

ZIMMERMANN

ONE WAY
GRAND ST

ONE WAY

December
2024



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Acadia Realty Snapshot



Acadia Realty Trust is an equity real estate investment trust focused on delivering long-term, profitable growth via its dual operating platforms (Core Portfolio and Investment Management) and its disciplined, location-driven investment strategy.

Acadia Realty Trust accomplishes this goal by:

- Building a best-in-class Core real estate portfolio with meaningful concentrations of assets in the nation’s most dynamic corridors
- Making profitable opportunistic and value-add investments through its Investment Management Platform
- And maintaining a strong balance sheet.

ACADIA TOTAL OPERATING PORTFOLIO¹

Core Portfolio	GLA at 100% Total	Pro-rata Share Total	Pro-rata Share Occupancy	Pro-rata Share Leased
Street & Urban	1,388	1,179	85.6%	89.1%
Suburban	3,902	3,745	93.6%	96.4%
Total Core	5,290	4,924	91.7%	94.7%
Investment Management				
Investment Mgmt	8,777	1,907	90.1%	94.1%
Total	14,067	6,831		

¹ As of 09/30/2024 AKR Supplemental Report. Square feet in '000s

Business Model Differentiation

Core Portfolio Focused on High-Growth Street Retail, Along with an Investment Management Platform



- **Institutional Capital Strategy:** Opportunistic/Value-Add across capital stack, high-yielding, redevelopments & special situations.

INVESTMENT MANAGEMENT PLATFORM



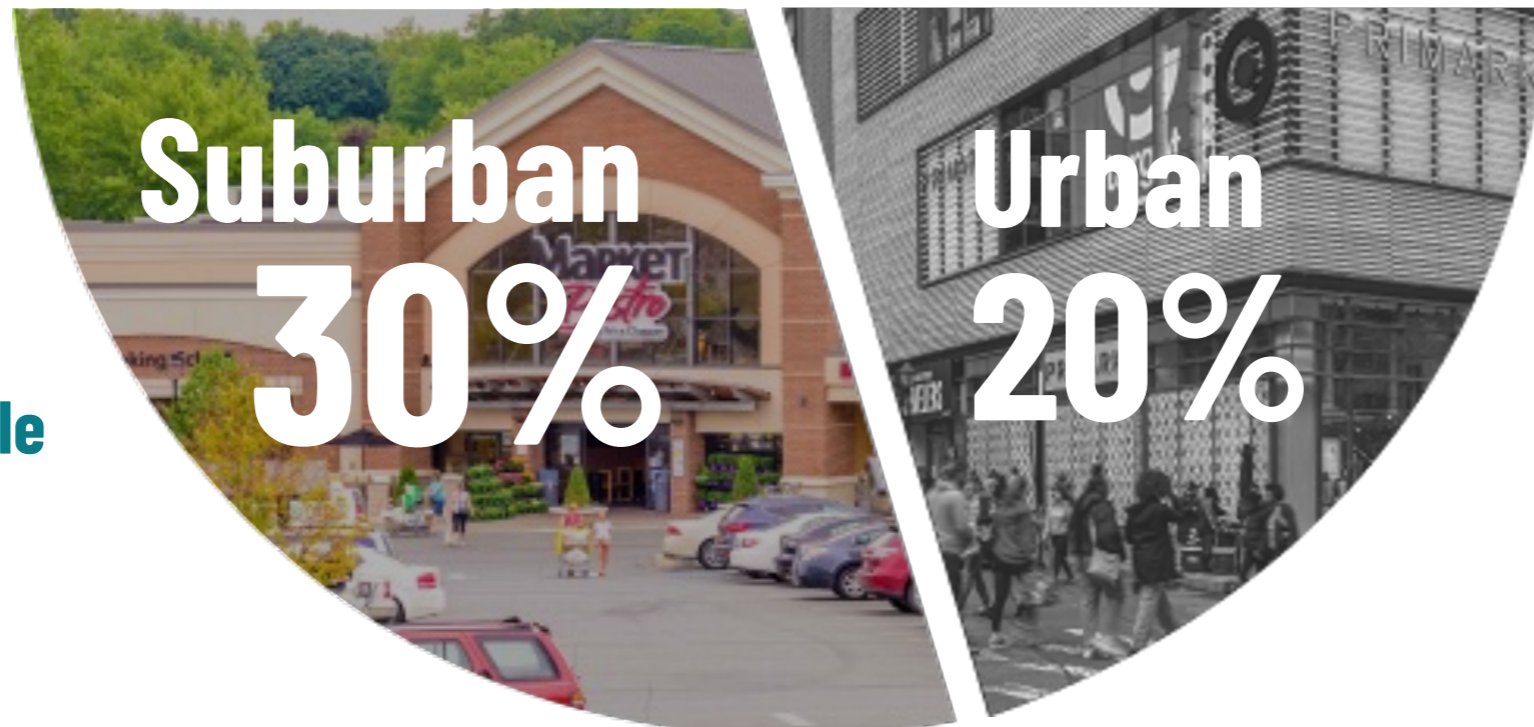
CORE ON-BALANCE SHEET

- **Public Capital Strategy:** Open-air retail format agnostic depending on cycle & opportunities. Focused on high growth markets with differentiated exposure to street retail.



Our Differentiation is Driving Growth

Live, work, play



Stable

Urban
20%

Densification

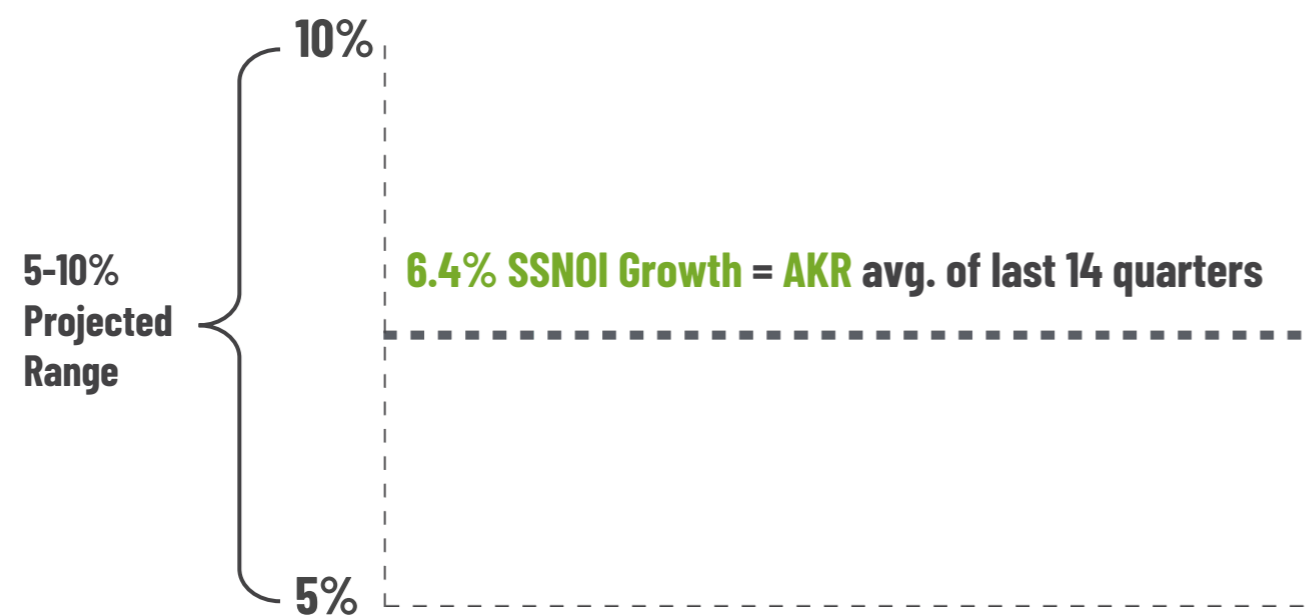
Beyond words, We Delivered

What We Said

“In terms of the multi-year Core NOI growth trajectory...we are also starting to see the building blocks forming to grow above and beyond that...And we are becoming increasingly optimistic that it shows up within the next few years.”

(Q4-2020 Earnings Call)

What We Did

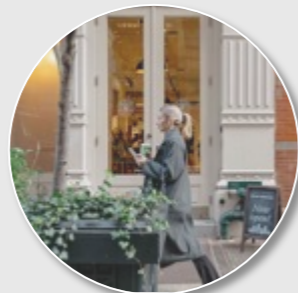


Building Blocks of \$30-40M

Projected Core Internal NOI Growth - Before External Growth

Street/Urban

- **8-11%**
Annual CAGR



- **\$22.5-\$30M**
NOI Growth



Suburban

- **4-6%**
Annual CAGR



- **\$7.5-\$10M**
NOI Growth

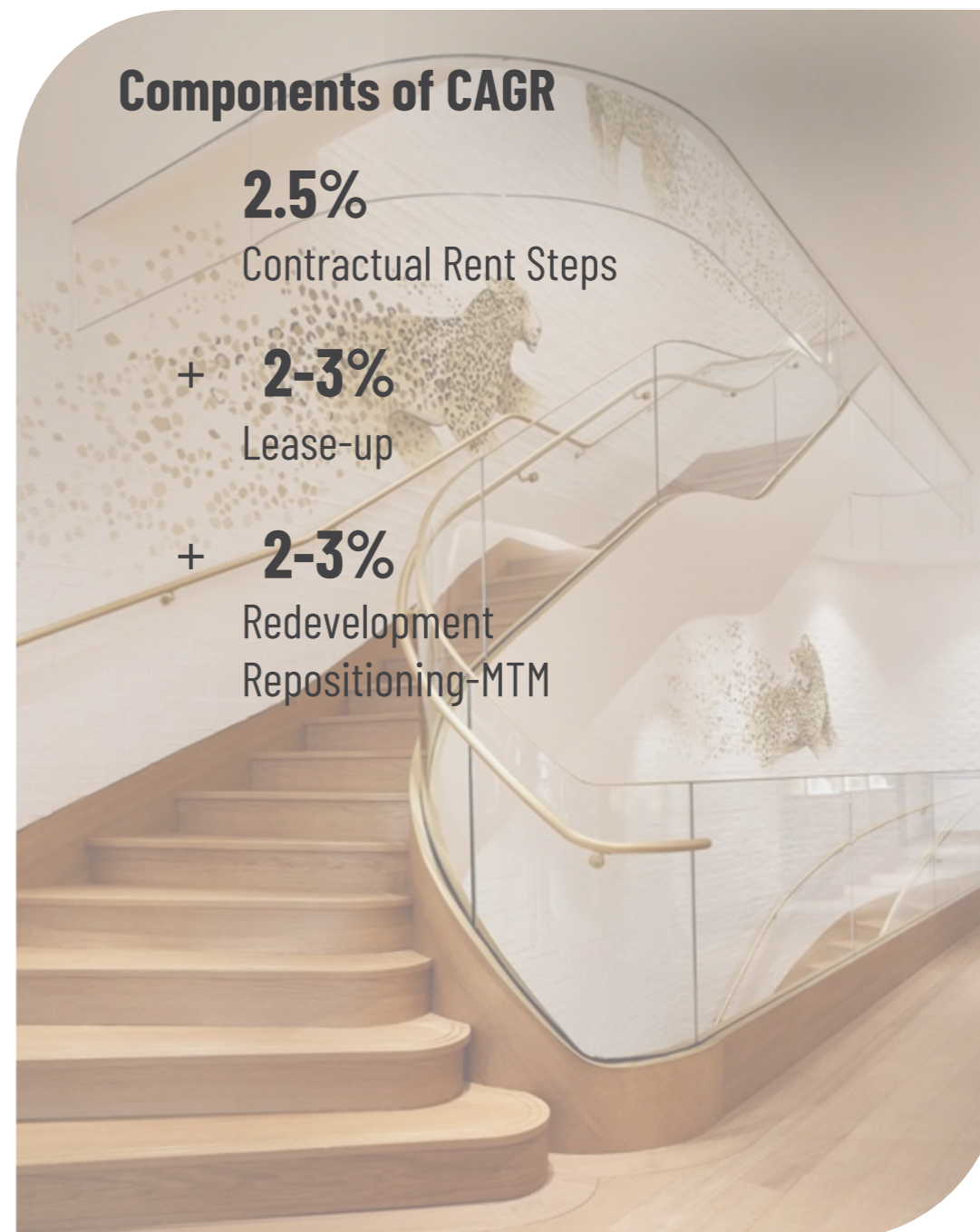


Components of CAGR

2.5%
Contractual Rent Steps

+ **2-3%**
Lease-up

+ **2-3%**
Redevelopment
Repositioning-MTM



Must Have Street Locations

Projected multi-year annual growth of **approximately 10%**



SoHo,
NYC, NY



Greenwich,
CT



Melrose Place
Los Angeles, CA



Henderson Ave,
Dallas, TX



Armitage Ave,
Chicago, IL



Williamsburg,
Brooklyn, NY



Gold Coast,
Chicago, IL



Georgetown,
Washington D.C.

Same Store Street Portfolio Growth

Projected to deliver ~10% Average Annual Growth over the next several years

WALDORF ASTORIA
BRASS TACK

Signed Not
Opened

Contractual
Bumps

Mark to Market
Lease Spreads

Lease Up of
Vacancy

**~10% of
Annual Street NOI Growth^[1]**

+

+

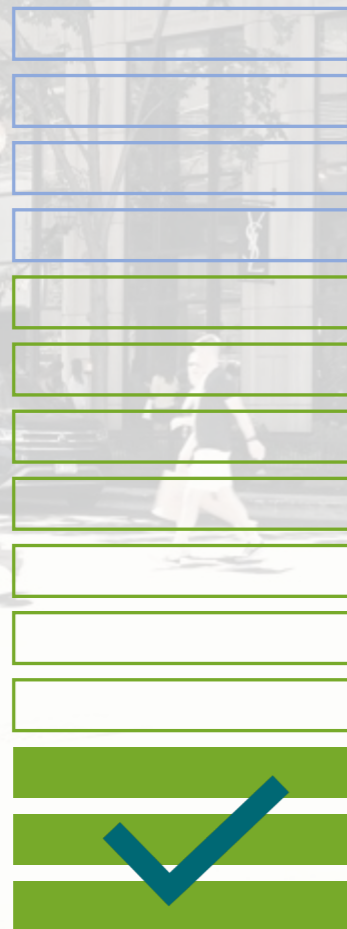
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+

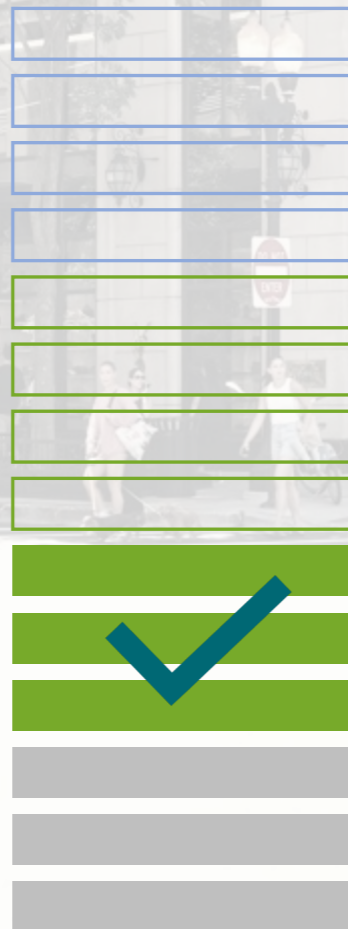
Potential Upside

Expected Growth

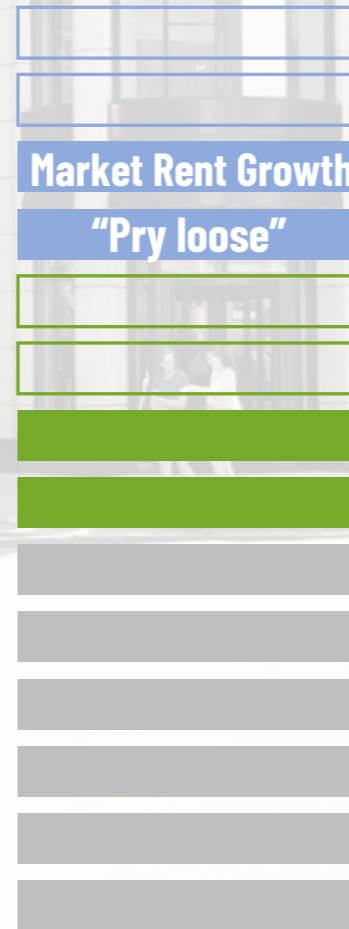
Executed Leases



\$7 million



\$6 million



\$3 - 4 million



\$2 - 3 million

=



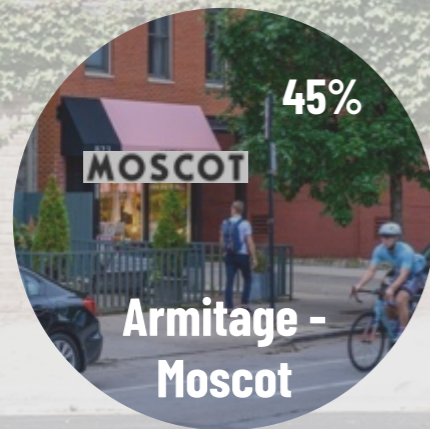
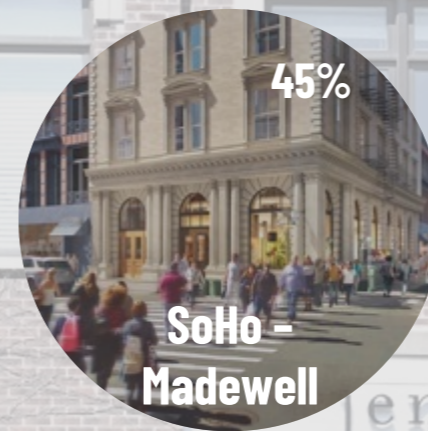
\$18 - 20 million

[1] Same store, excluding redevelopments

Street Rental Growth Accelerating

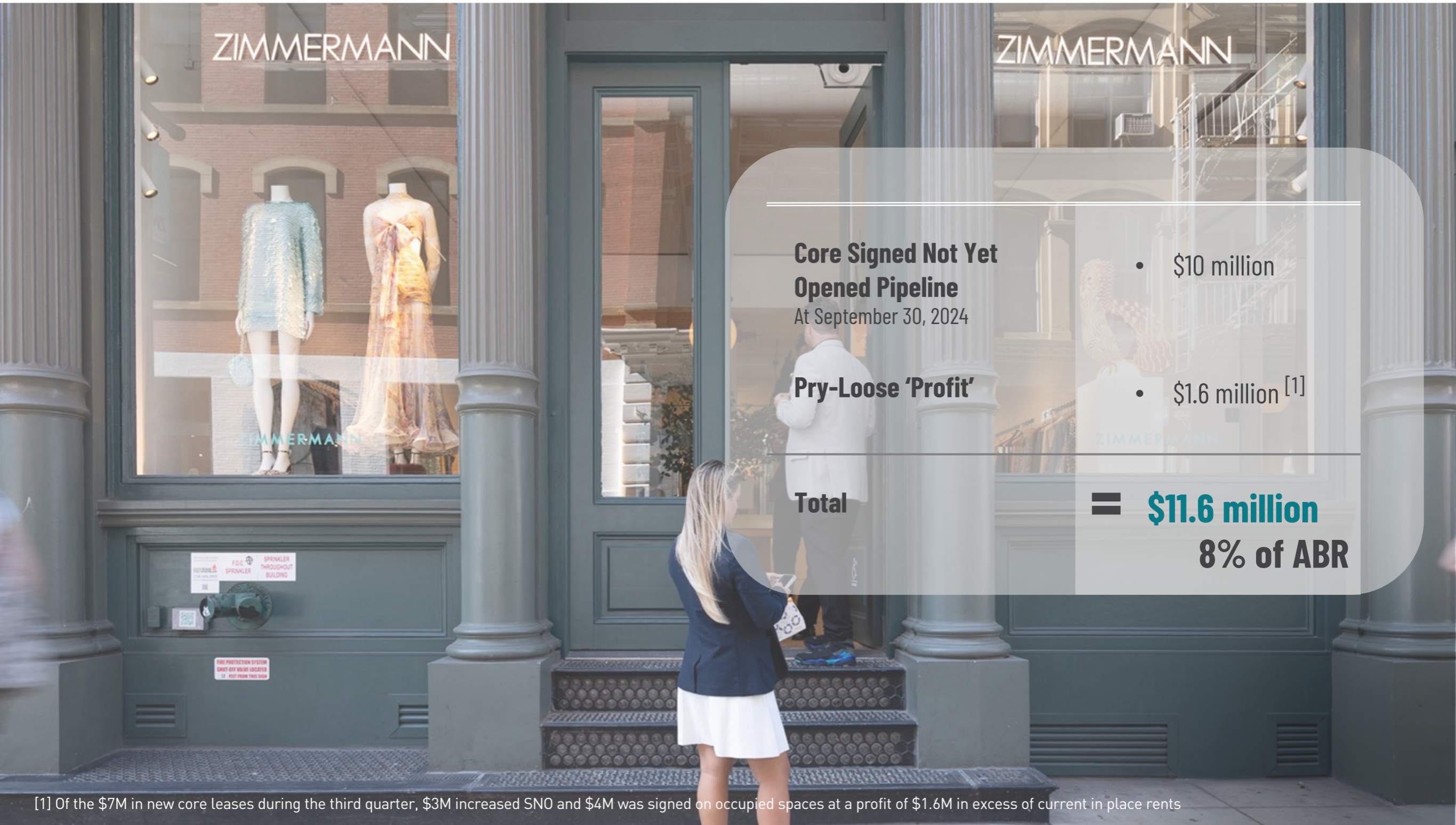
Cash Spreads Moving the Needle

AKR Portfolio - Representative Sample of Recent Cash Spreads [1]



[1] AKR portfolio sample from August '23 - Sep '24

Internal Growth is Building



**Core Signed Not Yet
Opened Pipeline**

At September 30, 2024

- \$10 million

Pry-Loose 'Profit'

- \$1.6 million ^[1]

Total

**= \$11.6 million
8% of ABR**

[1] Of the \$7M in new core leases during the third quarter, \$3M increased SNO and \$4M was signed on occupied spaces at a profit of \$1.6M in excess of current in place rents

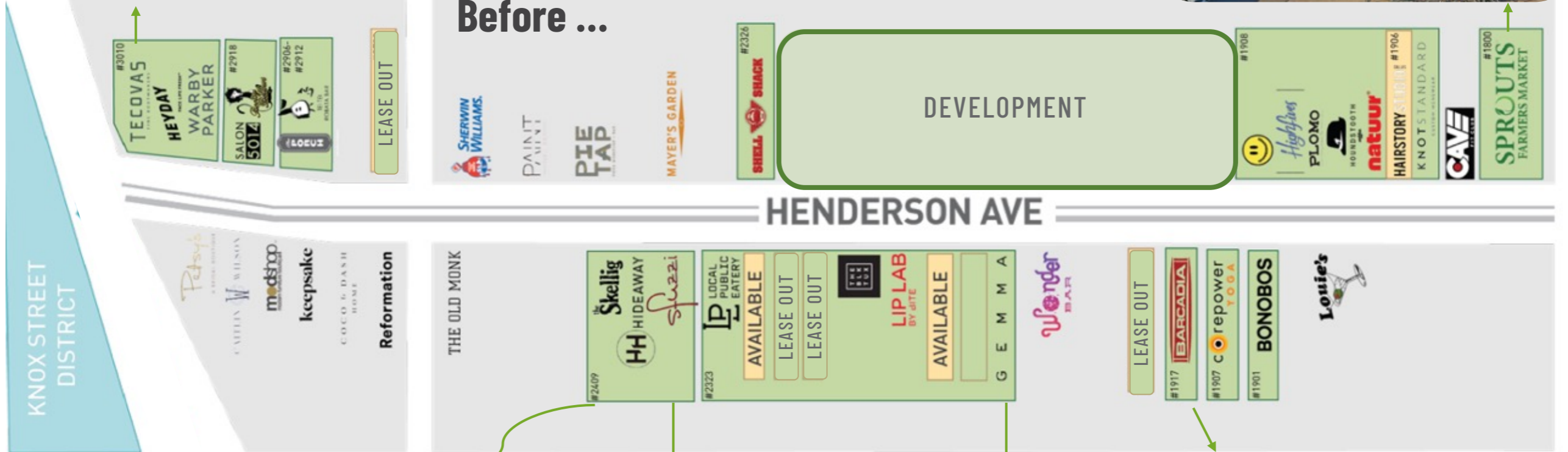
Henderson Avenue Expansion



Current ~ 88% Leased as of 3Q24 + In Progress: 4 spaces at lease = Future: ~96% Leased



Before ...



Henderson Avenue Expansion

After ...



Henderson Avenue Expansion

Inception:
2022 –
Acquired Assets,
15 retail buildings
(~120k square feet)

Expansion Phase:
2024 –2025 Breaking Ground,
Design, & Development
Up to 10 incremental buildings
(~ 161k square feet)

Occupancy Phase:
2027 –
Lease Commencements

Final Phase:
2027 – 2028
Stabilization



Projecting yield on cost in excess of 8%

- Expansion in stages with an aggregate incremental cost of approximately \$100 million
- Projected to contribute in excess of 2% incremental long-term earnings upon stabilization

Moving the Needle through Key Acquisitions & **Disciplined** Approach

~ **\$575 Million** in **Accretive Core** & Investment Management Transactions Completed or in Advanced Stages of Negotiation

Targeting ~1% earnings accretion for every **\$200 Million**

“While every transaction is going to differ in terms of long-term accretion, we are currently targeting ~1% earnings accretion for every \$200 million of gross investment.

And keep in mind we are historically used to doing multiples of that in volume”

(Q2-2024 Earnings Call)

- ✓ Accretive to Earnings
- ✓ Accretive to NAV
- ✓ Accretive to Long-Term Growth

What We've Been Up To ...

Acquisition Summary

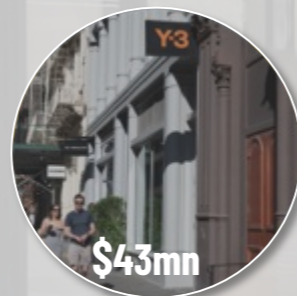
Acquisition Activities

Pipeline

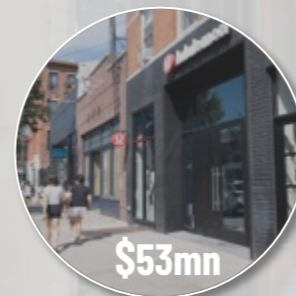
Core Portfolio



\$20mn
Blecker Street,
Manhattan, NY



\$43mn
SoHo,
Manhattan, NY



\$53mn
Williamsburg
Brooklyn, NY

Investment Management



\$30mn
Cohen & Steers -
Tampa, FL

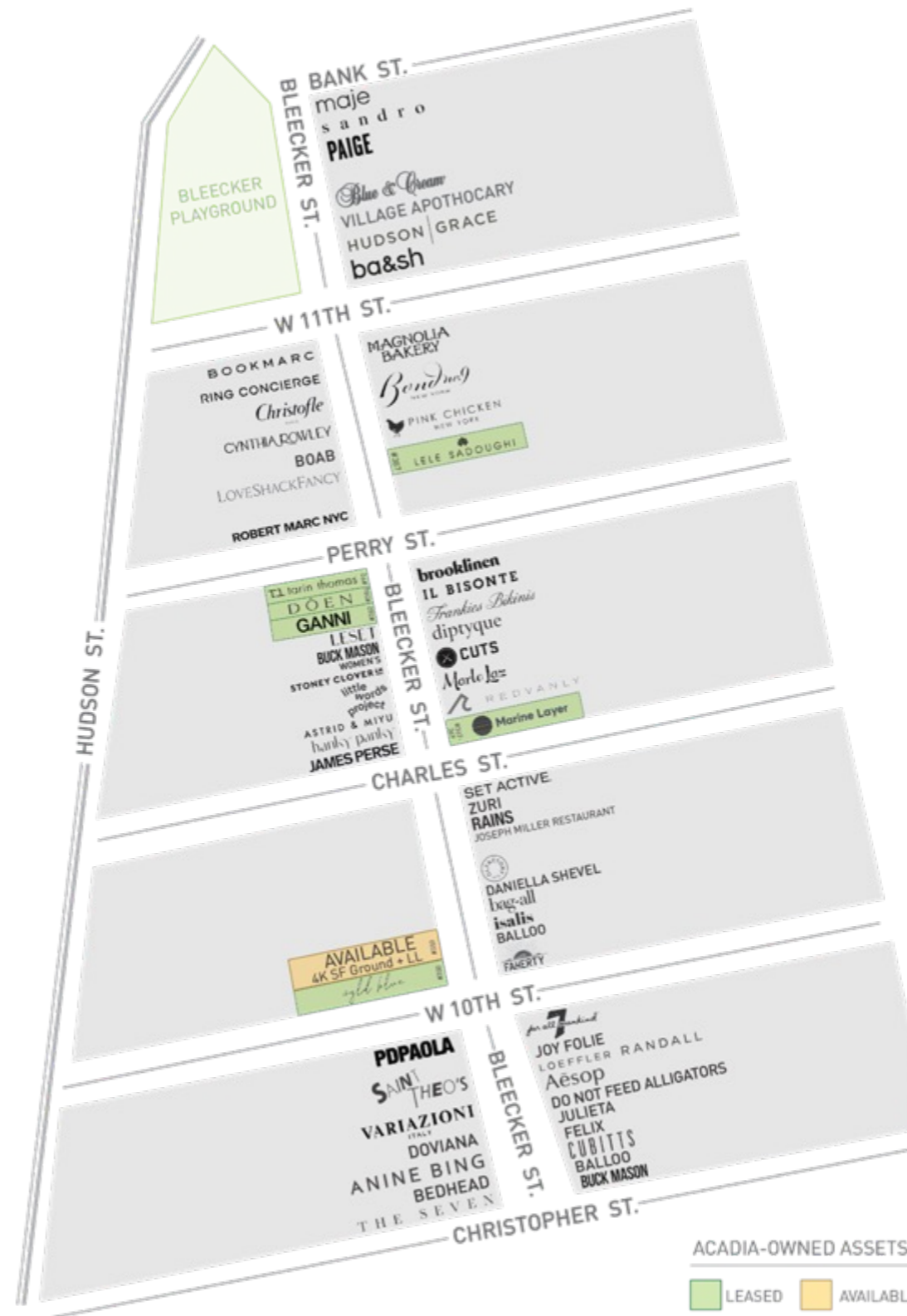
- ~\$150 million
Georgetown, Washington D.C. | SoHo,
Manhattan, NY | Henderson Avenue, Dallas,
TX

- ~\$275 million gross asset value
Minority interest

[1] As of 10/28/2024 AKR 3Q24 Earnings Press Release.

West Village

New York City, NY



SoHo

New York City, NY



REDEVELOPMENT

Hästens

LESLIE & LEHMAN MUSEUM

FRITZ HANSEN

LUCERPLAN

THE WEBSTER

TEAM GALLERY

ELECTRIC

BOFFI

NICODIM

REMEDY

SERAPHINE

FLAIR

ACNE STUDIOS

STAUD

FRAME DENIM

HIVE & COLONY

RON DORF

ISABEL MARRANT

STONER ISLAND

ZIMMERMANN

WOOSTER ST.

cult gaia

TOMORROWLAND

MOUSSY

BRONX AND BANCO

EDEN FINE ART

MACKAGE

ARMANI

LONGCHAMP

swatch

MOLTON BROWN

KENDRA SCOTT

CHANEL

VALENTINO

BURBERRY

COS

ETEO

TIBI

SAVANT

PLAIS PLAIS

VERSACE

Dior

VERSACE

JOHN HARDY

SLOWEAR

DAVID YURMAN

CANAL ST.

ALISE

WOLF & BADGER

ALEXANDER WANG

USM

FREDERICK EVESLEY ART

ALEX MOSS

ZCRAVE

AVIREX

WILLKHAN

DION LEE

GRAND ST.

AMERICAN GIANT

ANTIQUE GARAGE

SAVOIR

RUDY'S MUSIC

SUITSUPPLY

ZADIG & VOLTAIRE

FLORU

ARTINAIDE

TOTEME

coumèges

BROOME ST.

GOLDEN GOOSE

PARAJUMPERS

JILLSTUART

MORGAN LE FAY

OCHRE

ARIAS

HENRIK VIBSKOV

kate spade

Reformation

WATCHES% SWITZERLAND ORIGINAL ETC

THE DEN

HOLDEN

DIESEL

BIRKENSTOCK

STUART WEITZMAN

MAJE

vuori

GREENE ST.

SPRING ST.

MERCER ST.

PRINCE ST.

PHILLIP PLEIN

adidas

CHANEL ATELIER

UpWest

LOUIS VUITTON

VALENTINO

FANELLI'S CAFE

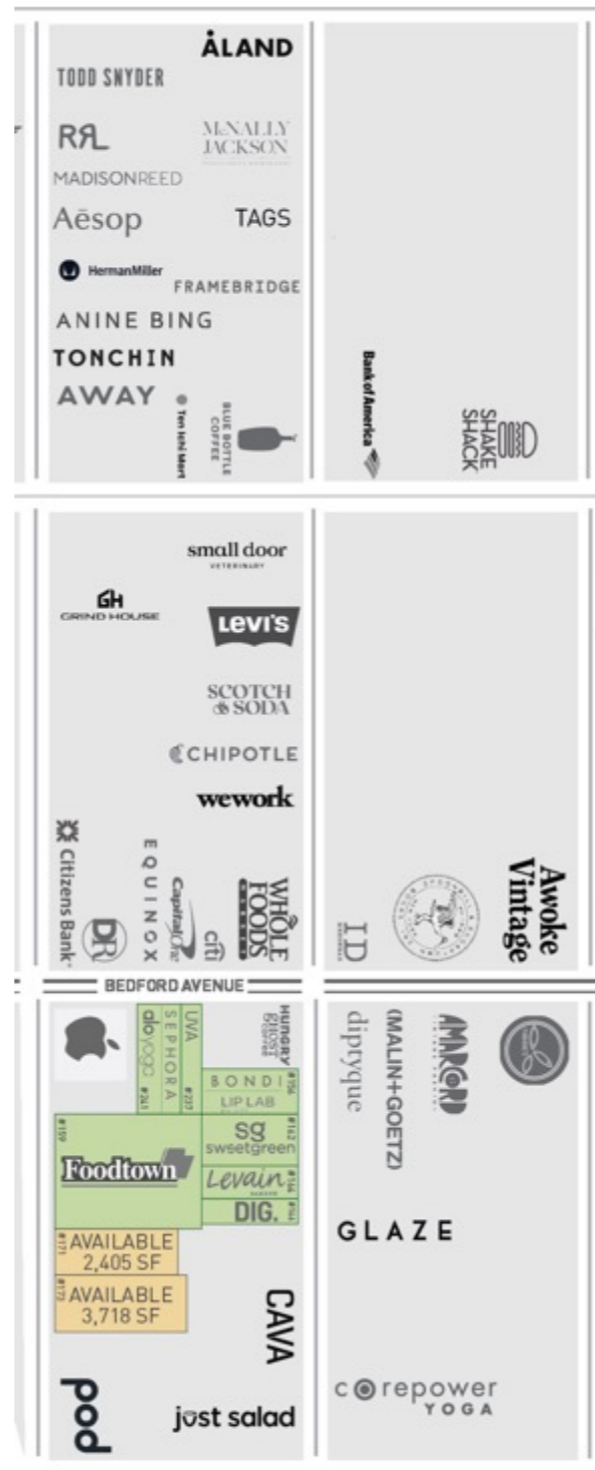
ME+EM

ME+EM

Williamsburg

Brooklyn, NY

Bedford Avenue



- THE BUTCHER'S DAUGHTER
- Just Food for Dogs
- BondVet

North 6th Street Corridor



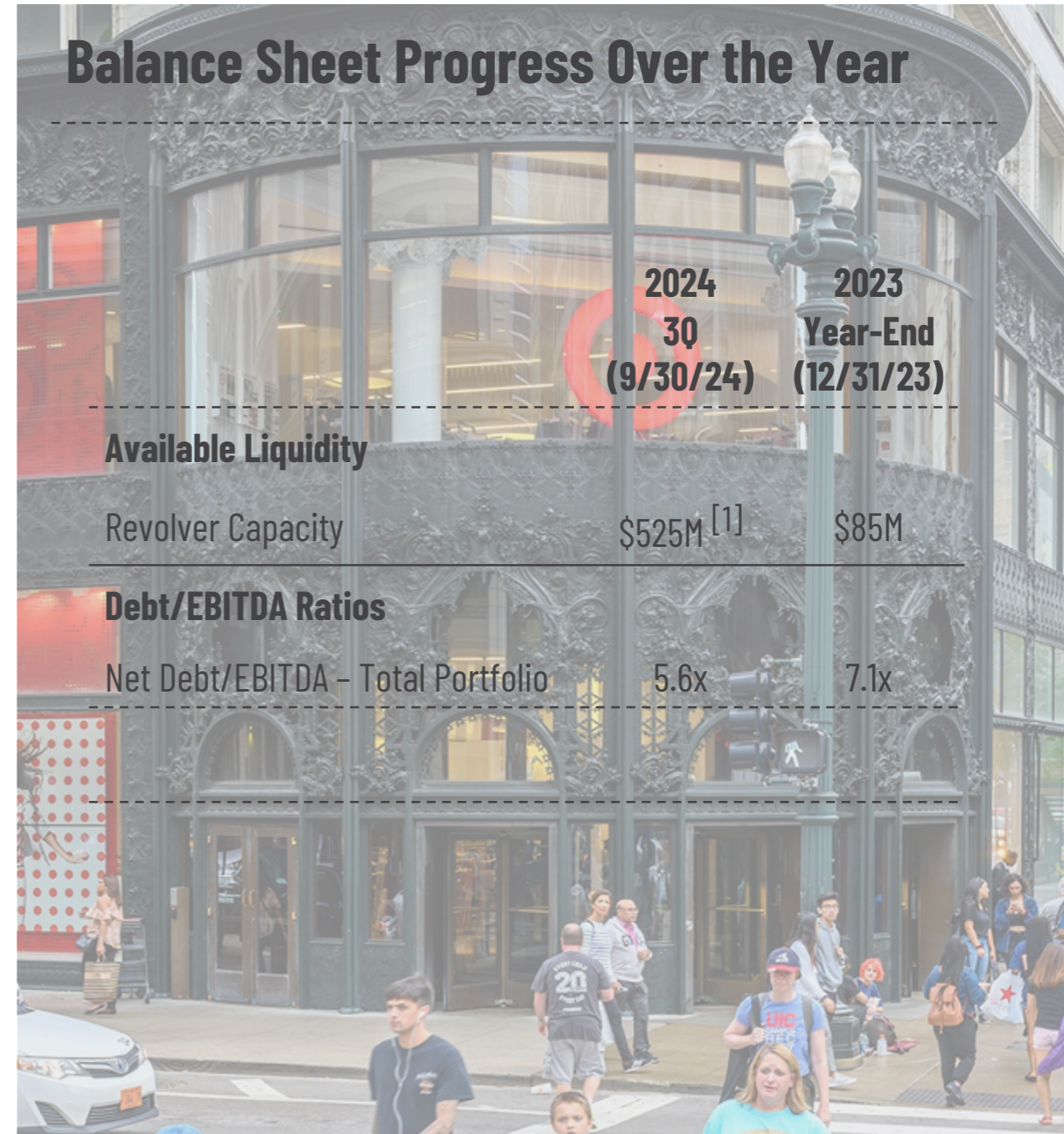
Strong Balance Sheet

Prefunded its External Growth and Enhanced Liquidity

Highlights

- Raised net equity proceeds of ~**\$320 million**
- Issued **\$100 million** of inaugural private placement unsecured notes
- No significant Core debt maturities until **2028**
- Reduced pro-rata Debt/EBITDA for Core and Investment Management platform by a full turn to **5.6x** as of 09/30/24

¹ As of November 5, 2024



Same Store NOI Growth is Translating into Earnings Growth



	FFO	SSNOI Growth
	\$1.29	
2024 Guidance [Midpoint]	\$1.28	5.5%
2023 actual ^[1]	\$1.22	5.8%
2022 actual	\$1.19	6.3%
2021 actual	\$1.11	

[1] 2023 FFO excludes the non-cash \$0.08 gain from BBBY lease termination



Strong FFO Growth

....**Top Line Growth** Driving Bottom Line Earnings

	2024 Guidance [Midpoint]	2023 Actual ^[1]	Growth [%]
Breakdown of FFO			
FFO excluding promotes	\$1.15	\$1.06	8.5%
Realized gains and promotes	\$0.14	\$0.16	
Total FFO per Share	\$1.28 \$1.29	\$1.22	5.7%
Same Store NOI Growth	5 - 6%	5.8%	

[1] 2023 FFO excludes the non-cash \$0.08 gain from BBBY lease termination



The Street Retail Opportunity



Strong Fundamentals

Sales data, occupancy rates,
and rental growth



Increasing Opportunity Set

New corridors primed for
transactional activity

Street Retail - Structured for Growth



Higher contractual annual rent steps

Lower leasing capex as a % of rent = **HIGHER** net effective rent growth

Fair value resets drive outsized rental growth

Introduction

Internal

External

Why Street Retail

Why Acadia

Why Street Retail – Benefits of Ownership

Strong Fundamentals

Limited Supply

- Lowest SoHo Vacancy Since 2013 ¹
- SoHo foot traffic growth of **15%** YoY ²
- Chicago – Rush Walton foot traffic growth of **7%** YoY

Very limited availability of retail spaces located in dense markets, and no new construction

Secular Increase in Demand by Luxury Retailers ³

- **57%** of new 2023 luxury leases signed in Streets
- **80%** in prime corridors

Luxury brands are clustering to critical gateway corridors, and other aspirational retailers follow

Lower Capex as a Percent of NOI ⁴

- Street: **9%** of NOI
- Grocery Anchored: 12% of NOI
- Leasing capex of the Street is typically a **1 year** pay back vs a 4-5 year pay back in Suburban

Higher Embedded Internal Growth

- **3%** contractual bumps vs 1.5% in suburbs
- FMV resets
- Current market rents are still lower than prior peak and have room to run

[1] Cushman and Wakefield MarketBeat Manhattan Retail Q423
[2] Placer.ai
[3] JLL Luxury Report 2023
[4] Acadia Portfolio

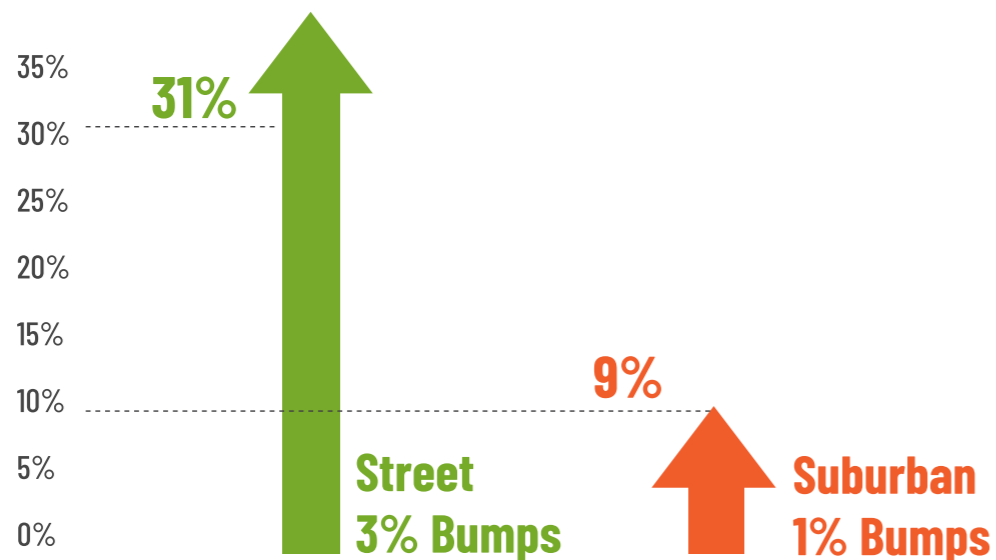


Melrose Place, LA
THREE recent fair market resets
~**30%** cash spreads

Not All Growth Is Created Equal: Street Retail vs. Suburban Junior Anchor

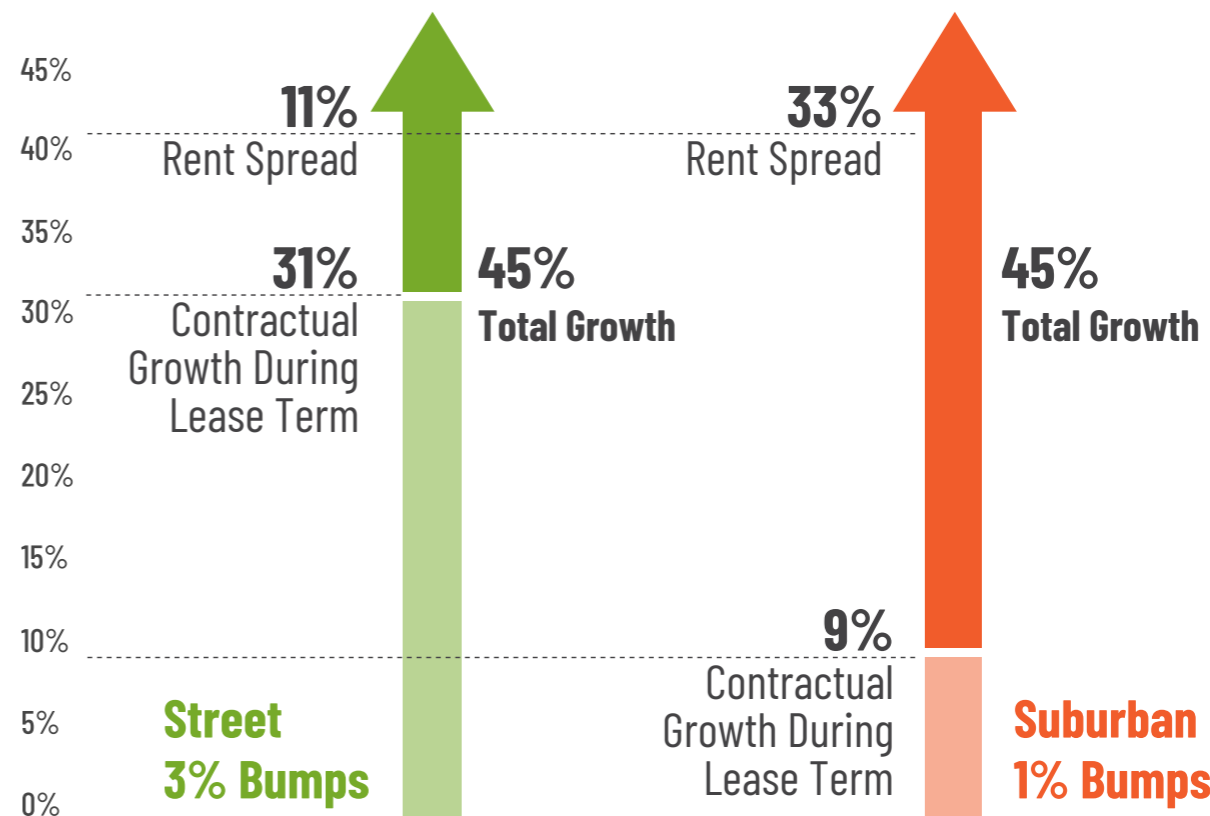
1. NOI Growth

Cumulative Contractual Growth During 10-yr Lease Term



2. Lease Spreads

Not All Spreads are Created Equal



3. Net Effective Rents

Lower Leasing Capex as a % of Rent = **HIGHER** Net Effective Rent Growth, Shorter Payback Period and Higher Cash Flow!

	Street	Suburban
Starting Rent:	\$200	\$18
Payback Period:	Year 1	Year 5
Net Effective Rent:	\$209	\$10.33

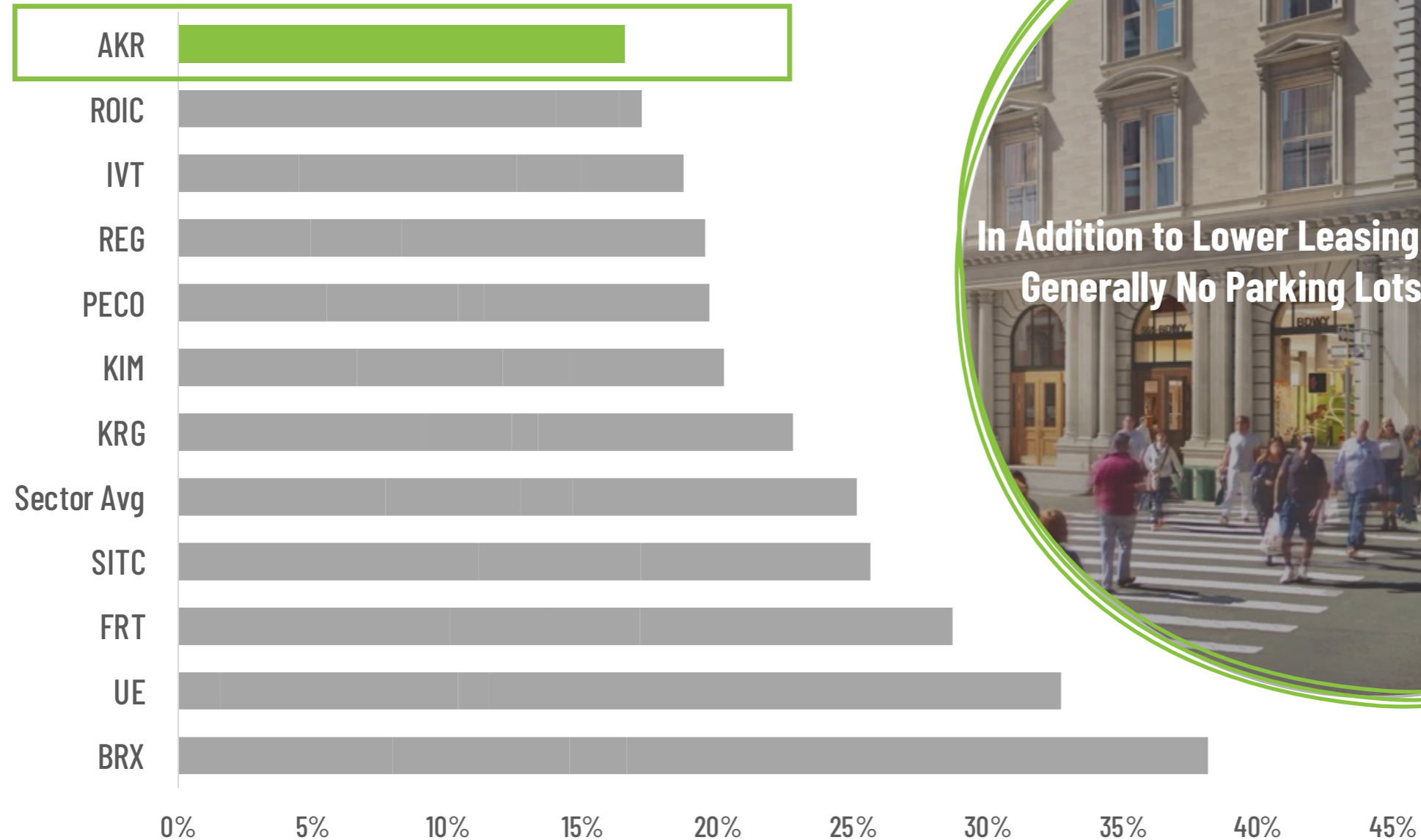
4. Breakeven Spreads

In order to maintain the existing NOI yield following a re-tenanting, a Suburban lease needs a **~50%** spread, as compared to a **~10%** spread for a Street lease.

Note: All numbers are based on the following assumptions: All lease term 10 years; annual bumps of 3% for Street and 1% for Jr Anchor.

Capex Comparison to Peers

Capital Expenditures by REIT (% of NOI '19-'23)



Source: Green Street Strip Center Insights 04/25/24, Capex include TI, LC, Maintenance, and Redevelopment

Why Street Retail

In The News: Retailers Becoming Owners In Prime Retail Corridors

Gucci Parent Kering Buys Fifth Avenue Retail Property in Manhattan for **\$963 Million**

French luxury good giant has strategy of purchases in “**Highly Desirable Locations.**”



Source: Reuters, WSJ, Vornado Realty Trust



Uniqlo in Agreement to Buy 666 Fifth Avenue Retail for **\$350 Million**



Prada Buys Fifth Avenue Store Building for **\$425 Million**

“You’re seeing more retailers buy ... partly because there’s less competition from investors...
Retailers can buy all cash, and they aren’t looking for returns that investors are looking for.”
– Dan Kaplan, *CBRE official involved in multiple retailer-buys-its-own-store deals, including the \$60 million deal of Dyson purchasing a SoHo building*

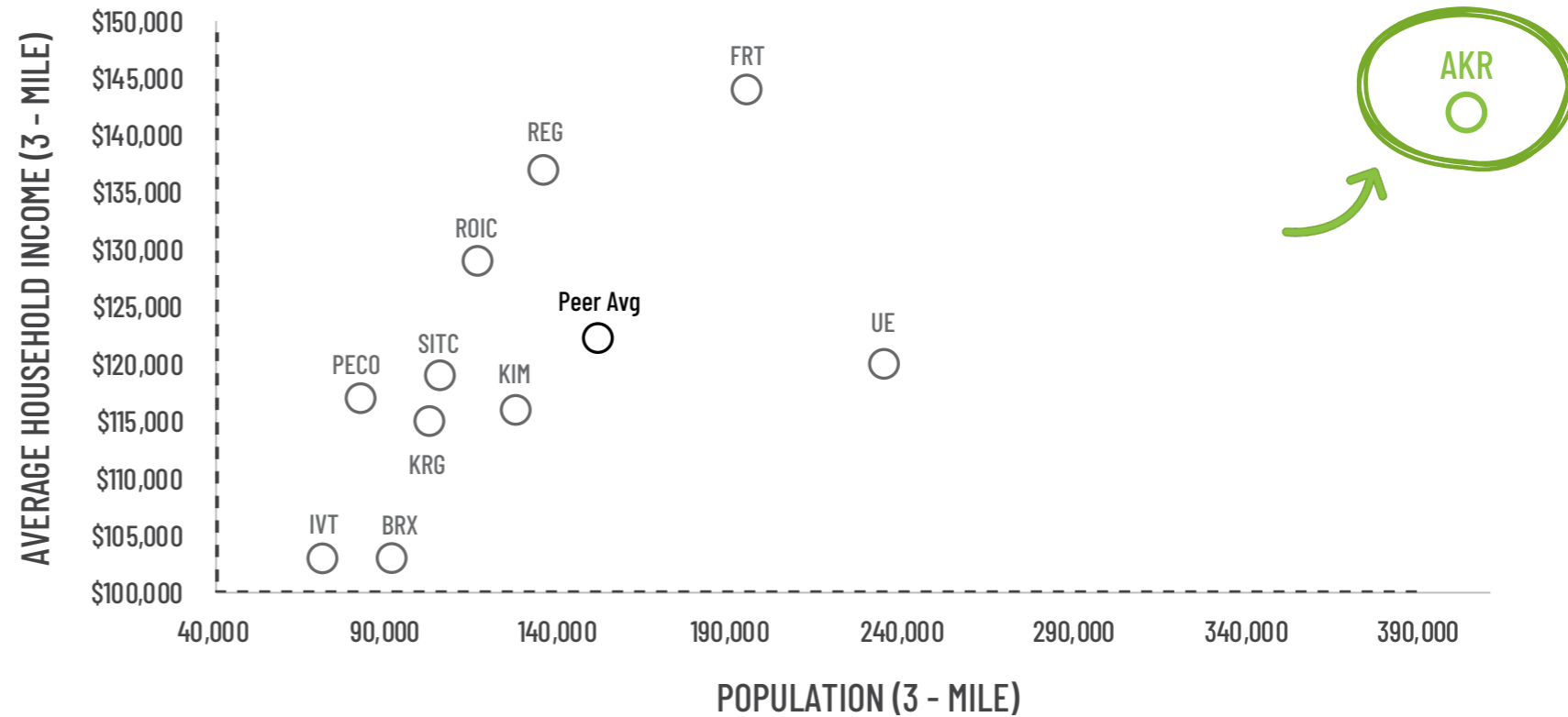


LVMH is in talks to buy a building on Manhattan’s Fifth Avenue (pending deal).

Best in Class Portfolio Demographics

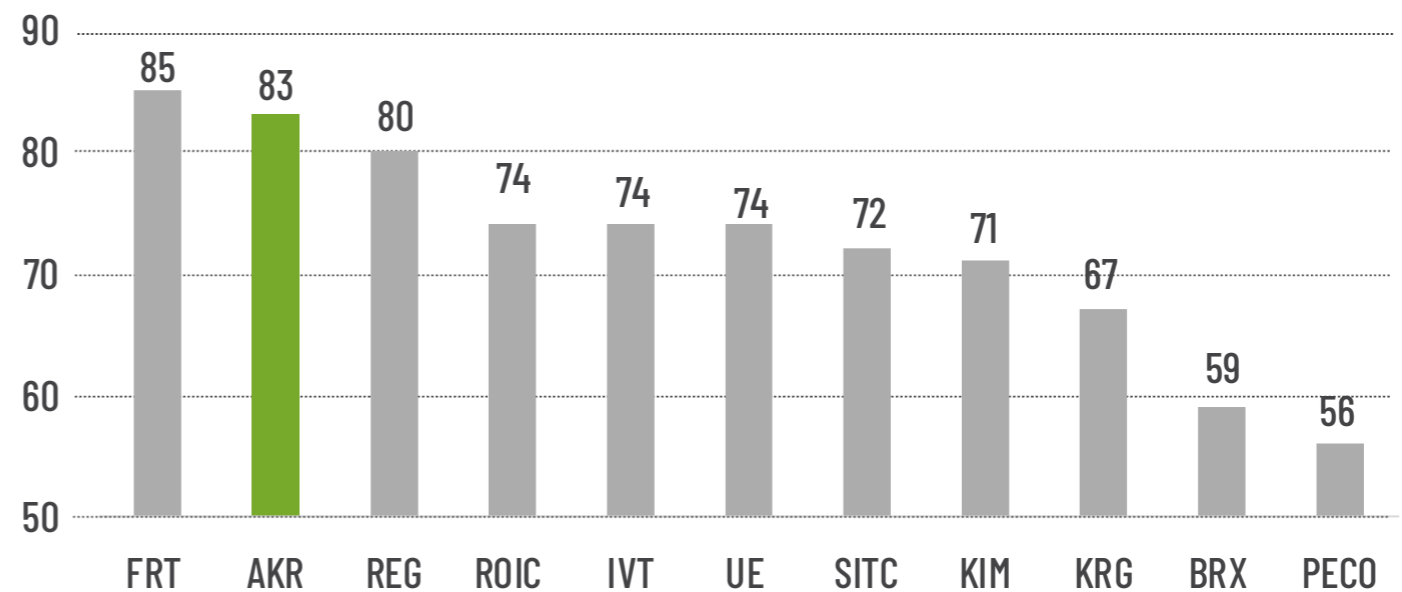
Driven By **High Growth Street & Urban Markets**

Demographic Information for AKR Properties vs Peer¹



Higher Incomes More Durable through Cycles

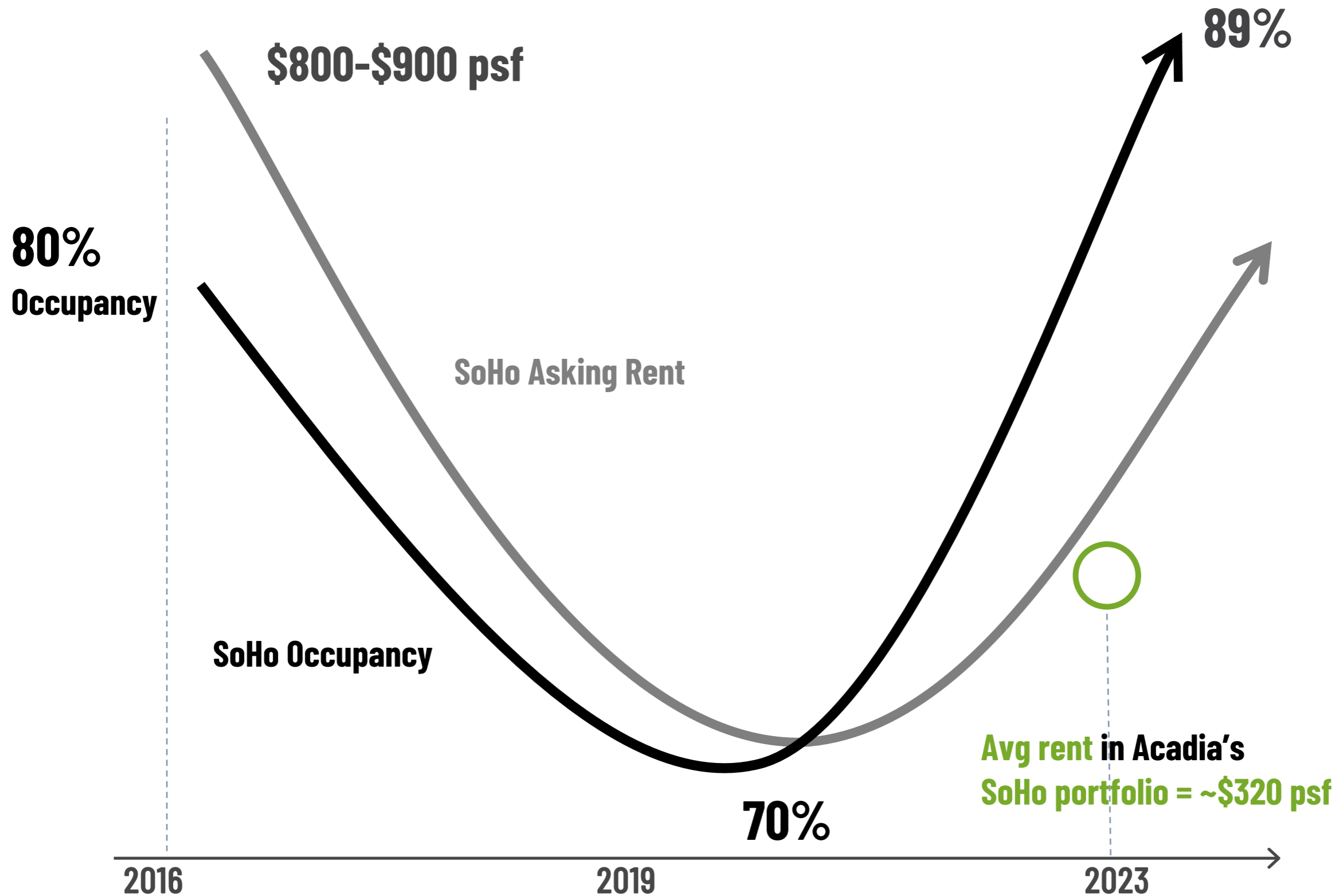
Green Street TAP Score²



[1] Green Street Strip Center Sector Demographics Update 03/14/2024

[2] Green Street TAP Score - reflects the strength of the surrounding traded area which combine income, population density, cost of living and education level into a comparable metric

SoHo Rents ~~Poised~~ ^{Rebounded} for Growth



Sources: Asking Rents from REBNY Retail Report '15-'23; Occupancy Rates from Cushman Wakefield SoHo Historical Statistics '15-'23

City Point: Meaningful Value & Earnings Accretion

\$0.04-\$0.06 of FFO and ~5% of NAV accretion

2023

DIG



Introduction

2024



SEPHORA



GoodVets

FOGO DE CHÃO



Internal

External



High Quality Space Strategically Held Back to Capture Increased Tenant Demand from Newly Completed Park and Key Anchors



Why Street Retail

Why Acadia

Key Takeaways



Strong Internal Multi-Year Growth Trajectory

- Projected annual internal growth in Core NOI in excess of 5%



Ability to Move the Needle Through Acquisitions

- Underlying fundamentals in capital markets have improved, and the bid/ask spread between buyers and sellers is narrowing
- **Checking the Boxes**
 - ✓ Accretive to Earnings
 - ✓ Accretive to NAV
 - ✓ Accretive to Long-Term Growth
- Balance sheet has the flexibility, liquidity, and metrics to pursue external growth



Investment Management Platform

- Profitable business that enables us to punch above our weight
- Leverages our track record and institutional relationships to pursue value-add, special situations, high-yield and opportunistic investments

ESG Program: Driving Long-Term Success

Our ESG Program is built on the following ESG priorities:

REDUCE ENVIRONMENTAL IMPACT

- Reduce Scope 1 and 2 GHG emissions
- Energy efficiency
- Renewable energy
- Climate change resiliency

PEOPLE FIRST

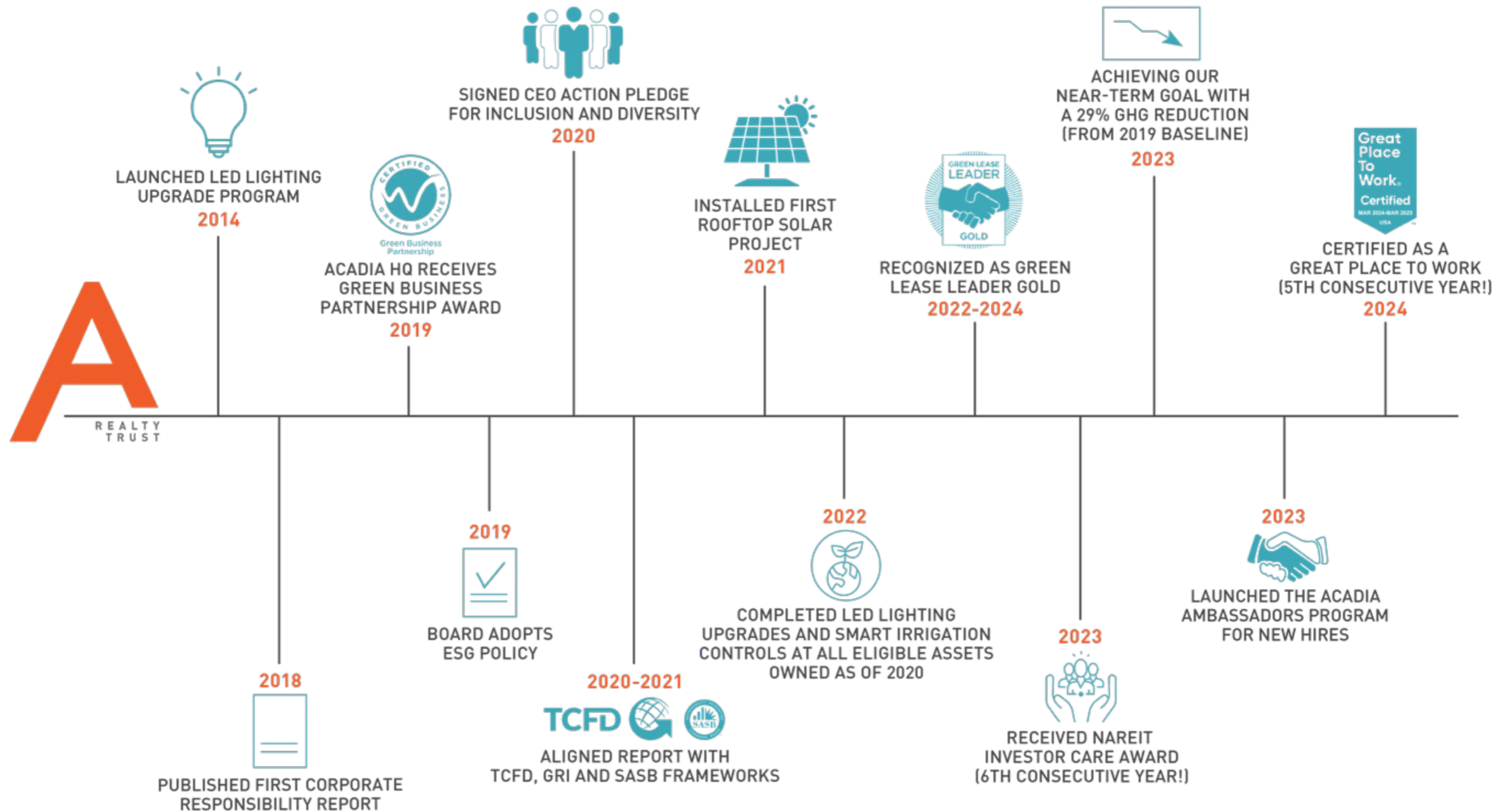
- Inclusion and belonging
- Philanthropic giving and community service
- Employee satisfaction, engagement, advancement and wellness

INTEGRITY IN GOVERNANCE

- Strong governance, ethics and stewardship policies
- Board governance of ESG
- Third-party assurance of environmental performance data



ESG Program Highlights



To learn more about our goals and initiatives, please see our Corporate Responsibility Report on our website.

SAFE HARBOR STATEMENT

Certain statements in this press release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements, which are based on certain assumptions and describe the Company's future plans, strategies and expectations are generally identifiable by the use of words, such as "may," "will," "should," "expect," "anticipate," "estimate," "believe," "intend" or "project," or the negative thereof, or other variations thereon or comparable terminology. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the Company's actual results and financial performance to be materially different from future results and financial performance expressed or implied by such forward-looking statements, including, but not limited to: (i) macroeconomic conditions, including due to geopolitical conditions and instability, which may lead to a disruption of or lack of access to the capital markets, disruptions and instability in the banking and financial services industries and rising inflation; (ii) the Company's success in implementing its business strategy and its ability to identify, underwrite, finance, consummate and integrate diversifying acquisitions and investments; (including the potential acquisitions discussed in this press release); (iii) changes in general economic conditions or economic conditions in the markets in which the Company may, from time to time, compete, and their effect on the Company's revenues, earnings and funding sources; (iv) increases in the Company's borrowing costs as a result of rising inflation, changes in interest rates and other factors; (v) the Company's ability to pay down, refinance, restructure or extend its indebtedness as it becomes due; (vi) the Company's investments in joint ventures and unconsolidated entities, including its lack of sole decision-making authority and its reliance on its joint venture partners' financial condition; (vii) the Company's ability to obtain the financial results expected from its development and redevelopment projects; (viii) the ability and willingness of the Company's tenants to renew their leases with the Company upon expiration, the Company's ability to re-lease its properties on the same or better terms in the event of nonrenewal or in the event the Company exercises its right to replace an existing tenant, and obligations the Company may incur in connection with the replacement of an existing tenant; (ix) the Company's potential liability for environmental matters; (x) damage to the Company's properties from catastrophic weather and other natural events, and the physical effects of climate change; (xi) the economic, political and social impact of, and uncertainty surrounding, any public health crisis, such as the COVID-19 Pandemic, which adversely affected the Company and its tenants' business, financial condition, results of operations and liquidity; (xii) uninsured losses; (xiii) the Company's ability and willingness to maintain its qualification as a REIT in light of economic, market, legal, tax and other considerations; (xiv) information technology security breaches, including increased cybersecurity risks relating to the use of remote technology; (xv) the loss of key executives; and (xvi) the accuracy of the Company's methodologies and estimates regarding environmental, social and governance ("ESG") metrics, goals and targets, tenant willingness and ability to collaborate towards reporting ESG metrics and meeting ESG goals and targets, and the impact of governmental regulation on its ESG efforts.

The factors described above are not exhaustive and additional factors could adversely affect the Company's future results and financial performance, including the risk factors discussed under the section captioned "Risk Factors" in the Company's most recent Annual Report on Form 10-K and other periodic or current reports the Company files with the SEC. Any forward-looking statements in this press release speak only as of the date hereof. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any changes in the Company's expectations with regard thereto or changes in the events, conditions or circumstances on which such forward-looking statements are based.

