

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 14, 2017

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 14, 2017, Acadia Realty Trust (the "Company") issued a press release announcing its consolidated financial results for the quarter ended December 31, 2016. A copy of this press release is attached to this report on Form 8-K as Exhibit 99.1 and incorporated herein by reference. In addition, on February 14, 2017, the Company made available supplemental information concerning the ownership, operations and portfolio of the Company as of and for the quarter ended December 31, 2016. A copy of this supplemental information is attached to this report on Form 8-K as Exhibit 99.2 and incorporated herein by reference. The information included in this Item 2.02, including the information included in Exhibits 99.1 and 99.2 attached hereto, is intended to be furnished solely pursuant to this Item 2.02, and is not deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference into any filing under the Securities Act of 1933, as amended ("Securities Act") or the Exchange Act, or otherwise subject to the liabilities of Sections 11 and 12 (a) (2) of the Securities Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press release of the Company dated February 14, 2017.
99.2	Financial and Operating Reporting Supplement of the Company for the quarter ended December 31, 2016.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ACADIA REALTY TRUST
(Registrant)

Date: February 21, 2017

By: /s/ John Gottfried

Name: John Gottfried
Title: Sr. Vice President
and Chief Financial Officer

ACADIA REALTY TRUST REPORTS FOURTH QUARTER AND FULL YEAR 2016 OPERATING RESULTS

RYE, NY (February 14, 2017) - Acadia Realty Trust (NYSE:AKR) (“Acadia” or the “Company”) today reported operating results for the quarter and year ended December 31, 2016. All per share amounts, below, are on a fully-diluted basis.

Acadia operates under a dual platform structure, which is 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.

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.

Highlights

- **Transactional Activity:** During 2016 and year-to-date 2017, completed \$1.1 billion of total transactions across the Core and Fund platforms; of this amount, \$395 million was completed during fourth quarter 2016 and \$19 million was completed subsequent to year end
 - **Core Acquisitions:** During 2016, acquired \$627 million of urban/street-retail properties on a leverage neutral basis, of which \$141 million closed during the fourth quarter
 - **Fund Acquisitions:** During 2016, Fund IV acquired \$261 million of opportunistic and value-add investments, of which \$196 million closed during the fourth quarter
 - **Fund Dispositions:** During 2016, Fund III completed \$212 million of dispositions (\$58 million closed during fourth quarter 2016), resulting in a blended 41% IRR and 3.4x multiple; additionally, Fund IV sold a \$19 million property in January 2017, resulting in a 21% IRR and 2.5x multiple
 - **Fund III Promote:** During 2016, Fund III generated approximately \$10 million (\$0.13 per share) of net promote income for the Company; of this amount, approximately \$3.4 million (\$0.04 per share) was generated during the fourth quarter.
- **Acquisition “Dry Powder”:**
 - **Fund V:** During 2016, raised \$520 million of capital commitments for Fund V, which has approximately \$1.5 billion of buying power; Fund V’s investment period began on August 10
 - **Balance Sheet:** During 2016, maintained conservative leverage levels by matchfunding \$627 million of Core acquisitions with \$479 million of equity, net of related costs
- **Earnings:** Generated earnings per share (“EPS”) of \$0.24 for the fourth quarter and \$0.94 for the full year; funds from operations (“FFO”) per share of \$0.39 for the fourth quarter, and FFO per share of \$0.40 for the fourth quarter, before the deduction of \$0.01 per share, for acquisition expenses
- **Core Portfolio Operations:** Generated same-property net operating income growth, compared to 2015, of 3.7% for the fourth quarter and 3.4% for the full year; reported a leased rate of 96.3% as of year end
- **Dividends:** During January 2017, paid a special cash dividend of \$0.15 per share, which was sourced from profitable Fund asset sales; additionally, increased the regular quarterly dividend by 4% to \$0.26 per share for the fourth quarter

“We had another strong year, with respect to both our transactional activity and our operating results,” stated Kenneth F. Bernstein, President and CEO of Acadia Realty Trust. “Looking ahead, to 2017 and beyond, our differentiated core portfolio, which is largely concentrated in five key gateway markets, has a strong growth profile, driven by our 2016 acquisitions and opportunities to harvest embedded value within our existing portfolio. Complementing this, our buy-fix-sell fund platform continues to operate on all cylinders, as we profitably monetize our completed value-add projects and plant seeds for future profit-taking. With plenty of dry powder in each of our dual platforms, we like how we’re positioned.”

Financial Results

Net income for the quarter ended December 31, 2016 was \$20 million, or \$0.24 per share. This reflects the impact of \$9 million, or \$0.11 per share, of gains from dispositions of real estate and \$1 million, or \$0.01 per share, of acquisition expenses. Net income for the quarter ended December 31, 2015 was \$9 million, or \$0.13 per share.

Net income for the year ended December 31, 2016 was \$73 million, or \$0.94 per share, which includes \$28 million, or \$0.37 per share, of gains from two Fund property dispositions. Net income for the year ended December 31, 2015 was \$66 million, or \$0.94 per share, which included \$21 million, or \$0.29 per share, of gain from Fund property dispositions (including the sale of air rights at Fund II's City Point development project).

FFO for the quarter ended December 31, 2016 was \$34 million, or \$0.39 per share, which includes \$1 million, or \$0.01 per share, of acquisition expenses. This compares to FFO for the quarter ended December 31, 2015 of \$25 million, or \$0.35 per share.

FFO for the year ended December 31, 2016 was \$117 million, or \$1.44 per share, which includes \$5 million, or \$0.06 per share, of acquisition expenses and \$4 million, or \$0.05 per share, of retirement expenses. For the year ended December 31, 2015 FFO was \$112 million, or \$1.53 per share, which includes \$2 million, or \$0.03 per share, of acquisition expenses and \$9 million, or \$0.13 per share, of gain from the sale of air rights at Fund II's City Point development project.

TRANSACTIONAL ACTIVITY

Core Acquisitions

During 2016, the Company completed \$627 million of previously-announced core acquisitions, of which approximately 70% were street retail and 30% were urban retail. All were completed within five key gateway markets - New York, NY; Chicago, IL; San Francisco, CA; Washington, DC; and Boston, MA - where more than 85% of Acadia's total core portfolio is now concentrated.

As anticipated, during the fourth quarter, Acadia closed on the \$141 million acquisition of 555 9th St, an urban retail property located in San Francisco.

Fund Acquisitions - Closed

During 2016, Acadia, on behalf of Fund IV, completed \$261 million of opportunistic and value-add investments. Of this amount, \$196 million was completed during the fourth quarter, as discussed below:

Northeast Grocery Portfolio, Various U.S. As previously reported, in October 2016, Fund IV acquired a portfolio of seven grocery-anchored shopping centers, totaling 1.1 million square feet, for \$83 million. Additionally, Fund IV made a short-term, \$9 million loan to the seller on an eighth grocery-anchored center (124,300 square feet), with an opportunity to purchase the property. The portfolio is located throughout the Northeast: Maine (five assets), Pennsylvania (two assets), and New York (one asset). The properties have excellent visibility and access to major thoroughfares and provide essential products and services to regional and urban areas. The grocery anchors include Hannaford, Price Chopper, and Shaw's. The portfolio's leased rate is 89%. This investment is consistent with the Fund platform's high-yield opportunistic strategy.

717 N Michigan Ave, Gold Coast, Chicago, IL. As previously reported, in December 2016, Fund IV acquired a 61,600-square foot, four-story street-retail property, located in Chicago, IL, for \$104 million. This flagship property anchors a prime corner of the Magnificent Mile, one of the nation's premier shopping districts. Neighboring retailers include Saks Fifth Avenue, Zara, Tiffany & Co., Stuart Weitzman, and Brooks Brothers. The property is 25% leased to The Disney Store, who has operated at the property since 1999. Acadia intends to redevelop the balance of the property, which was previously occupied by Saks Fifth Avenue Men's Store.

Fund Acquisitions - Pipeline

As previously reported, Acadia has entered into a contract to acquire a high-yielding shopping center, on behalf of Fund IV, for \$35 million. Although no assurance can be given, this transaction is anticipated to close during the first quarter 2017.

Fund Dispositions

During 2016 and year-to-date 2017, the Company completed \$230 million of dispositions on behalf of Funds III and IV. Of this amount, \$58 million closed during the fourth quarter and \$19 million closed in January 2017, as discussed below:

Cortlandt Town Center, Mohegan Lake, NY. As previously reported, in December 2016, Fund III successfully completed the sale of its remaining 35% interest in Cortlandt Town Center, a 641,000-square foot power center located in Westchester County, NY, for \$58 million. This equates to a \$165 million valuation for 100% of the property, compared to Fund III's all-in cost basis of \$95 million. In January 2009, Fund III acquired the property for \$78 million. At the time, the property was 84% occupied, due to the bankruptcies of junior-anchors Linens 'n Things and Levitz Furniture. During its 7.9-year hold period, Fund III successfully increased the property's occupancy to 97%. In January 2016, the fund sold a 65% interest in this property to the same institutional investor at the same pricing. Fund III has now realized a 43% IRR and 3.5x multiple on its total equity investment in this asset.

2819 Kennedy Blvd, North Bergen, NJ. In January 2017, Fund IV, in partnership with MCB Real Estate, completed the sale of 2819 Kennedy Blvd, a 41,000-square foot retail property located in North Bergen, NJ, for \$19 million. This compares to an all-in cost basis of \$13 million. In June 2013, the fund acquired the owner-occupied property from Toys R Us, who, as planned, vacated the site. During its 3.7-year hold period, the fund completed a façade renovation and re-anchored the big box with Aldi and Crunch Fitness. This sale generated a 21% IRR and 2.5x multiple on the fund's equity investment.

Fund III Promote

During 2016, Fund III generated approximately \$10 million (\$0.13 per share) of net promote income for the Company; of this amount, approximately \$3.4 million (\$0.04 per share) was generated during the fourth quarter.

ACQUISITION DRY POWDER

Fund V

As previously announced, Acadia has approximately \$1.5 billion of buying power, on a leveraged basis, through its newly-raised Fund V. This fund, which raised \$520 million of total capital commitments during 2016, is the fifth in a series of institutional funds dedicated to making opportunistic and value-add investments in retail real estate.

Core Acquisition Matchfunding & Balance Sheet

No new equity was issued during the fourth quarter of 2016. During 2016, Acadia funded its acquisition activities by issuing \$479 million of equity, net of related costs, via: (i) a third-quarter block trade (\$172 million), (ii) its at-the-market ("ATM") facility (\$156 million), (iii) a public offering in April 2016 on a forward basis (\$123 million, of which the final \$93 million was settled during the fourth quarter in connection with the acquisition of 555 9th St), and (iv) issuance of operating-partnership units (\$28 million). In the aggregate, this new capital was raised at an average gross price of \$35.25 per unit/share (\$34.72 per unit/share net of related costs).

By matchfunding acquisitions, the Company has maintained its solid, low-leveraged balance sheet. As of December 31, 2016, the Company's net debt to EBITDA ratio for the Core Portfolio was 4.2x. Including its pro-rata share of Fund debt, the Company's net debt to EBITDA ratio was 5.2x over the same period.

Core Portfolio OPERATIONS

Excluding redevelopment activities, same-property NOI in the Core Portfolio increased 3.7% for the quarter ended December 31, 2016, compared to 2015. For the full year 2016, same-property NOI increased 3.4%.

The Core Portfolio was 96.2% occupied and 96.3% leased as of December 31, 2016, compared to 96.3% occupied and 96.5% leased as of September 30, 2016. The leased rate includes space that is leased but not yet occupied.

During the quarter, the Company generated a 22.4% increase in average rents on a GAAP basis, and a 7.7% increase on a cash basis, on 17 new and renewal leases aggregating 91,000 square feet.

2017 Guidance

The Company forecasts that its 2017 annual EPS will range from \$0.58 to \$0.63 and 2017 FFO will range from \$1.44 to \$1.54 per share. These forecasts, and the comparable 2016 FFO, both presented below, are before any acquisition expenses and retirement charges:

<i>Dollars in millions, except per share amounts</i>	2017	2017	2016
	Low	High	Actual
Core and pro-rata share of Funds' portfolio income	\$142.0	\$151.5	\$125.9
Fund fee income, net of taxes	20.9	22.9	21.1
Other Fund and transactional income	0.5	0.5	10.4
General and administrative expenses	(32.5)	(33.0)	(31.0)
FFO attributable to Common Shareholders and Common OP Unit holders	\$130.9	\$141.9	\$126.4
FFO per Common Share and Common OP Unit	\$1.44	\$1.54	\$1.55

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

<u>Guidance Range for 2017</u>	Low	High
Earnings per share	\$0.58	\$0.63
Depreciation of real estate and amortization of leasing costs (net of noncontrolling interests' share)	0.99	1.01
Gain on disposition of properties	(0.12)	(0.08)
Noncontrolling interest in Operating Partnership	(0.01)	(0.02)
FFO per Common Share and Common OP Unit	\$1.44	\$1.54

Excluding redevelopment activities, the Company is assuming an increase in Core Portfolio same-property NOI of 0.0% to 2.0%. Our same-property NOI assumes the recapture and resulting downtime of nearly 300 BPS of occupancy in our street retail portfolio, which we expect to release at strong leasing spreads throughout 2017 and into 2018 resulting in same-property NOI growth consistent with our historical norms.

Management will discuss its 2017 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 15, 2017 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 15, 2017

Time: 12:00 PM ET

Dial#: 844-309-6711

Passcode: "Acadia Realty" or "46673096"

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

Phone Replay:

Dial#: 855-859-2056

Passcode: "46673096#"

Available Through: Wednesday, February 22, 2017

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 19, 2016 ("Form 10-K") and other periodic reports filed with the SEC, including risks related to: (i) political and economic uncertainty; (ii) the Company's reliance on revenues derived from major tenants; (iii) the Company's limited control over joint venture investments; (iv) the Company's partnership structure; (v) real estate and the geographic concentration of the Company's properties; (vi) market interest rates; (vii) leverage; (viii) liability for environmental matters; (ix) the Company's growth strategy; (x) the Company's status as a REIT; (xi) uninsured losses; (xii) information technology security threats and (xiii) 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)

<i>Revenues</i>	For the Quarters ended December 31,		For the Years ended December 31,	
	2016	2015	2016	2015
Rental income	\$ 43,328	\$ 39,939	\$ 152,814	\$ 158,632
Expense reimbursements	9,362	10,395	32,282	36,306
Other income	1,431	952	4,843	4,125
Total revenues	<u>54,121</u>	<u>51,286</u>	<u>189,939</u>	<u>199,063</u>
<i>Operating expenses</i>				
Depreciation and amortization	23,267	15,729	70,011	60,751
General and administrative	9,906	7,228	40,648	30,368
Real estate taxes	7,630	6,520	25,630	25,384
Property operating	8,547	8,192	24,244	28,423
Other operating	3,423	1,560	7,517	4,675
Impairment of asset	—	—	—	5,000
Total operating expenses	<u>52,773</u>	<u>39,229</u>	<u>168,050</u>	<u>154,601</u>
Operating income	1,348	12,057	21,889	44,462
Equity in earnings of unconsolidated affiliates	35,857	1,093	39,449	37,330
Interest income	6,531	3,482	25,829	16,603
Interest expense	(9,728)	(9,033)	(34,645)	(37,297)
Other	—	—	—	1,596
Income from continuing operations before income taxes	<u>34,008</u>	<u>7,599</u>	<u>52,522</u>	<u>62,694</u>
Income tax benefit (provision)	228	272	105	(1,787)
Income from continuing operations before gain on disposition of properties	<u>34,236</u>	<u>7,871</u>	<u>52,627</u>	<u>60,907</u>
Gain on disposition of properties, net of tax	—	—	81,965	89,063
Net income	<u>34,236</u>	<u>7,871</u>	<u>134,592</u>	<u>149,970</u>
(Income) loss attributable to noncontrolling interests:				
Continuing operations	(14,415)	1,019	(61,816)	(84,262)
Discontinued operations	—	—	—	—
Net (income) loss attributable to noncontrolling interests	<u>(14,415)</u>	<u>1,019</u>	<u>(61,816)</u>	<u>(84,262)</u>
Net income attributable to Acadia	<u>\$ 19,821</u>	<u>\$ 8,890</u>	<u>\$ 72,776</u>	<u>\$ 65,708</u>
Income from continuing operations attributable to Acadia	<u>\$ 19,821</u>	<u>\$ 8,890</u>	<u>\$ 72,776</u>	<u>\$ 65,708</u>
Income from discontinued operations attributable to Acadia	—	—	—	—
Net income attributable to Acadia	<u>19,821</u>	<u>8,890</u>	<u>72,776</u>	<u>65,708</u>
Less: Net Income attributable to participating securities	(194)	(120)	(793)	(931)
Net Income attributable to Acadia - basic	<u>\$ 19,627</u>	<u>\$ 8,770</u>	<u>\$ 71,983</u>	<u>\$ 64,777</u>
Weighted average shares for diluted earnings per share	82,728	69,330	76,244	68,870
Net Earnings per share - basic and diluted	<u>\$ 0.24</u>	<u>\$ 0.13</u>	<u>\$ 0.94</u>	<u>\$ 0.94</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 <u>December 31,</u>		For the Years ended <u>December 31,</u>	
	2016	2015	2016	2015
Net income attributable to Acadia	\$ 19,821	\$ 8,890	\$ 72,776	\$ 65,708
Depreciation of real estate and amortization of leasing costs (net of noncontrolling interests' share):	21,666	14,463	67,446	52,013
Impairment of asset (net of noncontrolling interests' share):	—	—	—	1,111
(Gain) loss on disposition (net of noncontrolling interests' share):	(8,897)	1,496	(28,154)	(11,114)
Income attributable to noncontrolling interests' in				
Operating Partnership	1,102	516	4,442	3,811
Distributions - Preferred OP Units	143	13	560	31
Funds from operations attributable to Common Shareholders and Common OP Unit holders	<u>\$ 33,835</u>	<u>\$ 25,378</u>	<u>\$ 117,070</u>	<u>\$ 111,560</u>
<i>Funds from operations per share - Diluted</i>				
Weighted average Common Shares and OP Units ⁴	<u>87,739</u>	<u>73,521</u>	<u>81,250</u>	<u>73,067</u>
Funds from operations, per Common Share and Common OP Unit	<u>\$ 0.39</u>	<u>\$ 0.35</u>	<u>\$ 1.44</u>	<u>\$ 1.53</u>

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,	
	2016	2015	2016	2015
Operating income	\$ 1,348	\$ 12,057	\$ 21,889	\$ 44,462
Add back:				
General and administrative	9,906	7,228	40,648	30,368
Depreciation and amortization	23,267	15,729	70,011	60,751
Impairment of asset	—	—	—	5,000
Less:				
Above/below market rent, straight-line rent and other adjustments	565	(1,604)	(5,313)	(8,192)
Consolidated NOI	35,086	33,410	127,235	132,389
Noncontrolling interest in NOI	(5,278)	(8,211)	(20,872)	(34,675)
Pro-rata share of NOI ⁵	29,808	25,199	106,363	97,714
Operating Partnerships’ interest in Opportunity Funds	(1,536)	(1,444)	(4,981)	(5,767)
Operating Partnerships’ share of unconsolidated joint ventures *	4,721	2,613	16,547	10,382
NOI - Core Portfolio	<u>\$ 32,993</u>	<u>\$ 26,368</u>	<u>\$ 117,929</u>	<u>\$ 102,329</u>

Note:

* Does 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, 2016	December 31, 2015
ASSETS		
Investments in real estate, at cost		
Land	\$ 693,252	\$ 514,120
Buildings and improvements	2,048,508	1,593,350
Construction in progress	19,789	19,239
Properties under capital lease	76,965	—
	<hr/>	<hr/>
	2,838,514	2,126,709
Less: accumulated depreciation	287,066	298,703
Operating real estate, net	<hr/>	<hr/>
	2,551,448	1,828,006
Real estate under development, at cost	543,486	609,574
	<hr/>	<hr/>
Net investments in real estate	3,094,934	2,437,580
Notes receivable	276,163	147,188
Investments in and advances to unconsolidated affiliates	272,028	173,277
Cash and cash equivalents	71,805	72,776
Restricted cash	22,904	37,284
Rents receivable, net	43,842	40,425
Other assets, net	192,786	123,789
Assets of discontinued operations and properties held for sale	21,498	—
	<hr/>	<hr/>
Total assets	<u><u>\$ 3,995,960</u></u>	<u><u>\$ 3,032,319</u></u>
LIABILITIES		
Mortgage and other notes payable, net	\$ 1,055,728	\$ 1,050,051
Unsecured notes payable, net	432,990	287,755
Unsecured lines of credit	—	20,800
Distributions in excess of income from, and investments in, unconsolidated affiliates	13,691	13,244
Accounts payable and other liabilities	208,672	101,563
Capital lease obligations	70,129	—
Dividends and distributions payable	36,625	37,552
	<hr/>	<hr/>
Total liabilities	1,817,835	1,510,965
EQUITY		
Acadia shareholders' Equity		
Common shares, \$.001 par value, authorized 100,000,000 shares; issued and outstanding 83,597,741 and 70,258,415 shares, respectively	84	70
Additional paid-in capital	1,594,926	1,092,239
Accumulated other comprehensive loss	(798)	(4,463)
(Distributions in excess of accumulated earnings) retained earnings	(5,635)	12,642
	<hr/>	<hr/>
Total Acadia shareholders' equity	1,588,577	1,100,488
Noncontrolling interests	589,548	420,866
	<hr/>	<hr/>
Total equity	2,178,125	1,521,354
	<hr/>	<hr/>
Total liabilities and equity	<u><u>\$ 3,995,960</u></u>	<u><u>\$ 3,032,319</u></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 4,474 and 3,882 OP Units into Common Shares for the quarters ended December 31, 2016 and 2015, respectively and 4,435 and 3,895 OP Units into Common Shares for the years ended December 31, 2016 and 2015, respectively. Diluted FFO also includes the assumed conversion of Preferred OP Units into 424 and 25 Common Shares for each of the quarters ended December 31, 2016 and 2015, respectively and 433 and 25 Preferred OP Units into Common Shares for the years ended December 31, 2016 and 2015, respectively. In addition, diluted FFO also includes the effect of 112 and 286 employee share options, restricted share units and LTIP units for the quarters ended December 31, 2016 and 2015, respectively and 151 and 297 employee share options, restricted share units and LTIP units for the years ended December 31, 2016 and 2015, respectively.

⁵ The Pro-rata portion share of NOI is based upon our stated ownership percentages in each operating agreement.

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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.

Contact Information

Corporate Headquarters

411 Theodore Fremd Avenue
Suite 300
Rye, NY 10580

Investor Relations

Amy Racanello
Senior Vice President,
Capital Markets & Investments
(914) 288-3345
aracanello@acadiarealty.com

New York Stock Exchange

Symbol AKR

Analyst Coverage

Bank of America / Merrill Lynch

Craig Schmidt - (646) 855-3640
craig.schmidt@baml.com

BTIG

Michael Gorman - (212) 738-6138
mgorman@btig.com

KeyBanc Capital Markets, Inc.

Todd Thomas - (917) 368-2286
tthomas@keybanccm.com

Bank of Montreal

Paul Adomato, CFA - (212) 885-4170
paul.adomato@bmo.com

Citigroup - Global Markets

Christy McElroy - (212) 816-6981
christy.mcelroy@citi.com

J.P. Morgan Securities, Inc.

Michael W. Mueller, CFA - (212) 622-6689
michael.w.mueller@jpmorgan.com

Boenning & Scattergood

Floris van Dijkum - (212) 922-3572
fvandijkum@boenninginc.com

Green Street Advisors

Daniel Busch - (949) 640-8780
dbusch@greenstreetadvisors.com

Market Capitalization

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

	Capitalization	
	Total Market Capitalization	based on
	\$	% Net Debt ¹
Equity Capitalization		
Common Shares	83,597	
Common Operating Partnership ("OP") Units	4,529	
Combined Common Shares and OP Units	88,126	
Share Price at December 31, 2016	\$ 32.68	
Equity Capitalization - Common Shares and OP Units	\$ 2,879,958	
Preferred OP Units	14,670	²
Total Equity Capitalization	2,894,628	75% 76%
Debt Capitalization		
Consolidated debt	1,505,669	
Adjustment to reflect pro-rata share of debt	(525,543)	
Total Debt Capitalization	980,126	25% 24%
Total Market Capitalization	\$ 3,874,754	100% 100%

Notes:

1 Reflects debt net of:

Core Portfolio cash	\$ 51,093
pro-rata share of Funds cash	7,469
for total cash netted against debt of	\$ 58,562

2 Represents 188 Series A and 141,593 Series C Preferred OP Units convertible into 25,067 and 423,822 Common OP units, respectively multiplied by the Common Share price at quarter end.

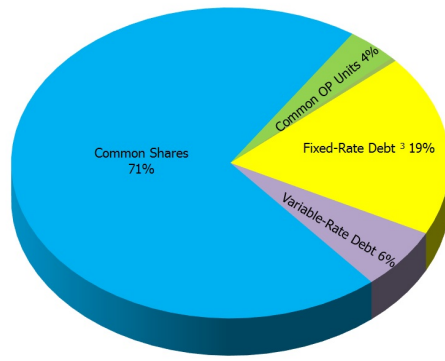
3 Fixed-rate debt includes notional principal fixed through interest rate swap transactions.

4 Fourth quarter equity issuance represents the final settlement of a forward equity transaction entered into in April.

4 Represents partial settlement on forward equity transaction, of which 2.7 million shares remain to be issued, representing \$95.0 million of gross proceeds available through April 2017.

5 Less than 1% Preferred OP Units

	Changes in Total Outstanding Common Shares and OP Units (in thousands)			Weighted Average			
	Common Shares	Common OP Units	Total	Diluted EPS		FFO	
				Quarter	YTD	Quarter	YTD
Balance at 12/31/2015	70,259	3,857	74,116				
ATM Issuance	1,050	—	1,050				
Other	257	571	828				
Balance at 3/31/2016	71,566	4,428	75,994	71,200	71,200	75,845	75,845
ATM Issuance	2,250	—	2,250				
Equity Issuance	868	—	868				
Other	89	(65)	24				
Balance at 6/30/2016	74,773	4,363	79,136	72,896	71,859	77,899	76,872
ATM Issuance	1,229	—	1,229				
Equity Issuance	4,830	—	4,830				
Other	31	110	141				
Balance at 9/30/2016	80,863	4,473	85,336	78,626	74,214	83,163	79,138
ATM Issuance	—	—	—				
Equity Issuance 4	2,732	57	2,789				
Other	2	(1)	1				
Balance at 12/31/2016	83,597	4,529	88,126				



Income Statements

(in thousands)

	Year ended	Three months ended
		December 31, 2016
CONSOLIDATED INCOME STATEMENT		
Revenues		
Rental income	\$ 152,814	\$ 43,328
Expense reimbursements	32,282	9,362
Other	4,843	1,431
Total Revenues	189,939	54,121
Operating Expenses		
Depreciation and amortization	70,011	23,267
General and administrative	40,648	9,906
Real estate taxes	25,630	7,630
Property operating	24,244	8,547
Other operating	7,517	3,423
Total Operating Expenses	168,050	52,773
Operating income	21,889	1,348
Equity in earnings of unconsolidated affiliates	39,449	35,857
Interest income	25,829	6,531
Interest expense	(34,645)	(9,728)
Income from continuing operations before income taxes	52,522	34,008
Income tax benefit	105	228
Income from continuing operations before gain on disposition of properties	52,627	34,236
Gain on disposition of properties, net of tax	81,965	—
Net income	134,592	34,236
Net income attributable to noncontrolling interests	(61,816)	(14,415)
Net income attributable to Acadia	\$ 72,776	\$ 19,821

Income Statements - Consolidation 1

(in thousands)

	Year ended December 31, 2016	Three months ended December 31, 2016
CORE PORTFOLIO AND FUND INCOME		
PROPERTY REVENUES		
Minimum rents	\$ 141,803	\$ 40,916
Percentage rents	442	49
Expense reimbursements - CAM	12,182	3,892
Expense reimbursements - Taxes	20,100	5,470
Other property income	2,430	976
Total Property Revenues	176,957	51,303
PROPERTY EXPENSES		
Property operating - CAM	20,162	7,152
Other property operating (Non-CAM)	3,664	1,360
Real estate taxes	25,752	7,675
Total Property Expenses	49,578	16,187
NET OPERATING INCOME - PROPERTIES	127,379	35,116
OTHER INCOME (EXPENSE)		
Interest income	25,579	6,531
Straight-line rent income	3,799	194
Above/below market rent	6,677	2,254
Interest expense 2	(30,275)	(7,681)
Amortization of finance costs	(3,204)	(1,179)
Above/below market interest expense	1,135	188
Asset and property management expense	(236)	(72)
Other income/(expense)	1,065	63
Transaction costs	(6,939)	(2,845)
Capital lease interest	(2,220)	(989)
CORE PORTFOLIO AND FUND INCOME	122,760	31,580
FEE INCOME		
Asset and property management fees	773	238
Transactional fees 3	774	82
Income tax (provision)/benefit	106	229
Total Fee Income	1,653	549
General and Administrative 5	(41,226)	(10,484)
Depreciation and amortization	(69,396)	(23,094)
Non-real estate depreciation and amortization	(615)	(174)
Gain on disposition of properties	81,965	—
Income before equity in earnings and noncontrolling interests	95,141	(1,623)
Equity in earnings (losses) of unconsolidated affiliates	39,451	35,859
Noncontrolling interests	(61,816)	(14,415)
NET INCOME	\$ 72,776	\$ 19,821

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.

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 \$849 and \$4,439 for the three and twelve months, respectively.

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

4 Net of payments totaling \$4,990 during the twelve months, under the Company's Long Term Investment Alignment Program.

5 Includes \$4,200 relating to executive compensation relating to retirements of two executives during the year ending December 31, 2016.

Income Statements - Pro-rata Adjustments 1

(in thousands)

	Noncontrolling Interest in Consolidated Subsidiaries 2	Company's Interest in Unconsolidated Subsidiaries 3	Noncontrolling Interest in Consolidated Subsidiaries 2	Company's Interest in Unconsolidated Subsidiaries 3
	Year ended December 31, 2016		Three months ended December 31, 2016	
CORE PORTFOLIO AND FUND INCOME				
PROPERTY REVENUES				
Minimum rents	\$ (37,572)	\$ 30,487	\$ (11,023)	\$ 8,444
Percentage rents	(345)	102	(38)	11
Expense reimbursements - CAM	(3,409)	2,969	(1,072)	1,173
Expense reimbursements - Taxes	(4,833)	5,697	(1,012)	1,510
Other property income	(934)	97	(479)	(95)
Total Property Revenues	(47,093)	39,352	(13,624)	11,043
PROPERTY EXPENSES				
Property operating - CAM	(7,574)	3,146	(3,053)	1,269
Other property operating (Non-CAM)	(1,910)	972	(759)	299
Real estate taxes	(7,214)	6,308	(2,264)	1,728
Total Property Expenses	(16,698)	10,426	(6,076)	3,296
NET OPERATING INCOME - PROPERTIES	(30,395)	28,926	(7,548)	7,747
OTHER INCOME (EXPENSE)				
Interest income	(4,928)	—	(1,562)	—
Straight-line rent income	(2,112)	1,641	(218)	203
Above/below market rent	(978)	908	(219)	193
Interest expense	11,052	(7,678)	2,455	(1,991)
Amortization of finance costs	1,961	(621)	773	(157)
Above/below market interest expense	(1)	82	(1)	21
Asset and property management expense	499	(886)	110	(264)
Other income/(expense)	(1,649)	434	(736)	36
Transaction costs	2,169	(337)	1,908	(10)
Capital lease interest	—	—	—	—
CORE PORTFOLIO AND FUND INCOME	(24,382)	22,469	(5,038)	5,778
FEE INCOME				
Asset and property management fees	13,182	220	3,855	220
Transactional fees	5,890	—	1,587	—
Income tax (provision)/benefit	94	—	(4)	—
Total Fee Income	19,166	220	5,438	220
PROMOTE, RCP AND OTHER INCOME				
Promote income from Funds, net	11,833	—	4,854	—
Total Promote, RCP and Other Income	11,833	—	4,854	—
General and Administrative	6,129	(115)	2,394	(2)
Depreciation and amortization	20,440	(18,473)	7,623	(6,195)
Gain on disposition of properties	(89,143)	35,332	(27,161)	36,058
Income before equity in earnings and noncontrolling interests	(55,957)	39,433	(11,890)	35,859
Noncontrolling interests 4	(4,443)	—	(1,102)	—
NET INCOME	\$ (60,400)	\$ 39,433	\$ (12,992)	\$ 35,859

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.

2 Noncontrolling interests represent limited partners' interests in consolidated partnerships' activities.

3 Represents the Company's share of co-investment partnerships' activities, of which each are included on a single line presentation in the Company's consolidated financial statements in accordance with GAAP.

4 Represents income allocable to Operating Partnership Units.

Funds from Operations ("FFO") 1

(in thousands)

	Current			Previous	
	Year-to-Date	Quarter		Quarter	
	Period ended	3 months ended		3 months ended	
Funds from operations ("FFO"):	December 31, 2016	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016
Net Income	\$ 72,776	\$ 19,821	\$ 6,112	\$ 17,918	\$ 28,925
Add back:					
Depreciation of real estate and amortization of leasing costs: (net of noncontrolling interest share)	67,446	21,666	16,340	14,112	15,328
Gain on disposition of properties (net of noncontrolling interest share)	(28,154)	(8,897)	—	(4,117)	(15,140)
Income attributable to noncontrolling interests' share in Operating Partnership	5,002	1,245	376	1,249	1,994
FFO to Common Shareholders and Common OP Unit holders	\$ 117,070	\$ 33,835	\$ 22,828	\$ 29,162	\$ 31,107
Add back: Transaction costs	5,107	947	3,230	718	212
Add back: Executive retirement charge	4,200	—	4,200	—	—
FFO before transaction costs and retirement charges	\$ 126,377	\$ 34,782	\$ 30,258	\$ 29,880	\$ 31,319
Adjusted Funds from operations ("AFFO"):					
Diluted FFO	\$ 117,070	\$ 33,835	\$ 22,828	\$ 29,162	\$ 31,107
Straight-line rent, net	(3,328)	(179)	(1,598)	(541)	(1,010)
Above/below market rent	(6,607)	(2,228)	(1,869)	(1,321)	(1,189)
Amortization of finance costs	1,864	563	599	296	406
Above/below market interest	(1,216)	(208)	(332)	(293)	(383)
Non-real estate depreciation	616	174	143	149	150
Leasing commissions	(2,252)	(387)	(1,726)	(122)	(17)
Tenant improvements	(9,477)	(2,305)	(3,063)	(1,880)	(2,229)
Capital expenditures	(1,074)	(265)	(414)	(111)	(284)
AFFO to Common Shareholders and Common OP Unit holders	\$ 95,596	\$ 29,000	\$ 14,568	\$ 25,339	\$ 26,551
Total weighted average diluted shares and OP Units:	81,250	87,739	83,163	77,899	75,845
Diluted FFO per Common share and OP Unit:					
FFO	\$ 1.44	\$ 0.39	\$ 0.27	\$ 0.37	\$ 0.41
FFO before transaction costs and retirement charges	\$ 1.55	\$ 0.40	\$ 0.36	\$ 0.38	\$ 0.41

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, 2016			Three months ended December 31, 2016		
	Core			Core		
	Portfolio	Funds	Total	Portfolio	Funds	Total
NET INCOME	\$ 46,482	\$ 26,294	\$ 72,776	\$ 12,713	\$ 7,108	\$ 19,821
Adjustments:						
Depreciation and amortization	61,852	6,193	68,045	19,304	2,536	21,840
Interest expense	24,619	2,282	26,901	6,592	625	7,217
Amortization of finance costs	1,258	606	1,864	318	245	563
Above/below market interest	(1,216)	—	(1,216)	(208)	—	(208)
Gain on disposition of properties	—	(28,154)	(28,154)	—	(8,897)	(8,897)
Transaction costs	4,453	654	5,107	371	576	947
Retirement charges	4,200	—	4,200	—	—	—
Provision for income taxes	(200)	—	(200)	(225)	—	(225)
Noncontrolling interest - OP	2,844	1,599	4,443	707	395	1,102
EBITDA	\$ 144,292	\$ 9,474	\$ 153,766	\$ 39,572	\$ 2,588	\$ 42,160

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, 2016	December 31, 2015		December 31, 2016	December 31, 2015	
Summary						
Minimum rents	\$ 100,921	\$ 98,402	2.6%	\$ 25,481	\$ 24,935	2.2%
Expense reimbursements	25,056	25,944	(3.4)%	6,606	7,669	(13.9)%
Other property income	742	774	(4.1)%	176	151	16.6%
Total Revenue	126,719	125,120	1.3%	32,263	32,755	(1.5)%
Expenses						
Property operating - CAM & Real estate taxes	29,702	30,571	2.8%	7,810	8,648	9.7%
Other property operating (Non-CAM)	1,321	2,019	34.6%	336	859	60.9%
Total Expenses	31,023	32,590	4.8%	8,146	9,507	14.3%
Same Property NOI - Core properties	\$ 95,696	\$ 92,530	3.4%	\$ 24,117	\$ 23,248	3.7%
Reconciliation of Same Property NOI to Core NOI						
NOI of Properties excluded from Same Property NOI	22,333	9,799		8,876	3,120	
Core NOI 2	\$ 118,029	\$ 102,329		\$ 32,993	\$ 26,368	
Other same property information						
Physical Occupancy	96.4%	96.6%				
Leased Occupancy	96.6%	97.0%				

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 II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Fund V</u>	<u>Other</u>	<u>Total</u>
Year-to-date ended December 31, 2016						
Asset and property management fees	\$ 2,130	\$ 3,232	\$ 5,787	\$ 2,459	\$ 567	\$ 14,175
Transactional fees	2,695	1,080	2,446	19	424	6,664
Total fees	<u>\$ 4,825</u>	<u>\$ 4,312</u>	<u>\$ 8,233</u>	<u>\$ 2,478</u>	<u>\$ 991</u>	<u>\$ 20,839</u>

	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Fund V</u>	<u>Other</u>	<u>Total</u>
Current Quarter ended December 31, 2016						
Asset and property management fees and priority distributions	\$ 536	\$ 773	\$ 1,298	\$ 1,571	\$ 135	\$ 4,313
Transactional fees	675	342	581	19	52	1,669
Total fees and priority distributions	<u>\$ 1,211</u>	<u>\$ 1,115</u>	<u>\$ 1,879</u>	<u>\$ 1,590</u>	<u>\$ 187</u>	<u>\$ 5,982</u>

	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Fund V</u>	<u>Other</u>	<u>Total</u>
Previous Quarter ended September 30, 2016						
Asset and property management fees and priority distributions	\$ 520	\$ 789	\$ 1,376	\$ 888	\$ 135	\$ 3,708
Transactional fees	576	339	837	—	57	1,809
Total management fees and priority distributions	<u>\$ 1,096</u>	<u>\$ 1,128</u>	<u>\$ 2,213</u>	<u>\$ 888</u>	<u>\$ 192</u>	<u>\$ 5,517</u>

	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Fund V</u>	<u>Other</u>	<u>Total</u>
Previous Quarter ended June 30, 2016						
Asset and property management fees	\$ 540	\$ 809	\$ 1,521	\$ —	\$ 140	\$ 3,010
Transactional fees	729	162	396	—	207	1,494
Total fees	<u>\$ 1,269</u>	<u>\$ 971</u>	<u>\$ 1,917</u>	<u>\$ —</u>	<u>\$ 347</u>	<u>\$ 4,504</u>

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

Consolidated Balance Sheet

(in thousands)

	Notes	Consolidated Balance Sheet <u>As Reported</u>	
ASSETS			
<u>Real estate</u>			
Land	\$	693,252	1 The Company currently invests in Funds II, III, IV & V and Mervyns I & II which are consolidated within the Company's financial statements.
Buildings and improvements		2,048,508	
Construction in progress		19,789	
Properties under capital lease		76,965	2 The components of Net real estate under development are as follows:
		<u>2,838,514</u>	
Less: accumulated depreciation		<u>(287,066)</u>	
Operating real estate, net		2,551,448	Fund II \$ 443,013
Real estate under development, at cost	2	<u>543,486</u>	Fund III 50,451
Net investments in real estate		3,094,934	Fund IV 46,523
Notes receivable		276,163	Other 3,499
Investments in and advances to unconsolidated affiliates		272,028	
Cash and cash equivalents		71,805	Total <u>\$ 543,486</u>
Restricted cash		22,904	
Rents receivable, net		12,112	
Straight-line rents receivable, net		31,730	
Other assets, net		192,786	
Assets of real estate held for sale		21,498	
		<u>\$ 3,995,960</u>	
Total Assets			
LIABILITIES AND SHAREHOLDERS' EQUITY			
Mortgage and other notes payable	\$	1,055,728	
Unsecured notes payable		432,990	
Distributions in excess of income from, and investments in, unconsolidated affiliates		13,691	
Accounts payable and other liabilities		208,672	
Capital lease obligations		70,129	
Dividends and distributions payable		<u>36,625</u>	
		1,817,835	
Total Liabilities			
Shareholders' equity:			
Common shares		84	
Additional paid-in capital		1,594,926	
Accumulated other comprehensive loss		(798)	
Distributions in excess of accumulated earnings		<u>(5,635)</u>	
Total controlling interest		1,588,577	
Noncontrolling interest in subsidiary		<u>589,548</u>	
		2,178,125	
Total Shareholders' Equity			
		<u>\$ 3,995,960</u>	
Total Liabilities and Shareholders' Equity			

Pro-Rata Balance Sheet Adjustments

(in thousands)

	Noncontrolling Interest in Consolidated Subsidiaries 2	Company's Interest in Unconsolidated Subsidiaries 3
ASSETS		
<u>Real estate</u>		
Land	\$ (170,113)	\$ 72,364
Buildings and improvements	(452,632)	278,403
Construction in progress	(11,783)	958
Properties under capital lease	—	—
	(634,528)	351,725
Less: accumulated depreciation	30,815	(28,431)
Operating real estate, net	(603,713)	323,294
Net real estate under development	(392,656)	4,018
Net investments in real estate	(996,369)	327,312
Notes receivable	(43,587)	—
Investments in and advances to unconsolidated affiliates	(79,940)	(190,390)
Cash and cash equivalents	(20,118)	6,875
Restricted cash	(14,232)	1,171
Rents receivable, net	(1,792)	2,783
Straight-line rents receivable, net	(9,364)	3,841
Other assets, net	(11,860)	18,067
Assets of real estate held for sale	(15,408)	—
Total Assets	<u>\$ (1,192,670)</u>	<u>\$ 169,659</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Mortgage and other notes payable	\$ (576,842)	\$ 164,604
Unsecured notes payable	(103,508)	—
Distributions in excess of income from, and investments in, unconsolidated affiliates	—	(13,691)
Accounts payable and other liabilities	(55,331)	18,746
Total Liabilities	(735,681)	169,659
Noncontrolling interest in subsidiary	(456,989)	—
Total Shareholders' Equity	(456,989)	—
Total Liabilities and Shareholders' Equity	<u>\$ (1,192,670)</u>	<u>\$ 169,659</u>

Note:

1 The Company currently invests in Funds II, III, IV & V and Mervyns I & II which are consolidated within the Company's financial statements.

2 Noncontrolling interests represent limited partners' interests in consolidated partnerships' activities

3 Represents the Company's share of co-investment partnerships' activities, of which each are included on a single line presentation in the Company's consolidated financial statements in accordance with GAAP.

Structured Financing Portfolio

(in thousands)

Investment	September 30, 2016			Current Period					Stated	Effective	Maturity Dates
	Principal Balance	Accrued Interest	Total	Advances	Repayments	Current Principal	Accrued Interest	Balance at December 31, 2016	Interest Rate	Interest Rate 1	
First mortgage notes	\$ 206,400	\$ 3,505	\$209,905	\$ —	\$ —	\$206,400	\$ 5,173	\$ 211,573	7.91%	7.95%	2017 to 2019
Mezzanine, preferred equity and other notes	10,000	44	10,044	—	—	10,000	39	10,039	8.00%	8.67%	2019
Total notes receivable	\$ 216,400	\$ 3,549	\$219,949	\$ —	\$ —	\$216,400	\$ 5,212	\$ 221,612	7.91%	7.98%	

Notes:

1 Inclusive of points and exit fees.

Reconciliation of Notes Receivable to the Consolidated Balance Sheet

Total Notes Receivable per above	\$216,400
Other loans (pro-rata share)	16,176
Total Pro-rata Notes Receivable	\$232,576

Transactional Activity

(in thousands)

Core Portfolio							Funds						
----------------	--	--	--	--	--	--	-------	--	--	--	--	--	--

Property Name	Transaction Price	Acadia		Month of Transaction	Location	Key Tenants	Property Name	Transaction Price	Fund		Acadia		Month of Transaction	Location	Key Tenants
		Ownership %	Acadia Share						Ownership %	Fund Share	Share				
Gotham Plaza 1	\$ 79,163	49%	\$ 38,790	January	Manhattan, NY	Bank of America, The Children's Place	1964 Union Street	\$ 2,250	90%	\$ 2,025	\$ 468	January	San Francisco, CA	—	
991 Madison Avenue 2	76,628	100%	76,628	March	Manhattan, NY	Vera Wang, Perrin Paris	Restaurants at Fort Point	11,500	100%	11,500	2,659	January	Boston, MA	—	
165 Newbury Street	6,250	100%	6,250	May	Boston, MA	Starbucks	Wake Forest Crossing	36,600	100%	36,600	8,462	September	Wake Forest, NC	Lowes Foods, TJ Maxx, Ross Dress	
Georgetown Portfolio (2016) 3	338,000	20%	67,600	June	Washington, DC	Sephora, Lululemon, North Face	Northeast Grocery Portfolio	83,400	100%	83,400	19,282	October	Maine/Pennsylvania/New York	Shaw's, Hannaford, Ashley Furniture	
Sullivan Center	146,939	100%	146,939	August	Chicago, IL	Target, DSW	717 N. Michigan Avenue	104,000	100%	104,000	24,045	December	Chicago, IL	Disney Store	
Smithfield Portfolio	150,000	100%	150,000	August/September	Chicago, IL	Walgreens, Nordstrom Rack, H & M									
555 9th Street	140,586	100%	140,586	November	San Francisco, CA	Bed, Bath & Beyond, Nordstrom Rack									
Total	\$ 937,566		\$ 626,793				Total	\$ 237,750		\$ 237,525	\$ 54,916				

Fund IV:

Dispositions

Fund III:

Cortlandt Town Center	165,000	100%	165,000	65,390	January/December	Mohegan Lake, NY	—
Heritage Shops	46,500	100%	46,500	18,428	April	Chicago, IL	—
Total	\$ 211,500		\$ 211,500	\$ 83,818			

Structured Finance Investments

Month of Transaction Location Extension Options

Fund IV	Principal	Interest Rate	Maturity Date			
900 W. Randolph Street	\$14,000	15%	February, 2021	February	Chicago, IL	2 x 12 mos.
Windham	9,000	6%	April, 2017	October	North Windham, ME	1 x 6 mos.

Notes:

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

2 Acquired a 49-year master lease interest in this property. The lease position has been capitalized for the Company's financial statements at a total value of \$76,628 which consists of a \$7,000 upfront payment in addition to the present value of future annual master lease rent obligations.

3 Acquired a 20% interest in this portfolio for \$67,600 which is comprised of cash of \$47,600 and our proportionate share of assumed debt of \$20,000. The \$338,000 represents the total value of the portfolio at the time of our transaction.

2017 Annual Guidance

Note: 2017 FFO and EPS guidance and comparable 2016 results are before acquisition and other costs

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

	2017 Guidance	2016 Actual	Notes
Summary:			
Funds from Operations ("FFO") per share (before acquisition and other costs)	\$1.44 to \$1.54	\$1.55	'- Before 2016 acquisition and retirement costs, which totaled \$0.06 and \$0.05 per share, respectively
Earnings per Share ("EPS") (before acquisition and other costs)	\$0.58 to \$0.63	\$1.05	
FFO Components:			
Core and pro-rata share of Fund portfolio income (before acquisition and other costs)	\$142.0 to \$151.5	\$125.9	'- 2016 acquisition and retirement costs totaled \$5.1 million and \$4.2 million, respectively
Fund fee income, net of taxes	\$20.9 to \$22.9	\$21.1	
Other Fund and transactional income	\$0.5 to \$0.5	\$10.4	'- Net of projected payments under the Company's Long-Term Fund Investment Alignment Program ("FIAP")
General and administrative expense	\$(32.5) to \$(33.0)	\$(31.0)	
FFO	\$130.9 to \$141.9	\$126.4	
Additional Guidance Assumptions:			
Fully diluted Common Shares and OP Units - weighted average	91,000 to 92,000	81,250	
Same property net operating income ("NOI") growth	0.0% to 2.0%		
Core acquisitions	\$300.0 to \$500.0		
Fund acquisitions	\$200.0 to \$600.0		

**Net Asset Valuation
Information**

(in thousands)

	<u>CORE</u>		<u>FUND II</u>				<u>FUND III</u>				<u>FUND IV</u>			
	Quarterly	Annualized (x4)	<u>Fund Level</u>		<u>AKR Pro-rata Share</u>		<u>Fund Level</u>		<u>AKR pro-rata share</u>		<u>Fund Level</u>		<u>AKR pro-rata share</u>	
			Quarterly	Annualized (x4)	%	\$	Quarterly	Annualized (x4)	%	\$	Quarterly	Annualized (x4)	%	\$
Current NOI														
Net Operating Income	\$ 33,014	1 \$ 132,056	\$ 1,392	\$ 5,568	28.33%	\$ 1,577	\$ 1,892	\$ 7,568	39.63%	\$ 2,999	\$ 6,242	\$ 24,968	23.12%	\$ 5,773
Less:														
(Income)/ loss from properties sold or under contract	—	—	—	—	—	—	(1,104)	(4,416)	(1,750)	(113)	(452)	(105)		
(Income)/ loss from pre-stabilized assets 2	—	—	(786)	(3,144)		(891)	(619)	(2,476)	(981)	(3,117)	(12,468)	(2,883)		
(Income)/ loss from development projects 3	(155)	(620)	—	—		—	—	—	—	(213)	(852)	(197)		
Net Operating Income of stabilized assets	<u>32,859</u>	<u>131,436</u>	<u>606</u>	<u>2,424</u>		<u>687</u>	<u>169</u>	<u>676</u>		<u>268</u>	<u>2,799</u>	<u>11,196</u>		<u>2,589</u>
Assets under contract for sale, net of debt								\$ 18,750	\$ 7,431	\$ 10,570	\$ 2,444			
Costs to Date														
Pre-stabilized assets 2	\$ —		\$ 73,998		\$ 20,964		\$ 66,008		\$ 26,159		\$ 140,280		\$ 32,433	
Development projects 3		<u>11,924</u>		<u>444,500</u>		<u>125,927</u>		<u>44,400</u>		<u>17,596</u>		<u>282,800</u>		<u>65,383</u>
Total Costs to Date		<u>11,924</u>		<u>518,498</u>		<u>146,890</u>		<u>110,408</u>		<u>43,755</u>		<u>423,080</u>		<u>97,816</u>
Debt		<u>\$ 738,755</u>		<u>\$ 412,292</u>		<u>\$ 110,134</u>		<u>\$ 93,462</u>		<u>\$ 29,204</u>		<u>\$ 455,195</u>		<u>\$ 102,033</u>

Notes:

1 Does not include a full quarter of NOI for those assets purchased during the fourth quarter 2016. 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	Three months ended September
	2016	2015	2016	2015		December 31,	30,
						2016	2016
COVERAGE RATIOS 1				LEVERAGE RATIOS			
Fixed-Charge Coverage Ratios				Debt/Market Capitalization Ratios			
EBITDA 2 divided by:	\$39,572	\$29,763	\$144,292	\$120,431	Debt + Preferred Equity (Preferred O.P. Units) \$	994,796	\$ 919,997
Interest expense	6,592	5,930	24,619	24,092	Total Market Capitalization	3,874,754	4,012,574
Principal Amortization	1,281	1,184	4,407	5,174	Debt+Preferred Equity/Total Market Capitalization	26%	23%
Preferred Dividends 3	143	13	560	31	Debt 6 \$	936,234	\$ 879,307
Fixed-Charge Coverage Ratio - Core Portfolio	4.9x	4.2x	4.9x	4.1x	Total Market Capitalization	3,816,192	3,971,884
EBITDA divided by:	\$42,160	\$31,781	\$153,766	\$130,184	Net Debt+Preferred Equity/Total Market Capitalization	25%	22%
Interest expense	7,217	6,466	26,901	26,203	Debt/EBITDA Ratios		
Principal Amortization	1,284	1,339	4,983	5,859	Debt \$	738,755	\$ 683,329
Preferred Dividends	143	13	560	31	EBITDA (Annualized) 7	165,267	154,036
Fixed-Charge Coverage Ratio - Core Portfolio and Funds	4.9x	4.1x	4.7x	4.1x	Debt/EBITDA - Core Portfolio	4.5x	4.4x
Payout Ratios							
Dividends declared (per share/OP Unit) 4	\$ 0.26	\$ 0.25	\$ 1.01	\$ 0.97	Debt 5 \$	687,662	\$ 649,581
Dividends (Shares) & Distributions (OP Units) declared	\$23,229	\$18,776	\$ 84,404	\$ 71,888	EBITDA (Annualized) 7	165,267	154,036
FFO	33,835	25,378	117,070	111,560	Net Debt/EBITDA - Core Portfolio	4.2x	4.2x
FFO Payout Ratio	69%	74%	72%	64%	Debt 4 \$	980,126	\$ 904,511
FFO Payout Ratio before acquisition costs	67%	73%	69%	60%	EBITDA (Annualized) 7	175,619	161,424
Dividends (Shares) & Distributions (OP Units) paid	\$23,229	\$18,776	\$ 84,404	\$ 71,888	Debt/EBITDA - Core Portfolio and Funds	5.6x	5.6x
AFFO	29,000	20,805	95,596	90,441	Debt 6 \$	921,564	\$ 863,821
AFFO Payout Ratio	80%	90%	88%	79%	EBITDA (Annualized) 7	175,619	161,424
AFFO Payout Ratio before acquisition costs	78%	89%	84%	74%	Net Debt/EBITDA - Core Portfolio and Funds	5.2x	5.4x

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 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.

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 \$0.15 for 4Q and YTD 2016 or \$0.25 for 4Q and YTD 2015.

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

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

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

Reconciliation of EBITDA to Adjusted EBITDA

Core EBITDA as reported \$	39,572
Annualized	158,288
Less: Q4 net Promote	(3,420)
Add: Annualized net Promote	10,399

8 Annualized EBITDA is adjusted to include the amount of net Promote income earned during 2016.

Adjusted Annualized Core EBITDA	165,267
Add in Funds	<u>10,352</u>
Adjusted Annualized EBITDA Core and Funds \$	<u><u>175,619</u></u>

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	\$ 248,806	3.7%	\$ —	n/a	\$ 248,806	3.7%	25%	\$ —	\$ —	\$ 248,806
Variable-Rate Debt	51,194	1.6%	31,128	2.8%	82,322	2.0%	8%	103,508	—	185,830
										33%
Mortgage and Other Notes Payable										
Fixed-Rate Debt 1	406,755	4.1%	77,541	4.4%	484,296	4.2%	50%	244,335	(106,694)	621,937
Variable-Rate Debt	32,000	3.2%	132,702	3.2%	164,702	3.2%	17%	343,310	(58,916)	449,096
										67%
Total	\$ 738,755	3.8%	\$ 241,371	3.5%	\$ 980,126	3.7%	100%	\$ 691,153	\$ (165,610)	1,505,669
Unamortized premium										1,336
Unamortized loan costs										(18,287)
										\$ 1,488,718

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, 2016		Percent	Amount	Rate	Date	Options
<u>CORE PORTFOLIO</u>							
<u>Fixed-Rate Debt</u>							
Brandywine 2	\$	26,250	22.2%	\$ 5,833	5.99%	7/1/2016	None
Merrillville Plaza		24,779	100.0%	24,779	5.88%	8/1/2017	None
Bedford Green		28,697	100.0%	28,697	5.10%	9/5/2017	None
163 Highland Avenue		9,359	100.0%	9,359	4.66%	2/1/2024	None
Crossroads Shopping Center		67,500	49.0%	33,075	3.94%	10/6/2024	None
555 9th Street		60,000	100.0%	60,000	3.99%	1/1/2025	None
840 N. Michigan		73,500	88.4%	64,996	4.36%	2/10/2025	None
Georgetown Portfolio (2008 Investment)		17,246	50.0%	8,623	4.72%	12/10/2027	None
State & Washington		25,485	100.0%	25,485	4.40%	9/5/2028	None
239 Greenwich Avenue		27,000	75.0%	20,250	3.88%	1/10/2029	None
North & Kingsbury		13,292	100.0%	13,292	4.01%	11/5/2029	None
151 North State Street		14,464	100.0%	14,464	4.03%	12/1/2029	None
Concord & Milwaukee		2,874	100.0%	2,874	4.40%	6/1/2030	None
California & Armitage		2,675	100.0%	2,675	5.89%	4/15/2035	None
Unsecured interest rate swaps 1		248,806	100.0%	248,806	3.74%	Various	
Secured interest rate swaps 1		103,183	89.5%	92,353	3.03%	Various	
Sub-Total Fixed-Rate Debt		745,110		655,561	3.97%		
<u>Secured Variable-Rate Debt</u>							
664 N. Michigan		41,846	100.0%	41,846	Libor + 165	6/28/2018	1 x 60 mos.
4401 N. White Plains Road		5,884	100.0%	5,884	Libor + 190	9/1/2022	None
28 Jericho Turnpike		14,869	100.0%	14,869	Libor + 190	1/23/2023	None
60 Orange Street		7,769	98.0%	7,614	Libor + 175	4/3/2023	None
Gotham Plaza		20,931	49.0%	10,256	Libor + 160	6/10/2023	None
Georgetown Portfolio (2016 Investment)		160,000	20.0%	32,000	Libor + 170	8/1/2023	None
330-340 River Street		11,884	100.0%	11,884	Libor + 170	6/1/2026	None
Secured interest rate swaps 1		(103,183)	89.5%	(92,353)	Libor + 143		
Sub-Total Variable-Rate Debt		211,194		83,194	Libor + 157		
Total Debt - Core Portfolio	\$	956,304		\$ 738,755	3.77%		

Portfolio Debt - Detail (continued)

(in thousands)

Property	Entity	Principal Balance at		Acadia's Pro-rata Share		Interest	Maturity	Extension
		December 31, 2016		Percent	Amount	Rate	Date	Options
Funds								
Fixed-Rate Debt								
216th Street 4	Fund II	\$	25,500	28.1%	\$ 7,159	5.80%	10/1/2017	None
CityPoint 4	Fund II		19,000	25.4%	4,824	1.25%	12/23/2017	None
CityPoint 4,5	Fund II		5,262	26.7%	1,403	1.00%	8/23/2019	None
CityPoint 4	Fund II		200,000	26.7%	53,341	4.75%	5/29/2020	None
1964 Union Street 4	Fund IV		1,463	20.8%	304	3.80%	10/1/2025	None
2207 Fillmore Street 4	Fund IV		1,120	20.8%	233	4.50%	10/31/2025	None
2208-2216 Fillmore Street 4	Fund IV		5,606	20.8%	1,166	3.40%	6/1/2026	None
1861 Union Street 4	Fund IV		2,315	20.8%	482	3.40%	6/1/2026	None
Interest rate swaps 1	Funds II & IV		34,288	25.2%	8,629	3.41%	Various	
Sub-Total Fixed-Rate Debt			294,554		77,541	4.38%		
Variable-Rate Debt								
1701 Belmont Avenue 4,8	Fund IV		2,936	22.8%	669	Prime + 50	1/31/2017	None
Acadia Strategic Opportunity IV LLC	Fund IV		40,116	23.1%	9,275	Libor + 275	2/9/2017	1 x 6 mos.
654 Broadway	Fund III		8,615	39.6%	3,414	Libor + 188	3/1/2017	2 x 12 mos.
Arundel Plaza 4	Fund III		10,000	35.7%	3,567	Libor + 200	4/8/2017	1 x 12 mos.
New Hyde Park Shopping Center	Fund III		10,760	39.6%	4,264	Libor + 185	5/1/2017	2 x 12 mos.
938 W. North Avenue	Fund IV		12,500	23.1%	2,890	Libor + 235	5/1/2017	1 x 12 mos.
Acadia Strategic Opportunity IV LLC	Fund IV		94,520	23.1%	21,853	Libor + 165	5/18/2017	None
1151 Third Avenue	Fund IV		12,481	23.1%	2,886	Libor + 175	6/3/2017	2 x 12 mos.
CityPoint 4	Fund II		20,000	26.7%	5,334	Libor + 170	8/23/2017	None
210 Bowery	Fund IV		5,133	23.1%	1,187	Libor + 275	10/15/2017	1 x 12 mos.
Promenade at Manassas 4	Fund IV		25,000	22.8%	5,696	Libor + 170	11/19/2017	1 x 12 mos.
2819 Kennedy Boulevard 4	Fund IV		8,430	22.8%	1,921	Libor + 215	12/9/2017	2 x 12 mos.
Eden Square 4	Fund IV		16,000	22.8%	3,646	Libor + 200	12/17/2017	1 x 12 mos.
CityPoint 4	Fund II		62,000	25.4%	15,742	Sifma + 160	12/23/2017	None
230/240 W. Broughton	Fund IV		10,041	11.6%	1,161	Libor + 300	5/1/2018	None
Nostrand Avenue	Fund III		11,137	39.6%	4,414	Libor + 265	5/1/2018	2 x 12 mos.
Sherman Plaza	Fund II		14,250	28.1%	4,001	Libor + 325	7/1/2018	1 x 12 mos.
Paramus Plaza 4	Fund IV		14,099	11.6%	1,630	Libor + 170	2/20/2019	None
Lake Montclair	Fund IV		14,509	23.1%	3,354	Libor + 215	5/1/2019	None
146 Geary Street	Fund IV		27,700	23.1%	6,404	Libor + 340	7/14/2019	2 x 12 mos.
Broughton Street Portfolio	Fund IV		30,000	23.1%	6,936	Libor + 300	11/8/2019	1 x 12 mos.
161st Street 4	Fund II		46,500	28.1%	13,055	Libor + 250	12/2/2019	2 x 12 mos.
717 N. Michigan Avenue	Fund IV		63,900	23.1%	14,774	Libor + 395	12/9/2019	2 x 12 mos.
640 Broadway 4	Fund III		48,470	25.0%	12,125	Libor + 465	1/9/2020	2 x 12 mos.
17 E. 71st Street	Fund IV		19,000	23.1%	4,393	Libor + 190	6/9/2020	None
1035 Third Avenue	Fund IV		41,826	23.1%	9,670	Libor + 235	1/27/2021	None
Restaurants at Fort Point	Fund IV		6,500	23.1%	1,503	Libor + 235	8/25/2021	None
CityPoint 4	Fund II		19,780	26.7%	5,275	Libor + 139	11/1/2021	None
3104 M Street 4,6	Fund III		4,480	31.7%	1,420	Prime + 50	12/10/2021	None
Interest rate swaps 1	Funds II & IV		(34,288)	25.2%	(8,629)	Libor + 247		
Sub-Total Variable-Rate Debt			666,395		163,830	Libor + 246		
Total Debt - Funds		\$	960,949		\$ 241,371	3.50%		
Total Debt - Core Portfolio and Funds		\$	1,917,253		\$ 980,126	3.71%		

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 loan is in default as of December 31, 2016 and is accruing interest at the default rate of 11%.

3 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, 2016, the interest rate is LIBOR + 140 basis points.

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

5 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.

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

Future Debt Maturities 1

(in thousands)

Core Portfolio

Year	Total Debt Maturities			Acadia's Pro-rata Share			Weighted Average Interest Rate of Pro-rata Maturing Debt		
	Scheduled			Scheduled			Total Debt	Fixed-Rate Debt	Variable-Rate Debt
	Amortization	Maturities	Total	Amortization	Maturities	Total			
2017	\$ 5,540	\$ 79,173	\$ 84,713	\$ 4,963	\$ 58,756	\$ 63,719	5.51%	5.51%	n/a
2018	5,258	40,058	45,316	4,214	40,058	44,272	2.27%	n/a	2.27%
2019	5,349	—	5,349	4,153	—	4,153	n/a	n/a	n/a
2020	5,592	50,000	55,592	4,344	50,000	54,344	1.92%	n/a	1.92%
2021	5,838	200,000	205,838	4,533	200,000	204,533	1.92%	n/a	1.92%
Thereafter	29,490	530,006	559,496	24,615	343,119	367,734	3.50%	4.17%	2.31%
Total	\$ 57,067	\$ 899,237	\$ 956,304	\$ 46,822	\$ 691,933	\$ 738,755			

Funds

Year	Total Debt Maturities			Acadia's Pro-rata Share			Weighted Average Interest Rate of Pro-rata Maturing Debt		
	Scheduled			Scheduled			Total Debt	Fixed-Rate Debt	Variable-Rate Debt
	Amortization	Maturities	Total	Amortization	Maturities	Total			
2017	\$ 4,154	\$ 370,614	\$ 374,768	\$ 1,067	\$ 93,749	\$ 94,816	2.64%	3.66%	2.44%
2018	1,613	34,908	36,521	363	9,369	9,732	3.57%	n/a	3.57%
2019	2,008	200,067	202,075	382	47,239	47,621	3.66%	1.00%	3.74%
2020	1,036	267,137	268,173	249	69,782	70,031	4.70%	4.75%	4.55%
2021	290	50,105	50,395	77	11,971	12,048	3.10%	n/a	3.10%
Thereafter	879	28,138	29,017	234	6,889	7,123	2.51%	3.57%	2.01%
Total	\$ 9,980	\$ 950,969	\$ 960,949	\$ 2,372	\$ 238,999	\$ 241,371			

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 PSF	
													Total	Total	Total
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%	\$ 4,497,482	\$ 247.92	
840 N. Michigan Avenue	H & M, Verizon Wireless	2014	88.4%	87,135	—	—	87,135	100.0%	—	—	100.0%	100.0%	7,610,395	87.34	
Rush and Walton Streets Collection - 6 properties	Lululemon, Brioni, BHLDN, Marc Jacobs	2011/12	100.0%	41,533	—	—	41,533	100.0%	—	—	100.0%	100.0%	6,633,831	159.72	
651-671 West Diversey	Trader Joe's, Urban Outfitters	2011	100.0%	46,259	—	—	46,259	100.0%	—	—	100.0%	100.0%	1,995,310	43.13	
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%	1,281,730	57.00	
Halsted and Armitage Collection - 9 properties	Intermix, BCBG, Club Monaco	2011/12	100.0%	44,658	—	—	44,658	95.2%	—	—	95.2%	95.2%	1,879,494	44.21	
North Lincoln Park Chicago Collection - 6 properties	Forever 21, Aldo, Carhartt, Chase Bank	2011/14	100.0%	22,125	—	28,836	50,961	100.0%	—	68.3%	82.1%	82.1%	1,697,089	40.57	
State and Washington	H & M, Nordstrom Rack	2016	100.0%	78,819	—	—	78,819	100.0%	—	—	100.0%	100.0%	2,969,482	37.67	
151 N. State Street	Walgreens	2016	100.0%	27,385	—	—	27,385	100.0%	—	—	100.0%	100.0%	1,300,000	47.47	
North and Kingsbury	Old Navy, Pier 1 Imports	2016	100.0%	41,700	—	—	41,700	100.0%	—	—	100.0%	100.0%	1,576,809	37.81	
Concord and Milwaukee	—	2016	100.0%	13,105	—	—	13,105	100.0%	—	—	100.0%	100.0%	393,276	30.01	
California and Armitage	—	2016	100.0%	—	—	18,275	18,275	—	—	75.1%	75.1%	75.1%	626,417	45.66	
Roosevelt Galleria	Petco, Vitamin Shoppe	2015	100.0%	—	—	37,995	37,995	—	—	63.4%	63.4%	63.4%	701,982	29.15	
Sullivan Center	Target, DSW	2016	100.0%	176,181	—	—	176,181	98.6%	—	—	98.6%	98.6%	6,367,775	36.65	
				620,572	—	85,106	705,678	99.1%	—	67.6%	95.3%	95.3%	39,531,072	58.79	
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%	2,275,971	775.19	
15 Mercer Street	3 X 1 Denim	2011	100.0%	3,375	—	—	3,375	100.0%	—	—	100.0%	100.0%	431,250	127.78	
5-7 East 17th Street	Union Fare	2008	100.0%	11,467	—	—	11,467	100.0%	—	—	100.0%	100.0%	1,300,014	113.37	
200 West 54th Street	Stage Coach Tavern	2007	100.0%	5,773	—	—	5,773	86.3%	—	—	86.3%	86.3%	2,156,703	433.14	
61 Main Street	Chicos	2014	100.0%	3,400	—	—	3,400	100.0%	—	—	100.0%	100.0%	351,560	103.40	
181 Main Street	TD Bank	2012	100.0%	11,350	—	—	11,350	100.0%	—	—	100.0%	100.0%	866,365	76.33	
4401 White Plains Road	Walgreens	2011	100.0%	—	12,964	—	12,964	—	100.0%	—	100.0%	100.0%	625,000	48.21	
Bartow Avenue	Sleepy's	2005	100.0%	—	—	14,590	14,590	—	—	100.0%	100.0%	100.0%	478,227	32.78	
239 Greenwich Avenue	Betteridge Jewelers	1998	75.0%	16,553	—	—	16,553	100.0%	—	—	100.0%	100.0%	1,513,516	91.43	

252-256 Greenwich Avenue	Madewell, Calypso, Jack Wills	2014	100.0%	7,986	—	—	7,986	100.0%	—	—	100.0%	100.0%	1,308,431	163.84
2914 Third Avenue	Planet Fitness	2006	100.0%	—	21,650	18,670	40,320	—	100.0%	100.0%	100.0%	100.0%	951,287	23.59
868 Broadway	Dr. Martens	2013	100.0%	2,031	—	—	2,031	100.0%	—	—	100.0%	100.0%	723,607	356.28
313-315 Bowery 2	John Varvatos, Patagonia	2013	100.0%	6,600	—	—	6,600	100.0%	—	—	100.0%	100.0%	479,160	72.60
120 West Broadway	HSBC Bank, Citibank	2013	100.0%	13,838	—	—	13,838	100.0%	—	—	100.0%	100.0%	2,133,910	154.21
131-135 Prince Street	Folli Follie, Uno De 50	2014	100.0%	3,200	—	—	3,200	100.0%	—	—	100.0%	100.0%	1,307,412	408.57
2520 Flatbush Avenue	Bob's Discount Furniture, Capital One	2014	100.0%	—	—	29,114	29,114	—	—	100.0%	100.0%	100.0%	1,059,282	36.38
991 Madison Avenue	Vera Wang, Perrin Paris	2016	100.0%	7,513	—	—	7,513	65.6%	—	—	65.6%	65.6%	1,508,050	306.08
Shops at Grand	Stop & Shop (Ahold)	2014	100.0%	—	52,336	47,639	99,975	—	100.0%	93.7%	97.0%	97.0%	2,965,970	30.59
Gotham Plaza	Bank of America, Children's Place	2016	49.0%	—	—	26,180	26,180	—	—	91.6%	91.6%	91.6%	1,471,167	61.35
				99,022	86,950	136,193	322,165	96.6%	100.0%	96.2%	97.3%	97.3%	24,593,154	78.43
San Francisco Metro														
City Center	City Target, Best Buy	2015	100.0%	—	174,311	30,337	204,648	—	100.0%	82.9%	97.5%	98.1%	7,657,875	38.39
555 9th Street	Bed, Bath & Beyond, Nordstrom Rack	2016	100.0%	—	119,862	28,970	148,832	—	100.0%	100.0%	100.0%	100.0%	6,013,669	40.41
				—	294,173	59,307	353,480	—	100.0%	91.3%	98.5%	98.9%	13,671,544	39.25
District of Columbia Metro														
1739-53 & 1801-03 Connecticut Avenue	Ruth Chris Steakhouse, TD Bank	2012	100.0%	20,669	—	—	20,669	91.9%	—	—	91.9%	100.0%	1,125,162	59.26
Rhode Island Place Shopping Center	TJ Maxx	2012	100.0%	—	24,996	32,533	57,529	—	100.0%	100.0%	100.0%	100.0%	1,735,379	30.17
M Street and Wisconsin Corridor - 24 Properties 3	Lululemon, North Face, Coach	2011/16	25.4%	242,582	—	—	242,582	93.0%	—	—	93.0%	93.0%	17,076,374	75.71
				263,251	24,996	32,533	320,780	92.9%	100.0%	100.0%	94.2%	94.7%	19,936,915	66.00
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%	1,200,045	22.13
165 Newbury Street	Starbucks	2016	100.0%	1,050	—	—	1,050	100.0%	—	—	100.0%	100.0%	254,153	242.05
				1,050	40,800	13,426	55,276	100.0%	100.0%	100.0%	100.0%	100.0%	1,454,198	26.31
Total Street and Urban Retail				983,895	446,919	326,565	1,757,379	97.2%	100.0%	88.4%	96.3%	96.4%	\$ 99,186,883	\$ 58.63
Acadia Share Total Street and Urban Retail				788,572	446,919	313,213	1,548,704	98.2%	100.0%	88.2%	96.7%	96.9%	\$ 84,736,303	\$ 56.58

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 not yet stabilized assets and is not reflected above.

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.

³ Excludes 94,000 of office GLA.

Core Portfolio Retail Properties - Detail 1 (continued)

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	
												Total	Total	Total
SUBURBAN PROPERTIES														
<u>New Jersey</u>														
Elmwood Park Shopping Center	Walgreens, Acme	1998	100.0%	—	62,610	86,460	149,070	—	100.0%	95.3%	97.3%	97.3%	\$ 3,870,422	\$ 26.69
Marketplace of Absecon	Rite Aid, Dollar Tree	1998	100.0%	—	46,724	57,832	104,556	—	100.0%	85.9%	92.2%	92.2%	1,385,256	14.37
60 Orange Street	Home Depot	2012	98.0%	—	101,715	—	101,715	—	100.0%	—	100.0%	100.0%	695,000	6.83
<u>New York</u>														
Village Commons Shopping Center	—	1998	100.0%	—	—	87,128	87,128	—	—	98.1%	98.1%	98.1%	2,816,751	32.96
Branch Plaza	LA Fitness, The Fresh Market	1998	100.0%	—	76,264	47,075	123,339	—	100.0%	75.3%	90.6%	90.6%	2,837,192	25.40
Amboy Center	Stop & Shop (Ahold)	2005	100.0%	—	37,266	26,024	63,290	—	100.0%	100.0%	100.0%	100.0%	2,059,483	32.54
Pacesetter Park Shopping Center	Stop & Shop (Ahold)	1999	100.0%	—	52,052	45,754	97,806	—	100.0%	95.4%	97.9%	100.0%	1,270,976	13.28
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, DSW	1998	49.0%	—	202,727	108,812	311,539	—	100.0%	77.4%	92.1%	92.1%	6,685,878	23.30
New Loudon Center	Price Chopper, Marshalls	1993	100.0%	—	251,058	4,615	255,673	—	100.0%	100.0%	100.0%	100.0%	2,140,344	8.37
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, CVS	2014	100.0%	—	37,981	52,608	90,589	—	100.0%	68.7%	81.8%	81.8%	2,370,392	31.99
<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%	1,753,152	16.49
<u>Massachusetts</u>														
Methuen Shopping Center	Wal-Mart, Market Basket	1998	100.0%	—	120,004	10,017	130,021	—	100.0%	43.7%	95.7%	95.7%	1,186,018	9.54
Crescent Plaza	Home Depot, Shaw's (Supervalu)	1993	100.0%	—	156,985	61,163	218,148	—	100.0%	85.7%	96.0%	96.0%	1,880,513	8.98
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%	2,046,885	20.14
<u>Illinois</u>														
Hobson West Plaza	Garden Fresh Markets	1998	100.0%	—	51,692	47,445	99,137	—	100.0%	90.0%	95.2%	95.2%	1,146,315	12.15
<u>Indiana</u>														

Merrillville Plaza	Jo-Ann Fabrics, TJ Maxx	1998	100.0%	—	123,220	112,867	236,087	—	100.0%	93.4%	96.8%	96.8%	3,301,079	14.44
Michigan														
Bloomfield Town Square	Best Buy, Home Goods, TJ Maxx, Dick's Sporting Goods	1998	100.0%	—	153,839	81,947	235,786	—	100.0%	83.9%	94.4%	94.4%	3,320,083	14.91
Ohio														
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
Delaware														
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%	12,480,721	16.25
Market Square Shopping Center	Trader Joe's, TJ Maxx	2003	22.2%	—	42,850	59,197	102,047	—	100.0%	97.8%	98.7%	100.0%	2,962,290	29.41
Naamans Road	—	2006	100.0%	—	—	19,984	19,984	—	—	75.0%	75.0%	75.0%	637,701	42.55
Pennsylvania														
Mark Plaza	Kmart	1993	100.0%	—	104,956	1,900	106,856	—	100.0%	100.0%	100.0%	100.0%	244,279	2.29
Plaza 422	Home Depot	1993	100.0%	—	139,968	16,311	156,279	—	100.0%	100.0%	100.0%	100.0%	850,978	5.45
Route 6 Plaza	Kmart	1994	100.0%	—	146,568	29,021	175,589	—	100.0%	86.2%	97.7%	100.0%	1,255,941	7.32
Chestnut Hill	—	2006	100.0%	—	—	37,646	37,646	—	—	100.0%	100.0%	100.0%	930,489	24.72
Abington Towne Center 3	Target, TJ Maxx	1998	100.0%	—	184,616	31,662	216,278	—	100.0%	70.4%	95.7%	95.7%	1,054,026	21.38
Total Suburban Properties				—	3,375,703	1,210,884	4,586,587	—	98.6%	86.6%	95.5%	95.6%	\$ 67,487,986	\$ 16.37
Acadia Share Total Suburban Properties				—	2,633,530	1,071,539	3,705,069	—	98.1%	86.9%	95.9%	96.1%	\$ 52,052,714	\$ 15.78
TOTAL CORE PROPERTIES				983,895	3,822,622	1,537,449	6,343,966	97.2%	98.8%	87.0%	95.7%	95.8%	\$ 166,674,869	\$ 28.66
Acadia Share Total Core Properties				788,572	3,081,499	1,385,802	5,253,773	98.2%	99.6%	87.1%	96.2%	96.3%	\$ 136,789,017	\$ 28.52

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
Target	3	302,586	\$ 6,979,025	5.8%	5.1%
H & M	2	80,386	5,309,815	1.5%	3.9%
Royal Ahold 2	4	207,513	3,639,387	3.9%	2.7%
Best Buy	2	86,686	3,594,913	1.6%	2.6%
Walgreens	5	78,254	3,468,966	1.5%	2.5%
Nordstrom Rack	2	84,057	3,339,492	1.6%	2.4%
Albertsons Companies 3	3	171,182	3,154,331	3.3%	2.3%
Ascena Retail Group 4	5	23,233	2,502,539	0.4%	1.8%
Bed, Bath, and Beyond ⁵	3	95,448	2,387,812	1.8%	1.7%
Verizon	2	31,371	2,384,931	0.6%	1.7%
LA Fitness	2	100,000	2,336,500	1.9%	1.7%
TJX Companies 6	8	209,198	2,049,901	4.0%	1.5%
Trader Joes	3	32,351	1,935,311	0.6%	1.4%
Home Depot	3	312,718	1,893,791	6.0%	1.4%
Lululemon	2	5,349	1,551,835	0.1%	1.1%
Gap	3	28,643	1,467,852	0.5%	1.1%
Kate Spade	2	4,250	1,420,557	0.1%	1.0%
Ulta Salon Cosmetic & Fragrance	3	31,497	1,395,401	0.6%	1.0%
JP Morgan Chase	7	28,715	1,382,832	0.5%	1.0%
DSW	2	35,842	1,287,260	0.7%	0.9%
TOTAL	66	1,949,279	\$ 53,482,451	37.0%	38.8%

Note:

- 1 Does not include tenants that operate at only one Acadia Core location.
- 2 Stop and Shop (4)
- 3 Shaw's (2), Acme (1)
- 4 Ann Taylor Loft (2), Catherines (1), Dress Barn (1), Lane Bryant (1)
- 5 Bed Bath and Beyond (2), Christmas Tree Shops (1)
- 6 TJMaxx (5), Marshalls (1), HomeGoods (2)

Core Portfolio Lease Expirations

Year	Street Tenants					Anchor Tenants					Shop Tenants					Total Tenants				
	No. of Leases	Gross Leased Area		Base Rent		No. of Leases	Gross Leased Area		Base Rent		No. of Leases	Gross Leased Area		Base Rent		No. of Leases	Gross Leased Area		Base Rent	
		Expiring	Percent	PSF	Percent		Expiring	Percent	PSF	Percent		Expiring	Percent	PSF	Percent		Expiring	Percent	PSF	Percent
M to M 1	1	4,224	0.4%	112.39	0.7%	—	—	—	\$ —	—	9	27,410	2.0%	\$ 16.38	1.1%	10	31,634	0.5%	\$ 29.20	0.6%
2017	14	50,146	5.2%	96.02	6.6%	7	321,386	9.1%	11.53	6.9%	51	202,136	15.1%	31.46	15.9%	72	573,668	9.9%	25.94	8.9%
2018	8	63,514	6.6%	59.42	5.2%	8	472,193	13.4%	18.12	16.0%	60	187,118	14.0%	30.85	14.4%	76	722,825	12.4%	25.04	10.9%
2019	12	67,669	7.1%	77.14	7.1%	9	334,577	9.5%	8.87	5.5%	33	103,514	7.7%	24.75	6.4%	54	505,760	8.7%	21.25	6.4%
2020	14	47,751	5.0%	98.46	6.4%	9	488,606	13.9%	12.49	11.4%	28	88,311	6.6%	25.19	5.6%	51	624,668	10.7%	20.86	7.8%
2021	23	131,030	13.7%	57.20	10.3%	14	599,685	17.0%	14.43	16.2%	44	187,786	14.0%	24.61	11.5%	81	918,501	15.8%	22.62	12.5%
2022	10	59,937	6.3%	82.03	6.7%	2	69,837	2.0%	26.15	3.4%	22	91,844	6.9%	29.23	6.7%	34	221,618	3.8%	42.54	5.7%
2023	10	111,830	11.7%	81.19	12.4%	5	205,067	5.8%	17.92	6.9%	14	80,049	6.0%	29.34	5.9%	29	396,946	6.8%	38.05	9.1%
2024	14	95,778	10.0%	79.77	10.5%	7	330,390	9.4%	20.41	12.6%	22	107,453	8.0%	29.17	7.8%	43	533,621	9.2%	32.83	10.5%
2025	11	44,800	4.7%	101.72	6.2%	6	178,571	5.1%	18.57	6.2%	25	82,693	6.2%	40.24	8.3%	42	306,064	5.3%	36.60	6.7%
2026	12	46,392	4.9%	78.82	5.0%	2	32,570	0.9%	17.71	1.1%	12	57,223	4.3%	32.23	4.6%	26	136,185	2.3%	44.63	3.6%
Thereafter	16	233,131	24.4%	71.62	22.9%	9	487,972	13.9%	15.29	13.8%	13	121,994	9.2%	38.79	11.8%	38	843,097	14.6%	34.27	17.3%
Total	145	956,202	100.0%	\$76.37	100.0%	78	3,520,854	100.0%	\$ 15.22	100.0%	333	1,337,531	100.0%	\$ 29.95	100.0%	556	5,814,587	100.0%	\$ 28.66	100.0%

254,916 Anchor GLA Owned by Tenants

254,916 Anchor GLA Owned by Tenants

27,693 Total Vacant

46,852 Total Vacant

199,918 Total Vacant

274,463 Total Vacant

983,895 Total Square Feet

3,822,622 Total Square Feet

1,537,449 Total Square Feet

6,343,966 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, 2016		December 31, 2016		September 30, 2016		June 30, 2016		March 31, 2016	
	GAAP 3	Cash 2	GAAP3	Cash2	GAAP 3	Cash 2	GAAP 3	Cash 2	GAAP 3	Cash 2
New leases										
Number of new leases executed	18		3		4		8		3	
GLA	73,453		6,393		14,444		36,678		15,938	
New base rent	\$ 37.80	\$ 32.38	\$ 57.76	\$ 37.29	\$ 46.35	\$ 42.63	\$ 35.99	\$ 30.86	\$ 26.21	\$ 24.60
Previous base rent	\$ 29.04	\$ 29.56	\$ 27.45	\$ 28.42	\$ 37.34	\$ 37.73	\$ 27.92	\$ 28.58	\$ 24.73	\$ 24.85
Average cost per square foot	\$53.75		\$25.65		\$46.01		\$55.65		\$67.66	
Weighted Average Lease Term (years)	10.8		24.78		8.1		9.4		10.7	
Percentage growth in base rent	30.2%	9.5%	110.4%	31.2%	24.1%	13.0%	28.9%	8.0%	6.0%	(1.0)%
Renewal leases										
Number of renewal leases executed	45		14		9		13		9	
GLA	317,068		84,173		48,737		157,081		27,077	
New base rent	\$ 21.47	\$ 21.04	\$ 28.40	\$ 27.16	\$ 26.75	\$ 26.51	\$ 14.99	\$ 14.95	\$ 28.04	\$ 27.45
Expiring base rent	\$ 19.08	\$ 19.46	\$ 24.70	\$ 25.68	\$ 24.12	\$ 24.30	\$ 13.47	\$ 13.57	\$ 25.14	\$ 25.61
Average cost per square foot	\$1.66		\$—		\$0.03		\$3.34		\$—	
Weighted Average Lease Term (years)	4.7		3.8		4.6		4.8		6.8	
Percentage growth in base rent	12.5%	8.1%	15.0%	5.8%	10.9%	9.1%	11.3%	10.2%	11.5%	7.2 %
Total new and renewal leases										
Number of new and renewal leases executed	63		17		13		21		12	
GLA commencing	390,521		90,566		63,181		193,759		43,015	
New base rent	\$ 24.54	\$ 23.17	\$ 30.47	\$ 27.87	\$ 31.23	\$ 30.20	\$ 18.97	\$ 17.96	\$ 27.36	\$ 26.39
Expiring base rent	\$ 20.96	\$ 21.36	\$ 24.89	\$ 25.87	\$ 27.14	\$ 27.37	\$ 16.21	\$ 16.41	\$ 24.99	\$ 25.33
Average cost per square foot	\$11.46		\$1.81		\$10.54		\$13.24		\$25.07	
Weighted Average Lease Term (years)	5.8		5.3		5.4		5.7		8.2	
Percentage growth in base rent	17.1%	8.5%	22.4%	7.7%	15.1%	10.3%	17.0%	9.4%	9.5%	4.2 %

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, 2016	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
Leasing Commissions	\$ 2,252	\$ 387	\$ 1,726	\$ 122	\$ 17	\$ 1,566
Tenant Improvements	9,477	2,305	3,063	1,880	2,229	6,349
Capital Expenditures	1,074	265	414	111	284	3,602
Total Capital Expenditures	\$ 12,803	\$ 2,957	\$ 5,203	\$ 2,113	\$ 2,530	\$ 11,517
Other redevelopment and re-anchoring related activities	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,107 ¹

Note:

¹ Costs associated with the re-anchoring of Branch and Crossroads shopping centers.

Property	City	State	Base Rent	Total GLA	3-Mile Radius				
					Total Pop.	# HH	Median HH Income	Avg. HH Income	
Core - Street and Urban Retail									
664 N. Michigan Avenue	Chicago	IL	\$ 4,497,482	18,141	319,498	182,250	\$ 89,076	\$ 128,490	
840 N. Michigan Avenue	Chicago	IL	7,610,395	87,135	326,701	187,823	90,236	130,497	
Rush and Walton Streets Collection - 6 properties	Chicago	IL	6,633,831	41,533	339,782	195,076	90,544	130,730	
613-623 West Diversey Parkway	Chicago	IL	—	19,265	407,348	224,378	84,845	121,766	
651-671 West Diversey	Chicago	IL	1,995,310	46,259	414,391	227,215	84,599	121,278	
Clark Street and W. Diversey Collection - 3 properties	Chicago	IL	1,281,730	23,531	412,027	226,181	84,655	121,413	
Halsted and Armitage Collection - 9 properties	Chicago	IL	1,879,494	44,658	459,787	253,670	87,884	124,716	
North Lincoln Park Chicago Collection - 6 properties	Chicago	IL	1,697,089	50,961	507,134	259,262	81,104	113,328	
Roosevelt Galleria	Chicago	IL	701,982	37,995	370,769	187,116	75,300	106,387	
Sullivan Center	Chicago	IL	6,367,775	176,181	315,044	172,337	84,774	121,354	
State and Washington	Chicago	IL	2,969,482	78,819	319,013	175,137	85,283	122,332	
151 N. State Street	Chicago	IL	1,300,000	27,385	316,258	174,463	86,253	123,944	
North and Kingsbury	Chicago	IL	1,576,809	41,700	444,732	243,136	88,090	124,541	
Concord and Milwaukee	Chicago	IL	393,276	13,105	556,647	264,627	78,354	108,458	
California and Armitage	Chicago	IL	626,417	18,275	507,030	206,767	71,694	95,959	
83 Spring Street	Manhattan	NY	686,272	3,000	1,070,830	522,748	99,956	144,263	
152-154 Spring Street	Manhattan	NY	2,275,971	2,936	1,041,696	511,598	100,421	144,792	
15 Mercer Street	Manhattan	NY	431,250	3,375	1,027,480	498,697	99,341	143,350	
5-7 East 17th Street	Manhattan	NY	1,300,014	11,467	1,164,263	590,830	105,285	156,463	
200 West 54th Street	Manhattan	NY	2,156,703	5,773	1,318,236	670,743	102,218	156,524	
61 Main Street	Westport	CT	351,560	3,400	46,241	17,504	139,926	206,309	
181 Main Street	Westport	CT	866,365	11,350	46,218	17,444	142,639	209,625	
4401 White Plains Road	Bronx	NY	625,000	12,964	577,219	219,174	54,321	69,394	
Bartow Avenue	Bronx	NY	478,227	14,590	589,925	222,885	48,206	62,151	
239 Greenwich Avenue	Greenwich	CT	1,513,516	16,553	68,734	25,656	130,996	201,438	
252-256 Greenwich Avenue	Greenwich	CT	1,308,431	7,986	69,853	25,907	129,398	198,809	
2914 Third Avenue	Bronx	NY	951,287	40,320	1,291,756	465,763	38,768	54,670	
868 Broadway	Manhattan	NY	723,607	2,031	1,164,522	591,085	105,230	156,547	
313-315 Bowery	Manhattan	NY	479,160	6,600	1,121,832	550,430	99,893	145,438	
120 West Broadway	Manhattan	NY	2,133,910	13,838	947,607	456,018	99,453	143,703	
131-135 Prince Street	Manhattan	NY	1,307,412	3,200	1,059,897	523,600	100,805	146,166	
2520 Flatbush Avenue	Brooklyn	NY	1,059,282	29,114	604,015	218,394	57,188	76,529	
Shops at Grand	Queens	NY	2,965,970	99,975	946,217	335,637	57,828	72,821	
Gotham Plaza	Manhattan	NY	1,471,167	26,180	1,319,526	550,027	68,378	104,637	
991 Madison Avenue	Manhattan	NY	1,508,050	6,920	1,281,731	632,833	95,164	146,082	
City Center	San Francisco	CA	7,657,875	204,648	557,546	265,526	93,972	123,141	
555 9th Street	San Francisco	CA	6,013,669	148,832	508,919	247,933	95,516	126,123	
1739-53 & 1801-03 Connecticut Avenue	Washington	DC	1,125,162	20,669	370,725	176,284	97,996	130,745	
Rhode Island Place Shopping Center	Washington	DC	1,735,379	57,529	348,349	157,678	66,984	86,314	
M Street and Wisconsin Corridor - 24 properties	Georgetown	DC	17,076,374	242,582	348,300	168,842	105,924	140,128	
330-340 River Street	Cambridge	MA	1,200,045	54,226	60,627	23,074	71,146	98,613	
	Boston	MA	254,153	1,050	524,255	221,069	72,774	99,560	
Total Core Street and Urban Retail									
Weighted Average - Based on annual base rent						510,298	249,802	\$ 92,536	\$ 129,285

Property Demographics - Core (continued)

Property	City	State	Base Rent	Total GLA	Total Pop.	3-Mile Radius		
						# HH	Median HH Income	Avg. HH Income
Core - Suburban Properties								
Elmwood Park Shopping Center	Elmwood Park	NJ	\$ 3,870,422	149,070	259,304	86,978	\$ 63,742	\$ 77,058
Marketplace of Absecon	Absecon	NJ	1,385,256	104,556	33,123	11,896	57,410	70,998
60 Orange Street	Bloomfield	NJ	695,000	101,715	350,228	130,901	57,932	72,045
Village Commons Shopping Center	Smithtown	NY	2,816,751	87,128	68,019	23,288	116,226	137,508
Branch Plaza	Smithtown	NY	2,837,192	123,339	68,304	23,386	115,878	137,445
Amboy Center	Staten Island	NY	2,059,483	63,290	151,775	56,542	89,341	106,873
Pacesetter Park Shopping Center	Pomona	NY	1,270,976	97,806	37,016	11,317	108,050	129,598
LA Fitness	Staten Island	NY	1,391,500	55,000	125,957	45,159	82,576	95,944
Crossroads Shopping Center	White Plains	NY	6,685,878	311,539	111,121	43,140	106,962	140,980
New Loudon Center	Latham	NY	2,140,344	255,673	47,496	19,451	71,006	87,282
28 Jericho Turnpike	Westbury	NY	1,650,000	96,363	94,334	28,509	115,958	146,116
Bedford Green	Bedford Hills	NY	2,370,392	90,589	25,914	8,971	111,367	163,167
Town Line Plaza	Rocky Hill	CT	1,753,152	206,346	44,144	18,780	87,508	105,129
Methuen Shopping Center	Methuen	MA	1,186,018	130,021	100,292	34,574	55,472	67,070
Crescent Plaza	Brockton	MA	1,880,513	218,148	99,866	35,800	59,293	69,004
201 Needham Street	Newton	MA	591,861	20,409	108,483	37,611	150,460	197,906
163 Highland Avenue	Newton	MA	1,275,673	40,505	97,109	34,111	152,373	199,231
The Gateway Shopping Center	So. Burlington	VT	2,046,885	101,655	52,886	21,589	55,787	73,019
Hobson West Plaza	Naperville	IL	1,146,315	99,137	94,454	34,754	111,835	136,024
Merrillville Plaza	Hobart	IN	3,301,079	236,087	23,890	10,378	52,547	62,045
Bloomfield Town Square	Bloomfield Hills	MI	3,320,083	235,786	63,907	25,813	67,173	89,096
Mad River Station	Dayton	OH	1,396,788	123,335	63,840	28,932	58,520	74,127
Mark Plaza	Edwardsville	PA	244,279	106,856	87,458	38,191	41,378	51,396
Plaza 422	Lebanon	PA	850,978	156,279	50,727	20,244	50,018	59,759
Route 6 Plaza	Honesdale	PA	1,255,941	175,589	7,437	3,303	38,571	49,909
Chestnut Hill	Philadelphia	PA	930,489	37,646	149,449	63,614	64,210	82,358
Abington Towne Center	Abington	PA	1,054,026	216,278	89,142	35,340	85,339	104,727

Total Core Suburban Properties

Weighted Average - Based on annual base rent

88,469 31,604 \$ 84,946 \$ 106,738

Total Core Properties

Weighted Average - Based on annual base rent

364,225 174,588 \$ 91,601 \$ 123,513

Brandywine/Market Square/Naamans Rd ¹	Wilmington	DE	\$ 16,048,545	946,442	519,156	204,060	\$ 75,931	\$ 94,769
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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

Property	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	976,221	347,774	\$ 39,885	\$ 52,226	
161st Street	Bronx	NY	5,633,106	255,428	1,332,726	473,946	36,072	50,312	
Sherman Avenue	Manhattan	NY	—	—	990,807	356,209	40,996	19,678	
City Point	Brooklyn	NY	—	—	1,102,800	463,984	75,985	106,843	
Fund II									
Weighted Average - Based on annual base rent						1,220,915	434,375	\$ 37,268	\$ 50,912
Fund III									
654 Broadway	Manhattan	NY	\$ 601,000	2,896	1,094,866	541,686	\$ 101,100	\$ 147,310	
640 Broadway	Manhattan	NY	1,202,418	4,247	1,092,978	540,262	100,942	147,058	
Broad Hollow Commons	Farmingdale	NY	—	—	85,981	28,106	94,807	111,170	
3104 M Street	Georgetown	DC	—	—	350,419	170,006	105,545	67,970	
New Hyde Park Shopping Center	New Hyde Park	NY	1,148,942	32,287	206,214	72,258	107,004	133,225	
Nostrand Avenue	Brooklyn	NY	1,564,470	42,628	557,993	208,399	53,348	73,497	
Arundel Plaza	Glen Burnie	MD	1,146,390	265,116	82,700	30,706	66,046	75,118	
Fund III									
Weighted Average - Based on annual base rent						560,976	250,640	\$ 81,977	\$ 109,394
Fund IV									
1151 Third Avenue	Manhattan	NY	\$ 1,751,863	13,250	1,341,217	671,192	\$ 97,828	\$ 149,447	
17 East 71st Street	Manhattan	NY	1,848,724	8,432	1,311,509	650,354	96,955	148,731	
1035 Third Avenue	Manhattan	NY	945,722	7,617	1,356,470	687,404	98,593	150,562	
Airport Mall	Bangor	ME	1,325,139	221,760	32,118	14,780	40,080	55,176	
Wells Plaza	Wells	ME	647,973	93,263	5,090	2,452	57,951	70,391	
Shaw's Plaza	Waterville	ME	1,405,516	119,015	23,499	10,071	42,002	56,352	
JFK Plaza	Waterville	ME	744,207	151,107	23,004	9,858	43,008	56,594	
Dauphin Plaza	Harrisburg	PA	1,666,419	205,727	87,542	36,654	50,449	60,576	
Mayfair Shopping Center	Philadelphia	PA	1,607,597	115,411	302,643	109,767	43,944	52,855	
Colonie Plaza	Albany	NY	1,666,687	153,483	32,014	13,211	80,272	93,943	
Paramus Plaza	Paramus	NJ	1,835,118	152,509	107,082	37,309	124,146	152,301	
2819 Kennedy Boulevard	North Bergen	NJ	1,147,458	47,539	545,022	250,369	88,476	125,892	
Restaurants at Fort Point	Boston	MA	312,019	15,711	364,574	154,393	74,541	102,989	
Promenade at Manassas	Manassas	VA	3,497,730	265,442	56,086	18,145	76,581	88,116	
Lake Montclair	Prince William County	VA	1,956,034	105,832	67,439	21,025	106,138	121,910	
1701 Belmont Avenue	Catonsville	MD	—	58,674	111,731	43,638	66,502	76,854	
Eden Square	Bear	DE	2,353,417	231,436	73,443	27,997	67,726	79,836	
938 W. North Avenue	Chicago	IL	326,350	33,228	473,510	257,650	87,712	124,118	
717 N. Michigan Ave	Chicago	IL	—	—	313,300	181,439	90,009	131,629	
210 Bowery	Manhattan	NY	—	—	1,106,743	537,581	98,668	143,140	
Broughton Street Portfolio	Savannah	GA	3,334,017	100,660	68,959	27,827	33,971	48,569	
27 East 61st Street	Manhattan	NY	—	—	1,346,844	680,410	99,303	151,901	
801 Madison Avenue	Manhattan	NY	—	—	1,325,490	662,057	98,264	150,686	
650 Bald Hill Road	Warwick	RI	—	—	63,812	26,787	64,313	76,136	
Wake Forest	Wake Forest	NC	2,854,296	—	33,944	12,607	82,097	97,891	
146 Geary Street	San Francisco	CA	300,000	11,436	436,599	216,841	94,325	123,896	
Union and Fillmore Collection - 4 properties	San Francisco	CA	641,286	10,148	475,315	234,805	93,726	123,378	
Fund IV									
Weighted Average - Based on annual base rent						284,536	133,128	\$ 72,332	\$ 93,334
Total - Funds									
Weighted Average - Based on annual base rent						484,747	200,690	\$ 67,327	\$ 87,809

Fund Overview

As of December 31, 2016

I. KEY METRICS	Note	Fund I	Fund II	Fund III	Fund IV	Fund V	Total
<u>General Information:</u>							
Vintage		Sep-2001	Jun-2004	May-2007	May-2012	Aug-2016	
Fund Size		\$90.0 Million	\$300.0 Million	\$502.5 Million	\$540.6 Million	\$520.0 Million	\$1,953.1 Million
Acadia's Commitment		\$20.0 Million	\$85.0 Million	\$123.3 Million	\$125.0 Million	\$104.5 Million	\$457.8 Million
Acadia's Pro Rata Share		22.2%	28.3%	24.5%	23.1%	20.1%	23.4%
Acadia's Promoted Share	1	37.8%	42.7%	39.6%	38.5%	36.1%	38.8%
Preferred Return		9.0%	8.0%	6.0%	6.0%	6.0%	6.4%

Current-Quarter, Fund-Level Information:

Cumulative Contributions		\$86.6 Million	\$347.1 Million	\$396.7 Million	\$290.5 Million	\$0.0 Million	\$1,073.8 Million
Cumulative Net Distributions	3	\$194.5 Million	\$131.6 Million	\$509.8 Million	\$101.9 Million	\$0.0 Million	\$937.9 Million
Net Distributions/Contributions		224.6%	37.9%	128.5%	35.1%	NA	87.3%
Unfunded Commitment	4	\$0.0 Million	\$0.0 Million	\$53.3 Million	\$239.5 Million	\$520.0 Million	\$859.9 Million
Acquisition Dry Powder	5	NA	NA	NA	NA	\$520.0 Million	\$520.0 Million
Investment Period Closes		Closed	Closed	Closed	Closed	Aug-2019	
Currently in a Promote Position? (Yes/No)		Yes	No	No	No	No	

II. FEES & PRIORITY DISTRIBUTIONS EARNED BY ACADIA

Type:	Applicable to	Description
Asset Management	6 Fund I, II & III	1.5% of Implied Capital
Asset Management	6 Fund IV & V	1.5% of Implied Capital during the investment period, 1.25% of Implied Capital post-investment period
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 & V	3.0% of total project costs

Notes:

- 1 Acadia's "Promoted Share" reflects Acadia's share of fund profits once all partners (including Acadia) have received a return of their cumulative contributions plus their cumulative preferred return.
Acadia's Promoted Share equals a 20% promote plus Acadia's pro rata share of the remaining 80%.
- 2 With regard to Fund II, the additional contributions over original Fund Size reflects a prior-period distribution that was recontributed to the Fund during 2016 to fund the on-going redevelopment
of existing Fund II investments.
- 3 Net of fees and promote
- 4 Unfunded Commitments are set aside to complete leasing and development at existing fund investments, to acquire new identified Fund IV investments and to make new Fund V investments.
- 5 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
Unfunded Commitments available to deploy into new unidentified investments
- 6 Implied Capital is Fund Size less capital attributed to sold investments or released. Post-investment period, Fund IV Implied Capital also excludes \$50.0 million of general reserves.

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%	—	166,004	89,424	255,428	—	33.5%	55.4%	41.2%	46.5%	5,633,106	53.56
Total - Fund II					—	226,004	89,424	315,428	—	51.2%	55.4%	52.4%	56.7%	\$ 8,207,106	\$ 49.69
Fund III Portfolio Detail															
NEW YORK															
<u>New York</u>															
654 Broadway		Penguin (Perry Ellis)	2011	100.0%	2,896	—	—	2,896	100.0	—	—	100.0%	100.0%	601,000	207.53
640 Broadway		Swatch	2012	63.1%	4,247	—	—	4,247	100.0%	—	—	100.0%	100.0%	1,202,418	283.12
New Hyde Park Shopping Center		PetSmart	2011	100.0%	—	13,507	18,780	32,287	—	100.0%	66.0%	80.2%	80.2%	1,148,942	44.36
Nostrand Avenue		—	2013	100.0%	—	—	42,628	42,628	—	—	77.3%	77.3%	77.3%	1,564,470	47.47
MID-ATLANTIC															
<u>Maryland</u>															
Arundel Plaza		Giant Food, Lowe's	2012	94.3%	—	231,920	33,196	265,116	—	77.6%	42.5%	73.2%	73.2%	1,146,390	5.91
Total - Fund III					7,143	245,427	94,604	347,174	100.0%	78.8%	62.9%	74.9%	74.9%	\$ 5,663,220	\$ 21.78
Fund IV Portfolio Detail															
NEW YORK															
<u>New York</u>															
1151 Third Avenue		Vineyard Vines	2013	100.0%	13,250	—	—	13,250	100.0%	—	—	100.0%	100.0%	1,751,863	132.22
17 East 71st Street		The Row	2014	100.0%	8,432	—	—	8,432	100.0%	—	—	100.0%	100.0%	1,848,724	219.25
1035 Third Avenue 3		—	2015	100.0%	7,617	—	—	7,617	71.4%	—	—	71.4%	71.4%	945,722	173.94
Colonie Plaza		Price Chopper, Big Lots	2016	100.0%	—	96,000	57,483	153,483	—%	100.0%	91.7%	96.9%	96.9%	1,666,687	11.21
New Jersey															
Paramus Plaza		Babies R Us, Ashley Furniture	2013	50.0%	—	74,837	77,672	152,509	—	52.4%	90.7%	71.9%	71.9%	1,835,118	16.74
2819 Kennedy Boulevard		Aldi	2013	98.6%	—	46,003	1,536	47,539	—	100.0%	100.0%	100.0%	100.0%	1,147,458	24.14
BOSTON															
<u>Massachusetts</u>															

Restaurants at Fort Point	—	2016	100.0%	15,711	—	—	15,711	100.0%	—	—	100.0%	100.0%	312,019	19.86
NORTHEAST														
Maine														
Airport Mall	Hannaford, Marshalls	2016	100.0%	—	131,042	90,718	221,760	—	100.0%	74.0%	89.4%	89.4%	1,325,139	6.69
Wells Plaza	Reny's, Dollar Tree	2016	100.0%	—	62,471	30,792	93,263	—	100.0%	77.6%	92.6%	92.6%	647,973	7.50
Shaw's Plaza	Shaw's	2016	100.0%	—	87,492	31,523	119,015	—	100.0%	100.0%	100.0%	100.0%	1,405,516	11.81
JFK Plaza	Hannaford, TJ Maxx	2016	100.0%	—	104,426	46,681	151,107	—	100.0%	28.9%	78.0%	78.0%	744,207	6.31
Pennsylvania														
Dauphin Plaza	Price Rite, Ashley Furniture	2016	100.0%	—	122,621	83,106	205,727	—	100.0%	65.8%	86.2%	86.2%	1,666,419	9.40
Mayfair Shopping Center	Shop N Bag	2016	100.0%	—	25,673	89,738	115,411	—	100.0%	75.5%	80.9%	80.9%	1,607,597	17.21
MID-ATLANTIC														
Virginia														
Promenade at Manassas	Home Depot, HH Gregg	2013	98.6%	—	194,038	71,404	265,442	—	100.0%	93.3%	98.2%	98.2%	3,497,730	13.42
Lake Montclair	Food Lion	2013	100.0%	—	33,000	72,832	105,832	—	100.0%	94.6%	96.3%	96.3%	1,956,034	19.20
Maryland														
1701 Belmont Avenue	—	2012	98.6%	—	58,674	—	58,674	—	—	—	—	—%	—	—
Delaware														
Eden Square	Giant Food	2014	98.6%	—	163,217	68,219	231,436	—	71.1%	73.4%	71.8%	71.8%	2,353,417	14.17
MIDWEST														
Illinois														
938 W. North Avenue	Sephora	2013	100.0%	33,228	—	—	33,228	16.1%	—	—	16.1%	16.1%	326,350	61.00
SOUTHEAST														
Georgia														
Broughton Street Portfolio 4	J. Crew, L'Occitane, Lululemon, Michael Kors	2014	50.0%	100,660	—	—	100,660	90.2%	—	—	90.2%	90.2%	3,334,017	36.73
North Carolina														
Wake Forest Crossing		2016	100.0%	—	113,353	89,653	203,006	—	100.0%	93.5%	97.1%	97.1%	2,854,296	14.47
WEST														
California														
146 Geary Street		2015	100.0%	11,436	—	—	11,436	100.0%	—	—	100.0%	100.0%	300,000	26.23
Union and Fillmore Collection - 4 properties		2015	90.0%	10,148	—	—	10,148	89.7%	—	—	89.7%	100.0%	641,286	70.44
Total - Fund IV				200,482	1,312,847	811,357	2,324,686	79.6%	89.2%	80.4%	85.3%	85.4%	\$ 32,167,572	\$ 16.22

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."

<u>Property</u>	<u>Fund Ownership %</u>
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 21 of the 24 properties in this portfolio that have been leased. The remaining properties are still in development.

Funds Lease Expirations

FUND II

Year	Gross Leased Area			Base Rent		
	No. of Leases	Expiring	Percent	Amount	PSF	Percent
	Expiring	SF	of Total			
M to M 1	—	—	—	\$ —	\$ —	—
2017	—	—	—	—	—	—
2018	—	—	—	—	—	—
2019	—	—	—	—	—	—
2020	—	—	—	—	—	—
2021	—	—	—	—	—	—
2022	—	—	—	—	—	—
2023	—	—	—	—	—	—
2024	—	—	—	—	—	—
2025	—	—	—	—	—	—
2026	—	—	—	—	—	—
Thereafter	11	178,798	100.0%	8,207,106	45.90	100.0%
Total	11	178,798	100.0%	\$ 8,207,106	\$ 45.90	100.0%

152,547 Total Vacant
331,345 Total Square Feet

FUND III

Year	Gross Leased Area			Base Rent		
	No. of Leases	Expiring	Percent	Amount	PSF	Percent
	Expiring	SF	of Total			
M to M 1	2	4,238	1.6%	\$ 170,164	\$ 40.15	3.0%
2017	3	186,424	71.7%	1,029,856	5.52	18.2%
2018	4	7,897	3.0%	344,079	43.57	6.1%
2019	4	10,006	3.7%	259,085	25.89	4.6%
2020	2	2,976	1.0%	128,063	43.03	2.3%
2021	—	—	—%	—	—	—%
2022	3	9,657	3.7%	509,880	52.80	9.0%
2023	4	6,495	2.5%	999,502	153.89	17.6%
2024	3	18,177	7.0%	719,217	39.57	12.7%
2025	2	2,812	1.1%	295,397	105.05	5.2%
2026	4	3,482	1.3%	577,848	165.95	10.2%
Thereafter	3	7,897	3.0%	630,130	79.79	11.1%
Total	34	260,061	99.6%	\$ 5,663,221	\$ 21.78	100.0%

87,113 Total Vacant
347,174 Total Square Feet

FUND IV

Year	Gross Leased Area			Base Rent		
	No. of Leases	Expiring	Percent	Amount	PSF	Percent
	Expiring	SF	of Total			
M to M 1	5	7,400	0.4%	\$ 228,846	\$ 30.93	0.7%
2017	25	76,146	3.8%	2,112,029	27.74	6.2%
2018	42	246,020	12.3%	2,819,204	11.46	8.2%
2019	30	235,860	11.8%	5,022,637	21.29	14.7%
2020	29	210,643	10.5%	2,967,808	14.09	8.7%
2021	30	186,259	9.3%	2,649,378	14.22	7.7%
2022	15	175,098	8.8%	1,889,258	10.79	5.5%
2023	9	93,044	4.7%	1,176,307	12.64	3.4%
2024	10	124,131	6.2%	2,599,142	20.94	7.6%
2025	22	113,065	5.7%	4,688,549	41.47	13.7%
2026	22	182,945	9.2%	3,297,572	18.02	9.6%
Thereafter	12	346,837	17.4%	4,777,940	13.78	14.0%
Total	251	1,997,448	100.0%	\$ 34,228,670	\$ 17.14	100.0%

1,467,438 Total Vacant
3,464,886 Total Square Feet

Note:

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

Development Activity

(\$ in millions)

Property	Ownership	Location	Estimated	Estimated Sq.Ft.	Leased Rate 4	Key Tenants	Acquisition & Development Costs			Outstanding
			Stabilization	Upon Completion			Incurred	Estimated Future Range	Estimated Total Range	Debt
FUND II										
City Point 1	94.2%	Brooklyn, NY	2017/2020 6	763,000 7	69% 2	Century 21, CityTarget, Alamo Drafthouse	\$ 408 3	\$ 12 to \$ 32 3	\$ 420.0 to \$ 440.0 3	\$ 239.8
Sherman Plaza	99.1%	New York, NY	TBD	TBD	—	TBD	36.5	TBD	TBD	14.3
							<u>\$ 444.5</u>	<u>TBD</u>	<u>TBD</u>	<u>\$ 254.1</u>
FUND III										
Cortlandt Crossing	100.0%	Mohegan Lake, NY	2018	130,000	50%	ShopRite	\$ 20.4	\$ 39.6 to \$ 44.6	\$ 60.0 to \$ 65.0	\$ —
3104 M Street NW	80.0%	Washington, D.C.	2017	10,000	15%	TBD	8.3	0 to 0.7	8.3 to 9.0	4.5
Broad Hollow Commons	100.0%	Farmingdale, NY	2018	180,000 - 200,000	—	TBD	15.7	34.3 to 44.3	50.0 to 60.0	—
							<u>\$ 44.4</u>	<u>\$ 73.9</u>	<u>\$ 89.6</u>	<u>\$ 118.3</u>
								<u>\$ 134.0</u>		<u>\$ 4.5</u>
FUND IV										
210 Bowery Broughton Street Portfolio 5	100.0%	New York, NY	2017	16,000	—	TBD	\$ 20.9	\$ 1.1 to \$ 3.1	\$ 22.0 to \$ 24.0	\$ 5.1
27 E. 61st Street	50.0%	Savannah, GA	2017	190,000	80%	J. Crew, Lululemon, H&M	76.0	4.0 to 9.0	80.0 to 85.0	30.0
801 Madison Avenue	100.0%	New York, NY	2017	9,500	—	TBD	22.3	3.2 to 6.2	25.5 to 28.5	—
650 Bald Hill Road	100.0%	New York, NY	2017	5,000	20%	TBD	36.2	3.8 to 6.8	40.0 to 43.0	—
717 N. Michigan Avenue	90.0%	Warwick, RI	2017	161,000	72%	Dick's Sporting Goods, Burlington Coat Factory	21.4	6.1 to 11.1	27.5 to 32.5	—
	100.0%	Chicago, IL	2018	62,000	25%	Disney Store	106.0	14.0 to 21.5	120.0 to 127.5	63.9
							<u>\$ 282.8</u>	<u>\$ 32.2</u>	<u>\$ 57.7</u>	<u>\$ 315.0</u>
								<u>\$ 340.5</u>		<u>\$ 99.0</u>
CORE										
613-623 West Diversey	100.0%	Chicago, IL	2018	TBD	—	TBD	\$ 11.9	TBD	TBD	\$ —
							<u>\$ 11.9</u>	<u>TBD</u>	<u>TBD</u>	<u>\$ —</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 24 buildings, including 21 which are operating.

6 Phases I and II have an estimated stabilization date of 2017. 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	\$	783.6
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City Point Items:

Adjustment to FMV		33.8
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Gain on sales		51.2
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Costs of Tower 1		80.7
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Less:

Development held as operating real estate		(297.7)
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Development costs of unconsolidated properties		(97.4)
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Deferred costs and other amounts		(10.7)
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Total per consolidated balance sheet	\$	<u>543.5</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 NON-GAAP FINANCIAL MEASURES

Non-GAAP financial measures such as EBITDA, NOI, Same-Property NOI and lease spreads 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. Same-Property NOI includes properties in our Core Portfolio that we owned for both the current and prior periods presented, but excludes those properties which we acquired, sold or expected to sell, and redeveloped during these periods. The Company's method of calculating EBITDA, NOI and Same-Property NOI may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs. EBITDA, NOI and Same-Property 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.