

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): February 9, 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 February 9, 2016, Acadia Realty Trust (the "Company") issued a press release announcing its consolidated financial results for the quarter ended December 31, 2015. 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 February 9, 2016, the Company made available supplemental information concerning the ownership, operations and portfolio of the Company as of and for the quarter ended December 31, 2015. 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 February 9, 2016.
99.2	Financial and Operating Reporting Supplement of the Company for the quarter ended December 31, 2015.

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: February 12, 2016

By: /s/ Jonathan Grisham

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

ACADIA REALTY TRUST REPORTS FOURTH QUARTER AND FULL YEAR 2015 OPERATING RESULTS

RYE, NY (February 9, 2016) - Acadia Realty Trust (NYSE:AKR) (“Acadia” or the “Company”) today reported operating results for the quarter and year ended December 31, 2015. 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:** Achieved high-end of earnings guidance with funds from operations (“FFO”) per share of \$0.35 for the fourth quarter and full year of \$1.53 (\$1.56 before acquisition related costs); generated earnings per share (“EPS”) of \$0.13 for the fourth quarter and \$0.94 for the full year
- **Core Portfolio Operating Results:** Excluding redevelopments, generated same-property net operating income (“NOI”) growth over 2014 of 4.9% for the fourth quarter and 4.0% for the full year; achieved a leased rate of 96.9% as of year end
- **Core Portfolio Acquisitions:** During 2015 and year-to-date 2016, acquired \$294.7 million, including \$237.4 million of property - of which, 90% was urban retail - and the acquisition of interests in two of the Company-managed Funds representing \$57.3 million of gross property value
- **Fund Dispositions:** During 2015 and year-to-date 2016, completed \$435.1 million of dispositions; of this amount, \$295.3 million was sold by Fund III, generating a blended 39.1% IRR and 2.60x multiple
- **Fund III Promote:** During first quarter 2016, generated approximately \$4.0 million (approximately \$0.05 per share) of net promote income for the Company from the recapitalization of Fund III’s Cortlandt Town Center
- **Fund Acquisitions:** During 2015 and year-to-date 2016, Fund IV completed \$173.9 million of acquisitions - including a preferred equity investment in Chicago’s West Loop, completed in February 2016
- **Balance Sheet:** Maintained conservative leverage levels by matchfunding acquisitions; sourced \$96.9 million of net proceeds during 2015 and year-to-date 2016 through the issuance of Common Shares and OP Units
- **Dividends:** During January 2016, paid a special cash dividend of \$0.25 per share, which was sourced from profitable Fund asset sales; in addition increased the regular quarterly dividend 4.2% to \$0.25 for the fourth quarter

“We are pleased with our solid 2015 operating results, which reflect the high quality of our core real estate portfolio,” stated Kenneth F. Bernstein, President and CEO of Acadia Realty Trust. “In addition, we continued to supplement this organic growth with approximately \$900 million of accretive transactional activity, which included both acquisitions and very profitable fund dispositions. Taken together with our consistently-healthy, low-leveraged balance sheet, it is clear that our company has a solid foundation on which to continue to deliver attractive investment returns for all of our stakeholders.”

Financial Results

FFO for the quarter ended December 31, 2015 was \$25.4 million, or \$0.35 per share. This compares to FFO for the quarter ended December 31, 2014 of \$20.2 million, or \$0.30 per share, which was net of \$1.6 million, or \$0.02 per share, of acquisition costs.

FFO for the year ended December 31, 2015 was \$111.6 million, or \$1.53 per share, which included \$9.4 million, or \$0.13 per share, of gain from the sale of air rights at Fund II’s City Point development project and was net of \$2.2 million, or \$0.03 per share, of acquisition costs. FFO of \$1.56 before acquisition costs is at the upper end of the Company’s recently increased guidance range. FFO for the year ended December 31, 2014 was \$78.9 million, or \$1.26 per share, net of \$5.2 million, or \$0.09 per share, of acquisition costs.

Net income for the quarter ended December 31, 2015 was \$8.9 million, or \$0.13 per share. Net income for the quarter ended December 31, 2014 was \$9.4 million, or \$0.15 per share.

Net income for the year ended December 31, 2015 was \$65.7 million, or \$0.94 per share, which, in addition to City Point, included \$11.1 million, or \$0.16 per share, of gain from four Fund property dispositions. Net income for the year ended December 31, 2014 was \$71.1 million, or \$1.18 per share, including \$33.4 million, or \$0.56 per share, of gain from Core and Fund dispositions.

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**
- **Completed \$294.7 Million Of Acquisitions; Focused Real Estate Purchases On Urban Retail**

Core Operating Results

Excluding redevelopment activities, same-property NOI in the Core Portfolio increased 4.9% for the quarter ended December 31, 2015, compared to 2014. For the full year 2015, same-property NOI increased 4.0%.

The Core Portfolio was 96.5% occupied and 96.9% leased as of December 31, 2015, compared to 96.7% occupied and 97.1% leased as of September 30, 2015. The leased rate includes space that is leased but not yet occupied.

During the quarter, no significant new leases were executed in the Core Portfolio. Based on 10 executed renewal leases, aggregating 49,000 square feet, the Company generated a 27.7% increase in average rents on a GAAP basis and a 16.5% increase in average rents on a cash basis.

Core Acquisitions

During 2015 and year-to-date 2016, the Company completed \$294.7 million of Core Portfolio acquisitions, including \$237.4 million of core real estate purchases and the acquisition of interests in two of the Company-managed Funds representing \$57.3 million of gross property value. This compares to the Company's 2015 Core Portfolio acquisition guidance of \$250 to \$350 million.

During fourth quarter 2015 and year-to-date 2016, the Company completed \$96.1 million of Core Portfolio transactions, as follows:

Gotham Plaza, 149-169 E 125th St, Harlem, New York, NY. 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 on 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 operating partnership units ("OP units") and the assumption of \$10.5 million of pro-rata share of non-recourse debt secured by the property.

Purchase of Fund Interests. During and subsequent to fourth quarter 2015, the Company provided liquidity to two of its existing Fund investors - one each in Fund II and Fund III - by acquiring their interests in those Company-managed Funds. The combined purchase price for the equity interests was \$25.7 million; including leverage, the purchase price represents approximately \$57.3 million of gross property value. As a result of these transactions, the Company's interest in Fund II - whose investments include City Point in Brooklyn, NY and Albertsons supermarkets - has increased from 20.0% to 28.3%, and the Company's interest in Fund III - a fund that is actively selling assets,

whose investments include Cortlandt Town Center in Westchester County, NY (subsequently sold in January 2016 - see below) and 640 Broadway in Noho, New York, NY - has increased from 19.9% to 24.5%.

Fund Platform

- **Disposition Plans Remain On Track, With \$435.1 Million Of Assets Sold - Across Multiple Funds - During 2015 And Year-To-Date 2016**
- **Seeing Attractive Opportunities To Add New Investments At Appropriate Risk-Adjusted Returns**

Fund Dispositions

During 2015 and year-to-date 2016, the Company completed \$435.1 million of dispositions across its Fund platform. Of this amount, \$295.3 million was sold by Fund III, generating a blended 39.1% IRR and 2.60x multiple.

Subsequent to year end, Fund III completed the following \$107.3 million transaction:

Cortlandt Town Center, Mohegan Lake, NY. 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. Pursuant to a contract entered into in September 2015, 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 a 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. To date, Fund III has returned 129% of invested capital, before payment of promote.

Fund III Promote

The recapitalization of Cortlandt Town Center generated approximately \$4.0 million (approximately \$0.05 per share) of net promote income for the Company during first quarter 2016.

Fund Acquisitions - Closed

During 2015 and year-to-date 2016, the Company, on behalf of Fund IV, completed \$173.9 million of opportunistic and value-add acquisitions. Of this amount, \$89.9 million was completed during and subsequent to fourth quarter 2015, as discussed below:

900 W Randolph St, West Loop, Chicago, IL. 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. 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.

146 Geary St, Union Square, San Francisco, CA. As previously announced, in November 2015, Fund IV, in partnership with City Center Realty Partners, LLC (“CCRP”), acquired a 12,400-square foot, four-story building, located in San Francisco’s dynamic Union Square shopping district, for \$38.0 million. 146 Geary St has frontage on both Geary St and Maiden Ln and is situated a few steps east of Union Square plaza. This flagship property is located

on a block with a concentration of luxury fashion retailers - including Chanel, Jimmy Choo, Saint Laurent, Bottega Veneta, and Valentino - and is directly across the street from Neiman Marcus. During 2017, the Fund IV-CCRP joint venture intends to redevelop the property, which has been occupied by Britex Fabrics since 1952.

Fillmore-Union Collection, San Francisco, CA. As previously announced, during and subsequent to fourth quarter 2015, Fund IV, in partnership with Prado Group (“Prado”), acquired four street-retail properties - located at **2207-2211 Fillmore St, 2208-2216 Fillmore St, 1861-1863 Union St, and 1964-1966 Union St** in San Francisco - for \$17.2 million. Fillmore St and Union St are authentic shopping and dining corridors, nestled within San Francisco’s affluent Pacific Heights and Cow Hollow neighborhoods. The corridors’ highly-valued, unique local character is the result of an eclectic mix of trendy boutiques and restaurants, including local favorites, such as Elizabeth Charles, SPQR, Ambiance, and Belga, and national retailers, such as Rag & Bone, Ralph Lauren, lululemon athletica, and Nike. Tenants within the Fund IV-Prado joint venture’s four-property portfolio include Eileen Fisher, award-winning local restaurant La Méditerranée, and L’Occitane.

650 Bald Hill Rd, Warwick, RI. As previously announced, in October 2015, Fund IV, in partnership with MCB Real Estate, acquired a retail condominium with roughly 160,000 square feet of leasable space at the site of a former enclosed mall in Warwick, RI for \$9.2 million. Including acquisition costs, the projected redevelopment budget is \$30.5 million. The property is shadow anchored by Walmart, Kohl’s and Sears. The property was vacant at acquisition, and the joint venture plans to reconfigure the space to accommodate anchor and junior-anchor tenancy. The joint venture has already executed a 15-year lease with Burlington Coat Factory for roughly one-third of the total space.

Balance Sheet

- **Maintained Conservative Leverage Levels By Matchfunding Acquisitions**
- **During 2015 And Year-To-Date 2016, Remained Disciplined Issuers of Equity**

The Company fueled its current and future acquisition activities - and maintained its conservative leverage levels - by sourcing \$69.7 million of net proceeds during and subsequent to fourth quarter 2015 through (i) OP units issued in connection with the acquisition of Gotham Plaza (\$28.3 million) and (ii) its at-the-market (“ATM”) facility (\$41.4 million). The aggregate new capital was raised at an average gross price of \$32.38 per unit/share (\$32.14 per unit/share net of related costs).

For the full year 2015 and year-to-date 2016, the Company sourced \$96.9 million of net proceeds. The aggregate new capital was raised at an average gross price of \$32.85 per unit/share (\$32.56 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. At the beginning of 2015, the Company’s debt to EBITDA ratio for the Core Portfolio only was 5.0x. As of year-end 2015, this ratio was reduced to 4.3x. Including its pro-rata share of fund debt, the Company’s debt to EBITDA ratio decreased from 5.9x to 5.5x over the same period.

2016 Guidance

The Company forecasts that its 2016 annual FFO will range from \$1.52 to \$1.60 per share, and 2016 EPS will range from \$0.99 to \$1.07. These forecasts, and the comparable 2015 FFO, both presented below, are before any acquisition-related costs:

<i>Dollars in millions, except per share amounts</i>	2016	2016	2015
	Low	High	Actual
Core and pro-rata share of Funds' portfolio income	\$120.5	\$124.5	\$110.5
Asset and property management fee income, net of taxes	11.0	13.0	13.1
Transactional fee income, net of taxes	7.0	8.0	8.6
Other Fund-related income, net of taxes	9.0	11.0	11.0
General and administrative expenses	(31.0)	(30.5)	(29.4)
FFO attributable to Common Shareholders and Common OP Unit holders	\$116.5	\$126.0	\$113.8
FFO per Common Share and Common OP Unit	\$1.52	\$1.60	\$1.56

The following is a reconciliation of the calculation of forecasted earnings per diluted share and FFO per diluted share:

<u>Guidance Range for 2016</u>	Low	High
Earnings per share	\$0.99	\$1.07
Depreciation of real estate and amortization of leasing costs (net of noncontrolling interests' share)	0.76	0.79
Gain on disposition of properties	(0.22)	(0.24)
Noncontrolling interest in Operating Partnership	(0.01)	(0.02)
FFO per Common Share and Common OP Unit	\$1.52	\$1.60

Key drivers of 2016 earnings growth include forecasted new Core Portfolio and Fund acquisitions and income generated from the monetization of Fund assets. In addition, for the full year 2016, the Company is assuming an increase in Core Portfolio same-property NOI of 3.0% to 4.0%, which assumes portfolio occupancy generally consistent with 2015 and no contribution from redevelopment activities. Management will discuss its 2016 earnings guidance and related assumptions in further detail on its scheduled year-end investor conference call.

Conference Call

Management will conduct a conference call on Wednesday, February 10, 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, February 10, 2016

Time: 12:00 PM ET

Dial#: 877-791-3298

Passcode: "Acadia Realty" or "10658931"

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

Phone Replay:

Dial#: 855-859-2056

Passcode: "10658931#"

Available Through: Wednesday, February 17, 2016

Webcast Replay: 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.

Safe Harbor Statement

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

ACADIA REALTY TRUST AND SUBSIDIARIES

Consolidated Statements of Operations¹
(dollars and Common Shares in thousands, except per share data)

	For the Quarters ended December 31,		For the Years ended December 31,	
	2015	2014	2015	2014
Revenues				
Rental income	\$ 39,939	\$ 38,586	\$ 158,632	\$ 145,103
Interest income	3,482	3,388	16,603	12,607
Expense reimbursements	10,395	8,634	36,306	32,642
Other property income	909	401	2,940	1,637
Other income	43	147	2,781	3,023
Total revenues	<u>54,768</u>	<u>51,156</u>	<u>217,262</u>	<u>195,012</u>
Operating expenses				
Property operating	8,192	6,802	28,423	24,833
Other operating	1,560	593	4,675	3,776
Real estate taxes	6,520	6,157	25,384	23,062
General and administrative	7,228	6,535	30,368	27,433
Depreciation and amortization	15,729	13,590	60,751	49,645
Impairment of asset	—	—	5,000	—
Total operating expenses	<u>39,229</u>	<u>33,677</u>	<u>154,601</u>	<u>128,749</u>
Operating income	15,539	17,479	62,661	66,263
Equity in earnings of unconsolidated affiliates	1,093	1,341	13,287	8,723
Gain on disposition of properties of unconsolidated affiliates	—	—	24,043	102,855
Loss on debt extinguishment	(1)	(66)	(135)	(335)
Gain on disposition of properties	—	—	89,063	13,138
Interest expense and other finance costs	(9,032)	(8,764)	(37,162)	(39,091)
Income from continuing operations before income taxes	<u>7,599</u>	<u>9,990</u>	<u>151,757</u>	<u>151,553</u>
Income tax (provision) benefit	272	(561)	(1,787)	(629)
Income from continuing operations	<u>7,871</u>	<u>9,429</u>	<u>149,970</u>	<u>150,924</u>

ACADIA REALTY TRUST AND SUBSIDIARIES

Consolidated Statements of Operations, Continued¹

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

	For the Quarters ended December 31,		For the Years ended December 31,	
	2015	2014	2015	2014
Gain on disposition of property	—	662	—	1,222
Income from discontinued operations	—	662	—	1,222
Net income	7,871	10,091	149,970	152,146
(Income) loss attributable to noncontrolling interests:				
Continuing operations	1,019	(88)	(84,262)	(80,059)
Discontinued operations	—	(562)	—	(1,023)
Net (income) loss attributable to noncontrolling interests	1,019	(650)	(84,262)	(81,082)
Net income attributable to Common Shareholders	<u>\$ 8,890</u>	<u>\$ 9,441</u>	<u>\$ 65,708</u>	<u>\$ 71,064</u>
Income from continuing operations attributable to				
Common Shareholders	\$ 8,890	\$ 9,341	\$ 65,708	\$ 70,865
Income from discontinued operations				
attributable to Common Shareholders	—	100	—	199
Net income attributable to Common Shareholders	<u>8,890</u>	<u>9,441</u>	<u>65,708</u>	<u>71,064</u>
Less: Net Income attributable to participating securities	(120)	(115)	(931)	(1,156)
Net Income attributable to Common Shareholders - basic	\$ 8,770	\$ 9,326	\$ 64,777	\$ 69,908
Weighted average shares for diluted earnings per share	69,330	63,885	68,870	59,426
Net Earnings per share - basic and diluted	<u>\$ 0.13</u>	<u>\$ 0.15</u>	<u>\$ 0.94</u>	<u>\$ 1.18</u>

ACADIA REALTY TRUST AND SUBSIDIARIES

Reconciliation of Net Income to Funds From Operations^{1,3}

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

	For the Quarters ended December 31,		For the Years ended December 31,	
	2015	2014	2015	2014
Net income attributable to Common Shareholders	\$ 8,890	\$ 9,441	\$ 65,708	\$ 71,064
Depreciation of real estate and amortization of leasing costs (net of noncontrolling interests' share):	14,463	10,414	52,013	38,020
Impairment of asset (net of noncontrolling interests' share):	—	—	1,111	—
Loss (gain) on disposition (net of noncontrolling interests' share):	1,496	(258)	(11,114)	(33,438)
Income attributable to noncontrolling interests' in				
Operating Partnership	516	550	3,811	3,203
Distributions - Preferred OP Units	13	14	31	33
Funds from operations attributable to Common Shareholders and Common OP Unit holders	\$ 25,378	\$ 20,161	\$ 111,560	\$ 78,882
<i>Funds from operations per share - Diluted</i>				
Weighted average Common Shares and OP Units ⁴	73,521	67,836	73,067	62,420
Funds from operations, per Common Share and Common OP Unit	\$ 0.35	\$ 0.30	\$ 1.53	\$ 1.26

ACADIA REALTY TRUST AND SUBSIDIARIES

Reconciliation of Operating Income to Net Property Operating Income (“NOI”)¹

(dollars in thousands)

	For the Quarters ended December 31,		For the Years ended December 31,	
	2015	2014	2015	2014
Operating income	\$ 15,539	\$ 17,479	\$ 62,661	\$ 66,263
Add back:				
General and administrative	7,228	6,535	30,368	27,433
Depreciation and amortization	15,729	13,590	60,751	49,645
Impairment of asset	—	—	5,000	—
Less:				
Interest income	(3,482)	(3,388)	(16,603)	(12,607)
Above/below market rent, straight-line rent and other adjustments	(1,604)	(2,536)	(9,788)	(8,626)
Consolidated NOI	33,410	31,680	132,389	122,108
Noncontrolling interest in NOI	(8,211)	(10,025)	(34,675)	(38,862)
Pro-rata share of NOI	25,199	21,655	97,714	83,246
Operating Partnerships’ interest in Opportunity Funds	(1,444)	(1,678)	(5,767)	(6,280)
Operating Partnerships’ share of unconsolidated joint ventures ¹	2,613	1,680	10,382	4,366
NOI - Core Portfolio	<u>\$ 26,368</u>	<u>\$ 21,657</u>	<u>\$ 102,329</u>	<u>\$ 81,332</u>

Note:

¹Does not include share of unconsolidated joint ventures within Opportunity Funds

ACADIA REALTY TRUST AND SUBSIDIARIES

Consolidated Balance Sheets¹

(dollars in thousands)

	As of	
	December 31, 2015	December 31, 2014
ASSETS		
Operating real estate		
Land	\$ 514,120	\$ 424,661
Buildings and improvements	1,593,350	1,329,080
Construction in progress	19,239	7,464
	<u>2,126,709</u>	<u>1,761,205</u>
Less: accumulated depreciation	298,703	256,015
Net operating real estate	1,828,006	1,505,190
Real estate under development	609,574	447,390
Notes receivable and preferred equity investments, net	147,188	102,286
Investments in and advances to unconsolidated affiliates	173,277	184,352
Cash and cash equivalents	72,776	217,580
Cash in escrow	26,444	20,358
Restricted cash	10,840	30,604
Rents receivable, net	40,425	36,962
Deferred charges, net	22,568	18,800
Acquired lease intangibles, net	52,593	44,618
Prepaid expenses and other assets	48,628	56,508
Assets of properties held for sale	—	56,073
Total assets	<u>\$ 3,032,319</u>	<u>\$ 2,720,721</u>
LIABILITIES		
Mortgage and other notes payable, net	\$ 1,050,051	\$ 991,502
Unsecured notes payable, net	308,555	127,100
Distributions in excess of income from, and investments in, unconsolidated affiliates	13,244	12,564
Accounts payable and accrued expenses	38,754	34,026
Dividends and distributions payable	37,552	39,339
Acquired lease intangibles, net	31,809	29,585
Other liabilities	31,000	25,148
Liabilities of properties held for sale	—	25,500
Total liabilities	<u>1,510,965</u>	<u>1,284,764</u>
EQUITY		
Shareholders' Equity		
Common shares, \$.001 par value, authorized 100,000,000 shares; issued and outstanding 70,258,415 and 68,109,287 shares, respectively	70	68
Additional paid-in capital	1,092,239	1,027,861
Accumulated other comprehensive loss	(4,463)	(4,005)
Retained earnings	12,642	31,617
Total shareholders' equity	<u>1,100,488</u>	<u>1,055,541</u>
Noncontrolling interests	420,866	380,416
Total equity	<u>1,521,354</u>	<u>1,435,957</u>
Total liabilities and equity	<u>\$ 3,032,319</u>	<u>\$ 2,720,721</u>

ACADIA REALTY TRUST AND SUBSIDIARIES

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

Notes to Financial Highlights:

¹ 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.

² 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.

³ 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.

⁴ In addition to the weighted average Common Shares outstanding, basic and diluted FFO also assume full conversion of a weighted average 3,882 and 3,570 OP Units into Common Shares for the quarters ended December 31, 2015 and 2014, respectively and 3,895 and 2,684 OP Units into Common Shares for the years ended December 31, 2015 and 2014, respectively. Diluted FFO also includes the assumed conversion of Preferred OP Units into 25 Common Shares for each of the quarters and years ended December 31, 2015 and 2014. In addition, diluted FFO also includes the effect of 286 and 376 employee share options, restricted share units and LTIP units for the quarters ended December 31, 2015 and 2014, respectively and 297 and 309 employee share options, restricted share units and LTIP units for the years ended December 31, 2015 and 2014, respectively.

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Visit www.acadiarealty.com for additional investor and portfolio information

Company Information

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.

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Market Capitalization

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

	Total Market Capitalization \$	Capitalization based on	
		%	Net Debt ¹
Equity Capitalization			
Common Shares	70,259		
Common Operating Partnership ("OP") Units	3,857		
Combined Common Shares and OP Units	74,116		
Share Price at December 31, 2015	\$ 33.15		
Equity Capitalization - Common Shares and OP Units	\$ 2,456,945		
Preferred OP Units	831 ²		
Total Equity Capitalization	2,457,776	78%	79%
Debt Capitalization			
Consolidated debt	1,368,964		
Adjustment to reflect pro-rata share of debt	(667,065)		
Total Debt Capitalization	701,899	22%	21%
Total Market Capitalization	\$ 3,159,675	100%	100%

Notes:

¹ Reflects debt net of:

Core Portfolio cash	\$ 38,207
pro-rata share of Funds cash	7,689
and pro-rata share of restricted cash relating to City Point financing	2,168
for total cash netted against debt of	\$ 48,064

² Represents 188 Series A Preferred OP Units convertible into 25,067 Common OP units multiplied by the Common Share price at quarter end.

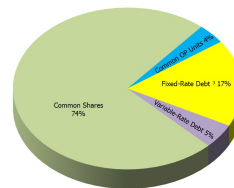
³ Fixed-rate debt includes notional principal fixed through interest rate swap transactions.

⁴ Less than 1% Preferred OP Units

Changes in Total Outstanding Common Shares and OP Units (in thousands)

	Common Shares	OP Units	Total	Weighted Average			
				Diluted EPS		FFO	
				Quarter	YTD	Quarter	YTD
Balance at 12/31/2014	68,109	3,664	71,773	64,241	59,711	67,836	62,420
ATM Issuance	571	—	571				
Other	52	249	301				
Balance at 3/31/2015	68,732	3,913	72,645	68,655	68,655	72,586	72,586
ATM Issuance	52	—	52				
Other	45	(22)	23				
Balance at 6/30/2015	68,829	3,891	72,720	69,134	68,896	73,060	72,824
ATM Issuance	185	—	185				
Other	7	—	7				
Balance at 9/30/2015	69,021	3,891	72,912	69,174	68,990	73,090	72,914
ATM Issuance	1,165	—	1,165				
Other	73	(34)	39				
Balance at 12/31/2015	70,259	3,857	74,116	69,330	68,870	73,521	73,067

Market Capitalization ⁴



Income Statements - Pro-rata Consolidation ¹

(in thousands)

	Year-to-date ended December 31, 2015			Three months ended December 31, 2015		
	Core Portfolio	Funds	Total	Core Portfolio	Funds	Total
CORE PORTFOLIO AND FUND INCOME						
PROPERTY REVENUES						
Minimum rents	\$ 109,173	\$ 9,277	\$ 118,450	\$ 28,314	\$ 2,313	\$ 30,627
Percentage rents	164	37	201	24	6	30
Expense reimbursements - CAM	11,454	1,119	12,573	4,201	340	4,541
Expense reimbursements - Taxes	16,807	1,509	18,316	4,336	328	4,664
Other property income	729	386	1,115	196	75	271
Total Property Revenues	138,327	12,328	150,655	37,071	3,062	40,133
PROPERTY EXPENSES						
Property operating - CAM	13,979	1,705	15,684	4,711	473	5,184
Other property operating (Non-CAM)	2,873	506	3,379	1,078	128	1,206
Real estate taxes	19,146	2,015	21,161	4,914	508	5,422
Total Property Expenses	35,998	4,226	40,224	10,703	1,109	11,812
NET OPERATING INCOME - PROPERTIES	102,329	8,102	110,431	26,368	1,953	28,321
OTHER INCOME (EXPENSE)						
Interest income	13,713	629	14,342	2,757	157	2,914
Straight-line rent income	3,615	624	4,239	918	174	1,092
Above/below market rent	6,123	422	6,545	1,706	123	1,829
Interest expense ²	(24,092)	(2,111)	(26,203)	(5,930)	(536)	(6,466)
Amortization of finance costs	(1,232)	(595)	(1,827)	(328)	(179)	(507)
Above/below market interest expense	1,318	5	1,323	440	—	440
Loss on extinguishment of debt	—	(26)	(26)	—	—	—
Asset and property management expense	(253)	(234)	(487)	(68)	(58)	(126)
Other income/(expense)	2,555	193	2,748	84	84	168
Transaction costs	(1,386)	(801)	(2,187)	(195)	(300)	(495)
Impairment of asset	(1,111)	—	(1,111)	—	—	—
CORE PORTFOLIO AND FUND INCOME	101,579	6,208	107,787	25,752	1,418	27,170
FEE INCOME						
Asset and property management fees	13,481	(21)	13,460	3,251	—	3,251
Transactional fees ³	8,879	—	8,879	1,563	—	1,563
Income tax (provision)/benefit	(167)	(35)	(202)	262	6	268
Total Fee Income	22,193	(56)	22,137	5,076	6	5,082
PROMOTE, RCP AND OTHER INCOME						
Equity in earnings from RCP investments	—	1,132	1,132	—	—	—
Promote income - RCP	420	—	420	—	—	—
Promote income - Fund capital transactions	18	—	18	18	—	18
Income tax (provision)/benefit (RCP)	—	(458)	(458)	—	—	—
Total Promote, RCP and Other Income	438	674	1,112	18	—	18
General and Administrative	(29,063)	(293)	(29,356)	(6,639)	(115)	(6,754)
Depreciation and amortization	(48,007)	(4,013)	(52,020)	(13,385)	(1,078)	(14,463)
Non-real estate depreciation and amortization	(652)	—	(652)	(151)	—	(151)
Gain on disposition of properties	—	11,114	11,114	—	(1,496)	(1,496)
Gain on sale of City Point air rights	—	9,404	9,404	—	—	—
Income before noncontrolling interests	46,488	23,038	69,526	10,671	(1,265)	9,406
Noncontrolling interest - OP	(2,490)	(1,328)	(3,818)	(576)	60	(516)

NET INCOME

<u>\$</u>	<u>43,998</u>	<u>\$</u>	<u>21,710</u>	<u>\$</u>	<u>65,708</u>	<u>\$</u>	<u>10,095</u>	<u>\$</u>	<u>(1,205)</u>	<u>\$</u>	<u>8,890</u>
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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.

² Net of capitalized interest of \$956 and \$3,503 for the three and twelve months, respectively.

³ Consists of development, construction, leasing and legal fees.

Income Statements -
Funds 1, 3

(in thousands)

Year-to-date ended December 31, 2015

													Total
	Fund I	AKR Pro- rata share	Mervyns I	AKR Pro- rata share	Fund II	AKR Pro- rata share	Mervyns II	AKR Pro- rata share	Fund III	AKR Pro- rata share	Fund IV	AKR Pro- rata share	AKR Pro- rata share
PROPERTY REVENUES													
Minimum rents	\$ 40	\$ 8	\$ —	\$ —	\$7,183	\$ 1,437	\$ —	\$ —	\$21,868	\$ 4,411	\$14,798	\$ 3,421	\$ 9,277
Percentage rents	—	—	—	—	—	—	—	—	151	31	22	6	37
Expense reimbursements - CAM	—	—	—	—	349	70	—	—	3,427	695	1,530	354	1,119
Expense reimbursements - Taxes	—	—	—	—	258	52	—	—	5,596	1,126	1,430	331	1,509
Other property income	139	31	—	—	584	118	—	—	127	26	915	211	386
Total Property Revenues	179	39	—	—	8,374	1,677	—	—	31,169	6,289	18,695	4,323	12,328
PROPERTY EXPENSES													
Property operating - CAM	9	1	—	—	1,799	360	—	—	4,529	916	1,854	428	1,705
Other property operating (Non-CAM)	13	3	—	—	732	147	—	—	1,100	225	569	131	506
Real estate taxes	10	2	—	—	1,321	264	—	—	5,909	1,193	2,407	556	2,015
Total Property Expenses	32	6	—	—	3,852	771	—	—	11,538	2,334	4,830	1,115	4,226
NET OPERATING INCOME - PROPERTIES	147	33	—	—	4,522	906	—	—	19,631	3,955	13,865	3,208	8,102
OTHER INCOME (EXPENSE)													
Interest income	—	—	—	—	434	87	—	—	705	143	1,726	399	629
Straight-line rent income	—	—	—	—	892	179	—	—	430	88	1,545	357	624
Above/below market rent	—	—	—	—	—	—	—	—	1,281	258	709	164	422
Interest expense	—	—	—	—	(630)	(126)	—	—	(3,354)	(675)	(5,662)	(1,310)	(2,111)
Amortization of finance costs	—	—	—	—	(265)	(54)	—	—	(766)	(154)	(1,672)	(387)	(595)
Above/below market interest expense	—	—	—	—	—	—	—	—	24	5	—	—	5
Gain on extinguishment of debt	—	—	—	—	(24)	(5)	—	—	(106)	(21)	—	—	(26)
Asset and property management expense ²	—	—	—	—	(62)	(13)	—	—	(178)	(35)	(804)	(186)	(234)
Other income/(expense)	—	—	—	—	(5)	—	(8)	(2)	1,540	310	(502)	(115)	193
Transaction costs	—	—	—	—	—	—	—	—	—	—	(3,469)	(801)	(801)
Fund Income	147	33	—	—	4,862	974	(8)	(2)	19,207	3,874	5,736	1,329	6,208
FEE INCOME													
Asset and property management fees	—	—	—	—	—	—	—	—	(101)	(21)	—	—	(21)
Income tax provision	—	—	—	—	—	—	—	—	(180)	(35)	—	—	(35)
Total Fee Income	—	—	—	—	—	—	—	—	(281)	(56)	—	—	(56)
PROMOTE, RCP AND OTHER INCOME													
Equity in earnings from RCP investments	—	—	1,656	368	1,175	235	2,645	529	—	—	—	—	1,132
Provision for income taxes (RCP)	—	—	(887)	(197)	—	—	(1,305)	(261)	—	—	—	—	(458)
Total Promote, RCP and Other Income	—	—	769	171	1,175	235	1,340	268	—	—	—	—	674
GENERAL AND ADMINISTRATIVE													
Depreciation and amortization	(2)	—	—	—	(2,951)	(590)	—	—	(7,705)	(1,555)	(8,082)	(1,868)	(4,013)

Gain on disposition of properties	61	14	—	(1,496)	10,858	2,172	—	—	52,313	10,411	58	13	11,114
Gain on sale of City Point air rights	—	—	—	—	47,020	9,404	—	—	—	—	—	—	9,404
Income before noncontrolling interest	236	52	758	(1,328)	60,929	12,188	1,309	261	62,809	12,526	(2,872)	(661)	23,038
Noncontrolling interest - OP	(13)	(3)	(90)	62	(3,255)	(651)	(145)	(29)	(3,625)	(723)	69	16	(1,328)
NET INCOME	\$ 223	\$ 49	\$ 668	\$ (1,266)	\$ 57,674	\$ 11,537	\$ 1,164	\$ 232	\$ 59,184	\$ 11,803	\$ (2,803)	\$ (645)	\$ 21,710

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.

Income Statements - Funds 1, 3

(in thousands)

Three months ended December 31, 2015

	Fund I	AKR Pro- rata share	Mervyns I	AKR Pro- rata share	Fund II	AKR Pro- rata share	Mervyns II	AKR Pro- rata share	Fund III	AKR Pro- rata share	Fund IV	AKR Pro- rata share	Total AKR Pro- rata share
PROPERTY REVENUES													
Minimum rents	\$ —	\$ —	\$ —	\$ —	\$ 1,578	\$ 316	\$ —	\$ —	\$ 4,887	\$ 1,032	\$ 4,172	\$ 965	\$ 2,313
Percentage rents	—	—	—	—	—	—	—	—	20	4	8	2	6
Expense reimbursements - CAM	—	—	—	—	88	18	—	—	998	211	480	111	340
Expense reimbursements - Taxes	—	—	—	—	36	7	—	—	1,115	235	372	86	328
Other property income	—	—	—	—	103	21	—	—	47	10	192	44	75
Total Property Revenues	—	—	—	—	1,805	362	—	—	7,067	1,492	5,224	1,208	3,062
PROPERTY EXPENSES													
Property operating - CAM	—	—	—	—	467	93	—	—	1,203	254	547	126	473
Other property operating (Non-CAM)	—	—	—	—	(30)	(6)	—	—	445	94	173	40	128
Real estate taxes	—	—	—	—	295	59	—	—	1,406	297	659	152	508
Total Property Expenses	—	—	—	—	732	146	—	—	3,054	645	1,379	318	1,109
NET OPERATING INCOME - PROPERTIES	—	—	—	—	1,073	216	—	—	4,013	847	3,845	890	1,953
OTHER INCOME (EXPENSE)													
Interest income	—	—	—	—	126	25	—	—	188	40	400	92	157
Straight-line rent income	—	—	—	—	233	47	—	—	229	48	341	79	174
Above/below market rent	—	—	—	—	—	—	—	—	227	48	324	75	123
Interest expense	—	—	—	—	(83)	(17)	—	—	(656)	(138)	(1,646)	(381)	(536)
Amortization of finance costs	—	—	—	—	(79)	(16)	—	—	(180)	(38)	(540)	(125)	(179)
Above/below market interest expense	—	—	—	—	—	—	—	—	—	—	—	—	—
Loss on extinguishment of debt	—	—	—	—	—	—	—	—	—	—	—	—	—
Asset and property management expense 2	—	—	—	—	—	—	—	—	(20)	(4)	(232)	(54)	(58)
Other income/(expense)	(1)	—	—	—	19	4	(8)	(2)	389	82	(1)	—	84
Transaction costs	—	—	—	—	—	—	—	—	—	—	(1,299)	(300)	(300)
Fund Income	(1)	—	—	—	1,289	259	(8)	(2)	4,190	885	1,192	276	1,418
FEE INCOME													
Asset and property management fees	—	—	—	—	—	—	—	—	—	—	—	—	—
Income tax benefit	—	—	—	—	—	—	—	—	27	6	—	—	6
Total Fee Income	—	—	—	—	—	—	—	—	27	6	—	—	6
PROMOTE, RCP AND OTHER INCOME													
Equity in earnings from RCP investments	—	—	—	—	—	—	—	—	—	—	—	—	—
Income tax (provision)/benefit (RCP)	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Promote, RCP and Other Income	—	—	—	—	—	—	—	—	—	—	—	—	—
GENERAL AND ADMINISTRATIVE	(7)	(2)	(7)	(2)	(4)	(1)	(10)	(2)	(322)	(68)	(173)	(40)	(115)
Depreciation and amortization	—	—	—	—	(675)	(135)	—	—	(1,771)	(374)	(2,463)	(569)	(1,078)

Gain on disposition of properties	—	—	—	(1,496)	—	—	—	—	—	—	—	—	(1,496)
Gain on disposition of City Point	—	—	—	—	—	—	—	—	—	—	—	—	—
Income before noncontrolling interest	(8)	(2)	(7)	(1,498)	610	123	(18)	(4)	2,124	449	(1,444)	(333)	(1,265)
Noncontrolling interest - OP	—	—	—	82	(75)	(15)	—	—	(118)	(25)	78	18	60
NET INCOME	\$ (8)	\$ (2)	\$ (7)	\$ (1,416)	\$ 535	\$ 108	\$ (18)	\$ (4)	\$ 2,006	\$ 424	\$ (1,366)	\$ (315)	\$ (1,205)

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")¹

(in thousands)

	Current		Previous			Historic	
	Year-to-Date	Quarter	Quarter	Quarter	Quarter	Year-to-Date	Quarter
	Period ended	3 months ended	3 months ended	3 months ended	3 months ended	Period ended	3 months ended
	December 31, 2015	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	December 31, 2014
<u>Funds from operations ("FFO"):</u>							
Net Income	\$ 65,708	\$ 8,890	\$ 13,776	\$ 26,495	\$ 16,547	\$ 71,064	\$ 9,441
Add back:							
Depreciation of real estate and amortization of leasing costs:							
(net of noncontrolling interest share)	52,013	14,463	15,073	11,541	10,936	38,020	10,414
Gain on disposition of properties (net of noncontrolling interest share)	(11,114)	1,496	(1,403)	(5,805)	(5,402)	(33,438)	(258)
Impairment of asset	1,111	—	—	1,111	—	—	—
Income attributable to noncontrolling interests'							
share in Operating Partnership	3,842	529	811	1,530	973	3,236	564
FFO to Common Shareholders and Common OP Unit holders	\$ 111,560	\$ 25,378	\$ 28,257	\$ 34,872	\$ 23,054	\$ 78,882	\$ 20,161
Add back: Transaction costs	2,187	495	203	203	1,113	5,164	1,645
FFO before transaction costs	\$ 113,747	\$ 25,873	\$ 28,460	\$ 35,075	\$ 24,167	\$ 84,046	\$ 21,806
<u>Adjusted Funds from operations ("AFFO"):</u>							
Diluted FFO	\$ 111,560	\$ 25,378	\$ 28,257	\$ 34,872	\$ 23,054	\$ 78,882	\$ 20,161
Straight-line rent, net	(4,239)	(1,092)	(999)	(1,193)	(955)	(3,578)	(932)
Above/below market rent	(6,545)	(1,829)	(2,355)	(1,136)	(1,225)	(3,510)	(1,010)
Amortization of finance costs	1,827	507	509	406	405	1,534	397
Above/below market interest	(1,323)	(440)	(198)	(340)	(345)	(1,105)	(507)
Loss on extinguishment of debt	26	—	—	5	21	104	14
Non-real estate depreciation	652	151	241	130	130	523	136
Leasing commissions	(1,566)	(263)	(482)	(611)	(210)	(939)	(228)
Tenant improvements	(6,349)	(747)	(2,437)	(2,074)	(1,091)	(3,962)	(1,411)
Capital expenditures	(3,602)	(860)	(651)	(414)	(1,677)	(964)	(187)
AFFO to Common Shareholders and Common OP Unit holders	\$ 90,441	\$ 20,805	\$ 21,885	\$ 29,645	\$ 18,107	\$ 66,985	\$ 16,433
Total weighted average diluted shares and OP Units:	73,067	73,521	73,090	73,060	72,586	62,420	67,836
Diluted FFO per Common share and OP Unit:							
FFO	\$ 1.53	\$ 0.35	\$ 0.39	\$ 0.48	\$ 0.32	\$ 1.26	\$ 0.30
FFO before transaction costs	\$ 1.56	\$ 0.35	\$ 0.39	\$ 0.48	\$ 0.33	\$ 1.35	\$ 0.32
AFFO	\$ 1.24	\$ 0.28	\$ 0.30	\$ 0.41	\$ 0.25	\$ 1.07	\$ 0.24
AFFO before transaction costs	\$ 1.27	\$ 0.29	\$ 0.30	\$ 0.41	\$ 0.26	\$ 1.16	\$ 0.27

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.

EBITDA

(in thousands)

	Year-to-Date			Current Quarter		
	Period ended December 31, 2015			Three months ended December 31, 2015		
	Core			Core		
	Portfolio	Funds	Total	Portfolio	Funds	Total
NET INCOME	\$ 43,998	\$ 21,710	\$ 65,708	\$ 10,095	\$ (1,205)	\$ 8,890
Adjustments:						
Depreciation and amortization	48,659	4,013	52,672	13,536	1,078	14,614
Interest expense	24,092	2,111	26,203	5,930	536	6,466
Amortization of finance costs	1,232	595	1,827	328	179	507
Above/below market interest	(1,318)	(5)	(1,323)	(440)	—	(440)
Gain on disposition of properties	—	(11,114)	(11,114)	—	1,496	1,496
Gain on sale of City Point air rights	—	(9,404)	(9,404)	—	—	—
Impairment of asset	1,111	—	1,111	—	—	—
Provision for income taxes	167	493	660	(262)	(6)	(268)
Loss on extinguishment of debt	—	26	26	—	—	—
Noncontrolling interest - OP	2,490	1,328	3,818	576	(60)	516
EBITDA	\$ 120,431	\$ 9,753	\$ 130,184	\$ 29,763	\$ 2,018	\$ 31,781

Core Portfolio

 Same Property Performance ¹

(in thousands)

	Year-to-Date			Quarter		
	Period ended		Change Favorable/(Unfavorable)	Three months ended		Change Favorable/(Unfavorable)
	December 31, 2015	December 31, 2014		December 31, 2015	December 31, 2014	
Revenue						
Minimum rents	\$ 78,883	\$ 76,290	3.4%	\$ 19,953	\$ 19,133	4.3%
Expense reimbursements	20,298	19,239	5.5%	6,241	5,055	23.5%
Other property income	634	438	44.7%	113	86	31.4%
Total Revenue	99,815	95,967	4.0%	26,307	24,274	8.4%
Expenses						
Property operating - CAM & Real estate taxes	24,103	23,357	(3.2)%	7,050	6,207	(13.6)%
Other property operating (Non-CAM)	2,051	1,760	(16.5)%	782	456	(71.5)%
Total Expenses	26,154	25,117	(4.1)%	7,832	6,663	(17.5)%
Same Property NOI - Core properties	\$ 73,661	\$ 70,850	4.0%	\$ 18,475	\$ 17,611	4.9%
Reconciliation of Same Property NOI to Core NOI						
NOI of Properties excluded from Same Property NOI	28,668	10,479		7,893	4,046	
Core NOI ²	\$ 102,329	\$ 81,329		\$ 26,368	\$ 21,657	
Other same property information						
Physical Occupancy	96.9%	96.2%				
Leased Occupancy	97.3%	97.3%				

Notes:

¹ The above amounts include the pro-rata activity related to the Company's Core consolidated and unconsolidated investments.

² See "Income Statement - Consolidated."

Fee income by Fund

(in thousands)

	<u>Fund I</u>	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Other</u>	<u>Total</u>
Year-to-date ended December 31, 2015						
Asset and property management fees and priority distributions	\$ 28	\$ 2,419	\$ 4,182	\$ 6,230	\$ 622	\$ 13,481
Transactional fees	31	4,893	1,158	2,428	369	8,879
Total fees and priority distributions	<u>\$ 59</u>	<u>\$ 7,312</u>	<u>\$ 5,340</u>	<u>\$ 8,658</u>	<u>\$ 991</u>	<u>\$ 22,360</u>

	<u>Fund I</u>	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Other</u>	<u>Total</u>
Quarter ended December 31, 2015						
Asset and property management fees and priority distributions	—	\$ 590	\$ 940	\$ 1,573	\$ 148	\$ 3,251
Transactional fees	2	810	233	508	10	1,563
Total fees and priority distributions	<u>\$ 2</u>	<u>\$ 1,400</u>	<u>\$ 1,173</u>	<u>\$ 2,081</u>	<u>\$ 158</u>	<u>\$ 4,814</u>

	<u>Fund I</u>	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Other</u>	<u>Total</u>
Previous Quarter ended September 30, 2015						
Asset and property management fees and priority distributions	\$ 6	\$ 579	\$ 973	\$ 1,561	\$ 139	\$ 3,258
Transactional fees	17	1,364	328	526	207	2,442
Total management fees and priority distributions	<u>\$ 23</u>	<u>\$ 1,943</u>	<u>\$ 1,301</u>	<u>\$ 2,087</u>	<u>\$ 346</u>	<u>\$ 5,700</u>

	<u>Fund I</u>	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Other</u>	<u>Total</u>
Previous Quarter ended June 30, 2015						
Asset and property management fees and priority distributions	\$ 11	\$ 598	\$ 1,070	\$ 1,553	\$ 132	\$ 3,364
Transactional fees	6	955	264	989	64	2,278
Total fees and priority distributions	<u>\$ 17</u>	<u>\$ 1,553</u>	<u>\$ 1,334</u>	<u>\$ 2,542</u>	<u>\$ 196</u>	<u>\$ 5,642</u>

	<u>Fund I</u>	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Other</u>	<u>Total</u>
Previous Quarter ended March 31, 2015						
Asset and property management fees and priority distributions	\$ 11	\$ 652	\$ 1,199	\$ 1,543	\$ 203	\$ 3,608
Transactional fees	6	1,764	333	405	88	2,596
Total fees and priority distributions	<u>\$ 17</u>	<u>\$ 2,416</u>	<u>\$ 1,532</u>	<u>\$ 1,948</u>	<u>\$ 291</u>	<u>\$ 6,204</u>

Pro-Rata Consolidated Balance Sheet

(in thousands)

	Notes	Consolidated	Noncontrolling	Company's	Pro-Rata	
		Balance	Interest in	Interest in	Consolidated	
		Sheet	Consolidated	Unconsolidated	Balance	
	1, 2	As Reported	Subsidiaries	Subsidiaries	Sheet	Notes
ASSETS						
Real estate						
Land		\$ 514,120	\$ (136,684)	\$ 28,353	\$ 405,789	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		1,593,350	(393,947)	177,513	1,376,916	
Construction in progress		19,239	(13,850)	260	5,649	
		2,126,709	(544,481)	206,126	1,788,354	
Less: accumulated depreciation		(298,703)	69,654	(11,756)	(240,805)	2 The Company currently invests in Funds I, II, III & IV and Mervyns I & II which are consolidated within the Company's financial statements.
Net real estate		1,828,006	(474,827)	194,370	1,547,549	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 under development	3	609,574	(488,456)	6,643	127,761	3 The components of Net real estate under development are as follows:
Cash and cash equivalents		72,776	(30,143)	3,263	45,896	Fund II
Cash in escrow		26,444	(17,222)	2,208	11,430	Fund III
Restricted cash		10,840	(8,672)	—	2,168	Fund IV
Investments in and advances to unconsolidated affiliates		173,277	(70,220)	(101,340)	1,717	Other
Rents receivable, net		9,092	(1,213)	2,238	10,117	
Straight-line rents receivable, net		31,333	(12,300)	1,801	20,834	
Notes receivable		147,188	(27,137)	—	120,051	
Deferred charges, net		22,568	(9,999)	1,201	13,770	
Prepaid expenses and other assets	4	48,628	25,770	482	74,880	
Acquired lease intangibles		52,593	(9,495)	12,441	55,539	
Total Assets		\$ 3,032,319	\$ (1,123,914)	\$ 123,307	\$ 2,031,712	Total Funds
						\$ 609,574
LIABILITIES AND SHAREHOLDERS' EQUITY						
Mortgage and other notes payable		\$ 1,059,254	\$ (708,009)	\$ 121,604	\$ 472,849	4 The components of Prepaid expenses and other assets are as follows:
Unsecured notes payable		309,710	(80,660)	—	229,050	Due from Fund Investors
Valuation of debt at acquisition, net of amortization		1,364	—	1,089	2,453	Accrued interest on Notes receivable
Unamortized loan costs		(11,722)	7,708	(1,339)	(5,353)	Prepaid expenses
Acquired lease intangibles		31,809	(5,894)	9,388	35,303	Other
Accounts payable and accrued expenses		38,754	(8,823)	3,308	33,239	Total
Dividends and distributions payable		37,552	—	—	37,552	
Share of losses in excess of inv. in unconsolidated affiliates		13,244	—	(13,244)	—	
Other liabilities		31,002	(9,962)	2,501	23,541	
Total Liabilities		1,510,967	(805,640)	123,307	828,634	
Shareholders' equity:						
Common shares		70	—	—	70	
Additional paid-in capital		1,092,239	—	—	1,092,239	

Accumulated other comprehensive loss	(4,463)	—	—	(4,463)
Retained earnings	12,640	—	—	12,640
Total controlling interest	1,100,486	—	—	1,100,486
Noncontrolling interest in subsidiary	420,866	(318,274)	—	102,592
Total Shareholders' Equity	1,521,352	(318,274)	—	1,203,078
Total Liabilities and Shareholders' Equity	<u>\$ 3,032,319</u>	<u>\$ (1,123,914)</u>	<u>\$ 123,307</u>	<u>\$ 2,031,712</u>

Structured Financing Portfolio

(in thousands)

Investment	Previous			Current Period			Stated Interest Rate	Effective Interest Rate ¹	Maturity Dates
	Principal	Advances	Repayments	Current Principal	Accrued Interest	Total			
First mortgage notes	\$ 65,169	\$ —	\$ —	\$ 65,169	\$ 979	\$ 66,148	6.68%	7.18%	2016 to 2018
Mezzanine, preferred equity and other notes	47,878	—	—	47,878	9,079	56,957	12.91%	13.00%	2016 to 2020
Total notes receivable	\$ 113,047	\$ —	\$ —	\$ 113,047	\$ 10,058	\$ 123,105	9.32%	9.64%	

Note:

¹ Inclusive of points and exit fees.

Reconciliation of Notes Receivable to the Consolidated Balance Sheet

Total Notes Receivable per above	\$ 113,047
Other loans (pro-rata share)	7,004
Total Notes Receivable per Pro-Rata Balance Sheet	<u>\$ 120,051</u>

Transactional Activity

(in thousands)

Acquisitions:

Property Name	Purchase Price	Ownership %	Acadia Share	Month of Transaction	Location	Key Tenants
Core Portfolio:						
City Center	\$ 155,000	100%	\$ 155,000	March	San Francisco, CA	City Target, Best Buy
163 Highland Avenue	24,000	100%	24,000	March	Needham, MA	Staples, Petco
Route 202 Shopping Center ¹	5,643	78%	5,643	April	Wilmington, DE	—
Roosevelt Galleria	19,600	100%	19,600	September	Chicago, IL	Petco, Vitamin Shoppe
Gotham Plaza ²	38,790	49%	38,790	January - 2016	Manhattan, NY	Bank of America, The Children's Place
Total	<u>\$ 243,033</u>		<u>\$ 243,033</u>			

Funds:**Fund IV:**

1035 Third Avenue	\$ 51,036	100%	\$ 51,036	January	New York, NY	—
801 Madison Avenue	33,000	100%	33,000	April	New York, NY	—
650 Bald Hill Road	9,216	90%	8,294	October	Warwick, RI	—
2208-2216 Fillmore Street	8,625	90%	7,763	October	San Francisco, CA	Eileen Fisher
2207 Fillmore Street	2,800	90%	2,520	November	San Francisco, CA	L'Occitane
146 Geary Street	38,000	100%	38,000	November	San Francisco, CA	—
1861 Union Street	3,500	90%	3,150	December	San Francisco, CA	—
1964 Union Street	2,250	90%	2,025	January - 2016	San Francisco, CA	—
Restaurants at Fort Point	11,500	100%	11,500	January - 2016	Boston, MA	—
Total	<u>\$ 159,927</u>		<u>\$ 157,288</u>			

Dispositions:

Property Name	Disposition Price	Ownership %	Fund Share	Month of Transaction	Location	Key Tenants
Funds:						
Fund I:						
Kroger-Safeway	\$ 278	60%	\$ 167	September	Indianapolis, IN	Kroger
Fund II:						
Liberty	\$ 24,000	99%	\$ 23,784	May	Queens, NY	CVS
City Point - Phase 3 Air Rights	115,571	94%	108,804	May	Brooklyn, NY	
	<u>\$ 139,571</u>		<u>\$ 132,588</u>			
Fund III:						
Lincoln Park Centre	\$ 64,000	100%	\$ 64,000	January	Chicago, IL	Design Within Reach
White City Shopping Center	96,750	84%	81,270	April	Shrewsbury, MA	Shaw's (Supervalu)
Parkway Crossing	27,275	90%	24,548	July	Parkville, MD	Home Depot, Shop Rite
Cortlandt ³	107,250	65%	107,250	January - 2016	Mohegan Lake, NY	—
	<u>\$ 295,275</u>		<u>\$ 277,068</u>			
Total Funds	<u>\$ 435,124</u>		<u>\$ 409,823</u>			

Structured Finance Investments:

Investment	Loan Amount	Effective Interest Rate	Maturity Date	Month of Transaction	Location	Extension Options
Core Portfolio:						
135 East 65th Street	\$ 15,000	6%	May, 2016	May	New York, NY	1 x 12 mos.
55-57 Spring Street	<u>26,000</u>	7%	June, 2018	June	New York, NY	1 x 12 mos.
Total	<u><u>\$ 41,000</u></u>					
Fund IV:						
900 W. Randolph Street	\$ 14,000	15%	February, 2021	February - 2016	Chicago, IL	2 x 12 mos.

Notes:

¹ Acquired the remaining 77.78% interest in this property for \$5,643.

² Acquired a 49% interest in this property for \$38,790.

³ Sold a 65% interest in this property for \$107,250.

2016 Annual Guidance

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
Summary:			
Funds from Operations ("FFO") per share (before acquisition costs)	\$1.52 to \$1.60	\$1.56	- 2015 included \$0.13 of gain from the sale of air rights - Before 2015 acquisition costs totaled \$0.03
Earnings per Share ("EPS") (before acquisition costs)	\$0.99 to \$1.07	\$0.97	
FFO Components:			
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 of taxes	\$9.0 to \$11.0	\$11.0	- 2015 included \$0.13 of gain from the sale of air rights - 2016 includes \$0.07 to \$0.10 of net Promote income - partial offsets above in fee income and Fund portfolio line items
General and administrative expense	\$(31.0) to \$(30.5)	\$(29.4)	
FFO	\$116.5 to \$126.0	\$113.8	
Additional Guidance Assumptions:			
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 (x4)	Fund Level		AKR Pro-rata Share		Fund Level		AKR pro-rata share		Fund Level		AKR pro-rata share		
			Quarterly	Annualized (x4)	%	\$	Quarterly	Annualized (x4)	%	\$	Quarterly	Annualized (x4)	%	\$	
Current NOI															
Net Operating Income	\$ 26,368	¹ \$ 105,472	\$ 1,073	\$ 4,292	20.00%	\$ 858	\$ 4,013	\$ 16,052	24.54%	\$ 3,939	\$ 3,845	\$ 15,380	23.12%	\$ 3,556	
Less:															
(Income)/ loss from properties sold or under contract			—	—	—	—	(1,544)	(6,175)	(1,515)	—	—	—	—	—	
(Income)/ loss from pre-stabilized assets ²			(350)	(1,400)		(280)	(555)	(2,221)		(545)	(2,276)	(9,104)		(2,105)	
(Income)/ loss from development projects ³			(120)	(480)		(96)	—	—		—	(105)	(420)		(97)	
Net Operating Income of stabilized assets			<u>603</u>	<u>2,412</u>		<u>482</u>	<u>1,914</u>	<u>7,656</u>		<u>1,879</u>	<u>1,464</u>	<u>5,856</u>		<u>1,354</u>	
Costs to Date															
Pre-stabilized assets ²			\$ 73,199			\$ 14,640		\$ 64,164		\$ 15,746		\$ 144,345		\$ 33,373	
Development projects ³				377,700			75,540				8,908		139,900		32,345
Total Costs to Date				<u>\$ 450,899</u>			<u>\$ 90,180</u>				<u>\$ 24,654</u>		<u>\$ 284,245</u>		<u>\$ 65,718</u>
Debt		<u>\$ 515,513</u>		<u>\$ 393,746</u>		<u>\$ 74,097</u>		<u>\$ 174,280</u>		<u>\$ 40,310</u>		<u>\$ 325,346</u>		<u>\$ 71,979</u>	

Gross asset value ²
Net Asset Value

Notes:

¹ Does not include a full quarter of NOI for those assets purchased during the fourth quarter 2015. See "Transactions Activity" page in this supplemental for descriptions of those acquisitions.

² 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

³ See "Redevelopment Activity" page in this supplemental

Selected Financial Ratios

(in thousands)

	Three months ended December 31,		Period ended December 31,			Three months ended December 31,		Three months ended September 30,	
	2015	2014	2015	2014		2015	2015		
COVERAGE RATIOS ¹					LEVERAGE RATIOS				
Fixed-Charge Coverage Ratios					Debt/Market Capitalization Ratios				
EBITDA ² divided by:	\$29,763	\$ 23,527	\$120,431	\$ 92,309	Debt + Preferred Equity (Preferred O.P. Units)	\$ 702,730	\$ 693,784		
Interest expense	5,930	5,373	24,092	20,905	Total Market Capitalization	3,159,675	2,886,248		
Principal Amortization	1,184	1,347	5,174	4,962	Debt+Preferred Equity/Total Market Capitalization	22%	24%		
Preferred Dividends ³	13	14	31	27	Debt ⁶	654,666	652,911		
Fixed-Charge Coverage Ratio - Core Portfolio	4.2x	3.5x	4.1x	3.6x	Total Market Capitalization	3,111,611	2,845,375		
EBITDA divided by:	\$31,781	\$ 26,266	\$130,184	\$ 104,020	Net Debt+Preferred Equity/Total Market Capitalization	21%	23%		
Interest expense	6,466	5,859	26,203	23,789	Debt/EBITDA Ratios				
Principal Amortization	1,339	1,550	5,859	5,694	Debt	515,513	530,236		
Preferred Dividends	13	14	31	27	EBITDA (Annualized)	119,052	132,832		
Fixed-Charge Coverage Ratio - Core Portfolio and Funds	4.1x	3.5x	4.1x	3.5x	Debt/EBITDA - Core Portfolio	4.3x	4.0x		
Payout Ratios					Debt ⁵	477,306	501,929		
Dividends declared (per share/OP Unit) ⁴	\$ 0.25	\$ 0.24	\$ 0.97	\$ 0.93	EBITDA (Annualized)	119,052	132,832		
Dividends (Shares) & Distributions (OP Units) declared	\$18,776	\$ 17,482	\$ 71,888	\$ 60,447	Net Debt/EBITDA - Core Portfolio	4.0x	3.8x		
FFO	25,378	20,161	111,560	78,882	Debt ⁴	701,899	693,030		
FFO Payout Ratio	74%	87%	64%	77%	EBITDA (Annualized)	127,124	143,380		
FFO Payout Ratio before acquisition costs	73%	80%	63%	72%	Debt/EBITDA - Core Portfolio and Funds	5.5x	4.8x		
FFO Payout Ratio before gain on City Point Air Rights			70%		Debt ⁶	654,666	652,911		
Dividends (Shares) & Distributions (OP Units) paid	18,776	17,482	71,888	60,447	EBITDA (Annualized)	127,124	143,380		
AFFO	20,805	16,433	90,441	66,985	Net Debt/EBITDA - Core Portfolio and Funds	5.1x	4.6x		
AFFO Payout Ratio	90%	106%	79%	90%					
AFFO Payout Ratio before acquisition costs	89%	97%	78%	84%					

Notes:

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.

1

2 See page 10 for a calculation of EBITDA.

3

Represents preferred distributions on Preferred Operating partnership Units.

4

Does not include special dividends of \$0.25 for 4Q and YTD 2015 or \$0.30 for 4Q and YTD 2014.

4

Includes the Company's pro-rata share of consolidated and unconsolidated joint venture debt.

5

Reflects debt net of the current Core Portfolio cash balance at end of period.

6

Reflects debt net of the current Core Portfolio and pro-rata share of the Funds cash balance at end of period.

Portfolio Debt - Summary

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

(in thousands)

	Acadia Pro-Rata Share of Debt ²						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 ³	Debt ⁴	As Reported	
Fixed-Rate Debt ¹	\$ 149,159	3.7%	\$ —	n/a	\$ 149,159	3.7%	21%	\$ —	\$ —	\$ 149,159
Variable-Rate Debt	21,641	2.0%	—	n/a	21,641	2.0%	3%	160	—	21,801
										24%
Mortgage and Other Notes Payable										
Fixed-Rate Debt ¹	344,713	4.7%	54,550	4.3%	399,263	4.4%	57%	367,147	(106,856)	659,554
Variable-Rate Debt	—	—	131,836	2.1%	131,836	2.1%	19%	421,362	(14,748)	538,450
										76%
Total	\$ 515,513	4.3%	\$ 186,386	2.8%	\$ 701,899	3.8%	100%	\$ 788,669	\$ (121,604)	1,368,964
Unamortized premium										1,364
Unamortized loan costs										(11,722)
										\$ 1,358,606

Notes:

¹ Fixed-rate debt includes notional principal fixed through swap transactions.

² Represents the Company's pro-rata share of debt based on its percent ownership.

³ Represents the noncontrolling interest pro-rata share of consolidated partnership debt based on its percent ownership.

⁴ 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
	December 31, 2015		Percent	Amount	Rate	Date	Options
<u>CORE PORTFOLIO</u>							
<u>Fixed-Rate Debt</u>							
Chicago Portfolio ⁸	\$	14,955	100.0%	\$ 14,955	5.61%	2/1/2016	None
330-340 River Street		10,421	100.0%	10,421	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		15,727	100.0%	15,727	6.35%	12/1/2016	None
239 Greenwich Avenue		26,000	75.0%	19,500	5.42%	2/11/2017	None
639 West Diversey		4,142	100.0%	4,142	6.65%	3/1/2017	None
Merrillville Plaza		25,150	100.0%	25,150	5.88%	8/1/2017	None
Bedford Green		29,151	100.0%	29,151	5.1%	9/5/2017	None
163 Highland Avenue		9,595	100.0%	9,595	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		17,570	50.0%	8,785	4.72%	12/10/2027	None
Unsecured interest rate swaps ¹		149,159	100.0%	149,159	3.71%	Various	
Secured interest rate swaps ¹		72,443	99.8%	72,283	3.31%	Various	
Sub-Total Fixed-Rate Debt		681,513		493,872	4.42%		
<u>Secured Variable-Rate Debt</u>							
664 N. Michigan		43,107	100.0%	43,107	Libor + 165	6/28/2018	1 x 60 mos.
4401 N. White Plains Road		6,015	100.0%	6,015	Libor + 190	9/1/2022	None
28 Jericho Turnpike		15,315	100.0%	15,315	Libor + 190	1/23/2023	None
60 Orange Street		8,006	98.0%	7,846	Libor + 175	4/3/2023	None
Secured interest rate swaps ¹		(72,443)	99.8%	(72,283)	Libor + 147		
<u>Unsecured Variable-Rate Debt</u>							
Unsecured Line of Credit ²		20,800	100.0%	20,800	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 + 160	12/18/2022	None
Unsecured interest rate swaps ¹		(149,159)	100.0%	(149,159)	Libor + 147		
Sub-Total Variable-Rate Debt		21,641		21,641	Libor + 177		
Total Debt - Core Portfolio	\$	703,154		\$ 515,513	4.31%		

Portfolio Debt - Detail (continued)

(in thousands)

Property	Entity	Principal Balance at		Acadia's Pro-rata Share		Interest Rate	Maturity Date	Extension Options
		December 31, 2015		Percent	Amount			
Funds								
Fixed-Rate Debt								
CityPoint 3	Fund II	\$	19,000	17.9%	\$	3,406	1.25%	12/23/2016 1 x 12 mos.
216th Street 3	Fund II		25,500	19.8%		5,054	5.80%	10/1/2017 None
CityPoint 3,6	Fund II		5,262	18.8%		991	1.00%	8/23/2019 None
CityPoint 3	Fund II		200,000	18.8%		37,657	4.75%	5/29/2020 None
2207 Fillmore Street 3	Fund IV		1,120	20.8%		233	4.50%	10/31/2025 None
Interest rate swaps 1	Funds II & IV		34,888	20.7%		7,209	3.29%	Various
Sub-Total Fixed-Rate Debt			285,770			54,550	4.29%	
Variable-Rate Debt								
Cortlandt Towne Center 8	Fund III		83,070	24.5%		20,352	Libor + 165	1/24/2016 None
Nostrand Avenue	Fund III		11,527	24.5%		2,824	Libor + 265	2/1/2016 2 x 12 mos.
Heritage Shops	Fund III		24,500	24.5%		6,003	Libor + 155	2/28/2016 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 3	Fund III		22,109	15.5%		3,419	Libor + 295	7/1/2016 None
CityPoint 3	Fund II		20,000	18.8%		3,766	Libor + 170	8/23/2016 1 x 12 mos.
Acadia Strategic Opportunity II LLC	Fund II		12,500	20.0%		2,500	Libor + 275	10/19/2016 None
Acadia Strategic Opportunity IV LLC 4	Fund IV		91,910	23.1%		21,250	Libor + 165	11/18/2016 None
Promenade at Manassas 3	Fund IV		25,000	22.8%		5,696	Libor + 140	11/19/2016 2 x 12 mos.
CityPoint 3	Fund II		62,000	17.9%		11,113	Sifma + 160	12/23/2016 1 x 12 mos.
1701 Belmont Avenue 3,7	Fund IV		3,169	22.8%		722	Prime + 50	1/31/2017 None
Acadia Strategic Opportunity IV LLC 5	Fund IV		34,500	23.1%		7,976	Libor + 275	2/9/2017 1 x 6 mos.
654 Broadway	Fund III		8,835	24.5%		2,165	Libor + 188	3/1/2017 2 x 12 mos.
Arundel Plaza 3	Fund III		10,000	22.1%		2,205	Libor + 200	4/8/2017 1 x 12 mos.
New Hyde Park Shopping Center	Fund III		11,240	24.5%		2,754	Libor + 185	5/1/2017 2 x 12 mos.
938 W. North Avenue 3	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		4,600	23.1%		1,064	Libor + 275	10/15/2017 1 x 12 mos.
2819 Kennedy Boulevard 3	Fund IV		6,814	22.8%		1,553	Libor + 215	12/9/2017 2 x 12 mos.
Eden Square 3	Fund IV		16,000	22.8%		3,646	Libor + 200	12/17/2017 1 x 12 mos.
161st Street 3	Fund II		29,500	19.8%		5,847	Libor + 250	4/1/2018 None
230/240 W. Broughton	Fund IV		8,009	11.6%		926	Libor + 190	5/1/2018 None
Paramus Plaza 3	Fund IV		13,339	11.6%		1,542	Libor + 170	2/20/2019 None
Lake Montclair	Fund IV		14,904	23.1%		3,446	Libor + 215	5/1/2019 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 3	Fund II		19,984	18.8%		3,763	Libor + 139	11/1/2021 None
3104 M Street 3,7	Fund III		2,999	19.6%		588	Prime + 50	12/10/2021 None
Interest rate swaps 1	Funds II & IV		(34,888)	20.7%		(7,209)	Libor + 196	
Sub-Total Variable-Rate Debt			607,602			131,836	Libor + 195	
Total Debt - Funds		\$	893,372		\$	186,386	2.77%	
Total Debt - Core Portfolio and Funds		\$	1,596,526		\$	701,899	3.90%	

Portfolio Debt - Notes

(in thousands)

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

2 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 December 31, 2015, the interest rate is LIBOR + 140 basis points.

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

⁴ 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.

⁵ Total current availability under this facility is \$50,000.

⁶ 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.

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

⁸ This loan was paid off subsequent to December 31, 2015.

Future Debt Maturities ¹

(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	\$ 3,935	\$ 206,929	\$ 210,864	\$ 3,766	\$ 77,662	\$ 81,428	5.90%	5.90%	n/a
2017	3,550	82,926	86,476	3,224	76,426	79,650	5.51%	5.51%	n/a
2018	3,170	60,858	64,028	2,382	60,858	63,240	1.81%	n/a	1.81%
2019	2,740	50,000	52,740	1,920	50,000	51,920	1.54%	n/a	1.54%
2020	2,835	50,000	52,835	1,983	50,000	51,983	1.64%	n/a	1.64%
Thereafter	11,216	224,995	236,211	6,947	180,345	187,292	3.34%	4.29%	1.92%
Total	\$ 27,446	\$ 675,708	\$ 703,154	\$ 20,222	\$ 495,291	\$ 515,513			

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	\$ 1,624	\$ 391,525	\$ 393,149	\$ 381	\$ 84,931	\$ 85,312	2.00%	1.25%	2.03%
2017	973	144,478	145,451	205	32,055	32,260	2.76%	4.87%	2.16%
2018	918	37,509	38,427	183	6,773	6,956	2.81%	n/a	2.81%
2019	519	31,967	32,486	106	5,658	5,764	2.03%	1.00%	2.26%
2020	398	218,539	218,937	80	41,943	42,023	4.48%	4.75%	2.14%
Thereafter	1,169	63,753	64,922	220	13,851	14,071	2.48%	4.50%	2.44%
Total	\$ 5,601	\$ 887,771	\$ 893,372	\$ 1,175	\$ 185,211	\$ 186,386			

Note:

¹ 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	
												Total	Total	PSF	
STREET AND URBAN RETAIL															
Chicago Metro															
664 N. Michigan Avenue	Tommy Bahama, Ann Taylor Loft, Harley Davidson	2013	100.0%	18,141	—	—	18,141	100.0%	—	—	100.0%	100.0%	\$4,399,313	\$ 242.51	
840 N. Michigan Avenue	H & M, Verizon Wireless	2014	88.4%	87,135	—	—	87,135	100.0%	—	—	100.0%	100.0%	7,548,895	86.63	
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%	6,205,858	156.00	
651-671 West Diversey	Trader Joe's, Urban Outfitters	2011	100.0%	46,259	—	—	46,259	100.0%	—	—	100.0%	100.0%	1,922,016	41.55	
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%	1,831,119	43.07	
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%	1,659,944	39.68	
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%	25,866,375	76.95	
New York Metro															
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%	2,209,681	752.62	
Mercer Street	3 X 1 Denim	2011	100.0%	3,375	—	—	3,375	100.0%	—	—	100.0%	100.0%	418,689	124.06	
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	86.3%	—	—	86.3%	86.3%	2,058,708	413.46	
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%	852,150	75.08	
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%	1,469,653	88.78	
252-256 Greenwich Avenue	Madewell, Calypso, Jack Wills	2014	100.0%	9,172	—	—	9,172	100.0%	—	—	100.0%	100.0%	1,238,827	135.07	
Third Avenue	Planet Fitness	2006	100.0%	—	21,650	18,670	40,320	—	100.0%	100.0%	100.0%	100.0%	898,890	22.29	
868 Broadway	Dr. Martens	2013	100.0%	2,031	—	—	2,031	100.0%	—	—	100.0%	100.0%	702,531	345.90	
313-315 Bowery 2	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%	1,873,981	148.28	
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%	81.6%	91.3%	91.3%	2,736,357	29.99
				92,695	86,950	110,099	289,744	97.8%	100.0%	92.1%	96.3%	96.7%	20,552,954	73.67
San Francisco Metro														
City Center	City Target, Best Buy	2015	100.0%	—	174,311	30,337	204,648	—	100.0%	82.9%	97.5%	97.5%	7,333,292	36.76
				—	174,311	30,337	204,648	—	100.0%	82.9%	97.5%	97.5%	7,333,292	36.76
District of Columbia Metro														
1739-53 & 1801-03 Connecticut Avenue	Ruth Chris Steakhouse, TD Bank	2012	100.0%	22,907	—	—	22,907	100.0%	—	—	100.0%	100.0%	1,321,630	57.70
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	62.4%	31,629	—	—	31,629	100.0%	—	—	100.0%	100.0%	2,715,244	85.85
				54,536	24,996	32,533	112,065	100.0%	100.0%	83.1%	95.1%	95.1%	5,497,253	51.59
Boston Metro														
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				430,613	327,057	253,520	1,011,190	98.4%	100.0%	88.6%	96.5%	96.8%	\$ 60,380,344	\$ 61.90
Acadia Share Total Street and Urban Retail				404,053	327,057	253,520	984,630	98.3%	100.0%	88.6%	96.4%	96.7%	\$ 55,380,049	\$ 58.37

Notes:

1 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 is under redevelopment.

2 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.

Core Portfolio Retail Properties - Detail
1 (continued)

Property	Key Tenants	Year Acquired	Acadia's interest	Gross Leaseable Area				In Place Occupancy				Leased Occupancy	Annualized Base Rent	Annualized Base Rent PSF
				Street	Anchors	Shops	Total	Street	Anchors	Shops	Total	Total	Total	Total
SUBURBAN PROPERTIES														
New Jersey														
Elmwood Park Shopping Center	Walgreens, Acme	1998	100.0%	—	62,610	86,460	149,070	—	100.0%	95.3%	97.3%	97.3%	\$ 3,833,276	\$ 26.43
Marketplace of Absecon	Rite Aid, Dollar Tree	1998	100.0%	—	46,724	57,832	104,556	—	100.0%	90.5%	94.8%	94.8%	1,416,309	14.30
60 Orange Street	Home Depot	2012	98.0%	—	101,715	—	101,715	—	100.0%	—	100.0%	100.0%	695,000	6.83
New York														
Village Commons Shopping Center	—	1998	100.0%	—	—	87,330	87,330	—	—	98.1%	98.1%	98.1%	2,737,535	31.96
Branch Plaza	LA Fitness, The Fresh Market	1998	100.0%	—	77,364	47,075	124,439	—	100.0%	77.5%	91.5%	91.5%	2,915,843	25.61
Amboy Center	—	2005	100.0%	—	37,266	26,024	63,290	—	100.0%	100.0%	100.0%	100.0%	2,046,520	32.34
Pacesetter Park Shopping Center	Stop & Shop (Ahold)	1999	100.0%	—	52,052	46,107	98,159	—	100.0%	68.3%	85.1%	98.3%	1,047,708	12.54
LA Fitness	LA Fitness	2007	100.0%	—	55,000	—	55,000	—	100.0%	—	100.0%	100.0%	1,391,500	25.30

Crossroads Shopping Center	Home Goods, PetSmart, Kmart	1998	49.0%	—	202,727	108,035	310,762	—	100.0%	83.6%	94.3%	94.3%	6,846,836	23.36
New Loudon Center	Price Chopper, Marshalls	1993	100.0%	—	251,058	4,615	255,673	—	100.0%	100.0%	100.0%	100.0%	2,033,458	7.95
28 Jericho Turnpike	Kohl's	2012	100.0%	—	96,363	—	96,363	—	100.0%	—	100.0%	100.0%	1,650,000	17.12
Bedford Green	Shop Rite	2014	100.0%	—	37,981	52,491	90,472	—	100.0%	66.7%	80.7%	80.7%	2,188,367	29.99
<u>Connecticut</u>														
Town Line Plaza 2	Wal-Mart, Stop & Shop (Ahold)	1998	100.0%	—	163,159	43,187	206,346	—	100.0%	93.6%	98.7%	98.7%	1,720,212	16.18
<u>Massachusetts</u>														
Methuen Shopping Center	Wal-Mart, Market Basket	1998	100.0%	—	120,004	10,017	130,021	—	100.0%	100.0%	100.0%	100.0%	1,257,627	9.67
Crescent Plaza	Home Depot, Shaw's (Supervalu)	1993	100.0%	—	156,985	61,163	218,148	—	100.0%	85.7%	96.0%	96.0%	1,812,245	8.65
201 Needham Street	Michael's	2014	100.0%	—	20,409	—	20,409	—	100.0%	—	100.0%	100.0%	591,861	29.00
163 Highland Avenue	Staples, Petco	2015	100.0%	—	40,505	—	40,505	—	100.0%	—	100.0%	100.0%	1,275,673	31.49
<u>Vermont</u>														
The Gateway Shopping Center	Shaw's (Supervalu)	1999	100.0%	—	73,184	28,471	101,655	—	100.0%	100.0%	100.0%	100.0%	2,037,757	20.05
<u>Illinois</u>														
Hobson West Plaza	Garden Fresh Markets	1998	100.0%	—	51,692	47,445	99,137	—	100.0%	92.2%	96.3%	96.3%	1,158,605	12.14
<u>Indiana</u>														
Merrillville Plaza	Jo-Ann Fabrics, TJ Maxx	1998	100.0%	—	123,220	112,867	236,087	—	100.0%	99.0%	99.5%	99.5%	3,384,713	14.40
<u>Michigan</u>														
Bloomfield Town Square	Best Buy, Home Goods, TJ Maxx, Dick's Sporting Goods	1998	100.0%	—	153,839	81,947	235,786	—	100.0%	100.0%	100.0%	100.0%	3,576,014	15.17
<u>Ohio</u>														
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
<u>Delaware</u>														
Brandywine Town Center	Lowes, Bed Bath & Beyond, Target, Dick's Sporting Goods	2003	22.2%	—	775,803	48,608	824,411	—	94.0%	80.0%	93.1%	93.1%	12,328,789	16.06
Market Square Shopping Center	Trader Joe's, TJ Maxx	2003	22.2%	—	42,850	59,197	102,047	—	100.0%	91.5%	95.0%	100.0%	2,490,003	25.67
Naamans Road	—	2006	100.0%	—	—	19,984	19,984	—	—	75.0%	75.0%	75.0%	637,701	42.55
<u>Pennsylvania</u>														
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%	835,956	5.35
Route 6 Plaza	Kmart	1994	100.0%	—	146,568	29,021	175,589	—	100.0%	100.0%	100.0%	100.0%	1,295,907	7.38
Chestnut Hill	—	2006	100.0%	—	—	37,646	37,646	—	—	100.0%	100.0%	100.0%	908,141	24.12

Abington Towne Center ³	Target, TJ Maxx	1998	100.0%	—	184,616	31,662	216,278	—	100.0%	70.4%	95.7%	95.7%	1,023,468	20.76	
Total Suburban Properties				—	3,376,803	1,210,545	4,587,348	—	98.6%	88.6%	96.0%	96.4%	66,774,476	16.10	
Acadia Share Total Suburban Properties				—	2,594,125	1,071,596	3,665,721	—	99.6%	89.0%	96.5%	96.9%	\$ 51,742,634	\$ 15.76	
TOTAL CORE PROPERTIES					430,613	3,703,860	1,464,065	5,598,538	98.4%	98.7	88.6%	96.1%	96.4%	\$127,154,820	\$ 24.82
Acadia Share Total Core Properties					404,053	2,961,687	1,325,116	4,690,856	98.3%	99.6%	88.9%	96.5%	96.9%	\$109,859,039	\$ 25.72

Notes:

1 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.

2 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.

3 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) ¹

Tenant	Number of stores in Core portfolio	Pro-Rata			
		Combined		Percentage of Total	
		GLA	Base Rent	Portfolio GLA	Base Rent
Stop and Shop (Ahold)	4	207,513	\$ 3,625,951	4.4%	3.3%
Best Buy	2	86,686	3,273,894	1.9%	3.0%
Target	2	155,822	3,224,714	3.3%	2.9%
LA Fitness	2	100,000	2,336,500	2.1%	2.1%
Verizon	2	31,371	2,330,565	0.7%	2.1%
Ann Taylor Loft	2	14,174	2,197,524	0.3%	2.0%
Supervalu (Shaw's)	2	123,409	1,907,456	2.6%	1.7%
Home Depot	3	312,718	1,827,600	6.7%	1.7%
TJX Companies	8	209,198	1,643,968	4.5%	1.5%
-- TJ Maxx	5	120,123	854,724	2.6%	0.8%
-- Home Goods	2	51,863	621,790	1.1%	0.6%
-- Marshalls	1	37,212	167,454	0.8%	0.1%
Walgreens	3	37,499	1,412,716	0.8%	1.3%
Kate Spade	2	4,250	1,341,182	0.1%	1.2%
Sleepy's	9	47,781	1,264,734	1.0%	1.2%
Citibank	4	16,160	1,233,029	0.3%	1.1%
Kmart	3	273,969	1,170,078	5.9%	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%
Gap (Banana Republic and Old Navy)	3	13,835	897,973	0.3%	0.8%
Urban Outfitters	2	19,902	879,450	0.4%	0.8%
TOTAL	65	1,751,134	\$ 34,751,769	37.3%	31.7%

Note:

¹ Does not include tenants that operate at only one Acadia Core location.

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 ¹	—	—	—	\$	—	—	—	\$	—	—	8	23,292	1.8%	\$19.44	1.3%	8	23,292	0.5%	\$19.44	0.4%
2016	9	47,465	11.2%	43.39	4.8%	9	332,463	9.8%	11.99	8.2%	48	195,136	14.9%	21.34	11.8%	66	575,064	11.2%	17.75	8.0%
2017	7	29,962	7.1%	95.07	6.6%	6	296,390	8.7%	11.45	7.0%	44	181,814	14.0%	28.77	14.8%	57	508,166	9.9%	22.58	9.0%
2018	6	74,979	17.7%	86.27	15.0%	8	472,193	13.9%	17.46	16.9%	56	177,344	13.7%	29.45	14.8%	70	724,516	14.1%	27.52	15.7%
2019	8	19,309	4.6%	173.93	7.8%	9	334,577	9.8%	8.82	6.0%	28	91,735	7.1%	25.21	6.5%	45	445,621	8.7%	19.35	6.8%
2020	12	33,191	7.8%	115.05	8.9%	10	499,656	14.7%	12.77	13.1%	25	99,395	7.7%	21.12	5.9%	47	632,242	12.3%	19.45	9.7%
2021	7	49,579	11.7%	58.11	6.7%	6	267,331	7.9%	10.58	5.8%	14	72,151	5.6%	24.1	4.90%	27	389,061	7.6%	19.14	5.9%
2022	5	19,361	4.6%	148.64	6.7%	2	69,837	2.1%	26.15	3.7%	21	86,831	6.7%	27.31	6.7%	28	176,029	3.4%	40.20	5.6%
2023	5	22,169	5.2%	95.33	4.9%	5	205,067	6.0%	17.92	7.5%	12	69,495	5.4%	26.04	5.1%	22	296,731	5.8%	25.61	6.0%
2024	8	60,828	14.4%	94.60	13.4%	7	330,390	9.7%	20.41	13.8%	22	106,325	8.2%	27.75	8.4%	37	497,543	9.7%	31.05	12.1%
2025	5	22,996	5.4%	143.40	7.7%	6	179,671	5.3%	18.60	6.8%	23	76,302	5.9%	37.65	8.1%	34	278,969	5.4%	34.10	7.5%
Thereafter	10	43,839	10.3%	172.69	17.5%	9	414,517	12.1%	13.09	11.2%	11	117,119	9.0%	34.87	11.7%	30	575,475	11.4%	29.69	13.3%
Total	82	423,678	100.0%	\$ 101.61	100.0%	77	3,402,092	100.0%	\$ 14.34	100.0%	312	1,296,939	100.0%	\$ 27.23	100.0%	471	5,122,709	100.0%	\$ 24.82	100.0%

							254,916	Anchor GLA Owned by Tenants								254,916	Anchor GLA Owned by Tenants		
		6,935	Total Vacant				46,852	Total Vacant				167,126	Total Vacant				220,913	Total Vacant	
		430,613	Total Square Feet				3,703,860	Total Square Feet				1,464,065	Total Square Feet				5,598,538	Total Square Feet	

Note:

¹ Leases currently under month to month or in process of renewal

Core Portfolio - New and Renewal Rent Spreads ¹

	Period ended		3 months ended		3 months ended		3 months ended		3 months ended	
	December 31, 2015		December 31, 2015		September 30, 2015		June 30, 2015		March 31, 2015	
	GAAP ³	Cash ²	GAAP ³	Cash ²	GAAP ³	Cash ²	GAAP ³	Cash ²	GAAP ³	Cash ²
New leases										
Number of new leases executed	8	8	1	1	—	—	6	6	1	1
GLA	13,523	13,523	1,123	1,123	—	—	10,239	10,239	2,161	2,161
New base rent	\$ 69.12	\$ 63.30	\$ 50.74	\$ 50.00	\$ —	\$ —	\$ 79.29	\$ 71.79	\$ 30.50	\$ 30.00
Previous base rent	\$ 56.36	\$ 59.85	\$ 44.70	\$ 49.50	\$ —	\$ —	\$ 62.53	\$ 66.04	\$ 33.17	\$ 35.88
Average cost per square foot	\$ 55.16	\$ 55.16	\$ 59.87	\$ 59.87	\$ —	\$ —	\$ 57.80	\$ 57.80	\$ 40.22	\$ 40.22
Weighted Average Lease Term (years)	8.1	8.1	7.0	7.0	—	—	7.9	7.9	10.0	10.0
Percentage growth in base rent	22.6%	5.8%	13.5%	1.0%	—	—	26.8%	8.7%	(8.0)%	(16.4)%
Renewal leases										
Number of renewal leases executed	45	45	10	10	13	13	14	14	8	8
GLA	312,104	312,104	49,172	49,172	100,705	100,705	102,426	102,426	59,801	59,801
New base rent	\$ 17.82	\$ 17.32	\$ 19.64	\$ 18.47	\$ 17.69	\$ 17.56	\$ 15.14	\$ 14.83	\$ 21.15	\$ 20.21
Expiring base rent	\$ 15.08	\$ 15.57	\$ 15.38	\$ 15.85	\$ 16.06	\$ 16.65	\$ 13.64	\$ 14.12	\$ 15.65	\$ 15.98
Average cost per square foot	\$ 6.47	\$ 6.47	\$ 9.90	\$ 9.90	\$ 0.18	\$ 0.18	\$ 3.31	\$ 3.31	\$ 19.68	\$ 19.68
Weighted Average Lease Term (years)	6.3	6.3	8.0	8.0	5.1	5.1	5.2	5.2	8.8	8.8
Percentage growth in base rent	18.2%	11.2%	27.7%	16.5%	10.2%	5.5%	11.0%	5.0%	35.1 %	26.5 %
Total new and renewal Leases										
Number of new and renewal leases executed	53	53	11	11	13	13	20	20	9	9
GLA commencing	325,627	325,627	50,295	50,295	100,705	100,705	112,665	112,665	61,962	61,962
New base rent	\$ 19.95	\$ 19.23	\$ 20.33	\$ 19.17	\$ 17.69	\$ 17.56	\$ 20.97	\$ 20.01	\$ 21.48	\$ 20.55
Expiring base rent	\$ 16.79	\$ 17.41	\$ 16.03	\$ 16.60	\$ 16.06	\$ 16.65	\$ 18.08	\$ 18.84	\$ 16.26	\$ 16.67
Average cost per square foot	\$ 8.50	\$ 8.50	\$ 11.02	\$ 11.02	\$ 0.18	\$ 0.18	\$ 8.26	\$ 8.26	\$ 20.40	\$ 20.40
Weighted Average Lease Term (years)	6.4	6.4	7.9	7.9	5.1	5.1	5.4	5.4	8.8	8.8
Percentage growth in base rent	18.8%	10.5%	26.8%	15.5%	10.2%	5.5%	16.0%	6.2%	32.1 %	23.3 %

Notes:

¹ 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.

² 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.

³ Rents are calculated on a straight-line ("GAAP") basis.

Core Portfolio Capital Expenditures

Current Quarter

	Year-to-Date	Current Quarter	Previous Quarter			Historical
	Period ended	3 months ended	3 months ended	3 months ended	3 months ended	Prior Year ended
	December 31, 2015	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
Leasing Commissions	\$ 1,566	\$ 263	\$ 482	\$ 611	\$ 210	\$ 939
Tenant Improvements	6,349	747	2,437	2,074	1,091	3,962
Capital Expenditures	3,602	860	651	414	1,677	964
Total Capital Expenditures	\$ 11,517	\$ 1,870	\$ 3,570	\$ 3,099	\$ 2,978	\$ 5,865
Other redevelopment and re-anchoring related activities	\$ 4,107	\$ —	\$ —	\$ —	\$ 4,107	\$ 2,884

Note:

¹ Costs associated with the re-anchoring of East 17th Street.

² 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	
<u>Core - Street and Urban Retail</u>									
664 N. Michigan Avenue	Chicago	IL	\$ 4,399,313	18,141	295,897	163,646	\$ 74,143	\$ 115,275	
840 N. Michigan Avenue	Chicago	IL	7,548,895	87,135	307,531	172,435	79,109	122,284	
Rush and Walton Streets Collection - 6 properties	Chicago	IL	6,205,858	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	1,922,016	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	1,831,119	44,658	443,549	238,098	72,697	108,583	
North Lincoln Park Chicago Collection - 6 properties	Chicago	IL	1,659,944	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	2,209,681	2,936	918,561	473,494	87,476	126,722	
Mercer Street	Manhattan	NY	418,689	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	2,058,708	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	852,150	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	1,469,653	16,553	67,092	24,790	112,373	169,820	
252-256 Greenwich Avenue	Greenwich	CT	1,238,827	9,172	67,228	25,117	110,894	176,008	
Third Avenue	Bronx	NY	898,890	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	1,873,981	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	2,736,357	99,975	935,540	331,826	56,790	68,721	
Gotham Plaza	Manhattan	NY	3,495,420	122,900	1,316,651	547,928	64,400	99,981	
City Center	San Francisco	CA	7,333,292	204,648	514,866	247,768	79,424	109,896	
1739-53 & 1801-03 Connecticut Avenue	Washington	DC	1,321,630	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	2,715,244	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					562,347	268,422	\$ 77,975	\$ 113,881	

Property Demographics - Core (continued)

Property	City	State	Base Rent	Total GLA	3-Mile Radius			
					Total Pop.	# HH	Median HH Income	Avg. HH Income
<u>Core - Suburban Properties</u>								
Elmwood Park Shopping Center	Elmwood Park	NJ	\$ 3,833,276	149,070	252,982	84,585	\$ 60,290	\$ 69,299
Marketplace of Absecon	Absecon	NJ	1,416,309	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	2,737,535	87,330	67,473	22,922	109,170	123,046
Branch Plaza	Smithtown	NY	2,915,843	124,439	67,554	22,991	108,660	122,359
Amboy Center	Staten Island	NY	2,046,520	63,290	151,900	55,451	87,868	98,504

Pacesetter Park Shopping Center	Pomona	NY	1,047,708	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	6,846,836	310,762	109,134	42,516	96,092	118,263

New Loudon Center	Latham	NY	2,033,458	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	2,188,367	90,472	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	2,037,757	101,655	48,384	19,261	51,446	63,537
Hobson West Plaza	Naperville	IL	1,158,605	99,137	94,989	34,059	103,910	126,405
Merrillville Plaza	Hobart	IN	3,384,713	236,087	26,123	10,805	47,909	58,578
Bloomfield Town Square	Bloomfield Hills	MI	3,576,014	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	835,956	156,279	45,792	18,157	44,301	52,611
Route 6 Plaza	Honesdale	PA	1,295,907	175,589	6,832	2,962	37,786	44,999
Chestnut Hill	Philadelphia	PA	908,141	37,646	147,436	62,292	58,777	77,506
Abington Towne Center	Abington	PA	1,023,468	216,278	89,439	35,119	78,159	95,124

Total Core Suburban Properties

Weighted Average - Based on annual base rent

90,825 33,148 \$ 78,537 \$ 96,327

Total Core Properties

Weighted Average - Based on annual base rent

352,287 163,609 \$ 78,225 \$ 106,061

Brandywine/Market Square/Naamans Rd ¹	Wilmington	DE	15,456,493	946,442	507,575	193,705	\$ 72,923	\$ 88,573
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Note:

¹ 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

City	State	Base Rent	Total GLA	3-Mile Radius				
				Total Pop.	# HH	Median HH Income	Avg. HH Income	
Fund II								
216th Street	Manhattan	NY	2,574,000	60,000	963,175	337,894	\$ 37,629	\$ 48,228
161st Street	Bronx	NY	3,238,376	249,336	1,274,128	450,383	33,329	45,066
Fund II								
Weighted Average - Based on annual base rent					1,136,423	400,567	\$ 35,233	\$ 46,466
Fund III								
Cortlandt Towne Center	Mohegan Lake	NY	\$ 10,134,945	635,457	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	4,251	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	1,559,139	42,912	544,351	203,713	51,528	65,388
Arundel Plaza	Glen Burnie	MD	1,320,784	265,116	77,759	29,166	59,786	64,793
Heritage Shops	Chicago	IL	3,279,138	82,098	288,116	154,272	71,414	110,831
Fund III								
Weighted Average - Based on annual base rent					214,564	96,565	\$ 79,252	\$ 98,341
Fund IV								
1151 Third Avenue	Manhattan	NY	\$ 1,700,850	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	918,500	7,617	1,312,871	661,001	88,317	139,161
Paramus Plaza	Paramus	NJ	1,847,945	154,409	106,906	37,209	119,131	132,518
2819 Kennedy Boulevard	North Bergen	NJ	605,558	47,539	526,721	241,698	78,834	110,806

Promenade at Manassas	Manassas	VA	3,480,754	265,442	57,996	18,940	74,390	84,467
Lake Montclair	Prince William County	VA	1,893,136	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	2,393,735	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 - 3 properties	San Francisco	CA	635,279	9,104	469,876	233,179	86,409	116,849

Fund IV

Weighted Average - Based on annual base rent

430,387 204,359 \$ 81,645 \$ 103,182

Total - Funds

Weighted Average - Based on annual base rent

431,142 183,041 \$ 74,158 \$ 93,165

Fund Overview

As of December 31, 2015

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%	8%	6%	6%	6.6%

Current-Quarter, Fund-Level Information:

Cumulative Contributions		\$86.6 Million	\$300.0 Million	\$387.5 Million	\$179.4 Million	\$953.5 Million
Cumulative Net Distributions	3	\$194.5 Million	\$131.6 Million	\$445.7 Million	\$101.9 Million	\$873.7 Million
Net Distributions/Contributions		224.6%	43.9%	115%	56.8%	91.6%
Unfunded Commitment	4	\$0.0 Million	\$47.1 Million	\$62.5 Million	\$361.2 Million	\$470.8 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	No	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:

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 December 2015, Acadia acquired an additional 4.64% interest in Fund III from one of the institutional partners.

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 callable 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 recontribution 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		
Fund II Portfolio Detail															
NEW YORK															
<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%	51.8%	40.7%	41.3%	3,238,376	31.91
Total - Fund II					—	220,916	88,420	309,336	—	52.4%	51.8%	52.2%	52.7%	\$ 5,812,376	\$ 35.99
Fund III Portfolio Detail															
NEW YORK															
<u>New York</u>															
Cortlandt Towne Center		Wal-Mart, Best Buy, A&P	2009	100.0%	—	472,420	163,037	635,457	—	95.7%	85.3%	93.1%	93.7%	\$ 10,134,945	\$ 17.14
654 Broadway		Penguin (Perry Ellis)	2011	100.0%	2,896	—	2,896	2,896	100.0%	—	—	100.0%	100.0%	583,495	201.48
640 Broadway		Swatch	2012	63.1%	4,251	—	4,251	4,251	78.5%	—	—	78.5%	78.5%	818,375	245.17
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	—	—	78.2%	78.2%	78.2%	1,559,139	46.45
MID-ATLANTIC															
<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%	1,320,784	5.25
MIDWEST															
<u>Illinois</u>															
Heritage Shops		LA Fitness, Ann Taylor Loft	2011	100.0%	—	49,878	32,220	82,098	—	100.0%	92.2%	97.0%	97.0%	3,279,138	41.20
Total - Fund III					7,147	767,725	290,460	1,065,332	87.2%	97.4%	81.0%	92.9%	93.2%	\$ 18,868,668	\$ 19.07
Fund IV Portfolio Detail															
NEW YORK															
<u>New York</u>															
1151 Third Avenue		Vineyard Vines	2013	100.0%	13,250	—	13,250	13,250	100.0%	—	—	100.0%	100.0%	\$ 1,700,850	\$ 128.37
17 East 71st Street		The Row	2014	100.0%	8,432	—	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	7,617	71.4%	—	—	71.4%	71.4%	918,500	168.94
<u>New Jersey</u>															
Paramus Plaza		Babies R Us, Ashley Furniture	2013	50.0%	—	74,837	79,572	154,409	—	100.0%	28.9%	63.4%	63.4%	1,847,945	18.89
2819 Kennedy Boulevard		Aldi	2013	98.6%	—	46,003	1,536	47,539	—	45.9%	100.0%	47.6%	100.0%	605,558	26.75

MID-ATLANTIC**Virginia**

Promenade at Manassas	Home Depot, HH Gregg	2013	98.6%	—	194,038	71,404	265,442	—	100.0%	94.6%	98.6%	98.6%	3,480,754	13.30
Lake Montclair	Food Lion	2013	100.0%	—	33,000	72,832	105,832	—	100.0%	92.6%	94.9%	94.9%	1,893,136	18.85

Maryland

1701 Belmont Avenue	Best Buy	2012	98.6%	—	58,674	—	58,674	—	100.0%	—	100.0%	100.0%	936,166	15.96
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Delaware

Eden Square	Giant Food	2014	98.6%	—	163,217	68,175	231,392	—	71.1%	79.0%	73.4%	73.4%	2,393,735	14.09
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MIDWEST**Illinois**

938 W. North Avenue	Sephora	2013	80.0%	33,228	—	—	33,228	16.1%	—	—	16.1%	16.1%	326,350	61.00
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SOUTHEAST**Georgia**

Broughton Street Portfolio ⁴	J. Crew, L'Occitane, Lululemon	2014	50.0%	24,961	—	—	24,961	100.0%	—	—	100.0%	100.0%	981,469	39.32
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WEST**California**

146 Geary		2015	100.0%	—	—	11,436	11,436	—	—	100.0%	100.0%	100.0%	300,000	26.23
Union and Fillmore Collection - 3 properties		2015	90.0%	—	—	9,104	9,104	—	—	100.0%	100.0%	100.0%	635,279	69.78

Total - Fund IV				87,488	569,769	314,059	971,316	65.6%	87.3%	74.5%	81.2%	83.8%	\$ 17,812,229	\$ 22.58
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Notes:
¹ 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."

Property	Fund Ownership %
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%

² Currently operating, but redevelopment activities have commenced.

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

⁴ Represents 4 of the 25 properties in this portfolio that have been leased. The remaining properties are still in development.

Funds Lease Expirations

FUND II						
Year	No. of Leases Expiring	Gross Leased Area		Base Rent		
		Expiring SF	Percent of Total	Amount	PSF	Percent of Total
M to M ¹	1	9,967	5.9%	\$ 99,670	\$ 10.00	1.7%
Thereafter	7	159,696	94.1%	5,712,706	35.77	98.3%
Total	8	169,663	100%	\$ 5,812,376	\$ 34.26	100.0%

139,673 Total Vacant
309,336 Total Square Feet

FUND III						
Year	No. of Leases Expiring	Gross Leased Area		Base Rent		
		Expiring SF	Percent of Total	Amount	PSF	Percent of Total
M to M ¹	3	7,379	0.7%	\$ 179,114	\$ 24.27	0.9%
2016	12	79,528	8.1%	1,296,824	16.31	6.9%
2017	8	76,110	7.7%	1,870,787	24.58	9.9%
2018	16	265,859	27.0%	3,925,260	14.76	20.8%
2019	11	259,468	26.4%	2,541,424	9.79	13.5%
2020	7	15,218	1.5%	684,344	44.97	3.6%
2021	4	45,262	4.6%	847,574	18.73	4.5%
2022	6	80,203	8.1%	1,737,818	21.67	9.2%
2023	5	26,044	2.6%	1,227,481	47.13	6.5%
2024	8	60,581	6.2%	2,030,948	33.52	10.8%
2025	5	58,360	5.9%	1,645,180	28.19	8.7%
Thereafter	5	10,090	1.2%	881,914	87.40	4.7%
Total	90	984,102	100.0%	\$ 18,868,668	\$ 19.17	100.0%

81,230 Total Vacant
1,065,332 Total Square Feet

FUND IV						
No. of Leases Expiring	Expiring SF	Gross Leased Area		Base Rent		
		Percent of Total	Amount	PSF	Percent of Total	
4	8,800	1.1%	\$ 250,504	\$ 28.47	1.4%	
10	30,575	3.9%	581,879	19.03	3.3%	
15	101,545	12.9%	2,578,846	25.40	14.5%	
13	40,952	5.2%	882,092	21.54	5.0%	
11	99,158	12.6%	1,783,957	17.99	10.0%	
9	53,701	6.8%	1,275,958	23.76	7.2%	
2	34,544	4.4%	426,392	12.34	2.4%	
3	33,629	4.3%	492,521	14.65	2.8%	
5	49,675	6.3%	795,560	16.02	4.5%	
7	115,960	14.8%	2,990,302	25.79	16.8%	
13	31,599	4.0%	3,528,922	111.68	19.8%	
4	184,022	23.7%	2,225,296	12.09	12.3%	
Total	96	784,160	100.0%	\$ 17,812,229	\$ 22.72	100.0%

187,156 Total Vacant
971,316 Total Square Feet

Note:

¹ Leases currently under month to month or in process of renewal

Development Activity

(\$ in millions)

Property	Ownership	Location	Estimated		Leased Rate ⁴	Key Tenants	Acquisition & Development Costs			Outstanding Debt		
			Construction Completion	Estimated Sq.Ft. Upon Completion			Incurred	Estimated Future Range	Estimated Total Range			
FUND II												
City Point 1	94.2%	Brooklyn, NY	2016/2020 ⁶	763,000 ⁷	66% ²	Century 21, CityTarget, Alamo Drafthouse	\$ 341.9 ³	\$ 48.1	to \$ 68.1 ³	\$ 390.0	to \$ 410.0 ³	\$ 240.0
Sherman Plaza	99.1%	New York, NY	TBD	TBD	—	TBD	35.8	TBD	TBD	TBD	TBD	—
							<u>\$ 377.7</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>TBD</u>	<u>\$ 240.0</u>
FUND III												
Cortlandt Crossing	100%	Mohegan Lake, NY	2017	150,000 - 170,000	—	TBD	\$ 14.6	\$ 32.4	to \$ 41.4	\$ 47.0	to \$ 56.0	\$ —
3104 M Street NW	80%	Washington, D.C.	2016	10,000	—	TBD	7.3	0.7	to 1.7	8.0	to 9.0	3.0
Broad Hollow Commons	100%	Farmingdale, NY	2016	180,000 - 200,000	—	TBD	14.4	35.6	to 45.6	50.0	to 60.0	—
							<u>\$ 36.3</u>	<u>\$ 68.7</u>	<u>\$ 88.7</u>	<u>\$ 105.0</u>	<u>\$ 125.0</u>	<u>\$ 3</u>
FUND IV												
210 Bowery	100%	New York, NY	2016	16,000	—	TBD	\$ 13.2	\$ 5.3	to \$ 9.3	\$ 18.5	to \$ 22.5	\$ 4.6
Broughton Street Portfolio ⁵	50%	Savannah, GA	2016	200,000	52%	J. Crew, Lululemon, H&M	61.3	23.7	to 28.7	85.0	to 90.0	28.0
27 E. 61st Street	100%	New York, NY	2016	9,500	—	TBD	21.3	1.5	to 5.5	22.8	to 26.8	—
801 Madison Avenue	100%	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%	Warwick, RI	2016	161,000	34%	Burlington Coat Factory	10.5	17.0	to 22.0	27.5	to 32.5	—
							<u>\$ 139.9</u>	<u>\$ 49.9</u>	<u>\$ 72.9</u>	<u>\$ 189.8</u>	<u>\$ 212.8</u>	<u>\$ 32.6</u>

Notes:

¹ Acquired a leasehold interest in this property.

² Leased rate calculated on approximately 540,000 rentable square feet.

³ 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.

⁴ The leased rate excludes pre-redevelopment tenants.

⁵ This portfolio includes 25 buildings, including 4 which are operating.

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

⁷ 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 \$ 553.9

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	(71.8)
Deferred costs and other amounts	(4.6)

Total per consolidated balance sheet	<u><u>\$ 609.6</u></u>
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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.