



# CORPORATE UPDATE | MAY 2021

CORE

PORTFOLIO

# Our Portfolio

~40%  
Street

Assembled portfolio in *irreplaceable* locations in must-have retail corridors

Washington, D.C.  
New York

Boston  
Chicago

San Francisco  
Los Angeles

## Representative Tenants



~20%  
Urban

Dominated by *essential* tenants serving surrounding populations



~40%  
Suburban

Strong mix of *essential* and *high performing* discounters

~50% grocery anchored

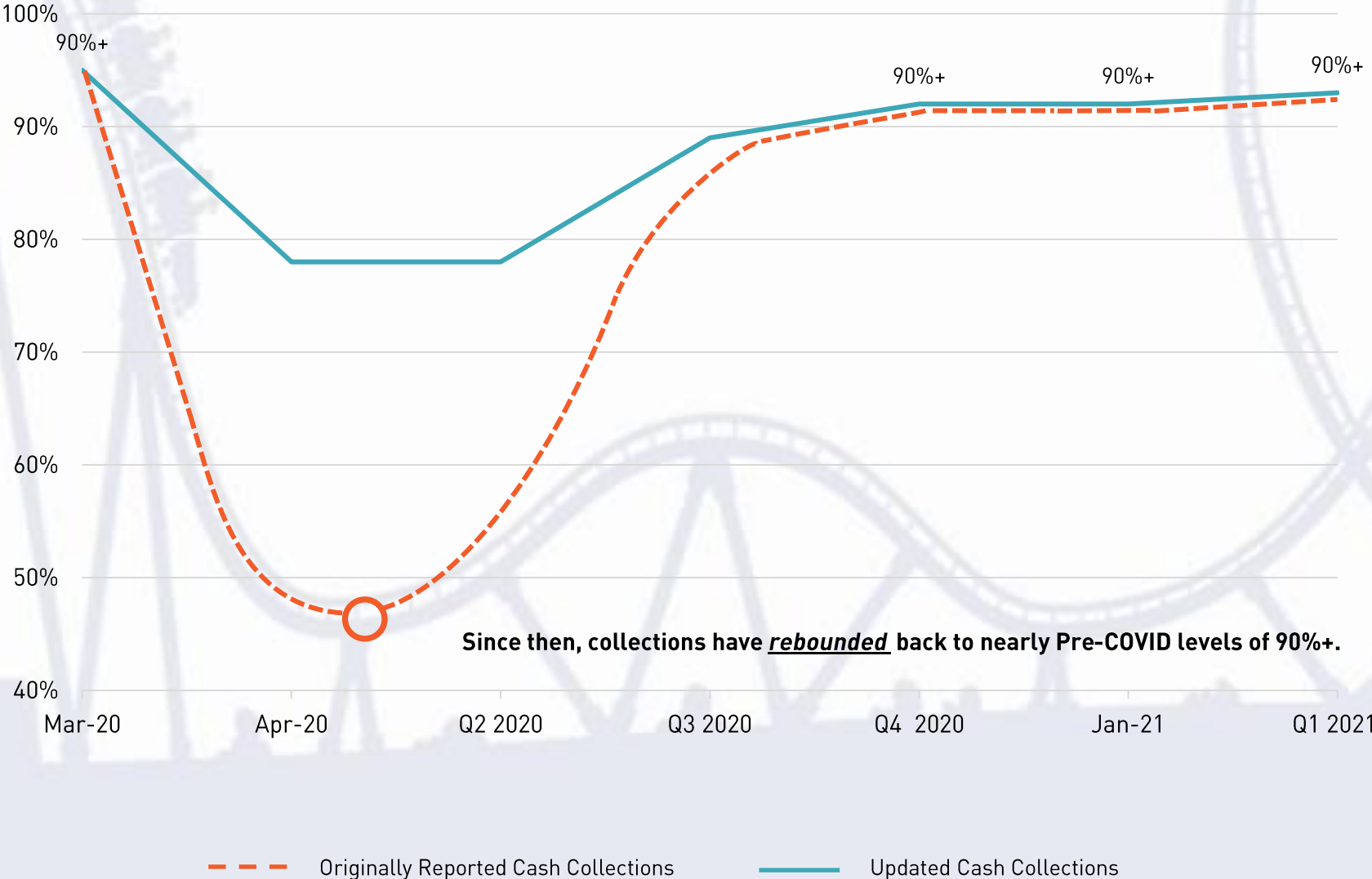


Note: Based on monthly billings

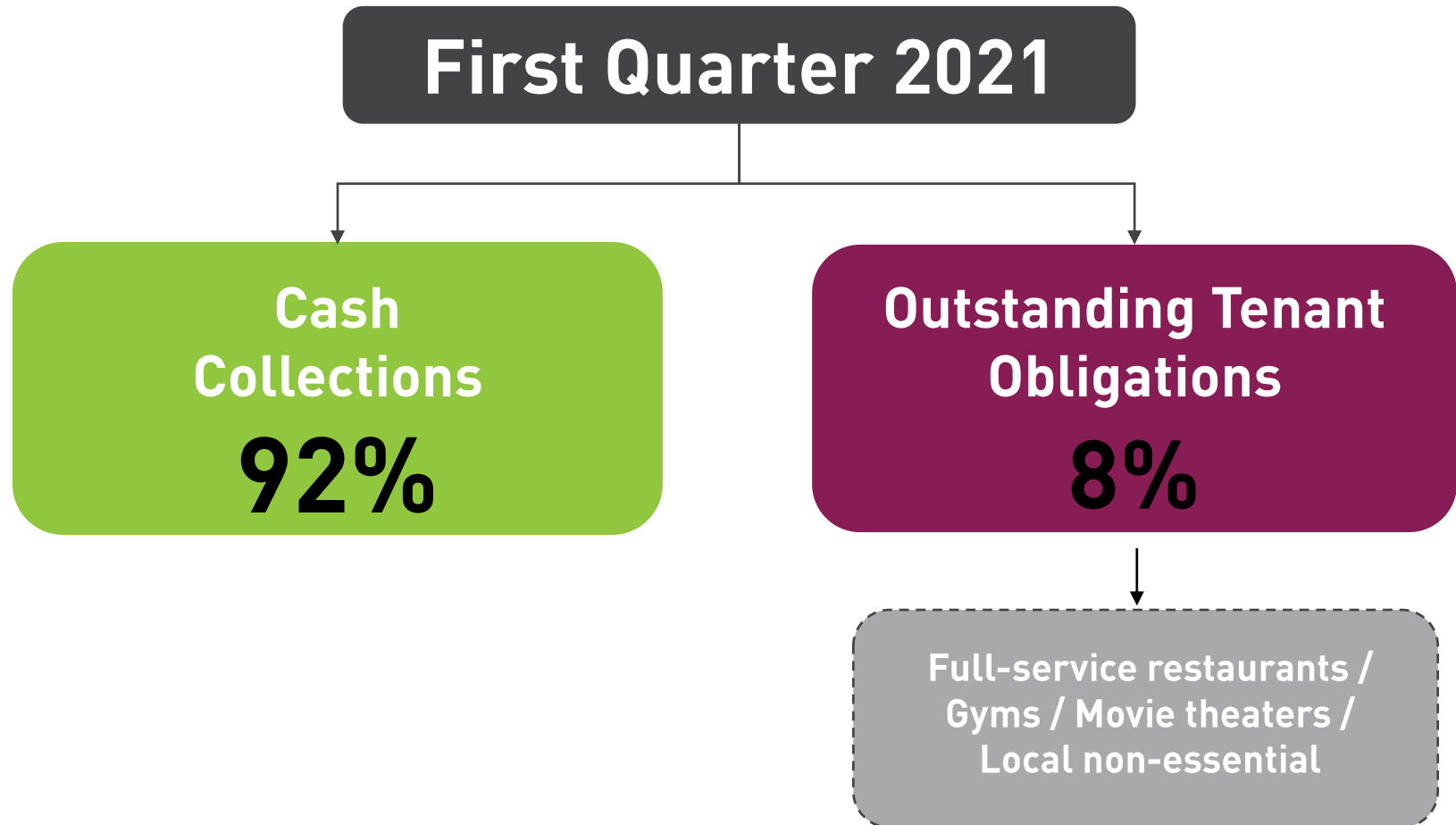
# REBOUND



# Core Cash Collections Rebound Back to Nearly Pre-COVID Levels

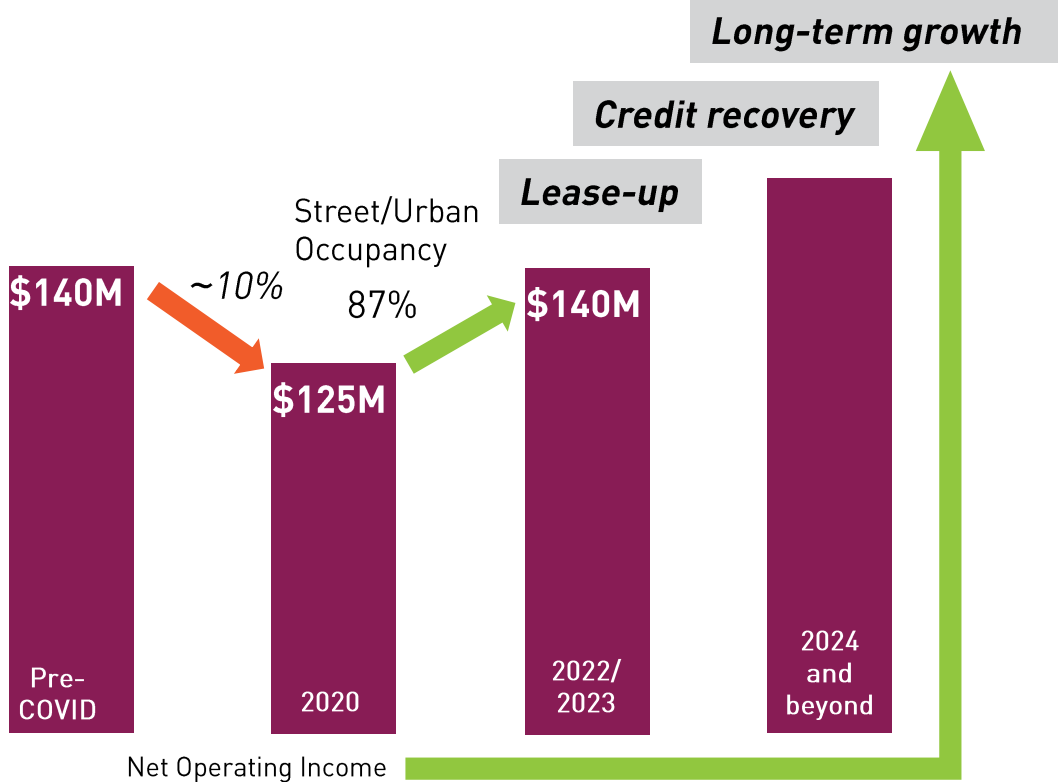


# Tenant Collections



Note: Based upon first quarter 2021 billed rents and recoveries.

# Rebound: Multiple Drivers



# 2021 Updated Guidance to Reflect Rebound

FFO before Special Items and  
Core/Fund Transactional Items

**\$1.00**

*Increased from \$0.93 - \$1.01*

Core and Fund Transactional Items

**\$0.00 - \$0.13**

*Updated from \$0.05 - \$0.13*

FFO before Special Items

**\$1.00 - \$1.14**

*Increased from \$0.98 - \$1.14*



# PENT-UP DEMAND



# Our Street and Urban Demographics

Approximately **90%** of our Street and Urban Portfolio resides in locations which are **above the 75<sup>th</sup> percentile of household incomes**

## Our Top Sub-Markets

**NW/CT**  
 TRIBECA  
 SOHO  
 MADISON AVENUE  
 GREENWICH  
 WESTPORT

**CA**  
 MELROSE PLACE  
 LAUREL HEIGHTS  
 SoMA

**IL**  
 GOLD COAST  
 LINCOLN PARK  
 MAGNIFICNET MILE

**MA**  
 CAMBRIDGE  
 BOSTON

**DC**  
 GEORGETOWN

Our Portfolio is Well Poised to Benefit from nearly **\$2.9 Trillion** of Consumer Pandemic Savings





# LEASE-UP





## Core Leasing Pipeline In Excess of \$10 Million

80% of the  
\$10M is  
incremental

Over  
50%  
executed

50% of the  
leases split  
between  
Street/Urban



11 E WALTON ST, Chicago, IL



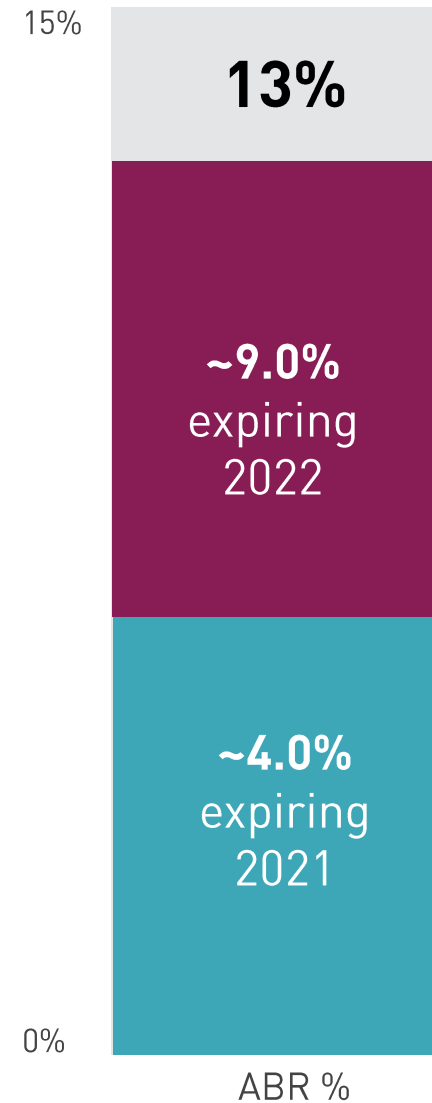
930 N RUSH ST, Chicago, IL





# Nominal Near Term Tenant Rollover

- **Less than 15%** of ABR expiring 12/31/2022
- Portfolio mix:
  - ~**65%** Street/Urban
  - ~**35%** Suburban
- **Expecting 15%** positive spreads on expiring/rolling Street leases



252-256 GREENWICH AVE, Greenwich, CT





# Not All NOI and Occupancy are Created Equal

## Street Lease-Up Far More Profitable than Suburban

### SUBURBAN

Rent: **\$15 PSF**

Upfront Cost: \$100 PSF

Term: 10 Years

Square Feet: 50,000

NOI: \$750,000

Net Effective Rent: \$5 PSF

AFFO Contribution: **33%**

Payback Period: **6.7 Years**

### STREET

Rent: **\$100 PSF**

Upfront Cost: \$150 PSF

Term: 10 Years

Square Feet: 5,000

NOI: \$750,000

Net Effective Rent: \$135 PSF

AFFO Contribution: **90%**

Payback Period: **1.5 Years**



# OMNICHANNEL



# Omnichannel is the Obvious Winner in the Separation of The Haves and Have-Nots

ARITZIA

WARBY PARKER  
eyewear



*allbirds*



“ Leaning into our strengths, COVID has shifted the world in some ways and really allowed us to take advantage of all the investment we’ve made in our digital ecosystem, really leaning into our omni-channel strength.

-Celeste Burgoyne, lululemon President, Americas and Global Guest Innovation



N. BISSELL ST

Peruvian Connection Chicago Bar Shop <b>PAPER SOURCE</b> THE BLK TUX Old Town School of Folk Music Kiehl's	KOIO Nail Salon <b>THE TIE BAR</b> <b>POGO</b> Indochino Village Cobbler Dreamdry Berco's Popcorn Jeni's Ice Cream Foxtrot
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● acadia owned

N. FREMONT ST

Aesop <b>SERENA &amp; LILY</b> WARBY PARKER marine layer <b>BONOBOS</b> allbirds Outdoor Voices PARACHUTE Interior Define	W ARMITAGE AVE La COLOMBE freshii benefit Megollet ROTHY'S State & Liberty Ameritrade Walgreens
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N. DAYTON ST

All She Wrote <b>LIVELY</b> <b>COMING SOON</b> McShane's Exchange Consignment First Midwest Bank	The Sinless Tan Wedding 826 Lori's Shoes Charlie Trotters Topdrawer <b>SEE</b> Byline Bank The Store 7 Eleven SUBWAY Save Pook francesca's Helen Ficalora Beaumont Bar CAFE BR BR REEBI KRYOLAN MAKEUP Winestyr Bedside Manor LTD Aroma Workshop wonica + andy Kink <b>@pure barre</b>
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N HALSTED ST



853 W ARMITAGE AVE, Chicago, IL



837 - 853 W ARMITAGE AVE, Chicago, IL



reshii

CCHAI PROVENCE





930 N RUSH ST, Chicago, IL



lululemon

the near  
invisible  
home gym

MIRROR  
powered by lululemon







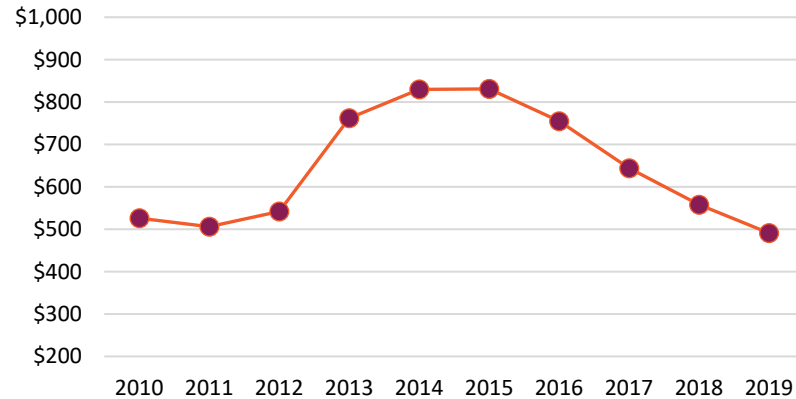
# THE FUTURE *of* STREET RETAIL



# Rebound Off What Base?

## Soho Rents

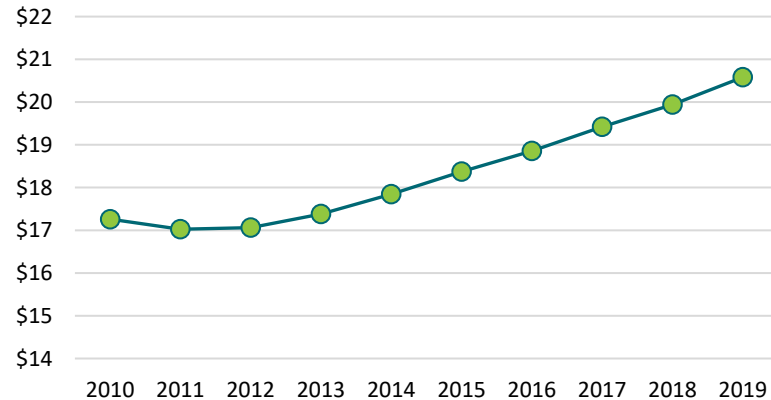
2019 rents were 7%  
*below* 2010 rents



Source: Real Estate Board of New York (REBNY) Fall Manhattan Retail Reports

## Neighborhood Center Rents

2019 rents were 19%  
*above* 2010 rents



Source: CoStar



R.M. Williams

THE ORIGINAL DESIGNER  
SINCE 1886

LesserTouch  
SOHO

\$50 OFF  
BE LIST!  
NEW  
26 FALL  
FLEETS

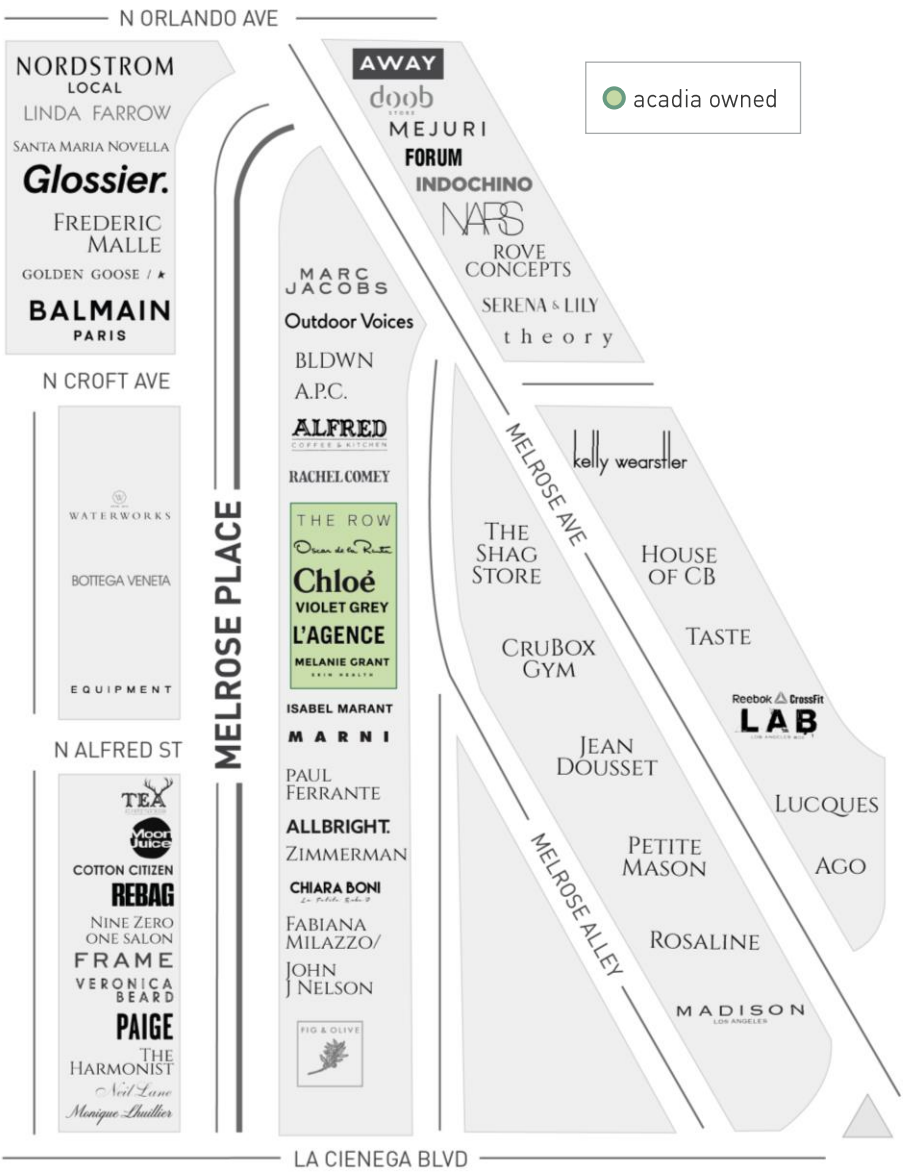
R.M. WILLIAMS

STORE HOURS

MONDAY - SATURDAY 11AM - 7PM

SUNDAY 12PM - 6PM







# STABILITY



340 River Street

WHOLE FOODS  
MARKET



Crescent Plaza

THE HOME DEPOT



New Loudon Center

Market  
Bistro  
by Price Chopper



Abington Towne Center

TJ-maxx

TARGET

TARGET

verizon  
wireless



# TRADER JOE'S

TRADER JOE'S

TRADER JOE'S

TRADER JOE'S

TRADER JOE'S  
CULTURE  
ADVENTURE

bus stop  
76 Diversey





151 N STATE STREET, Chicago, IL





# LONG-TERM GROWTH DRIVERS

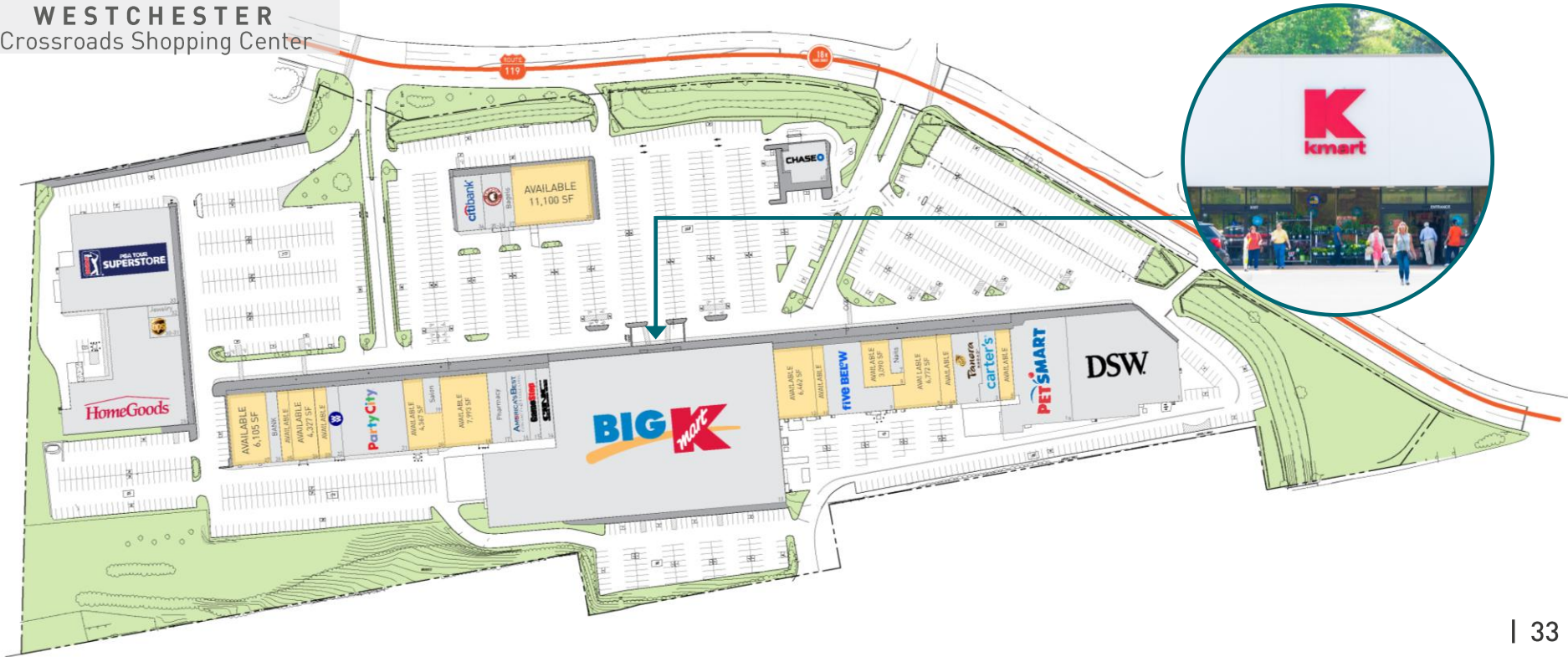
**SAN FRANCISCO**  
City Center



**SAN FRANCISCO**  
555-9th St



**WESTCHESTER**  
Crossroads Shopping Center





# BALANCE SHEET

# Core Balance Sheet

- **No** material scheduled Core debt maturities through **2023** (inclusive of extension options)
- **No** material construction or development costs
  - Projected recurring capital expenditure spending is **less than \$10M**
- **Significant flexibility**
  - **~ 70%** of Core NOI unencumbered
  - Low fixed cash operating costs
    - Break-even under **50%**
- **Dividend Policy**
  - Reinstated quarterly dividend at **\$0.15 per common share** in the **first quarter 2021**



**FUND**

**PLATFORM**

# Fund V Update

- **~\$100M** of new Fund V investments under contract and/or agreements in principle
- Extended the investment period to **August 2022**
- **~\$600M** of buying power on a leveraged basis





# Multiple Value Creating Strategies

## *Distressed & Opportunistic Retailers<sup>1</sup>*



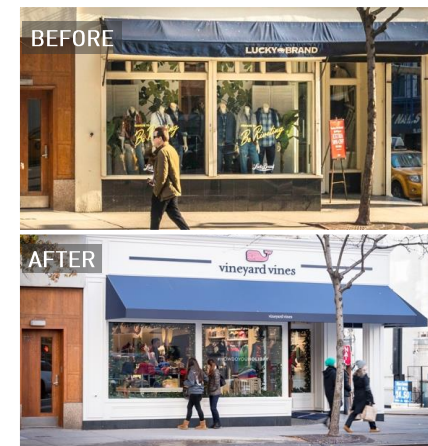
## *High-Yield Strategy*



## *Portfolio Aggregation*



## *Buy-Fix-Sell*



### Albertsons<sup>1</sup>

- Monetized \$23M in Q2 (AKR pro-rata share of ~\$6.4M)
- Remaining ownership interest of ~4M shares (AKR pro-rata ownership of ~1M shares)

Note 1: An affiliate of Fund II owns an approximate 1% interest in Albertsons, of which the Company's proportionate share is approximately 28%.



# CITYPOINT







**DeKALB** MARKET HALL

EIGHT TURN CREPE



AMPLE HILLS CREAMERY



CITY POINT, Brooklyn, NY







MCNALLY JACKSON, Brooklyn, NY

# CORPORATE RESPONSIBILITY

We believe that responsible environmental, social and community stewardship and responsible corporate governance are an essential part of our mission to build a successful business and create long-term value for our company and our stakeholders.

## ENVIRONMENTAL

- Pursuing initiatives to reduce energy and water consumption and increase reliance on renewable energy sources in our common areas, including:
  - Parking lot lighting upgrades to LED and smart lighting controls
  - Renewable energy procurement and Electric Vehicle charging stations
  - Smart irrigation controls installation

- Received the **Outstanding Achievement in Land Use Award** from Green Business Partnership in 2019 for our commitment to sustainable operating practices at our headquarters



## SOCIAL

- Diversity, equity and inclusion (DE&I) are fundamental values of our business. Our DE&I Program is focused on fostering a professional environment that fully embraces individuals with varied backgrounds, cultures, races, identities, ages, perspectives, beliefs and values
- In 2020, our retention rate was 93% and our employee overall satisfaction score was 90%
- Supporting local charitable and volunteer organizations, including by hosting community events and fundraisers throughout our portfolio



## GOVERNANCE

- Dedicated to maintaining a high standard for corporate governance predicated on integrity, ethics, diversity and transparency
- Our Board of Trustees includes racial, ethnic and gender diversity, earning our company recognition by **50/50 Women on Boards** for two consecutive years



- Received the NAREIT Gold Investor Care Award recognizing the quality of our investor reports for the second consecutive year



# Safe Harbor Statement

Certain statements in this press release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended. Forward-looking statements, which are based on certain assumptions and describe our 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. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause our actual results and financial performance to be materially different from future results and financial performance expressed or implied by such forward-looking statements, including, but not limited to: (i) economic, political and social uncertainty surrounding the COVID-19 Pandemic, including (a) the effectiveness or lack of effectiveness of governmental relief in providing assistance to businesses, including the Company’s tenants, that have suffered significant declines in revenues as a result of mandatory business shut-downs, “shelter-in-place” or “stay-at-home” orders and social distancing practices, as well as to individuals adversely impacted by the COVID-19 Pandemic, and various actions taken to contain or mitigate the impact of the COVID-19 Pandemic (including vaccines), (b) the duration of any such orders or other formal recommendations for social distancing and the speed and extent to which revenues of the Company’s retail tenants recover following the lifting of any such orders or recommendations, (c) temporary or permanent migration out of major cities by customers, including cities where the Company’s properties are located, which may have a negative impact on the Company’s tenants’ businesses, (d) the potential impact of any such events on the obligations of the Company’s tenants to make rent and other payments or honor other commitments under existing leases, (e) to the extent we were seeking to sell properties in the near term, significantly greater uncertainty regarding our ability to do so at attractive prices, (f) the potential adverse impact on returns from development and redevelopment projects, and (g) the broader impact of the severe economic contraction and increase in unemployment that has occurred in the short term and negative consequences that will occur if these trends are not quickly reversed; (ii) the ability and willingness of the Company’s tenants (in particular its major tenants) and other third parties to satisfy their obligations under their respective contractual arrangements with the Company; (iii) macroeconomic conditions, such as a disruption of or lack of access to the capital markets; (iv) the Company’s success in implementing its business strategy and its ability to identify, underwrite, finance, consummate and integrate diversifying acquisitions and investments; (v) changes in general economic conditions or economic conditions in the markets in which the Company may, from time to time, compete, and their effect on the Company’s revenues, earnings and funding sources; (vi) increases in the Company’s borrowing costs as a result of changes in interest rates and other factors, including the potential phasing out of the London Interbank Offered Rate after 2021; (vii) the Company’s ability to pay down, refinance, restructure or extend its indebtedness as it becomes due; (viii) the Company’s investments in joint ventures and unconsolidated entities, including its lack of sole decision-making authority and its reliance on its joint venture partners’ financial condition; (ix) the Company’s ability to obtain the financial results expected from its development and redevelopment projects; (x) the ability and willingness of the Company’s tenants to renew their leases with the Company upon expiration, the Company’s ability to re-lease its properties on the same or better terms in the event of nonrenewal or in the event the Company exercises its right to replace an existing tenant, and obligations the Company may incur in connection with the replacement of an existing tenant; (xi) the Company’s liability for environmental matters; (xii) damage to the Company’s properties from catastrophic weather and other natural events, and the physical effects of climate change; (xiii) uninsured losses; (xiv) the Company’s ability and willingness to maintain its qualification as a REIT in light of economic, market, legal, tax and other considerations; (xv) information technology security breaches, including increased cybersecurity risks relating to the use of remote technology during the COVID-19 Pandemic; and (xvi) the loss of key executives. The risks described above are not exhaustive and additional factors could adversely affect the Company’s business and financial performance, including the risk factors discussed under the section captioned “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020, and other periodic or current reports the Company files with the SEC. Any forward-looking statements in this press release speak only as of the date hereof. The Company 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 the Company’s expectations with regard thereto or change in the events, conditions or circumstances on which such forward-looking statements are based.

The factors described above are not exhaustive and additional factors could adversely affect the Company’s future results and financial performance, including the risk factors discussed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020, and other periodic or current reports the Company files with the Securities and Exchange Commission. Any forward-looking statements speak only as of the date hereof. The Company 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 the Company’s expectations with regard thereto or change in the events, conditions or circumstances on which such forward-looking statements are based.

The Company uses, and intends to continue to use, the Investors page of its website, which can be found at [www.acadiarealty.com](http://www.acadiarealty.com), as a means of disclosing material nonpublic information and of complying with its disclosure obligations under Regulation FD, including, without limitation, through the posting of investor presentations that may include material nonpublic information. Accordingly, investors should monitor the Investors page, in addition to following the Company’s press releases, SEC filings, public conference calls, presentations and webcasts. The information contained on, or that may be accessed through, our website is not incorporated by reference into, and is not a part of, this document.