 48,228  |
| 161st Street                                 | Bronx                 | NY    | 3,344,960     | 249,336 | 1,274,128     | 450,383 | 33,329    | 45,066     |
| <b>Fund II</b>                               |                       |       |               |         | 1,138,903     | 401,464 | \$ 35,199 | \$ 46,441  |
| Weighted Average - Based on annual base rent |                       |       |               |         |               |         |           |            |
| <b>Fund III</b>                              |                       |       |               |         |               |         |           |            |
| Cortlandt Town Center                        | Mohegan Lake          | NY    | \$ 10,207,475 | 635,437 | 49,966        | 17,759  | \$ 84,926 | \$ 97,340  |
| 654 Broadway                                 | Manhattan             | NY    | 583,495       | 2,896   | 1,007,518     | 497,906 | 86,836    | 124,507    |
| 640 Broadway                                 | Manhattan             | NY    | 818,375       | 4,260   | 1,006,693     | 496,773 | 86,613    | 124,108    |
| New Hyde Park Shopping Center                | New Hyde Park         | NY    | 1,172,792     | 32,602  | 199,698       | 70,745  | 102,010   | 122,658    |
| Nostrand Avenue                              | Brooklyn              | NY    | 1,510,778     | 42,912  | 544,351       | 203,713 | 51,528    | 65,388     |
| Arundel Plaza                                | Glen Burnie           | MD    | 1,323,169     | 265,116 | 77,759        | 29,166  | 59,786    | 64,793     |
| Heritage Shops                               | Chicago               | IL    | 3,343,518     | 82,098  | 288,116       | 154,272 | 71,414    | 110,831    |
| <b>Fund III</b>                              |                       |       |               |         | 213,326       | 96,177  | \$ 79,316 | \$ 98,459  |
| Weighted Average - Based on annual base rent |                       |       |               |         |               |         |           |            |
| <b>Fund IV</b>                               |                       |       |               |         |               |         |           |            |
| 1151 Third Avenue                            | Manhattan             | NY    | \$ 1,729,350  | 13,250  | 1,270,132     | 636,996 | \$ 87,522 | \$ 131,326 |
| 17 East 71st Street                          | Manhattan             | NY    | 1,792,487     | 8,432   | 1,266,902     | 623,592 | 87,241    | 138,121    |
| 1035 Third Avenue                            | Manhattan             | NY    | 932,889       | 7,617   | 1,312,871     | 661,001 | 88,317    | 139,161    |
| Paramus Plaza                                | Paramus               | NJ    | 1,847,945     | 153,057 | 106,906       | 37,209  | 119,131   | 132,518    |
| 2819 Kennedy Boulevard                       | North Bergen          | NJ    | 607,758       | 44,228  | 526,721       | 241,698 | 78,834    | 110,806    |
| Promenade at Manassas                        | Manassas              | VA    | 3,483,922     | 265,442 | 57,996        | 18,940  | 74,390    | 84,467     |
| Lake Montclair                               | Prince William County | VA    | 1,894,996     | 105,832 | 55,900        | 18,373  | 93,338    | 103,028    |
| 1701 Belmont Avenue                          | Catonsville           | MD    | 936,166       | 58,674  | 110,450       | 43,613  | 60,575    | 68,732     |
| Eden Square                                  | Bear                  | DE    | 2,304,196     | 231,392 | 69,756        | 26,155  | 69,989    | 75,629     |
| 938 W. North Avenue                          | Chicago               | IL    | 326,350       | 33,228  | 453,690       | 239,813 | 72,447    | 108,382    |
| 146 Geary Street                             | San Francisco         | CA    | 300,000       | 11,436  | 431,433       | 215,318 | 86,963    | 117,259    |
| Union and Fillmore Collection - 4 properties | San Francisco         | CA    | 641,286       | 10,342  | 469,876       | 233,179 | 86,409    | 116,849    |
| <b>Fund IV</b>                               |                       |       |               |         | 434,221       | 206,277 | \$ 81,693 | \$ 103,367 |
| Weighted Average - Based on annual base rent |                       |       |               |         |               |         |           |            |
| <b>Total - Funds</b>                         |                       |       |               |         |               |         |           |            |
| Weighted Average - Based on annual base rent |                       |       |               |         | 433,812       | 184,128 | \$ 74,109 | \$ 93,178  |

## Fund Overview

As of March 31, 2016

| I. KEY METRICS                   | Note | Fund I         | Fund II         | Fund III        | Fund IV         | Total             |
|----------------------------------|------|----------------|-----------------|-----------------|-----------------|-------------------|
| <u>General Information:</u>      |      |                |                 |                 |                 |                   |
| Vintage                          |      | Sep-2001       | Jun-2004        | May-2007        | May-2012        |                   |
| Fund Size                        |      | \$90.0 Million | \$300.0 Million | \$502.5 Million | \$540.6 Million | \$1,433.1 Million |
| Acadia's Commitment              |      | \$20.0 Million | \$85.0 Million  | \$123.3 Million | \$125.0 Million | \$353.3 Million   |
| Acadia's Pro Rata Share          |      | 22.2%          | 28.3%           | 24.5%           | 23.1%           | 24.7%             |
| Acadia's Promoted Share          | 1    | 37.8%          | 42.7%           | 39.6%           | 38.5%           | 39.7%             |
| Number of Institutional Partners | 2    | 4              | 5               | 13              | 17              |                   |
| Preferred Return                 |      | 9.0%           | 8.0%            | 6.0%            | 6.0%            | 6.6%              |

### Current-Quarter, Fund-Level Information:

|   |   |                 |                 |                 |                 |                   |
|---|---|-----------------|-----------------|-----------------|-----------------|-------------------|
| Cumulative Contributions                  |   | \$86.6 Million  | \$300.0 Million | \$387.5 Million | \$239.3 Million | \$1,013.5 Million |
| Cumulative Net Distributions              | 3 | \$194.5 Million | \$131.6 Million | \$492.7 Million | \$101.9 Million | \$920.8 Million   |
| Net Distributions/Contributions           |   | 224.6%          | 43.9%           | 127.1%          | 42.6%           | 90.9%             |
| Unfunded Commitment                       | 4 | \$0.0 Million   | \$47.1 Million  | \$62.5 Million  | \$301.2 Million | \$410.8 Million   |
| Acquisition Dry Powder                    | 5 | NA              | NA              | NA              | \$184.0 Million | \$184.0 Million   |
| Investment Period Closes                  |   | Closed          | Closed          | Closed          | Aug-2016        |                   |
| Currently in a Promote Position? (Yes/No) |   | Yes             | No              | Yes             | No              |                   |

## II. FEES & PRIORITY DISTRIBUTIONS EARNED BY ACADIA

| Type:                           | Applicable to | Description                               |
|---------------------------------|---------------|---|
| Asset Management                | 6             | All funds 1.5% of implied capital         |
| Property Management             |               | All funds 4.0% of gross property revenues |
| Leasing                         |               | All funds Market-rate leasing commissions |
| Construction/Project Management |               | All funds Market-rate fees                |
| Development                     | Fund III & IV | 3.0% of total project costs               |

### Notes:

1 Acadia's "Promoted Share" reflects Acadia's share of fund profits once all partners (including Acadia) have received a return of their cumulative contributions plus their cumulative preferred return.

Acadia's Promoted Share equals a 20% promote plus Acadia's pro rata share of the remaining 80%.

2 During January 2016, Acadia acquired an additional 8.33% interest in Fund II from one of the institutional partners.

3 Net of fees and promote

4 Unfunded Commitments are set aside to complete leasing and development at existing fund investments and, for Fund IV, to make new investments.

The Unfunded Commitment will not equal Fund Size less Cumulative Contributions in those instances where certain fund distributions have been marked as recallable or where the fund has released

commitments due to, among other reasons, the closing of the fund's investment period or accelerated asset sales. With regard to Fund II, the Unfunded Commitment reflects a prior-period distribution

that is subject to retribution to the Fund until December 2016 if needed to fund the on-going redevelopment of existing Fund II investments.

5 Unfunded Commitments available to deploy into new investments

6 Implied Capital is Fund Size less capital attributed to sold investments or released

## Fund Retail Properties - Detail 1

| Anchors                          | Year Acquired                          | Ownership % | Gross Leaseable Area |              |                |                | In Place Occupancy |              |              |              | Leased       | Annualized   | Annualized           |                 |
|----------------------------------|--|-------------|----------------------|--------------|----------------|----------------|--------------------|--------------|--------------|--------------|--------------|--------------|----------------------|-----------------|
|                                  |  |             | Street               | Anchors      | Shops          | Total          | Street             | Anchors      | Shops        | Total        | Occupancy    | Base Rent    | Base Rent PSF        |                 |
|                                  |  |             |                      |              |                |                |                    |              |              |              | Total        | Total        | Total                |                 |
| <b>Fund II Portfolio Detail</b>  |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| <b>NEW YORK</b>                  |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| <u>New York</u>                  |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| 216th Street                     | NYC Human Resources Administration     | 2005        | 99.1%                | —            | 60,000         | —              | 60,000             | —            | 100.0%       | —            | 100.0%       | 100.0%       | \$ 2,574,000         | \$ 42.90        |
| 161st Street 2                   | Various New York City & State agencies | 2005        | 99.1%                | —            | 160,916        | 88,420         | 249,336            | —            | 34.6%        | 53.4%        | 41.3%        | 46.7%        | 3,344,960            | 32.51           |
| <b>Total - Fund II</b>           |  |             |                      | <b>—</b>     | <b>220,916</b> | <b>88,420</b>  | <b>309,336</b>     | <b>—</b>     | <b>52.4%</b> | <b>53.4%</b> | <b>52.7%</b> | <b>57.1%</b> | <b>\$ 5,918,960</b>  | <b>\$ 36.34</b> |
| <b>Fund III Portfolio Detail</b> |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| <b>NEW YORK</b>                  |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| <u>New York</u>                  |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| Cortlandt Town Center            | Wal-Mart, Best Buy, A&P                | 2009        | 35.0%                | —            | 472,420        | 163,017        | 635,437            | —            | 95.7%        | 85.3%        | 93.1%        | 93.1%        | \$ 10,207,475        | \$ 17.26        |
| 654 Broadway                     | Penguin (Perry Ellis)                  | 2011        | 100.0%               | 2,896        | —              | —              | 2,896              | 100.0%       | —            | —            | 100.0%       | 100.0%       | 583,495              | 201.48          |
| 640 Broadway                     | Swatch                                 | 2012        | 63.1%                | 4,260        | —              | —              | 4,260              | 78.4%        | —            | —            | 78.4%        | 78.4%        | 818,375              | 245.16          |
| New Hyde Park Shopping Center    | PetSmart                               | 2011        | 100.0%               | —            | 13,507         | 19,095         | 32,602             | —            | 100.0%       | 70.8%        | 82.9%        | 82.9%        | 1,172,792            | 43.41           |
| Nostrand Avenue                  | —                                      | 2013        | 100.0%               | —            | —              | 42,912         | 42,912             | —            | —            | 75.6%        | 75.6%        | 75.6%        | 1,510,778            | 46.56           |
| <b>MID-ATLANTIC</b>              |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| <u>Maryland</u>                  |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| Arundel Plaza                    | Giant Food, Lowe's                     | 2012        | 94.3%                | —            | 231,920        | 33,196         | 265,116            | —            | 100.0%       | 58.8%        | 94.8%        | 94.8%        | 1,323,169            | 5.26            |
| <b>MIDWEST</b>                   |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| <u>Illinois</u>                  |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| Heritage Shops                   | LA Fitness, Ann Taylor Loft            | 2011        | 100.0%               | —            | 49,878         | 32,220         | 82,098             | —            | 100.0%       | 93.4%        | 97.4%        | 97.4%        | 3,343,518            | 41.81           |
| <b>Total - Fund III</b>          |  |             |                      | <b>7,156</b> | <b>767,725</b> | <b>290,440</b> | <b>1,065,321</b>   | <b>87.1%</b> | <b>97.4%</b> | <b>80.8%</b> | <b>92.8%</b> | <b>92.8%</b> | <b>\$ 18,959,602</b> | <b>\$ 19.18</b> |
| <b>Fund IV Portfolio Detail</b>  |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| <b>NEW YORK</b>                  |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| <u>New York</u>                  |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| 1151 Third Avenue                | Vineyard Vines                         | 2013        | 100.0%               | 13,250       | —              | —              | 13,250             | 100.0%       | —            | —            | 100.0%       | 100.0%       | \$ 1,729,350         | \$ 130.52       |
| 17 East 71st Street              | The Row                                | 2014        | 100.0%               | 8,432        | —              | —              | 8,432              | 100.0%       | —            | —            | 100.0%       | 100.0%       | 1,792,487            | 212.58          |
| 1035 Third Avenue 3              | —                                      | 2015        | 100.0%               | 7,617        | —              | —              | 7,617              | 71.4%        | —            | —            | 71.4%        | 71.4%        | 932,889              | 171.58          |
| <u>New Jersey</u>                |  |             |                      |              |                |                |                    |              |              |              |              |              |                      |                 |
| Paramus Plaza                    | Babies R Us, Ashley Furniture          | 2013        | 50.0%                | —            | 74,837         | 78,220         | 153,057            | —            | 100.0%       | 29.4%        | 63.9%        | 63.9%        | 1,847,945            | 18.89           |
| 2819 Kennedy Boulevard           | Aldi                                   | 2013        | 98.6%                | —            | 42,692         | 1,536          | 44,228             | —            | 49.4%        | 100.0%       | 51.2%        | 100.0%       | 607,758              | 26.84           |

| <b>BOSTON</b>                                |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
|--|--|------|--------|----------------|----------------|----------------|------------------|--------------|--------------|--------------|--------------|--------------|----------------------|-----------------|
| <b>Massachusetts</b>                         |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
| Restaurants at Fort Point                    | —  | 2016 | 100.0% | 15,711         | —              | —              | 15,711           | 100.0%       | —            | —            | 100.0%       | 100.0%       | 297,733              | 18.95           |
| <b>MID-ATLANTIC</b>                          |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
| <b>Virginia</b>                              |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
| Promenade at Manassas                        | Home Depot, HH Gregg                         | 2013 | 98.6%  | —              | 194,038        | 71,404         | 265,442          | —            | 100.0%       | 94.6%        | 98.6%        | 98.6%        | 3,483,922            | 13.32           |
| Lake Montclair                               | Food Lion                                    | 2013 | 100.0% | —              | 33,000         | 72,832         | 105,832          | —            | 100.0%       | 92.6%        | 94.9%        | 94.9%        | 1,894,996            | 18.87           |
| <b>Maryland</b>                              |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
| 1701 Belmont Avenue                          | Best Buy                                     | 2012 | 98.6%  | —              | 58,674         | —              | 58,674           | —            | 100.0%       | —            | 100.0%       | 100.0%       | 936,166              | 15.96           |
| <b>Delaware</b>                              |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
| Eden Square                                  | Giant Food                                   | 2014 | 98.6%  | —              | 163,217        | 68,175         | 231,392          | —            | 71.1%        | 71.5%        | 71.2%        | 71.2%        | 2,304,196            | 13.99           |
| <b>MIDWEST</b>                               |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
| <b>Illinois</b>                              |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
| 938 W. North Avenue                          | Sephora                                      | 2013 | 80.0%  | 33,228         | —              | —              | 33,228           | 16.1%        | —            | —            | 16.1%        | 16.1%        | 326,350              | 61.00           |
| <b>SOUTHEAST</b>                             |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
| <b>Georgia</b>                               |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
| Broughton Street Portfolio 4                 | J. Crew, L'Occitane, Lululemon, Michael Kors | 2014 | 50.0%  | 76,641         | —              | —              | 76,641           | 54.7%        | —            | —            | 54.7%        | 100.0%       | 1,835,907            | 43.81           |
| <b>WEST</b>                                  |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
| <b>California</b>                            |  |      |        |                |                |                |                  |              |              |              |              |              |                      |                 |
| 146 Geary Street                             |  | 2015 | 100.0% | 11,436         | —              | —              | 11,436           | 100.0%       | —            | —            | 100.0%       | 100%         | 300,000              | 26.23           |
| Union and Fillmore Collection - 4 properties |  | 2015 | 90.0%  | 10,342         | —              | —              | 10,342           | 88.0%        | —            | —            | 88.0%        | 88%          | 641,286              | 70.44           |
| <b>Total - Fund IV</b>                       |  |      |        | <b>176,657</b> | <b>566,458</b> | <b>292,167</b> | <b>1,035,282</b> | <b>62.6%</b> | <b>87.8%</b> | <b>71.3%</b> | <b>78.9%</b> | <b>84.4%</b> | <b>\$ 18,930,985</b> | <b>\$ 23.19</b> |

**Notes:**

<sup>1</sup> The above occupancy and rent amounts do not include space which is currently leased, other than "leased occupancy", but for which rent payment has not yet commenced. Residential and office GLA is excluded.

The following Fund II, Fund III and Fund IV properties are currently under redevelopment as further detailed under "Redevelopment Activity."

| <b>Property</b>            | <b>Fund Ownership %</b> |
|----------------------------|-------------------------|
| Sherman Avenue             | 99.1%                   |
| City Point                 | 94.2%                   |
| Cortlandt Crossing         | 100.0%                  |
| Broad Hollow Commons       | 100.0%                  |
| 3104 M Street              | 80.0%                   |
| 210 Bowery                 | 100.0%                  |
| Broughton Street Portfolio | 50.0%                   |
| 27 East 61st Street        | 100.0%                  |
| 801 Madison Avenue         | 100.0%                  |
| 650 Bald Hill Road         | 90.0%                   |

<sup>2</sup> Currently operating, but redevelopment activities have commenced.

<sup>3</sup> Property also includes 12,371 sf of 2nd floor office space and 29,760 sf parking garage (131 spaces).

<sup>4</sup> Represents 14 of the 25 properties in this portfolio that have been leased. The remaining properties are still in development.

Funds Lease Expirations

FUND II

| Year                | Gross Leased Area |                |               | Base Rent           |                 |               |
|---------------------|-------------------|----------------|---------------|---------------------|-----------------|---------------|
|                     | No. of Leases     | Expiring       | Percent       | Amount              | PSF             | Percent       |
|                     | Expiring          | SF             | of Total      |                     |                 |               |
| M to M <sup>1</sup> | —                 | —              | —             | \$ —                | \$ —            | —             |
| 2015                | —                 | —              | —             | —                   | —               | —             |
| 2016                | —                 | —              | —             | —                   | —               | —             |
| 2017                | —                 | —              | —             | —                   | —               | —             |
| 2018                | —                 | —              | —             | —                   | —               | —             |
| 2019                | —                 | —              | —             | —                   | —               | —             |
| 2020                | —                 | —              | —             | —                   | —               | —             |
| 2021                | —                 | —              | —             | —                   | —               | —             |
| 2022                | —                 | —              | —             | —                   | —               | —             |
| 2023                | —                 | —              | —             | —                   | —               | —             |
| 2024                | —                 | —              | —             | —                   | —               | —             |
| Thereafter          | 10                | 162,881        | 100.0%        | 5,918,960           | 36.34           | 100.0%        |
| <b>Total</b>        | <b>10</b>         | <b>162,881</b> | <b>100.0%</b> | <b>\$ 5,918,960</b> | <b>\$ 36.34</b> | <b>100.0%</b> |

146,455 Total Vacant  
309,336 Total Square Feet

FUND III

| Year                | Gross Leased Area |                |               | Base Rent            |                 |               |
|---------------------|-------------------|----------------|---------------|----------------------|-----------------|---------------|
|                     | No. of Leases     | Expiring       | Percent       | Amount               | PSF             | Percent       |
|                     | Expiring          | SF             | of Total      |                      |                 |               |
| M to M <sup>1</sup> | 3                 | 7,379          | 0.7%          | \$ 179,114           | \$ 24.27        | 0.9%          |
| 2016                | 10                | 71,028         | 7.2%          | 781,825              | 11.01           | 4.1%          |
| 2017                | 9                 | 76,478         | 7.7%          | 1,887,978            | 24.69           | 10.0%         |
| 2018                | 16                | 265,859        | 26.9%         | 3,952,365            | 14.87           | 20.8%         |
| 2019                | 10                | 258,345        | 26.1%         | 2,493,804            | 9.65            | 13.2%         |
| 2020                | 7                 | 15,218         | 1.5%          | 684,344              | 44.97           | 3.6%          |
| 2021                | 5                 | 53,267         | 5.4%          | 1,382,889            | 25.96           | 7.3%          |
| 2022                | 6                 | 80,203         | 8.1%          | 1,739,764            | 21.69           | 9.2%          |
| 2023                | 4                 | 26,044         | 2.6%          | 1,227,481            | 47.13           | 6.5%          |
| 2024                | 8                 | 60,581         | 6.1%          | 2,030,948            | 33.52           | 10.7%         |
| 2025                | 5                 | 58,360         | 5.9%          | 1,645,180            | 28.19           | 8.7%          |
| Thereafter          | 6                 | 15,674         | 1.8%          | 953,910              | 60.86           | 5.0%          |
| <b>Total</b>        | <b>89</b>         | <b>988,436</b> | <b>100.0%</b> | <b>\$ 18,959,602</b> | <b>\$ 19.18</b> | <b>100.0%</b> |

76,885 Total Vacant  
1,065,321 Total Square Feet

FUND IV

| Year                | Gross Leased Area |                |               | Base Rent            |                 |               |
|---------------------|-------------------|----------------|---------------|----------------------|-----------------|---------------|
|                     | No. of Leases     | Expiring       | Percent       | Amount               | PSF             | Percent       |
|                     | Expiring          | SF             | of Total      |                      |                 |               |
| M to M <sup>1</sup> | 4                 | 8,800          | 1.1%          | \$ 250,504           | \$ 28.47        | 1.3%          |
| 2016                | 9                 | 28,958         | 3.5%          | 540,205              | 18.65           | 2.8%          |
| 2017                | 14                | 99,683         | 12.0%         | 2,520,023            | 25.28           | 13.0%         |
| 2018                | 17                | 55,238         | 6.7%          | 1,129,793            | 20.45           | 5.8%          |
| 2019                | 15                | 103,068        | 12.5%         | 1,881,649            | 18.26           | 9.7%          |
| 2020                | 10                | 53,701         | 6.5%          | 1,285,938            | 23.95           | 6.7%          |
| 2021                | 4                 | 39,027         | 4.7%          | 566,374              | 14.51           | 2.9%          |
| 2022                | 3                 | 36,773         | 4.4%          | 495,472              | 13.47           | 2.6%          |
| 2023                | 7                 | 52,148         | 6.3%          | 952,493              | 18.27           | 4.9%          |
| 2024                | 7                 | 115,960        | 14.0%         | 2,993,960            | 25.82           | 15.5%         |
| 2025                | 17                | 31,589         | 3.8%          | 3,562,625            | 112.78          | 18.4%         |
| Thereafter          | 11                | 202,482        | 24.5%         | 3,155,997            | 15.59           | 16.3%         |
| <b>Total</b>        | <b>118</b>        | <b>827,427</b> | <b>100.0%</b> | <b>\$ 19,335,033</b> | <b>\$ 23.37</b> | <b>100.0%</b> |

182,894 Total Vacant  
1,010,321 Total Square Feet

Note:

<sup>1</sup> Leases currently under month to month or in process of renewal

**Fund Development Activity**

(\$ in millions)

| Property                                | Ownership | Location         | Estimated Construction Completion | Estimated Sq.Ft. Upon Completion | Leased Rate <sup>4</sup> | Key Tenants                              | Acquisition & Development Costs |                                 |                                   | Outstanding Debt |
|---|-----------|------------------|-----------------------------------|----------------------------------|--------------------------|--|---------------------------------|---------------------------------|-----------------------------------|------------------|
|   |           |                  |                                   |                                  |                          |  | Incurred                        | Estimated Future Range          | Estimated Total Range             |                  |
| <b>FUND II</b>                          |           |                  |                                   |                                  |                          |  |                                 |                                 |                                   |                  |
| City Point <sup>1</sup>                 | 94.2%     | Brooklyn, NY     | 2016/2020 <sup>6</sup>            | 763,000 <sup>7</sup>             | 68% <sup>2</sup>         | Century 21, CityTarget, Alamo Drafthouse | \$ 366.7 <sup>3</sup>           | \$ 23.3 to \$ 43.3 <sup>3</sup> | \$ 390.0 to \$ 410.0 <sup>3</sup> | \$ 239.9         |
| Sherman Plaza                           | 99.1%     | New York, NY     | TBD                               | TBD                              | —                        | TBD                                      | 35.9                            | TBD                             | TBD                               | —                |
|   |           |                  |                                   |                                  |                          |  | <u>\$ 402.6</u>                 | <u>TBD</u>                      | <u>TBD</u>                        | <u>\$ 239.9</u>  |
| <b>FUND III</b>                         |           |                  |                                   |                                  |                          |  |                                 |                                 |                                   |                  |
| Cortlandt Crossing                      | 100.0%    | Mohegan Lake, NY | 2017                              | 150,000 - 170,000                | —                        | TBD                                      | \$ 15.2                         | \$ 31.8 to \$ 40.8              | \$ 47.0 to \$ 56.0                | \$ —             |
| 3104 M Street NW                        | 80.0%     | Washington, D.C. | 2016                              | 10,000                           | —                        | TBD                                      | 7.5                             | 0.5 to 1.5                      | 8.0 to 9.0                        | 4.1              |
| Broad Hollow Commons                    | 100.0%    | Farmingdale, NY  | 2016                              | 180,000 - 200,000                | —                        | TBD                                      | 14.6                            | 35.4 to 45.4                    | 50.0 to 60.0                      | —                |
|   |           |                  |                                   |                                  |                          |  | <u>\$ 37.3</u>                  | <u>\$ 67.7</u>                  | <u>\$ 87.7</u>                    | <u>\$ 105.0</u>  |
|   |           |                  |                                   |                                  |                          |  |                                 |                                 | <u>\$ 125.0</u>                   | <u>\$ 4.1</u>    |
| <b>FUND IV</b>                          |           |                  |                                   |                                  |                          |  |                                 |                                 |                                   |                  |
| 210 Bowery                              | 100.0%    | New York, NY     | 2016                              | 16,000                           | —                        | TBD                                      | \$ 13.3                         | \$ 5.2 to \$ 9.2                | \$ 18.5 to \$ 22.5                | \$ 4.7           |
| Broughton Street Portfolio <sup>5</sup> | 50.0%     | Savannah, GA     | 2016                              | 200,000                          | 55%                      | J. Crew, Lululemon, H&M                  | 66.1                            | 18.9 to 23.9                    | 85.0 to 90.0                      | 28.6             |
| 27 E. 61st Street                       | 100.0%    | New York, NY     | 2016                              | 9,500                            | —                        | TBD                                      | 21.4                            | 1.4 to 5.4                      | 22.8 to 26.8                      | —                |
| 801 Madison Avenue                      | 100.0%    | New York, NY     | 2016                              | 5,000                            | 45%                      | TBD                                      | 33.6                            | 2.4 to 7.4                      | 36.0 to 41.0                      | —                |
| 650 Bald Hill Road                      | 90.0%     | Warwick, RI      | 2016                              | 161,000                          | 34%                      | Burlington Coat Factory                  | 13.0                            | 14.5 to 19.5                    | 27.5 to 32.5                      | —                |
|   |           |                  |                                   |                                  |                          |  | <u>\$ 147.4</u>                 | <u>\$ 42.4</u>                  | <u>\$ 65.4</u>                    | <u>\$ 189.8</u>  |
|   |           |                  |                                   |                                  |                          |  |                                 |                                 | <u>\$ 212.8</u>                   | <u>\$ 33.3</u>   |

## Notes:

<sup>1</sup> Acquired a leasehold interest in this property.

<sup>2</sup> Leased rate calculated on approximately 540,000 rentable square feet.

<sup>3</sup> Net of actual and anticipated contributions from retail tenants and proceeds from residential tower sales. Excludes Tower I. Debt and incurred costs are reduced by \$5.3M relating to the New Markets Tax Credits received.

<sup>4</sup> The leased rate excludes pre-redevelopment tenants.

<sup>5</sup> This portfolio includes 25 buildings, including 14 which are operating.

<sup>6</sup> Phases I and II have an estimated completion date of 2016. Phase III has an estimated completion date of 2020.

<sup>7</sup> This reflects increases to Phase I and Phase II square footage, and the addition of Phase III square footage.

Reconciles to Consolidated Balance Sheet as follows:

Development costs above \$ 587.3

## City Point Items:

Adjustment to FMV 33.8

Gain on sales 51.2

Costs of Tower 1 80.7

## Less:

Development held as operating real estate (33.6)

Development costs of unconsolidated properties (79.1)

Deferred costs and other amounts (0.5)

 Total per consolidated balance sheet \$ 639.8

## **Important Notes**

### **SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Certain statements contained in this supplemental disclosure may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities and Exchange Act of 1934 and as such may involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements, which are based on certain assumptions and describe the Company's future plans, strategies and expectations are generally identifiable by use of the words "may," "will," "should," "expect," "anticipate," "estimate," "believe," "intend" or "project" or the negative thereof or other variations thereon or comparable terminology. Factors which could have a material adverse effect on the operations and future prospects of the Company include, but are not limited to those set forth under the heading "Risk Factors" in the Company's Annual Report on Form 10-K. These risks and uncertainties should be considered in evaluating any forward-looking statements contained or incorporated by reference herein.

### **USE OF FUNDS FROM OPERATIONS AS NON-GAAP FINANCIAL MEASURE**

The Company considers funds from operations ("FFO") as defined by the National Association of Real Estate Investment Trusts ("NAREIT") to be an appropriate supplemental disclosure of operating performance for an equity REIT due to its widespread acceptance and use within the REIT and analyst communities. FFO is presented to assist investors in analyzing the performance of the Company. It is helpful as it excludes various items included in net income that are not indicative of the operating performance, such as gains (or losses) from sales of property and depreciation and amortization. However, the Company's method of calculating FFO may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs. FFO does not represent cash generated from operations as defined by generally accepted accounting principles ("GAAP") and is not indicative of cash available to fund all cash needs, including distributions. It should not be considered as an alternative to net income for the purpose of evaluating the Company's performance or to cash flows as a measure of liquidity. Consistent with the NAREIT definition, the Company defines FFO as net income (computed in accordance with GAAP), excluding gains (or losses) from sales of depreciated property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. The Company believes that income or gains derived from its RCP investments, including its investment in Albertson's, are private-equity investments and, as such, should be treated as operating income and therefore FFO. The Company believes that this supplemental adjustment more appropriately reflects the results of its operations. The Company also provides one other supplemental disclosure of operating performance, adjusted funds from operations ("AFFO"). The Company defines AFFO as FFO adjusted for straight line rent, non-real estate depreciation, amortization of finance costs and costs of management contracts, tenant improvements, leasing commissions and capital expenditures.

### **USE OF EBITDA AND NOI AS NON-GAAP FINANCIAL MEASURES**

EBITDA and NOI are widely used financial measures in many industries, including the REIT industry, and are presented to assist investors and analysts in analyzing the performance of the Company. They are helpful as they exclude various items included in net income that are not indicative of operating performance, such as gains (or losses) from sales of property and depreciation and amortization and is used in computing various financial ratios as a measure of operational performance. The Company computes EBITDA as the sum of net income before extraordinary items plus interest expense, depreciation, income taxes and amortization, less any gains (losses including impairment charges) on the sale of income producing properties. The Company computes NOI by taking the difference between Property Revenues and Property Expenses as detailed in this reporting supplement. The Company's method of calculating EBITDA and NOI may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs. EBITDA and NOI do not represent cash generated from operations as defined by GAAP and are not indicative of cash available to fund all cash needs, including distributions. They should not be considered as an alternative to net income for the purpose of evaluating the Company's performance or to cash flows as a measure of liquidity.