

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 17, 2015

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.)

1311 Mamaroneck Avenue

Suite 260

White Plains, New York 10605

(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 17, 2015, Acadia Realty Trust (the "Company") issued a press release announcing its consolidated financial results for the quarter and year ended December 31, 2014. 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 17, 2015, the Company made available supplemental information concerning the ownership, operations and portfolio of the Company as of and for the quarter and year ended December 31, 2014. 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 17, 2015.
99.2	Financial and Operating Reporting Supplement of the Company for the quarter and year ended December 31, 2014.

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 19, 2015

By: /s/ Jonathan Grisham

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

ACADIA REALTY TRUST REPORTS FOURTH QUARTER AND FULL YEAR 2014 OPERATING RESULTS

WHITE PLAINS, NY (February 17, 2015) - Acadia Realty Trust (NYSE: AKR) (“Acadia” or the “Company”) today reported operating results for the quarter and year ended December 31, 2014. Acadia operates dual platforms, comprised of a high-quality core real estate portfolio (“Core Portfolio”), which owns and operates meaningful concentrations of assets in the nation’s most dynamic urban and street-retail corridors, and a series of discretionary institutional funds (“Funds”) that target opportunistic and value-add investments. All per share amounts, below, are on a fully diluted basis.

Highlights - Fourth Quarter and Full Year 2014

- Generated funds from operations (“FFO”) per share of \$0.30 for the fourth quarter and \$1.26 for the full year, which included acquisition-related costs of \$0.02 and \$0.09, respectively; generated earnings per share (“EPS”) of \$0.15 for the fourth quarter and \$1.18 for the full year
- Generated Core Portfolio same-property net operating income (“NOI”) growth of 4.0% for the fourth quarter and 5.2% for the full year, both compared to 2013
- Maintained 97.0% leased rate in the Core Portfolio for the third consecutive quarter
- Completed \$450.4 million of Core Portfolio acquisitions during 2014, remaining focused on street, urban and high-barrier-to-entry suburban retail properties
- Entered into a \$155.0 million contract to acquire City Center, a 204,000 square foot, CityTarget-anchored shopping center in San Francisco, California, for the Core Portfolio; including City Center, Core Portfolio acquisition pipeline under contract totals \$179.0 million
- During January 2015, continued the profitable monetization of Fund III with the sale of Lincoln Park Centre in Chicago, Illinois for \$64.0 million, which generated a 57% IRR and 2.7x equity multiple
- During and subsequent to the fourth quarter, Fund IV completed \$98.3 million of value-add, street-retail acquisitions on the Upper East Side of Manhattan
- Maintained conservative leverage levels by match-funding acquisitions; raised \$402.3 million of equity through At-the-Market (“ATM”), block deal and operating partnership (“OP”) unit issuances during 2014
- During January 2015, paid a special cash dividend of \$0.30 per share, in addition to a regular quarterly dividend of \$0.24; the special dividend was sourced primarily from distributable capital gains arising from the Funds’ previously-reported sale of a six-property portfolio in Miami Beach, Florida

“Our solid 2014 operating results continue to reflect the strength of our high-quality portfolio,” stated Kenneth F. Bernstein, President and CEO of Acadia Realty Trust. “As we continue to responsibly grow our core portfolio - by adding both street retail, in dynamic flagship or live-work-play submarkets, as well as supermarket or discounter-anchored shopping centers in urban or high-barrier-to-entry suburban markets - we believe that we are positioning our company for long-term outperformance. Our recent decision to expand our platform to the West Coast - and, more importantly, to another vibrant, high-barrier-to-entry, gateway city - is consistent with this deep-rooted, location-centric investment philosophy. At the same time, through our highly-complementary fund platform, we are able to pursue a broader, more entrepreneurial set of strategies. And, once we complete our value-add activities, the opportunistic sales of these investments, at the right time, and at meaningful profits, inures to the benefit of all of our stakeholders.”

Financial Results

- **Solid 2014 Results, In-Line With Guidance**

FFO per share for the fourth quarter of 2014 was \$0.30, compared to \$0.27 for the fourth quarter of 2013. These results included \$0.02 of acquisition costs and \$0.06 of acquisition and non-cash retirement costs for 2014 and 2013, respectively.

For the year ended December 31, 2014, FFO per share was \$1.26, compared to \$1.20 for the full year 2013. These results included \$0.09 of acquisition costs and \$0.10 of acquisition and non-cash retirement costs for 2014 and 2013, respectively.

EPS for the quarter and year ended December 31, 2014, was \$0.15 and \$1.18, respectively, compared to \$0.22 and \$0.72 for the prior-year comparable periods. Net income for the year ended December 31, 2014, included \$0.56 per share of gain realized on the disposition of properties, including the Funds' Miami Beach portfolio.

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

Core Portfolio

- **Strong Operating Metrics Underscore High Quality of Differentiated Core Portfolio**
- **Completed \$450.4 Million of Street, Urban & High-Barrier-to-Entry Suburban Core Acquisitions During 2014, Exceeding Original Guidance**
- **\$179.0 Million Core Acquisition Pipeline Includes Company's First West Coast Investment**

Core Operating Results

For the quarter and year ended December 31, 2014, same-property NOI in the Core Portfolio increased 4.0% and 5.2%, respectively, compared to the same periods during 2013. The increase for the fourth quarter was driven primarily by increased rents, while the full year increase was impacted by both increased rents and occupancy gains.

As of December 31, 2014, the Core Portfolio was 95.9% occupied and 97.0% leased, compared to 96.0% occupied and 97.0% leased as of September 30, 2014. The leased rate includes space that is leased but not yet occupied.

For the year ended December 31, 2014, the Company generated a 28.7% increase in average rents on a GAAP basis, which includes the effect of the straight-lining of rents, on 324,100 square feet of executed new and renewal leases in the Core Portfolio. On a contractual rent, or cash basis, which compares the initial rent of the new and renewal leases against the ending rent of the former leases, the Company generated a 14.4% increase in average rents for these same leases.

During the fourth quarter of 2014, the Company generated a 19.7% increase in average rents on a GAAP basis, and a 0.2% increase in average rents on a cash basis, on 37,800 square feet of executed new and renewal leases in the Core Portfolio. Excluding the impact of one new lease for 12,000 square feet, these results were 15.0% and 7.9% on a GAAP and cash basis, respectively.

2014 Core Acquisitions

During 2014, the Company added \$450.4 million of high-quality street, urban and high-barrier-to-entry suburban retail properties to its Core Portfolio. This compares to the Company's original 2014 Core Portfolio acquisition guidance of \$200 to \$300 million.

During the fourth quarter, the Company completed \$210.4 million of Core Portfolio acquisitions, as follows:

840 N. Michigan Ave., Gold Coast, Chicago, IL. As previously announced, Acadia acquired an 88.4% interest in 840 N. Michigan Ave for \$144.3 million. The 87,000 square foot, four-level property anchors a prime corner of the Gold Coast's Magnificent Mile, directly across the street from Water Tower Place, and is home to flagship stores for both H&M and Verizon.

Shops at Grand Avenue, Queens, NY. As previously announced, Acadia acquired the Shops at Grand Avenue, another high-performing, supermarket-anchored shopping center, for \$56.0 million. The 99,975 square foot, urban property is anchored by Stop & Shop and benefits from a residential population of more than half a million within a two-mile radius.

201 Needham St., Newton, MA. Consistent with its high-barrier-to-entry suburban strategy, Acadia acquired a 20,400 square foot Michaels Arts & Crafts store, located in Newton, Massachusetts, for \$10.1 million. Needham Street is a heavily-trafficked retail corridor serving Boston's affluent and densely-populated suburbs. The wealth of the immediate trade area is demonstrated by an average household income in excess of \$180,000 within three miles.

2015 Core Acquisition Pipeline

The Company currently has \$179.0 million of acquisitions under contract, including the following:

City Center, San Francisco, CA. During the fourth quarter, Acadia entered into a contract to acquire a 204,000 square foot, CityTarget-anchored urban shopping center, located in San Francisco, California, for \$155.0 million. The property is centrally located within the city, at the corner of two heavily-trafficked thoroughfares - Geary Blvd and Masonic Ave. High population density (nearly 300,000 residents within two miles) and strict zoning regulations have resulted in limited retail competition within the immediate trade area. While this acquisition will mark Acadia's official entry on the West Coast, the Company has had an ownership interest in, and tracked, this former Mervyns property for several years, through its successful fund retailer controlled property venture.

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

Fund Platform

- **Fund III Monetization Continues With Highly-Profitable Sale of Completed Street-Retail Redevelopment in Lincoln Park, Chicago; Follows 2014 Sale of Funds' Lincoln Rd Portfolio**
- **Fund IV Acquires \$98.3 Million of Manhattan Street Retail During Fourth Quarter of 2014**

Fund III Dispositions

Lincoln Park Centre, Chicago, IL. During January 2015, Acadia continued the profitable monetization of Fund III with the sale of Lincoln Park Centre in Chicago, Illinois for \$64.0 million, compared to an all-in cost basis of \$38.9 million. During its 2.8 year hold period, Fund III's investment generated a 57% IRR and 2.7x equity multiple. At acquisition in 2012, the 61,800 square foot property was 60% occupied, due to the bankruptcy of Borders Books. Fund III re-anchored the property with Design Within Reach and Eddie Bauer.

Lincoln Rd. Portfolio, Miami Beach, FL. Previously during 2014, Fund III completed the sale of its three-property Lincoln Road portfolio, located in Miami Beach, Florida, for \$141.8 million, compared to an all-in cost basis of \$54.5 million. During its 3.5 year hold period, Fund III's investment generated a 46% IRR and 3.0x equity multiple.

Fund IV Dispositions

Lincoln Rd. Portfolio, Miami Beach, FL. Together with Fund III, Fund IV also completed the sale of its three-property Lincoln Road portfolio during 2014 for \$200.2 million, compared to an all-in cost basis of \$141.0 million. Fund IV held its investment for 1.7 years, and its investment generated a 48% IRR and 1.9x equity multiple.

Fund IV Acquisitions

During and subsequent to the year ended December 31, 2014, Fund IV acquired \$140.1 million of value-add street retail, "next-generation" street retail and opportunistic suburban shopping centers, which included \$98.3 million of acquisitions during and subsequent to the fourth quarter on the Upper East Side of Manhattan, as follows:

"Off Madison" Collection, Upper East Side, New York, NY. As previously announced, during the fourth quarter, Fund IV completed the acquisition of two lease-up properties located on the Upper East Side of Manhattan for a total of \$47.3 million, through separate transactions. These properties, each approximately 10,000 square feet, are located at 27 E 61st St and 17 E 71st St. Situated less than 100 feet off of Madison Avenue, both properties provide retailers

with high visibility and solid co-tenancy, while also providing retailers with an opportunity to shape a unique identity in boutique space.

1035 3rd Ave, Upper East Side, New York, NY. Subsequent to the fourth quarter, Fund IV acquired a second property within the 3rd Avenue retail corridor for \$51.0 million. This live-work-play submarket draws its shoppers from the surrounding population of affluent young professionals and families. The property is a two-level retail condo situated at the base of a residential building and also includes second floor office space and underground parking. The value-add plan includes modernizing the building's façade, leasing up existing retail vacancy and marking below-market leases to market rents.

Balance Sheet

- **Maintained Conservative Leverage Levels By Match-Funding Acquisitions**
- **\$402.3 Million Of Equity Sourced Through Common Share And OP Unit Issuances During 2014**

During 2014 Acadia achieved its growth goals while maintaining a strong balance sheet and its long-term track record of conservative leverage levels. Acadia's strong financial position is evidenced by the following key leverage metrics as of and for the quarter ended December 31, 2014:

	<u>December 31, 2014</u>
<u>Core Portfolio only:</u>	
Fixed-charge coverage ratio	3.5x
Net Debt to EBITDA	3.1x
<u>Core Portfolio and pro-rata share of Funds:</u>	
Fixed-charge coverage ratio	3.5x
Net Debt to EBITDA	4.0x
Net Debt to total Market Capitalization	16%

For the year ended December 31, 2014, the Company issued equity aggregating \$402.3 million, which included \$44.5 million of OP units.

Guidance

The Company forecasts that its 2015 annual FFO will range from \$1.48 to \$1.56 per share and 2015 EPS will range from \$0.82 to \$0.87. These forecasts, as well as the comparable 2014 FFO as presented below, are before any acquisition-related costs and gains on sale of depreciated property. The following table summarizes management's 2015 guidance (dollars in millions, except per share amounts):

	2015		2014
	Low	High	Actual
Core and pro-rata share of Funds' portfolio income	\$104.3	\$109.3	\$ 87.9
Asset and property management fee income, net of taxes	12.5	13.0	15.1
Transactional fee income, net of taxes	7.5	8.0	6.9
Other Fund related income, net of taxes	13.9	15.3	1.1
General and administrative expenses	(29.5)	(29.0)	(27.0)
FFO	<u>\$108.7</u>	<u>\$116.6</u>	<u>\$ 84.0</u>
FFO per share	<u>\$ 1.48</u>	<u>\$ 1.56</u>	<u>\$ 1.35</u>

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

<u>Guidance Range for 2015</u>	Low	High
Earnings per share	\$ 0.82	\$ 0.87
Depreciation of real estate and amortization of leasing costs (net of noncontrolling interests' share)	0.64	0.66
Noncontrolling interest in Operating Partnership	0.02	0.03
FFO per share	<u>\$ 1.48</u>	<u>\$ 1.56</u>

Forecasted new Core Portfolio and Fund acquisitions are anticipated to be key drivers of 2015 earnings growth as well as income generated from the monetization of Fund assets. In addition, the Company is assuming an increase in same-property NOI for the Core Portfolio between 3.0% and 4.0% for the year, which assumes portfolio occupancy generally consistent with 2014 and no contribution from redevelopment activities. Management will discuss its 2015 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 18, 2015 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 18, 2015

Time: 12:00 PM ET

Dial#: 888-771-4371

Passcode: "Acadia Realty" or "38717505"

Webcast (Listen-only): www.acadiarealty.com under Investor Relations

Phone Replay:

Dial#: 888-843-7419

Passcode: "38717505#"

Available Through: Wednesday, February 25, 2015

Webcast Replay: www.acadiarealty.com under Investor Relations

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 opportunities arising from continued economic uncertainty. 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 26, 2014 (“Form 10-K”) and other periodic reports filed with the SEC, including risks related to: (i) the current global financial environment and its effect on retail tenants; (ii) the Company’s reliance on revenues derived from major tenants; (iii) the Company’s limited control over joint venture investments; (iv) the Company’s partnership structure; (v) real estate and the geographic concentration of the Company’s properties; (vi) market interest rates; (vii) leverage; (viii) liability for environmental matters; (ix) the Company’s growth strategy; (x) the Company’s status as a REIT; (xi) uninsured losses and (xii) the loss of key executives. Copies of the Form 10-K and the other periodic reports Acadia files with the SEC are available on the Company’s website at www.acadiarealty.com. Any forward-looking statements in this press release speak only as of the date hereof. Acadia expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Acadia's expectations with regard thereto or change in events, conditions or circumstances on which any such statement is based.

ACADIA REALTY TRUST AND SUBSIDIARIES

Financial Highlights ¹

For the Quarters and Years ended December 31, 2014 and 2013

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

<i>Revenues</i>	For the Quarters ended		For the Years ended	
	<u>December 31,</u>		<u>December 31,</u>	
	2014	2013	2014	2013
Rental income	\$ 38,586	\$ 32,633	\$ 145,103	\$ 122,730
Interest income	3,388	2,535	12,607	11,800
Expense reimbursements	8,634	7,394	32,642	28,373
Other property income	401	1,479	1,637	2,299
Other income	147	62	3,023	3,084
Total revenues	<u>51,156</u>	<u>44,103</u>	<u>195,012</u>	<u>168,286</u>
<i>Operating expenses</i>				
Property operating	7,395	8,375	28,609	25,631
Real estate taxes	6,157	4,973	23,062	20,922
General and administrative	6,535	8,292	27,433	25,555
Depreciation and amortization	13,590	11,021	49,645	40,299
Total operating expenses	<u>33,677</u>	<u>32,661</u>	<u>128,749</u>	<u>112,407</u>
Operating income	17,479	11,442	66,263	55,879
Equity in earnings of unconsolidated affiliates	1,341	5,108	8,723	12,382
Gain on disposition of properties of unconsolidated affiliates	—	—	102,855	—
Impairment of asset	—	—	—	(1,500)
Loss on extinguishment of debt	(66)	(765)	(335)	(765)
Gain on disposition of property	—	—	13,138	—
Interest expense and other finance costs	(8,764)	(9,668)	(39,091)	(39,474)
Income from continuing operations before income taxes	9,990	6,117	151,553	26,522
Income tax (provision) benefit	(561)	38	(629)	(19)
Income from continuing operations	<u>9,429</u>	<u>6,155</u>	<u>150,924</u>	<u>26,503</u>

ACADIA REALTY TRUST AND SUBSIDIARIES

Financial Highlights ¹

For the Quarters and Years ended December 31, 2014 and 2013

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

	For the Quarters ended		For the Years ended	
	<u>December 31,</u>		<u>December 31,</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Operating income from discontinued operations ⁵	—	1,424	—	6,818
Impairment of asset	—	(6,683)	—	(6,683)
Loss on extinguishment of debt	—	(800)	—	(800)
Gain on disposition of property	662	14,611	1,222	18,802
Income from discontinued operations	<u>662</u>	<u>8,552</u>	<u>1,222</u>	<u>18,137</u>
Net income	<u>10,091</u>	<u>14,707</u>	<u>152,146</u>	<u>44,640</u>
(Income) loss attributable to noncontrolling interests:				
Continuing operations	(88)	1,420	(80,059)	7,523
Discontinued operations	(562)	(3,877)	(1,023)	(12,048)
Net income attributable to noncontrolling interests	<u>(650)</u>	<u>(2,457)</u>	<u>(81,082)</u>	<u>(4,525)</u>
Net income attributable to Common Shareholders	<u>\$ 9,441</u>	<u>\$ 12,250</u>	<u>\$ 71,064</u>	<u>\$ 40,115</u>
Income from continuing operations attributable to Common Shareholders	\$ 9,341	\$ 7,575	\$ 70,865	\$ 34,026
Income from discontinued operations attributable to Common Shareholders	<u>100</u>	<u>4,675</u>	<u>199</u>	<u>6,089</u>
Net income attributable to Common Shareholders	<u>9,441</u>	<u>12,250</u>	<u>71,064</u>	<u>40,115</u>
Less: Net Income attributable to participating securities	(115)	(189)	(1,156)	(685)
Net Income attributable to Common Shareholders - basic	\$ 9,326	\$ 12,061	\$ 69,908	\$ 39,430
Weighted average shares for basic earnings per share	<u>63,866</u>	<u>55,576</u>	<u>59,402</u>	<u>54,919</u>
Net Earnings per share - basic and diluted	<u>\$ 0.15</u>	<u>\$ 0.22</u>	<u>\$ 1.18</u>	<u>\$ 0.72</u>
Basic and diluted earnings per share - Continuing Operations ²	<u>\$ 0.15</u>	<u>\$ 0.14</u>	<u>\$ 1.18</u>	<u>\$ 0.61</u>
Basic and diluted earnings per share - Discontinued Operations ²	<u>—</u>	<u>\$ 0.08</u>	<u>—</u>	<u>\$ 0.11</u>

ACADIA REALTY TRUST AND SUBSIDIARIES

Financial Highlights ¹

For the Quarters and Years ended December 31, 2014 and 2013

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

RECONCILIATION OF NET INCOME TO FUNDS FROM OPERATIONS ³

	For the Quarters ended		For the Years ended	
	December 31,		December 31,	
	2014	2013	2014	2013
Net income attributable to Common Shareholders	\$ 9,441	\$ 12,250	\$ 71,064	\$ 40,115
Depreciation of real estate and amortization of leasing costs (net of noncontrolling interests' share)	10,414	8,309	38,020	31,432
Impairment of asset				1,500
Gain on disposition (net of noncontrolling interests' share)	(258)	(5,602)	(33,438)	(6,378)
Income attributable to noncontrolling interests' in				
Operating Partnership	550	141	3,203	470
Distributions - Preferred OP Units	14	6	33	22
Funds from operations	<u>\$ 20,161</u>	<u>\$ 15,104</u>	<u>\$ 78,882</u>	<u>\$ 67,161</u>
<i>Funds from operations per share - Diluted</i>				
Weighted average Common Shares and OP Units ⁴	<u>67,836</u>	<u>56,572</u>	<u>62,420</u>	<u>55,954</u>
Funds from operations, per share	<u>\$ 0.30</u>	<u>\$ 0.27</u>	<u>\$ 1.26</u>	<u>\$ 1.20</u>

ACADIA REALTY TRUST AND SUBSIDIARIES

Financial Highlights ¹

For the Quarters and Years ended December 31, 2014 and 2013

(dollars in thousands)

**RECONCILIATION OF OPERATING INCOME TO NET PROPERTY
OPERATING INCOME ("NOI") ³**

	For the Quarters ended		For the Years ended	
	December 31,		December 31,	
	2014	2013	2014	2013
Operating income	\$ 17,479	\$ 11,442	\$ 66,263	\$ 55,879
Add back:				
General and administrative	6,535	8,292	27,433	25,555
Depreciation and amortization	13,590	11,021	49,645	40,299
Less:				
Interest income	(3,388)	(2,535)	(12,607)	(11,800)
Straight line rent and other adjustments	(2,536)	(1,686)	(8,626)	(5,910)
Consolidated NOI	<u>31,680</u>	<u>26,534</u>	<u>122,108</u>	<u>104,023</u>
Noncontrolling interest in NOI	<u>(10,025)</u>	<u>(8,367)</u>	<u>(38,862)</u>	<u>(33,856)</u>
Pro-rata share of NOI	21,655	18,167	83,246	70,167
Operating Partnerships' interest in Opportunity Funds	(1,678)	(1,314)	(6,280)	(5,342)
Operating Partnerships' share of unconsolidated joint ventures ¹	1,680	711	4,366	2,792
NOI - Core Portfolio	<u>\$ 21,657</u>	<u>\$ 17,564</u>	<u>\$ 81,332</u>	<u>\$ 67,617</u>

Note:

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

SELECTED BALANCE SHEET INFORMATION

	December 31,	December 31,
	2014	2013
	<i>(dollars in thousands)</i>	
Cash and cash equivalents	\$ 217,580	\$ 79,189
Rental property, at cost	1,761,205	1,481,700
Total assets	2,732,600	2,264,957
Notes payable	1,130,481	1,039,997
Total liabilities	1,296,643	1,143,369

ACADIA REALTY TRUST AND SUBSIDIARIES

Financial Highlights

For the Quarters and Years ended December 31, 2014 and 2013

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

Notes:

¹ For additional information and analysis concerning the Company's results of operations, reference is made to the Company's Quarterly Supplemental Disclosure furnished on Form 8-K to the SEC and included on the Company's website at www.acadiarealty.com.

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

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

⁴ In addition to the weighted average Common Shares outstanding, basic and diluted FFO also assume full conversion of a weighted average 3,570 and 620 OP Units into Common Shares for the quarters ended December 31, 2014 and 2013, respectively and 2,684 and 618 OP Units into Common Shares for the years ended December 31, 2014 and 2013, respectively. Diluted FFO also includes the assumed conversion of Preferred OP Units into 25 Common Shares for each of the quarters and years ended December 31, 2014 and 2013. In addition, diluted FFO also includes the effect of 376 and 350 employee share options, restricted share units and LTIP units for the quarters ended December 31, 2014 and 2013, respectively and 309 and 392 employee share options, restricted share units and LTIP units for the years ended December 31, 2014 and 2013, respectively.

⁵ During April, 2014, the Financial Accounting Standards Board ("FASB") issued a new accounting standard ("ASU 2014-08") regarding the criteria for reporting discontinued operations. ASU 2014-08 is effective prospectively beginning in the first quarter of 2015, although early adoption is permitted beginning in the first quarter of 2014. The Company has elected to early adopt ASU 2014-08 and, as such, beginning in the first quarter of 2014, prospective activity related to individual properties sold or held for sale will no longer be included as discontinued operations in the consolidated financial statements.

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

Company Information

Acadia Realty Trust, a fully-integrated equity real estate investment trust, is focused on the acquisition, ownership, management and redevelopment 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
1311 Mamaroneck Avenue
Suite 260
White Plains, NY 10605

Investor Relations
Jonathan Grisham
Senior Vice President,
[Chief Financial Officer](#)
(914) 288-8142
jgrisham@acadiarealty.com

New York Stock Exchange
Symbol AKR

Analyst Coverage

[Bank of America / Merrill Lynch](#)

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

[Cowen and Company](#)

James Sullivan - (646) 562-1380
james.sullivan@cown.com

[KeyBanc Capital Markets, Inc.](#)

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

[Bank of Montreal](#)

Paul Adornato, CFA - (212) 885-4170
paul.adornato@bmo.com

[Green Street Advisors](#)

Cedrik LaChance - (949) 640-8780
clachance@greenst.com

[RBC Capital Markets](#)

Rich Moore, CFA - (440) 715-2646
rich.moore@rbccm.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

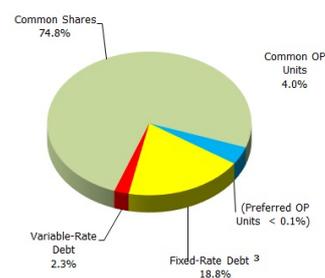
[UBS](#)

Ross Nussbaum - (212) 713-2484
ross.nussbaum@ubs.com

Market Capitalization

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

	Total Market Capitalization		Capitalization
	\$	%	based on Net Debt ¹
Equity Capitalization			
Common Shares	68,109		
Common Operating Partnership ("OP") Units	3,664		
Combined Common Shares and OP Units	71,773		
Share Price at December 31, 2014	\$ 32.03		
Equity Capitalization - Common Shares and OP Units	\$ 2,298,889		
Preferred OP Units	803 ²		
Total Equity Capitalization	2,299,692	79%	84%
Debt Capitalization			
Consolidated debt	1,127,538		
Adjustment to reflect pro-rata share of debt	(510,815)		
Total Debt Capitalization	616,723	21%	16%
Total Market Capitalization	\$ 2,916,415	100%	100%



Weighted Average Outstanding Common Shares and OP Units

(in thousands)

	December 31, 2014		Changes in Total Common Shares Outstanding and OP Units			
	Year-to-date	Quarter	Common Shares	OP Units	Total	
Weighted average Common Shares - Basic EPS	59,402	63,866				
Dilutive potential Common Shares	309	375				
Weighted average Common Shares - Diluted EPS	59,711	64,241				
OP Units	2,684	3,570				
Dilutive potential OP Units	25	25				
Weighted average Common Shares and OP Units - Diluted FFO	62,420	67,836				
			Balance @ 12/31/2013	55,643	1,954	57,597
			Issuance	12,236	1,577	13,813
			Other	230	133	363
			Balance @ 12/31/2014	68,109	3,664	71,773

Notes:

¹ Reflects debt net of Core Portfolio cash balance of	\$ 178,366
pro-rata share of Funds cash balance of	8,057
and pro-rata share of restricted cash relating to City Point financing of	6,030
for total cash netted against debt of	\$ 192,453

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

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

Income Statements - Pro-rata Consolidation 1
(in thousands)

	Year-to-date ended December 31, 2014			Three months ended December 31, 2014		
	Core Portfolio	Funds	Total	Core Portfolio	Funds	Total
CORE PORTFOLIO AND FUND INCOME						
PROPERTY REVENUES						
Minimum rents	\$ 87,511	\$ 11,581	\$ 99,092	\$ 23,545	\$ 2,800	\$ 26,345
Percentage rents	215	65	280	1	13	14
Expense reimbursements - CAM	8,885	1,523	10,408	2,489	382	2,871
Expense reimbursements - Taxes	12,209	1,606	13,815	3,384	405	3,789
Other property income	336	193	529	123	50	173
Total Property Revenues	109,156	14,968	124,124	29,542	3,650	33,192
PROPERTY EXPENSES						
Property operating - CAM	11,354	1,934	13,288	3,382	515	3,897
Other property operating (Non-CAM)	2,016	627	2,643	624	108	732
Real estate taxes	14,457	2,290	16,747	3,879	538	4,417
Total Property Expenses	27,827	4,851	32,678	7,885	1,161	9,046
NET OPERATING INCOME - PROPERTIES	81,329	10,117	91,446	21,657	2,489	24,146
OTHER INCOME (EXPENSE)						
Interest income	11,542	250	11,792	2,921	(2)	2,919
Straight-line rent income	2,810	772	3,582	740	196	936
Straight-line ground rent	—	(4)	(4)	—	(4)	(4)
Above/below market rent	2,666	844	3,510	793	217	1,010
Interest expense	(20,905)	(2,884)	(23,789)	(5,373)	(486)	(5,859)
Amortization of finance costs	(1,014)	(520)	(1,534)	(278)	(119)	(397)
Above/below market interest expense	1,024	81	1,105	499	8	507
Asset and property management expense	(130)	(261)	(391)	(24)	(59)	(83)
Other income/(expense)	2,075	(14)	2,061	46	(2)	44
Transaction costs	(4,611)	(553)	(5,164)	(1,557)	(88)	(1,645)
CORE PORTFOLIO AND FUND INCOME	74,786	7,828	82,614	19,424	2,150	21,574
FEE INCOME						
Asset and property management fees	15,111	—	15,111	3,625	—	3,625
Transactional fees ²	7,043	—	7,043	1,557	—	1,557
Income tax provision	(178)	(12)	(190)	(93)	—	(93)
Total Fee Income	21,976	(12)	21,964	5,089	—	5,089
PROMOTE, RCP AND OTHER INCOME						
Equity in earnings (losses) from RCP investments	—	297	297	—	120	120
Promote income - Fund capital transactions	156	—	156	—	—	—
Other income	732	—	732	—	—	—
Loss on extinguishment of debt	(5)	(99)	(104)	—	(14)	(14)
Provision for income taxes (RCP)	—	(76)	(76)	—	(92)	(92)
Total Promote, RCP and Other Income	883	122	1,005	—	14	14
General and Administrative	(26,604)	(409)	(27,013)	(6,231)	(128)	(6,359)
Depreciation and amortization	(33,582)	(4,438)	(38,020)	(9,275)	(1,139)	(10,414)
Non-real estate depreciation and amortization	(523)	—	(523)	(130)	—	(130)
Gain on disposition of properties	12,393	21,018	33,411	—	231	231

Gain on disposition of land	190	672	862	—	—	—
Income before noncontrolling interests	49,519	24,781	74,300	8,877	1,128	10,005

Noncontrolling interest - OP	(2,114)	(1,122)	(3,236)	(501)	(63)	(564)
NET INCOME	<u><u>\$ 47,405</u></u>	<u><u>\$ 23,659</u></u>	<u><u>\$ 71,064</u></u>	<u><u>\$ 8,376</u></u>	<u><u>\$ 1,065</u></u>	<u><u>\$ 9,441</u></u>

Notes:

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

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

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

² Consists of development, construction, leasing and legal fees.

Income Statements - Funds 1
(in thousands)

	Year-to-date ended December 31, 2014												Total AKR Pro- rata share
	AKR Pro- rata share		AKR Pro- rata share		AKR Pro- rata share		AKR Pro- rata share		AKR Pro- rata share		AKR Pro- rata share		
	Fund I	22.22%	Mervyns I	22.22%	Fund II	20.00%	Mervyns II	20.00%	Fund III	19.90%	Fund IV	23.12%	
PROPERTY REVENUES													
Minimum rents	\$ 106	\$ 23	\$ —	\$ —	\$ 12,660	\$ 2,532	\$ —	\$ —	\$ 29,903	\$ 5,951	\$ 13,299	\$ 3,075	\$ 11,581
Percentage rents	—	—	—	—	—	—	—	—	292	58	34	7	65
Expense reimbursements - CAM	—	—	—	—	1,160	232	—	—	4,899	976	1,366	315	1,523
Expense reimbursements - Taxes	—	—	—	—	479	95	—	—	5,694	1,133	1,641	378	1,606
Other property income	4	1	—	—	464	93	—	—	421	83	68	16	193
Total Property Revenues	110	24	—	—	14,763	2,952	—	—	41,209	8,201	16,408	3,791	14,968
PROPERTY EXPENSES													
Property operating - CAM	22	5	—	—	2,132	426	—	—	5,358	1,066	1,887	437	1,934
Other property operating (Non-CAM)	83	19	—	—	1,653	331	—	—	1,169	233	188	44	627
Real estate taxes	27	5	—	—	1,405	281	—	—	7,285	1,450	2,399	554	2,290
Total Property Expenses	132	29	—	—	5,190	1,038	—	—	13,812	2,749	4,474	1,035	4,851
NET OPERATING INCOME - PROPERTIES	(22)	(5)	—	—	9,573	1,914	—	—	27,397	5,452	11,934	2,756	10,117
OTHER INCOME (EXPENSE)													
Interest income	—	—	—	—	16	4	—	—	334	66	779	180	250
Straight-line rent income	—	—	—	—	981	196	—	—	1,518	302	1,188	274	772
Straight-line ground rent	—	—	—	—	(12)	(4)	—	—	—	—	—	—	(4)
Above/below market rent	—	—	—	—	—	—	—	—	1,734	345	2,161	499	844
Interest expense	(4)	—	—	—	(4,463)	(893)	—	—	(5,971)	(1,188)	(3,472)	(803)	(2,884)
Amortization of finance costs	—	—	—	—	(241)	(49)	—	—	(1,005)	(200)	(1,170)	(271)	(520)
Above/below market interest expense	—	—	—	—	—	—	—	—	409	81	—	—	81
Asset and property management expense 2	2	—	—	—	(200)	(40)	—	—	(539)	(108)	(489)	(113)	(261)
Other income/(expense)	(88)	(19)	—	—	250	50	—	—	(148)	(29)	(72)	(16)	(14)
Transaction costs	—	—	—	—	—	—	—	—	(245)	(48)	(2,184)	(505)	(553)
Fund Income	(112)	(24)	—	—	5,904	1,178	—	—	23,484	4,673	8,675	2,001	7,828
FEE INCOME													
Income tax provision	(2)	—	—	—	(17)	(3)	—	—	(44)	(9)	—	—	(12)
Total Fee Income	(2)	—	—	—	(17)	(3)	—	—	(44)	(9)	—	—	(12)
PROMOTE, RCP AND OTHER INCOME													
Equity in earnings from RCP investments	—	—	410	91	—	—	1,029	206	—	—	—	—	297
Gain on extinguishment of debt	—	—	—	—	(62)	(12)	—	—	(435)	(87)	—	—	(99)
Provision for income taxes (RCP)	—	—	—	—	—	—	—	—	(385)	(76)	—	—	(76)
Total Promote, RCP and Other Income	—	—	410	91	(62)	(12)	1,029	206	(820)	(163)	—	—	122
GENERAL AND ADMINISTRATIVE													
Depreciation and amortization	—	—	—	—	(2,766)	(552)	—	—	(12,383)	(2,464)	(6,151)	(1,422)	(4,438)
Gain on disposition of properties	—	—	—	—	(341)	(68)	—	—	62,451	12,100	38,866	8,986	21,018
Gain on disposition of land	—	—	—	—	561	112	—	—	1,168	560	—	—	672
Income before noncontrolling interest	(135)	(29)	399	88	2,768	553	1,007	202	73,031	14,534	40,816	9,433	24,781
Noncontrolling interest - OP	5	1	(18)	(4)	(150)	(30)	(50)	(10)	(3,291)	(655)	(1,834)	(424)	(1,122)
NET INCOME	\$ (130)	\$ (28)	\$ 381	\$ 84	\$ 2,618	\$ 523	\$ 957	\$ 192	\$ 69,740	\$ 13,879	\$ 38,982	\$ 9,009	\$ 23,659

Notes:
1 Quarterly results are unaudited, although they reflect all adjustments, which in the opinion of management, are necessary for a fair presentation of operating results for the interim periods. The Company's investments in consolidated and unconsolidated

joint ventures are reflected separately for revenues and expenses by calculating its pro-rata share for each of the above line items. In total, net income agrees with net income as reported in the Company's Form 10Q's and 10K for the corresponding periods.

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

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

Income Statements - Funds 1

(in thousands)

	Three months ended December 31, 2014												
	AKR Pro-rata share			AKR Pro-rata share			AKR Pro-rata share		AKR Pro-rata share		AKR Pro-rata share		Total AKR Pro-rata share
	Fund I	22.22%	Mervyns I	22.22%	Fund II	20.00%	Mervyns II	20.00%	Fund III	19.90%	Fund IV	23.12%	
PROPERTY REVENUES													
Minimum rents	\$ 15	\$ 3	\$ —	\$ —	\$3,282	\$ 656	—	—	7,244	\$ 1,442	\$ 3,023	\$ 699	\$ 2,800
Percentage rents	—	—	—	—	—	—	—	—	61	12	5	1	13
Expense reimbursements - CAM	—	—	—	—	239	48	—	—	1,305	260	322	74	382
Expense reimbursements - Taxes	—	—	—	—	142	28	—	—	1,507	300	335	77	405
Other property income	—	—	—	—	99	20	—	—	162	32	(10)	(2)	50
Total Property Revenues	15	3	—	—	3,762	752	—	—	10,279	2,046	3,675	849	3,650
PROPERTY EXPENSES													
Property operating - CAM	6	1	—	—	477	95	—	—	1,527	304	496	115	515
Other property operating (Non-CAM)	16	4	—	—	376	75	—	—	118	23	25	6	108
Real estate taxes	21	5	—	—	340	68	—	—	1,781	354	481	111	538
Total Property Expenses	43	10	—	—	1,193	238	—	—	3,426	681	1,002	232	1,161
NET OPERATING INCOME - PROPERTIES	(28)	(7)	—	—	2,569	514	—	—	6,853	1,365	2,673	617	2,489
OTHER INCOME (EXPENSE)													
Interest income	—	—	—	—	5	1	—	—	148	29	(139)	(32)	(2)
Straight-line rent income	—	—	—	—	216	43	—	—	324	64	386	89	196
Straight-line ground rent	—	—	—	—	(18)	(4)	—	—	—	—	—	—	(4)
Above/below market rent	—	—	—	—	—	—	—	—	382	76	609	141	217
Interest expense	—	—	—	—	(90)	(18)	—	—	(1,355)	(270)	(857)	(198)	(486)
Amortization of finance costs	—	—	—	—	(53)	(11)	—	—	(227)	(45)	(273)	(63)	(119)
Above/below market interest expense	—	—	—	—	—	—	—	—	41	8	—	—	8
Asset and property management expense ²	2	—	—	—	(44)	(9)	—	—	(95)	(19)	(134)	(31)	(59)
Other income/(expense)	(1)	—	—	—	—	—	—	—	—	—	(9)	(2)	(2)
Transaction costs	—	—	—	—	—	—	—	—	(146)	(29)	(257)	(59)	(88)
Fund Income	(27)	(7)	—	—	2,585	516	—	—	5,925	1,179	1,999	462	2,150
FEE INCOME													
Income tax provision	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Fee Income	—	—	—	—	—	—	—	—	—	—	—	—	—
PROMOTE, RCP AND OTHER INCOME													
Equity in earnings (losses) from RCP investments	—	—	—	—	—	—	600	120	—	—	—	—	120
Gain on extinguishment of debt	—	—	—	—	(62)	(12)	—	—	(12)	(2)	—	—	(14)
Provision for income taxes (RCP)	—	—	—	—	—	—	—	—	(464)	(92)	—	—	(92)
Total Promote, RCP and Other Income	—	—	—	—	(62)	(12)	600	120	(476)	(94)	—	—	14
GENERAL AND ADMINISTRATIVE													
Depreciation and amortization	(1)	—	—	—	(617)	(123)	—	—	(3,171)	(631)	(1,666)	(385)	(1,139)

Gain on disposition of properties	—	—	—	—	524	105	—	—	633	126	—	—	231
Gain on disposition of land	—	—	—	—	—	—	—	—	—	—	—	—	—
Income before noncontrolling interest	(60)	(14)	(6)	(2)	2,314	463	590	118	2,694	537	113	26	1,128
Noncontrolling interest - OP	5	1	—	—	(130)	(26)	(35)	(7)	(151)	(30)	(4)	(1)	(63)
NET INCOME	\$ (55)	\$ (13)	\$ (6)	\$ (2)	\$2,184	\$ 437	\$ 555	\$ 111	\$2,543	\$ 507	\$ 109	\$ 25	\$ 1,065

Notes:

¹ Quarterly results are unaudited, although they reflect all adjustments, which in the opinion of management, are necessary for a fair presentation of operating results for the interim periods. The Company's investments in consolidated and unconsolidated

joint ventures are reflected separately for revenues and expenses by calculating its pro-rata share for each of the above line items. In total, net income agrees with net income as reported in the Company's Form 10Q's and 10K for the corresponding periods.

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

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

Funds from Operations ("FFO")¹
(in thousands)

	2014					2013	
	Current	Current	Previous	Previous	Previous	Year-to-Date	Quarter
	Year-to-Date	Quarter	Quarter	Quarter	Quarter		
	Period ended	3 months ended	3 months ended	3 months ended	3 months ended	Period ended	3 months ended
December 31, 2014	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	December 31, 2013	
Funds from operations ("FFO"):							
Net Income	\$ 71,064	\$ 9,441	\$ 28,564	\$ 11,464	\$ 21,595	\$ 40,115	\$ 12,250
Add back:							
Depreciation of real estate and amortization of leasing costs: (net of noncontrolling interest share)	38,020	10,414	9,766	8,987	8,853	31,432	8,309
Gain on disposition of properties (net of noncontrolling interest share)	(33,438)	(258)	(20,953)	166	(12,393)	(6,378)	(5,602)
Impairment of asset	—	—	—	—	—	1,500	—
Income attributable to noncontrolling interests' share in Operating Partnership	3,236	564	1,350	459	863	492	147
FFO	\$ 78,882	\$ 20,161	\$ 18,727	\$ 21,076	\$ 18,918	\$ 67,161	\$ 15,104
Add back: Transaction costs	5,164	1,645	1,721	1,124	674	3,477	1,413
FFO before transaction costs	\$ 84,046	\$ 21,806	\$ 20,448	\$ 22,200	\$ 19,592	\$ 70,638	\$ 16,517
Adjusted Funds from operations ("AFFO"):							
Diluted FFO	\$ 78,882	\$ 20,161	\$ 18,727	\$ 21,076	\$ 18,918	\$ 67,161	\$ 15,104
Straight-line rent, net	(3,582)	(936)	(909)	(1,012)	(725)	(3,621)	(727)
Straight-line ground rent	4	4	—	—	—	70	8
Above/below market rent	(3,510)	(1,010)	(664)	(947)	(889)	(4,457)	(1,797)
Amortization of finance costs	1,534	397	375	388	374	1,433	282
Above/below market interest	(1,105)	(507)	(200)	(199)	(199)	(1,406)	(217)
Loss (gain) on extinguishment of debt	104	14	2	16	72	617	617
Non-real estate depreciation	523	136	130	130	127	456	126
Leasing commissions	(939)	(228)	(134)	(401)	(176)	(1,676)	(400)
Tenant improvements	(3,962)	(1,411)	(1,259)	(853)	(439)	(4,057)	(1,047)
Capital expenditures	(964)	(187)	(187)	(146)	(444)	(2,592)	(1,567)
AFFO	\$ 66,985	\$ 16,433	\$ 15,881	\$ 18,052	\$ 15,535	\$ 51,928	\$ 10,382
Funds Available for Distribution ("FAD"):							
AFFO	\$ 66,985	\$ 16,433	\$ 15,881	\$ 18,052	\$ 15,535	\$ 51,928	\$ 10,382
Scheduled principal repayments	(5,694)	(1,550)	(1,620)	(1,059)	(1,465)	(6,029)	(1,492)
FAD	\$ 61,291	\$ 14,883	\$ 14,261	\$ 16,993	\$ 14,070	\$ 45,899	\$ 8,890
Total weighted average diluted shares and OP Units:	\$ 62,420	\$ 67,836	\$ 62,483	\$ 60,521	\$ 58,419	55,954	56,572
Diluted FFO per share:							
FFO	\$ 1.26	\$ 0.30	\$ 0.30	\$ 0.35	\$ 0.32	\$ 1.20	\$ 0.27
FFO before transaction costs	\$ 1.35	\$ 0.32	\$ 0.33	\$ 0.37	\$ 0.34	\$ 1.26	\$ 0.29
AFFO	\$ 1.07	\$ 0.24	\$ 0.25	\$ 0.30	\$ 0.27	\$ 0.93	\$ 0.18
AFFO before transaction costs	\$ 1.16	\$ 0.27	\$ 0.28	\$ 0.32	\$ 0.28	\$ 0.99	\$ 0.21
FAD	\$ 0.98	\$ 0.22	\$ 0.23	\$ 0.28	\$ 0.24	\$ 0.82	\$ 0.16
FAD before transaction costs	\$ 1.06	\$ 0.24	\$ 0.26	\$ 0.30	\$ 0.25	\$ 0.88	\$ 0.18

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)*

	<i>Year-to-Date</i>			<i>Current Quarter</i>		
	<u>Period ended December 31, 2014</u>			<u>Three months ended December 31, 2014</u>		
	Core			Core		
	<u>Portfolio</u>	<u>Funds</u>	<u>TOTAL</u>	<u>Portfolio</u>	<u>Funds</u>	<u>TOTAL</u>
NET INCOME	\$ 47,405	\$ 23,659	\$ 71,064	\$ 8,376	\$ 1,065	\$ 9,441
Adjustments:						
Depreciation and amortization	34,105	4,438	38,543	9,405	1,139	10,544
Interest expense	20,905	2,884	23,789	5,373	486	5,859
Amortization of finance costs	1,014	520	1,534	278	119	397
Above/below market interest	(1,024)	(81)	(1,105)	(499)	(8)	(507)
Gain on disposition of properties	(12,393)	(21,018)	(33,411)	—	(231)	(231)
Provision for income taxes	178	88	266	93	92	185
Loss on extinguishment of debt	5	99	104	—	14	14
Noncontrolling interest - OP	2,114	1,122	3,236	501	63	564
EBITDA	\$ 92,309	\$ 11,711	\$ 104,020	\$ 23,527	\$ 2,739	\$ 26,266

Core Portfolio

 Same Property Performance ¹

(in thousands)

	Quarter			Year-to-Date		
	Three months ended		Percentage Growth in Same	Period ended		Percentage Growth in Same
	December 31, 2014	December 31, 2013	Property NOI - % of Line Item	December 31, 2014	December 31, 2013	Property NOI - % of Line Item
Revenue						
Minimum rents	\$ 16,326	\$ 15,832	3.1%	\$ 66,299	\$ 63,634	4.2%
Expense reimbursements	4,774	3,932	21.4%	18,145	16,686	8.7%
Other property income	86	100	(14.0)%	630	658	(4.3)%
Total Revenue	21,186	19,864	6.7%	85,074	80,978	5.1%
Expenses						
Property operating - CAM & Real estate taxes	5,662	4,804	-17.9%	21,353	19,803	(7.8)%
Other property operating (Non-CAM)	416	527	21.1%	1,465	2,002	26.8%
Total Expenses	6,078	5,331	-14.0%	22,818	21,805	(4.6)%
Same Property NOI - Core properties	\$ 15,108	\$ 14,533	4.0%	\$ 62,256	\$ 59,173	5.2%
Other same property information						
Physical Occupancy	96.0%	95.0%				
Leased Occupancy	97.1%	97.0%				

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

Fee income by Fund*(in thousands)*

	<u>Fund I</u>	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Other</u>	<u>Total</u>
Year ended December 31, 2014						
Asset and property management fees and priority distributions	\$ 44	\$ 2,567	\$ 5,344	\$ 6,570	\$ 586	\$ 15,111
Transactional fees	61	3,444	1,560	1,408	570	7,043
Total management fees and priority distributions	<u>\$ 105</u>	<u>\$ 6,011</u>	<u>\$ 6,904</u>	<u>\$ 7,978</u>	<u>\$ 1,156</u>	<u>\$ 22,154</u>

	<u>Fund I</u>	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Other</u>	<u>Total</u>
Current Quarter ended December 31, 2014						
Asset and property management fees and priority distributions	\$ 11	\$ 643	\$ 1,286	\$ 1,529	\$ 156	\$ 3,625
Transactional fees	15	820	296	382	44	1,557
Total management fees and priority distributions	<u>\$ 26</u>	<u>\$ 1,463</u>	<u>\$ 1,582</u>	<u>\$ 1,911</u>	<u>\$ 200</u>	<u>\$ 5,182</u>

	<u>Fund I</u>	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Other</u>	<u>Total</u>
Previous Quarter ended September 30, 2014						
Asset and property management fees and priority distributions	\$ 11	\$ 625	\$ 1,234	\$ 1,598	\$ 164	\$ 3,632
Transactional fees	31	772	331	591	22	1,747
Total management fees and priority distributions	<u>\$ 42</u>	<u>\$ 1,397</u>	<u>\$ 1,565</u>	<u>\$ 2,189</u>	<u>\$ 186</u>	<u>\$ 5,379</u>

	<u>Fund I</u>	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Other</u>	<u>Total</u>
Previous Quarter ended June 30, 2014						
Asset and property management fees and priority distributions	\$ 11	\$ 656	\$ 1,384	\$ 1,692	\$ 147	\$ 3,890
Transactional fees	4	841	431	250	32	1,558
Total management fees and priority distributions	<u>\$ 15</u>	<u>\$ 1,497</u>	<u>\$ 1,815</u>	<u>\$ 1,942</u>	<u>\$ 179</u>	<u>\$ 5,448</u>

	<u>Fund I</u>	<u>Fund II</u>	<u>Fund III</u>	<u>Fund IV</u>	<u>Other</u>	<u>Total</u>
Previous Quarter ended March 31, 2014						
Asset and property management fees and priority distributions	\$ 11	\$ 643	\$ 1,440	\$ 1,751	\$ 119	\$ 3,964
Transactional fees	11	1,011	502	185	472	2,181
Total management fees and priority distributions	<u>\$ 22</u>	<u>\$ 1,654</u>	<u>\$ 1,942</u>	<u>\$ 1,936</u>	<u>\$ 591</u>	<u>\$ 6,145</u>

Pro-Rata Consolidated Balance Sheet
(in thousands)

	Consolidated	Noncontrolling	Company's	Pro-Rata	
	Balance	Interest in	Interest in	Consolidated	
	Sheet	Consolidated	Unconsolidated	Balance	
	As Reported 1	Subsidiaries	Subsidiaries	Sheet 2	Notes
ASSETS					
<i>Real estate</i>					
Land	\$ 424,661	\$ (108,313)	\$ 47,802	\$ 364,150	1 The interim consolidated balance sheet is unaudited, although it reflects all adjustments, which in the opinion of management, are necessary for the fair presentation of the consolidated balance sheet for the interim period.
Buildings and improvements	1,329,080	(321,334)	174,819	1,182,565	
Construction in progress	7,464	(4,318)	119	3,265	
	1,761,205	(433,965)	222,740	1,549,980	
Less: accumulated depreciation	(256,015)	63,010	(9,685)	(202,690)	2 The Company currently invests in Funds I, II, III & IV and Mervyns I & II which are consolidated with the Company's financial statements.
Net real estate	1,505,190	(370,955)	213,055	1,347,290	To provide investors with supplemental information, the Company's investments in these joint ventures are reflected above on a pro-rata basis by calculating its ownership percentage for each of the asset and liability line items. Similarly, the presentation also includes the Company's pro-rata share of assets and liabilities for unconsolidated investments which are accounted for under the equity method of accounting for the Company's financial statements.
Net real estate under development	447,390	(360,454)	5,568	92,504	3 The components of Net real estate under development are as follows:
Cash and cash equivalents	217,580	(32,881)	1,724	186,423	Fund II
Cash in escrow	20,358	(11,201)	3,164	12,321	Fund III
Restricted cash	30,604	(24,574)	—	6,030	Fund IV
Investments in and advances to unconsolidated affiliates	183,577	(78,042)	(105,213)	322	
Rents receivable, net	8,929	(3,464)	1,818	7,283	
Straight-line rents receivable, net	28,033	(11,302)	1,869	18,600	
Notes receivable	102,286	(2,714)	—	99,572	
Deferred charges, net	30,679	(16,787)	2,685	16,577	
Prepaid expenses and other assets	57,283	3,810	963	62,056	
Acquired lease intangibles	44,618	(12,718)	1,892	33,792	
Accounts receivable from related parties	—	—	—	—	
Assets of real estate held for sale	56,073	(45,673)	—	10,400	
					Other
					1,263
Total Assets	\$ 2,732,600	\$ (966,955)	\$ 127,525	\$ 1,893,170	Total Funds
					\$ 447,390
LIABILITIES AND SHAREHOLDERS' EQUITY					
Mortgage and other notes payable	1,127,538	(642,644)	131,829	616,723	4 The components of Prepaid expenses and other assets are as follows:
Valuation of debt at acquisition, net of amortization	2,943	—	10	2,953	Due from Fund Investors
Acquired lease intangibles	29,585	(7,265)	1,613	23,933	Contract deposits
Accounts payable and accrued expenses	34,026	(10,536)	3,187	26,677	Accrued interest on Notes receivable
Dividends and distributions payable	39,339	—	—	39,339	Prepaid expenses
Share of losses in excess of inv. in unconsolidated affiliates	12,564	—	(12,564)	—	Other
Other liabilities	25,148	(7,402)	3,450	21,196	Total
Liabilities of real estate held for sale	25,500	(20,476)	—	5,024	\$ 62,056
Total Liabilities	1,296,643	(688,323)	127,525	735,845	
Shareholders' equity:					
Common shares	68	—	—	68	
Additional paid-in capital	1,027,861	—	—	1,027,861	
Accumulated other comprehensive loss	(4,005)	—	—	(4,005)	
Retained earnings	31,617	—	—	31,617	
Total controlling interest	1,055,541	—	—	1,055,541	
Noncontrolling interest in subsidiary	380,416	(278,632)	—	101,784	
Total Shareholders' Equity	1,435,957	(278,632)	—	1,157,325	
Total Liabilities and Shareholders' Equity	\$ 2,732,600	\$ (966,955)	\$ 127,525	\$ 1,893,170	

Structured Financing*(in thousands)*

Investment	Previous	Advances	Repayments	Current	Accrued	Total	Stated	Effective	Maturity
	Principal			Principal	Interest		Interest	Rate	
First mortgage notes	\$ 16,269	\$ 7,500	\$ —	\$ 23,769	\$ 244	\$ 24,013	6.71%	7.69%	2015 to 2016
Mezzanine, preferred equity and other notes	74,983	227	—	75,210	6,013	81,223	12.19%	12.53%	2016 to 2024
Total notes receivable	<u>\$ 91,252</u>	<u>\$ 7,727</u>	<u>\$ —</u>	<u>\$ 98,979</u>	<u>\$ 6,257</u>	<u>\$105,236</u>	<u>10.87%</u>	<u>11.37%</u>	

Note:¹ Inclusive of points and exit fees.

Reconciliation of Notes Receivable to the Consolidated Balance Sheet

Total Notes Receivable per above	\$ 98,979
Fund III non-real estate loans	<u>3,307</u>
Total Notes Receivable per Consolidated Balance Sheet	<u>\$102,286</u>

2014 Transactional Activity*(in thousands)***Acquisitions:**

Property Name	Purchase Price	Ownership %	Acadia Share	Month of Transaction	Location	Key Tenants
Core Portfolio:						
2014 Transactions						
11 E. Walton	\$ 44,000	100%	\$ 44,000	January	Chicago, IL	Marc Jacobs, Saint Laurent
61 Main Street	7,300	100%	7,300	February	Westport, CT	Chico's
865 W. North Avenue	14,750	100%	14,750	March	Chicago, IL	Forever 21
252-256 Greenwich Avenue	24,450	100%	24,450	March	Greenwich, CT	Madwell, Calypso St. Barth, Jack Wills
152-154 Spring Street	38,000	90%	34,200	April	New York, NY	Kate Spade Saturday
2520 Flatbush Avenue	17,100	100%	17,100	May	New York, NY	Bob's Furniture, Capital One
Bedford Green	46,750	100%	46,750	July	Bedford Hills, NY	Shop Rite, CVS, Panera Bread
131-135 Prince Street	51,359	100%	51,359	August	New York, NY	Folli Follie, Uno De 50
Shops at Grand Avenue	56,000	100%	56,000	October	Queens, NY	Stop & Shop
201 Needham St.	10,125	100%	10,125	November	Needham, MA	Michael's
840 N. Michigan Avenue	163,206	88%	144,323	December	Chicago, IL	H&M, Verizon
Total	\$ 473,040		\$ 450,357			

Funds:**Fund IV:**

Broughton Street Portfolio ¹	\$ 33,856	50%	\$ 16,928	February-September	Savannah, GA	—
Eden Square	25,369	98%	24,862	July	Bear, DE	Lowe's, Giant
27 E. 61st Street	19,250	100%	19,250	October	New York, NY	—
17 E. 71st Street	28,000	100%	28,000	October	New York, NY	—
1035 Third Avenue	51,036	100%	51,036	January 2015	New York, NY	—
Total	\$ 157,511		\$ 140,076			

Dispositions:

Property Name	Disposition Price	Ownership %	Fund Share	Month of Transaction	Location	Key Tenants
Core Portfolio:						
Walnut Hill Plaza	\$ 22,865	100%	\$ 22,865	March	Woonsocket, RI	Sears
Funds:						
Fund III:						
Sheepshead Bay	\$ 20,200	100%	\$ 20,200	April	Brooklyn, NY	—
Lincoln Road Portfolio	141,800	95%	134,710	August	Miami Beach, FL	Starbucks, Sushi Samba
Lincoln Park Centre	64,000	100%	64,000	January 2015	Chicago, IL	Design Within Reach
Total	\$ 226,000		\$ 218,910			

Fund IV:

Lincoln Road Portfolio	\$	200,200	95%	\$	190,190	Miami Beach, FL	Aldo, Fossil, Spris
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Note:

¹ In addition, Fund IV has provided financing to the joint venture.

2015 Guidance

Note: 2015 FFO and EPS guidance and comparable 2014 results are before acquisition costs and gains on the sale of depreciated property

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

	<u>Notes</u>	<u>2015 Guidance</u>	<u>2014 Actual</u>
<u>Summary:</u>			
Fully diluted Common Shares and OP Units		73,500 to 74,800	62,420
Full year Funds from Operations ("FFO") per share	1	<u>\$1.48 to \$1.56</u>	<u>\$1.35</u>
Earnings per Share ("EPS")	2	<u>\$0.82 to \$0.87</u>	<u>\$0.53</u>

FFO Components:

Core and pro-rata share of Fund ("Fund") portfolio income		<u>\$104.3 to \$109.3</u>	<u>\$87.9</u>
Asset and property management fee income, net of TRS taxes		<u>\$12.5 to \$13.0</u>	<u>\$15.1</u>
Transactional fee income, net of TRS taxes		<u>\$7.5 to \$8.0</u>	<u>\$6.9</u>
Other Fund related income, net of taxes	3	<u>\$13.9 to \$15.3</u>	<u>\$1.1</u>
General and administrative expense		<u>\$(29.5) to \$(29.0)</u>	<u>\$(27.0)</u>
FFO		<u>\$108.7 to \$116.6</u>	<u>\$84.0</u>

Additional Guidance Assumptions:

Same property net operating income ("NOI") growth	<u>3% to 4%</u>
Core acquisitions	<u>\$300.0 to \$400.0</u>
Fund acquisitions	<u>\$250.0 to \$500.0</u>

Notes:

¹ Excludes acquisition costs which totaled \$0.09 for the year ended December 31, 2014

² Excludes acquisition costs and gains on sale of property which aggregated \$0.65 for the year ended December 31, 2014

³ 2015 includes promote income, gain on sale of City Point residential air rights, RCP Venture income and other income, all net of taxes

**Net Asset Valuation
Information**

(in thousands)

	CORE		FUND I		FUND II				FUND III				FUND IV				
	Quarterly	Annualized (x4)	Fund Level	AKR pro-rata share		Fund Level		AKR Pro-rata Share		Fund Level		AKR pro-rata share		Fund Level		AKR pro-rata share	
				%	\$	Quarterly	Annualized (x4)	%	\$	Quarterly	Annualized (x4)	%	\$	Quarterly	Annualized (x4)	%	\$
Current NOI																	
Net Operating Income	\$ 21,657	¹ \$ 86,628	—	—	\$ 2,569	\$ 10,276	20.00%	\$ 2,055	\$ 6,853	\$ 27,412	19.90%	\$ 5,455	\$ 2,673	\$ 10,692	23.12%	\$ 2,472	
Less:																	
(Income)/ loss from properties sold or under contract					(562)	(2,248)		(450)	(798)	(3,192)		(635)	—	—		—	
(Income)/ loss from pre-stabilized assets ³					—	—		—	(562)	(2,248)		(447)	(556)	(2,224)		(514)	
(Income)/ loss from development projects ⁴					—	—		—	(8)	(32)		(6)	(195)	(780)		(180)	
Net Operating Income of stabilized assets					<u>2,007</u>	<u>8,028</u>		<u>1,606</u>	<u>5,485</u>	<u>21,940</u>		<u>4,366</u>	<u>1,922</u>	<u>7,688</u>		<u>1,777</u>	
Assets under contract for sale, net of debt					<u>\$ 6,500</u>		<u>\$ 1,300</u>		<u>\$ 36,000</u>		<u>\$ 7,164</u>						
Costs to Date																	
³ Pre-stabilized assets					\$ —		\$ —		\$ 59,208		\$ 11,783		\$ 38,031		\$ 8,793		
Development projects ⁴					<u>369,500</u>		<u>73,900</u>		<u>30,800</u>		<u>6,129</u>		<u>69,300</u>		<u>16,022</u>		
Total Costs to Date					<u>\$ 369,500</u>		<u>\$ 73,900</u>		<u>\$ 90,008</u>		<u>\$ 17,912</u>		<u>\$ 107,331</u>		<u>\$ 24,815</u>		
Debt	<u>\$ 468,814</u>	\$ —			<u>\$ 303,385</u>		<u>\$ 57,505</u>		<u>\$ 242,065</u>		<u>\$ 44,284</u>		<u>\$ 184,897</u>		<u>\$ 40,547</u>		
Gross asset value ²		<u>3,400</u>															
Net Asset Value		<u>\$ 3,400</u>	37.78%	<u>\$ 1,285</u>													

Notes:

¹ Does not include a full quarter of NOI for those assets purchased during the fourth quarter 2014. See "Transactions Activity" page in this supplemental for descriptions of those acquisitions.

² AKR pro-rata share of Fund I is the promote of 20% plus its co-investment share of the remainder (22% x 80%) for a total of 37.78%.

³ Consists of the following projects:

Fund III:

640 Broadway

654 Broadway

Nostrand

Lincoln Park
Centre

Fund IV:

2819 Kennedy Blvd

Paramus Plaza

1151 Third Avenue

⁴ See "Redevelopment Activity" page in this supplemental

Selected Financial Ratios

(in thousands)

	Three months ended December 31,		Period ended December 31,	
	2014	2013	2014	2013
COVERAGE RATIOS ¹				
<u>Fixed-Charge Coverage Ratios</u>				
EBITDA ² divided by:	\$ 23,527	\$ 19,555	\$ 92,309	\$ 80,076
Interest expense	5,373	5,174	20,905	20,368
Principal Amortization	1,347	1,252	4,962	5,107
Preferred Dividends ³	14	6	27	22
Fixed-Charge Coverage Ratio - Core Portfolio	3.5x	3.0x	3.6x	3.1x
EBITDA divided by:	\$ 26,266	\$ 23,460	\$ 104,020	\$ 94,007
Interest expense	5,859	6,094	23,789	24,223
Principal Amortization	1,550	1,492	5,694	6,029
Preferred Dividends	14	6	27	22
Fixed-Charge Coverage Ratio - Core Portfolio and Funds	3.5x	3.1x	3.5x	3.1x
<u>Payout Ratios</u>				
Dividends (Shares) & Distributions (OP Units) paid ⁴	\$ 17,482	\$ 13,454	\$ 60,447	\$ 49,180
FFO	20,161	15,104	78,882	67,161
FFO Payout Ratio	87%	89%	77%	73%
FFO Payout Ratio before acquisition costs	80%	81%	72%	70%
Dividends (Shares) & Distributions (OP Units) paid	\$ 17,482	\$ 13,454	\$ 60,447	\$ 49,180
AFFO	16,433	10,382	66,985	51,928
AFFO Payout Ratio	106%	130%	90%	95%
AFFO Payout Ratio before acquisition costs	97%	114%	84%	89%
Dividends (Shares) & Distributions (OP Units) paid	\$ 17,482	\$ 13,454	\$ 60,447	\$ 49,180
FAD	14,883	8,890	61,291	45,899
FAD Payout Ratio	117%	151%	99%	107%
FAD Payout Ratio before acquisition costs	106%	131%	91%	100%

Notes:

¹Quarterly 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.

²See page 10 for a calculation of EBITDA.

³Represents preferred distributions on Preferred Operating partnership Units.

⁴Does not include \$0.30 special dividend.

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

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

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

LEVERAGE RATIOS

Debt/Market Capitalization Ratios

	Three months ended December 31, 2014	Three months ended September 30, 2014
Debt + Preferred Equity (Preferred O.P. Units) \$	617,526	\$ 545,683
Total Market Capitalization	2,916,415	2,300,323
Debt+Preferred Equity/Total Market Capitalization	21%	24%
Debt ⁷ \$	424,270	\$ 437,928
Total Market Capitalization	2,724,765	2,193,951
Net Debt+Preferred Equity/Total Market Capitalization	16%	20%

Debt/EBITDA Ratios

Debt \$	468,814	\$ 400,171
EBITDA (Annualized)	94,108	87,892
Debt/EBITDA - Core Portfolio	5.0x	4.6x
Debt ⁶ \$	290,448	\$ 310,618
EBITDA (Annualized)	94,108	87,892
Net Debt/EBITDA - Core Portfolio	3.1x	3.5x
Debt ⁵ \$	616,723	\$ 545,683
EBITDA (Annualized)	105,064	98,400
Debt/EBITDA - Core Portfolio and Funds	5.9x	5.5x
Debt ⁷ \$	424,270	\$ 437,928
EBITDA (Annualized)	105,064	98,400
Net Debt/EBITDA - Core Portfolio and Funds	4.0x	4.5x

Debt Yield Ratios

NOI (Annualized) \$	86,628	\$ 82,932
Debt	468,814	400,171
Debt Yield - Core Portfolio	18%	21%
NOI (Annualized) \$	86,628	\$ 82,932
Debt ⁶	290,448	310,618
Net Debt Yield - Core Portfolio	30%	27%
NOI (Annualized) \$	96,584	\$ 93,088
Debt ⁵	616,723	545,683
Debt Yield - Core Portfolio and Funds	16%	17%
NOI (Annualized) \$	96,584	\$ 93,088
Debt ⁷	424,270	437,928
Net Debt Yield - Core Portfolio and Funds	23%	21%

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	Fixed vs	Noncontrolling	Pro-rata Share of	Consolidated
Mortgage Notes Payable	Balance	Rate	Balance	Rate	Balance	Rate	Variable	Interest Share of Consolidated Debt ³	Unconsolidated Debt ⁴	Debt As Reported
Fixed-Rate Debt ¹	\$ 468,327	4.8%	\$ 81,166	4.0%	\$ 549,493	4.7%	89%	\$ 365,116	\$ (113,292)	\$ 801,317
Variable-Rate Debt	487	1.7%	66,743	1.9%	67,230	1.9%	11%	277,528	(18,537)	326,221
Total	\$ 468,814	4.8%	\$ 147,909	3.0%	\$ 616,723	4.3%	100%	\$ 642,644	\$ (131,829)	1,127,538
Unamortized premium										2,943
										\$ 1,130,481

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, 2014		Percent	Amount	Rate	Date	Options
<u>CORE PORTFOLIO</u>							
<u>Fixed-Rate Debt</u>							
Crescent Plaza	\$	16,455	100.0%	\$ 16,455	4.98%	9/6/2015	None
Pacesetter Park Shopping Center		11,307	100.0%	11,307	5.12%	11/6/2015	None
Elmwood Park Shopping Center		32,201	100.0%	32,201	5.53%	1/1/2016	None
Chicago Portfolio		15,266	100.0%	15,266	5.61%	2/1/2016	None
The Gateway Shopping Center		19,440	100.0%	19,440	5.44%	3/1/2016	None
330-340 River Street		10,668	100.0%	10,668	5.30%	5/1/2016	1 x 60 mos.
Brandywine Town Center		166,200	22.2%	36,933	5.99%	7/1/2016	None
Rhode Island Place Shopping Center		15,975	100.0%	15,975	6.35%	12/1/2016	None
Convertible Notes		380	100.0%	380	3.75%	12/15/2016	None
239 Greenwich Avenue		26,000	75.0%	19,500	5.42%	2/11/2017	None
639 West Diversey		4,245	100.0%	4,245	6.65%	3/1/2017	None
Merrillville Plaza		25,503	100.0%	25,503	5.88%	8/1/2017	None
Bedford Green		29,586	100.0%	29,586	5.10%	9/5/2017	None
Crossroads Shopping Center		67,500	49.0%	33,075	3.94%	9/30/2024	None
840 N. Michigan		73,500	88.4%	64,996	4.36%	2/10/2025	None
Georgetown Portfolio		17,912	50.0%	8,956	4.72%	12/10/2027	None
Interest rate swaps 1		124,006	99.9%	123,841	3.67%	Various	
Sub-Total Fixed-Rate Debt		656,144		468,327	4.77%		
<u>Variable-Rate Debt</u>							
Unsecured Line of Credit 2		—	100.0%	—	Libor + 140	1/31/2018	1 x 12 mos.
664 N. Michigan		44,369	100.0%	44,369	Libor + 165	6/28/2018	1 x 60 mos.
Unsecured Term Loan		50,000	100.0%	50,000	Libor + 130	11/25/2019	None
4401 N White Plains Road		6,141	100.0%	6,141	Libor + 190	9/1/2022	None
28 Jericho Turnpike		15,747	100.0%	15,747	Libor + 190	1/23/2023	None
60 Orange Street		8,236	98.0%	8,071	Libor + 175	4/3/2023	None
Interest rate swaps 1		(124,006)	99.9%	(123,841)	Libor + 156		
Sub-Total Variable-Rate Debt		487		487	Libor + 156		
Total Debt - Core Portfolio	\$	656,631		\$ 468,814	4.77%		

Portfolio Debt - Detail (continued)

(in thousands)

Property	Entity	Principal Balance at	Acadia's Pro-rata Share		Interest	Maturity	Extension
		December 31, 2014	Percent	Amount	Rate	Date	Options
Funds							
Fixed-Rate Debt							
Arundel Plaza ³	Fund III	\$ 8,750	17.9%	\$ 1,568	5.60%	4/1/2015	None
CityPoint ³	Fund II	199,000	18.8%	37,469	4.75%	2020 6	None
CityPoint 3.5	Fund II	5,262	18.8%	991	1.00%	8/23/2019	None
Interest rate swaps ¹	Funds II, III & IV	127,912	32.2%	41,138	3.24%	Various	
Sub-Total Fixed-Rate Debt		340,924		81,166	3.96%		
Variable-Rate Debt							
Parkway Crossing ³	Fund III	12,926	17.9%	2,316	Libor + 220	1/1/2015	2 x 12 mos.
Liberty Avenue ³	Fund II	8,973	19.8%	1,778	Libor + 275	4/30/2015	None
210 Bowery	Fund IV	4,600	23.1%	1,064	Libor + 195	6/1/2015	None
640 Broadway ³	Fund III	22,564	12.6%	2,835	Libor + 295	7/1/2015	1 x 12 mos.
CityPoint ³	Fund II	20,650	18.8%	3,888	Libor + 400	8/12/2015	None
CityPoint ³	Fund II	20,000	18.8%	3,766	Libor + 170	8/23/2015	1 x 12 mos.
Cortlandt Towne Center	Fund III	83,936	19.9%	16,703	Libor + 165	10/26/2015	None
Acadia Strategic Opportunity IV LLC ⁴	Fund IV	77,100	23.1%	17,826	Libor + 165	11/20/2015	1 x 12 mos.
Nostrand Avenue	Fund III	12,046	19.9%	2,397	Libor + 265	2/1/2016	2 x 12 mos.
Heritage Shops	Fund III	24,500	19.9%	4,876	Libor + 155	2/28/2016	2 x 12 mos.
Promenade at Manassas ³	Fund IV	25,000	22.8%	5,696	Libor + 140	11/19/2016	2 x 12 mos.
Lincoln Park Centre	Fund III	28,000	19.9%	5,573	Libor + 145	12/3/2016	2 x 12 mos.
1701 Belmont Avenue ^{3, 7}	Fund IV	3,403	22.8%	775	Prime + 50	1/31/2017	None
654 Broadway	Fund III	9,000	19.9%	1,791	Libor + 188	3/1/2017	2 x 12 mos.
New Hyde Park Shopping Center	Fund III	11,720	19.9%	2,332	Libor + 185	5/1/2017	2 x 12 mos.
938 W. North Avenue ³	Fund IV	12,500	18.5%	2,312	Libor + 235	5/1/2017	1 x 12 mos.
1151 Third Avenue	Fund IV	12,481	23.1%	2,886	Libor + 175	6/3/2017	2 x 12 mos.
2819 Kennedy Boulevard	Fund IV	5,929	22.8%	1,351	Libor + 215	12/9/2017	2 x 12 mos.
Eden Square	Fund IV	16,000	22.8%	3,646	Libor + 200	12/17/2017	1 x 12 mos.
161st Street ³	Fund II	29,500	19.8%	5,847	Libor + 250	4/1/2018	None
Paramus Plaza ³	Fund IV	12,600	11.6%	1,457	Libor + 170	2/20/2019	None
Lake Montclair	Fund IV	15,284	23.1%	3,534	Libor + 215	5/1/2019	None
White City Shopping Center ³	Fund III	56,520	16.7%	9,450	Libor + 215	2/19/2021	None
3104 M Street	Fund III	103	15.9%	16	Prime + 50	12/10/2021	None
CityPoint ³	Fund II	20,000	18.8%	3,766	Libor + 139	11/1/2021	None
Interest rate swaps ¹	Funds II, III & IV	(127,912)	32.2%	(41,138)	Libor + 232		
Sub-Total Variable-Rate Debt		417,423		66,743	Libor + 169		
Total Debt - Funds		\$ 758,347		\$ 147,909	3.01%		
Total Debt - Core Portfolio and Funds		\$ 1,414,978		\$ 616,723	4.35%		

Portfolio Debt - Notes

(in thousands)

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

² This is an unsecured revolving facility which has a current capacity up to \$150,000 and can be increased to \$300,000.

The interest rate will vary based on levels of leverage. As of December 31, 2014, the interest rate is LIBOR + 140 basis points.

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

⁴ Total current availability under this facility is \$150,000. Fund IV also has the ability to increase the size of this facility to a total of \$228,848.

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 The maturity date of this loan is five years after the final advancing of funds which is currently anticipated to occur by the end of 2015.

⁷ 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 Maturing Debt		
	Scheduled			Scheduled			Total Debt	Fixed-Rate Debt	Variable-Rate Debt
	Amortization	Maturities	Total	Amortization	Maturities	Total			
2015	\$ 5,374	\$ 27,344	\$ 32,718	\$ 5,211	\$ 27,344	\$ 32,555	5.04%	5.04%	n/a
2016	3,820	257,953	261,773	3,650	128,686	132,336	5.87%	5.87%	n/a
2017	3,331	82,926	86,257	3,004	76,426	79,430	5.50%	5.50%	n/a
2018	2,949	40,058	43,007	2,161	40,058	42,219	1.82%	n/a	1.82%
2019	2,520	50,000	52,520	1,701	50,000	51,701	1.47%	n/a	1.47%
Thereafter	13,619	81,095	94,714	8,266	122,504	130,770	3.92%	4.08%	3.81%
Total	\$ 31,613	\$ 539,376	\$ 570,989	\$ 23,993	\$ 445,018	\$ 469,011			

Funds

Year	Total Debt Maturities			Acadia's Pro-rata Share			Weighted Average Interest Rate of Maturing Debt		
	Scheduled			Scheduled			Total Debt	Fixed-Rate Debt	Variable-Rate Debt
	Amortization	Maturities	Total	Amortization	Maturities	Total			
2015	\$ 3,499	\$ 258,437	\$ 261,936	\$ 679	\$ 51,547	\$ 52,226	2.28%	5.60%	2.17%
2016	2,239	88,897	91,136	444	18,303	18,747	1.79%	n/a	1.79%
2017	1,519	69,024	70,543	284	14,570	14,854	2.30%	n/a	2.30%
2018	1,449	29,500	30,949	266	5,847	6,113	2.67%	n/a	2.67%
2019	857	230,228	231,085	148	43,041	43,189	4.37%	4.65%	2.11%
Thereafter	2,064	70,700	72,764	375	12,192	12,567	2.28%	2.17%	2.32%
Total	\$ 11,627	\$ 746,786	\$ 758,413	\$ 2,196	\$ 145,500	\$ 147,696			

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 Occupancy			Annualized Base Rent PSF			Annualized Base Rent
				Anchors	Shops	Total	Anchors	Shops	Total	Total	Anchors	Shops	Total	Total		
URBAN AND STREET RETAIL																
Chicago Metro																
664 N. Michigan Avenue	Tommy Bahama, Ann Taylor Loft	2013	100.0%	—	18,141	18,141	—	100.0%	100.0%	100.0%	\$ —	\$ 237.23	\$ 237.23	\$ 4,303,538		
840 N. Michigan Avenue	H & M, Verizon Wireless	2014	88.4%	87,135	—	87,135	100.0%	—	100.0%	100.0%	80.85	—	80.85	7,044,900		
Rush and Walton Streets Collection - 6 properties	Lululemon, Brioni, BHLDN, Marc Jacobs	2011/12	100.0%	—	41,432	41,432	—	100.0%	100.0%	100.0%	—	152.15	152.15	6,303,696		
651-671 West Diversey	Trader Joe's, Urban Outfitters	2011	100.0%	16,500	29,759	46,259	100.0%	100.0%	100.0%	100.0%	54.55	33.92	41.27	1,909,285		
Clark Street and W. Diversey Collection - 3 properties	Ann Taylor, Akira	2011/12	100.0%	—	23,531	23,531	—	86.7%	86.7%	95.6%	—	51.62	51.62	1,053,247		
Halsted and Armitage Collection - 9 properties	Intermix, BCBG, Club Monaco	2011/12	100.0%	20,580	24,078	44,658	100.0%	90.9%	95.1%	95.1%	20.70	64.47	43.26	1,836,615		
North Lincoln Park Chicago Collection - 6 properties	Forever 21, Aldo, Carhartt, Chase Bank	2011/14	100.0%	—	51,255	51,255	—	86.5%	86.5%	86.5%	—	38.29	38.29	1,698,169		
				124,215	188,196	312,411	100.0%	93.5%	96.1%	93.5%	67.39	89.67	80.45	24,149,450		
New York Metro																
83 Spring Street	Paper Source	2012	100.0%	—	3,000	3,000	—	100.0%	100.0%	100.0%	—	207.96	207.96	623,884		
152-154 Spring Street	Kate Spade Saturday	2014	100.0%	—	2,936	2,936	—	100.0%	100.0%	100.0%	—	728.66	728.66	2,139,360		
Mercer Street	3 X 1 Denim	2011	100.0%	—	3,375	3,375	—	100.0%	100.0%	100.0%	—	120.44	120.44	406,494		
East 17th Street	—	2008	100.0%	—	11,467	11,467	—	—	—	100.0%	—	—	—	—		
West 54th Street	Stage Coach Tavern	2007	100.0%	—	5,773	5,773	—	92.3%	92.3%	100.0%	—	412.09	412.09	2,196,061		
61 Main Street	Chicos	2014	100.0%	—	3,400	3,400	—	100.0%	100.0%	100.0%	—	103.40	103.40	351,560		
181 Main Street	TD Bank	2012	100.0%	—	11,350	11,350	—	100.0%	100.0%	100.0%	—	74.77	74.77	848,683		
4401 White Plains Road	Walgreens	2011	100.0%	12,964	—	12,964	100.0%	—	100.0%	100.0%	48.21	—	48.21	625,000		
Bartow Avenue	Sleepy's	2005	100.0%	—	14,676	14,676	—	100.0%	100.0%	100.0%	—	31.89	31.89	467,987		
239 Greenwich Avenue	Restoration Hardware	1998	75.0%	—	16,553	16,553	—	27.4%	27.4%	100.0%	—	85.58	85.58	388,573		
252-256 Greenwich Avenue	Madewell, Calypso, Jack Wills	2014	100.0%	—	9,172	9,172	—	100.0%	100.0%	100.0%	—	131.99	131.99	1,210,630		
Third Avenue	Planet Fitness	2006	100.0%	21,650	18,670	40,320	100.0%	100.0%	100.0%	100.0%	22.19	21.79	22.00	887,172		
868 Broadway	Dr Martens	2013	100.0%	—	2,031	2,031	—	100.0%	100.0%	100.0%	—	335.83	335.83	682,069		
313-315 Bowery ²	John Varvatos, Patagonia	2013	100.0%	—	6,600	6,600	—	100.0%	100.0%	100.0%	—	66.00	66.00	435,600		
120 West Broadway	HSBC Bank, Citibank	2013	100.0%	—	13,638	13,638	—	81.7%	81.7%	81.7%	—	144.86	144.86	1,613,503		
131-135 Prince Street	Folli Follie, Uno De 50	2013	100.0%	—	3,200	3,200	—	100.0%	100.0%	100.0%	—	385.11	385.11	1,232,352		
2520 Flatbush Avenue	Bob's Discount Furniture, Capital One	2014	100.0%	—	29,114	29,114	—	100.0%	100.0%	100.0%	—	36.05	36.05	1,049,538		
Shops at Grand	Stop & Shop (Ahold)	2014	100.0%	52,336	47,639	99,975	100.0%	81.6%	91.3%	91.3%	29.52	30.63	29.99	2,736,357		
				86,950	202,594	289,544	100.0%	82.6%	87.9%	96.1%	12.71	83.94	70.35	17,894,823		
District of Columbia Metro																
1739-53 & 1801-03 Connecticut Avenue	Ruth Chris Steakhouse, TD Bank	2012	100.0%	—	22,907	22,907	—	100.0%	100.0%	100.0%	—	58.00	58.00	1,328,703		
Rhode Island Place Shopping Center	TJ Maxx	2012	100.0%	24,996	32,533	57,529	100.0%	100.0%	100.0%	100.0%	12.50	41.05	28.65	1,647,929		
M Street and Wisconsin Corridor - 7 Properties	Lacoste, Juicy Couture, Coach	2011	63.0%	—	31,629	31,629	—	100.0%	100.0%	100.0%	—	79.78	79.78	2,523,512		
				24,996	87,069	112,065	100.0%	100.0%	100.0%	100.0%	12.50	59.58	49.08	5,500,144		
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%	17.05	32.38	20.85	1,130,470		
				40,800	13,426	54,226	100.0%	100.0%	100.0%	100.0%	17.05	32.38	20.85	1,130,470		

Total Urban and Street Retail	276,961	491,285	768,246	100.0%	90.4%	93.8%	95.9%	\$	37.86	\$	79.87	\$	67.52	\$	48,674,887
<u>Acadia Share Total Urban and Street Retail</u>	<u>266,853</u>	<u>474,832</u>	<u>741,686</u>	<u>100.0%</u>	<u>82.5%</u>	<u>94.0%</u>	<u>97.1%</u>	<u>\$</u>	<u>36.23</u>	<u>\$</u>	<u>87.91</u>	<u>\$</u>	<u>67.15</u>	<u>\$</u>	<u>46,825,740</u>

Notes:

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

613-623 West Diversey Parkway is under redevelopment

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

Core Portfolio Retail Properties - Detail 1 (continued)

Property	Key Tenants	Year Acquired	Acadia's interest	Gross Leaseable Area			In Pace Occupancy			Leased Occupancy			Annualized Base Rent PSF			Annualized Base Rent
				Anchors	Shops	Total	Anchors	Shops	Total	Total	Anchors	Shops	Total	Total		
SUBURBAN PROPERTIES																
New Jersey																
Elimwood Park Shopping Center	Walgreens, Pathmark (A&P)	1998	100.0%	62,610	86,460	149,070	100.0%	95.3%	97.3%	97.3%	\$	25.26	25.53	25.41	\$ 3,685,445	
Marketplace of Absecon	Rite Aid, Dollar Tree	1998	100.0%	46,724	57,832	104,556	100.0%	90.5	94.8%	94.8%		13.32	15.38	14.41	1,427,696	
60 Orange Street	Home Depot	2012	98.0%	101,715	—	101,715	100.0%	—	100.0%	100.0%		6.83	—	6.83	695,000	
New York																
Village Commons Shopping Center	—	1998	100.0%	—	87,330	87,330	—	98.1%	98.1%	98.1%		—	31.40	31.40	2,689,355	
Branch Plaza	LA Fitness, CVS	1998	100.0%	76,105	51,136	127,241	73.6%	78.5%	75.6%	92.1%		21.35	30.28	25.07	2,411,650	
Amboy Center	Stop & Shop (Ahold)	2005	100.0%	37,266	26,024	63,290	100.0%	100.0%	100.0%	100.0%		20.00	46.57	30.92	1,957,236	
Pacesetter Park Shopping Center	Stop & Shop (Ahold)	1999	100.0%	52,052	45,552	97,604	100.0%	73.2%	87.5%	88.9%		8.72	18.62	12.58	1,074,806	
LA Fitness	LA Fitness	2007	100.0%	55,000	—	55,000	100.0%	—	100.0%	100.0%		25.30	—	25.30	1,391,500	
Crossroads Shopping Center	Home Goods, PetSmart, Kmart	1998	49.0%	202,727	107,925	310,652	100.0%	82.7%	94.0%	95.4%		14.25	42.89	23.00	6,717,288	
New Loudon Center	Price Chopper, Marshalls	1993	100.0%	251,058	4,615	255,673	100.0%	100.0%	100.0%	100.0%		7.35	31.03	7.78	1,989,333	
28 Jericho Turnpike	Kohl's	2012	100.0%	96,363	—	96,363	100.0%	—	100.0%	100.0%		17.12	—	17.12	1,650,000	
Bedford Green	Shop Rite	2014	100.0%	37,981	52,491	90,472	100.0%	84.9%	91.2%	91.2%		22.53	35.81	29.70	2,450,543	
Connecticut																
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%		15.20	17.68	16.14	1,716,160	
Massachusetts																
Methuen Shopping Center	Wal-Mart, Market Basket	1998	100.0%	120,004	10,017	130,021	100.0%	100.0%	100.0%	100.0%		6.66	22.84	7.91	1,027,936	
Crescent Plaza	Home Depot, Shaw's (Supervalu)	1993	100.0%	156,985	61,163	218,148	100.0%	78.9%	94.1%	96.0%		7.51	12.16	8.60	1,765,676	
201 Needham Street	Michael's	2014	100.0%	20,409	—	20,409	100.0%	—	100.0%	100.0%		29.00	—	29.00	591,861	
Vermont																
The Gateway Shopping Center	Shaw's (Supervalu)	1999	100.0%	73,184	28,471	101,655	100.0%	100.0%	100.0%	100.0%		19.00	22.57	20.00	2,033,128	
Illinois																

Hobson West Plaza	Garden Fresh Markets	1998	100.0%	51,692	47,445	99,137	100.0%	88.3%	94.4%	94.4%	4.64	21.05	11.99	1,121,625
Indiana														
Merrillville Plaza	Jo-Ann Fabrics, TJ Maxx	1998	100.0%	123,220	112,867	236,087	100.0%	99.0%	99.5%	99.5%	10.72	18.14	14.25	3,347,323
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%	100.0%	100.0%	100.0%	11.12	22.71	15.14	3,570,885
Ohio														
Mad River Station	Babies 'R' Us	1999	100.0%	58,185	65,150	123,335	100.0%	67.4%	82.8%	82.8%	9.49	17.78	13.06	1,332,503
Delaware														
Brandywine Town Center	Lowes, Bed Bath & Beyond, Target, Dick's Sporting Goods	2003	22.2%	852,261	48,608	900,869	94.5%	91.4%	94.3%	94.3%	16.17	20.44	16.39	13,929,238
Market Square Shopping Center	Trader Joe's, TJ Maxx	2003	22.2%	42,850	59,197	102,047	100.0%	91.6%	95.1%	100.0%	17.05	32.16	25.49	2,475,028
Naamans Road	—	2006	22.2%	—	19,984	19,984	—	100.0%	100.0%	100.0%	—	43.41	43.41	867,517
Pennsylvania														
Mark Plaza	Kmart	1993	100.0%	104,956	1,900	106,856	100.0%	100.0%	100.0%	100.0%	1.95	18.95	2.25	240,664
Plaza 422	Home Depot	1993	100.0%	139,968	16,311	156,279	100.0%	100.0%	100.0%	100.0%	4.83	9.80	5.35	835,956
Route 6 Plaza	Kmart	1994	100.0%	146,568	29,021	175,589	100.0%	94.8%	99.1%	99.1%	6.04	14.03	7.30	1,271,587
Chestnut Hill	—	2006	100.0%	—	37,646	37,646	—	100.0%	100.0%	100.0%	—	24.04	24.04	904,845
Abington Towne Center ³	Target, TJ Maxx	1998	100.0%	184,616	31,662	216,278	100.0%	70.4%	95.7%	95.7%	10.5	32.85	20.61	1,016,040
Total Suburban Properties				3,411,497	1,213,941	4,625,438	98%	89.7%	95.9%	72.0%	\$ 12.46	\$ 25.41	\$ 15.84	\$ 66,187,824
Acadia Share Total Suburban Properties				2,609,855	1,059,505	3,669,360	98.8%	89.8%	96.2%	97.0%	\$ 11.33	\$ 24.16	\$ 15.05	\$ 49,314,114
TOTAL CORE PROPERTIES				3,688,458	1,705,226	5,393,684	98.2%	89.9%	95.6%	75.4%	\$ 14.55	\$ 41.18	\$ 23.44	\$ 114,862,711
Acadia Share Total Core Properties				2,876,708	1,534,337	4,411,045	98.9%	90.1%	95.9%	97.0%	\$ 14.49	\$ 42.40	\$ 24.20	\$ 96,139,854

Notes:

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

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

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

Core Portfolio Top Tenants - Ranked by Annual Base Rent (ABR) ¹

Tenant	Number of stores in Core portfolio	Pro-Rata			
		Combined		Percentage of Total	
		GLA	Base Rent	Portfolio GLA	Base Rent
Stop and Shop (Ahold)	4	207,513	\$ 3,538,374	4.7%	3.7%
LA Fitness	2	100,000	2,336,500	2.3%	2.4%
Verizon	2	31,371	2,265,928	0.7%	2.4%
Ann Taylor Loft	2	14,174	2,150,210	0.3%	2.2%
TJX Companies	9	218,734	1,910,976	5.0%	2.0%
-- TJ Maxx	5	120,123	854,724	2.7%	0.9%
-- Marshalls	2	46,748	434,462	1.1%	0.5%
-- Home Goods	2	51,863	621,790	1.2%	0.6%
Supervalu (Shaw's)	2	123,409	1,907,456	2.8%	2.0%
Home Depot	3	312,718	1,827,600	7.1%	1.9%
Walgreens	3	37,499	1,412,716	0.9%	1.5%
Kate Spade	2	4,250	1,333,050	0.1%	1.4%
Citibank	5	17,283	1,239,117	0.4%	1.3%
Sleepy's	8	41,831	1,210,183	0.9%	1.3%
Kmart	3	273,969	1,170,078	6.2%	1.2%
Bob's Discount Furniture	2	34,723	1,062,507	0.8%	1.1%
TD Bank	2	15,560	1,060,904	0.4%	1.1%
Trader Joe's	2	19,094	967,216	0.4%	1.0%
Urban Outfitters	2	19,902	879,450	0.5%	0.9%
Gap (Banana Republic and Old Navy)	3	13,835	875,513	0.3%	0.9%
Dicks Sporting Goods	2	59,805	860,471	1.4%	0.9%
HSBC Bank	2	5,686	845,879	0.1%	0.9%
Capital One	3	12,778	795,368	0.3%	0.8%
TOTAL	63	1,564,134	\$ 29,649,496	35.6%	30.9%

Note:

¹ Does not include tenants that operate at only one of Acadia's properties.

Core Portfolio Lease Expirations

Year	Anchor Tenants					Shop Tenants					Total Tenants				
	Gross Leased Area		Base Rent			Gross Leased Area		Base Rent			Gross Leased Area		Base Rent		
	No. of Leases	Expiring	Percent	Percent	Percent	No. of Leases	Expiring	Percent	Percent	Percent	No. of Leases	Expiring	Percent	Percent	Percent
Expiring	SF	of Total	PSF	of Total	Expiring	SF	of Total	PSF	of Total	Expiring	SF	of Total	PSF	of Total	
M to M1	—	—	—	\$ —	—	7	20,996	1.4%	\$ 25.48	0.8%	7	20,996	0.4%	\$ 25.48	0.5%
2015	5	252,812	7.5%	13.58	6.8%	36	131,497	8.6%	31.75	6.5%	41	384,309	7.8%	19.80	6.6%
2016	10	353,043	10.5%	12.50	8.7%	55	221,305	14.5%	26.42	9.1%	65	574,348	11.7%	17.86	8.9%
2017	7	362,031	10.8%	11.59	8.3%	53	215,804	14.1%	40.19	13.5%	60	577,835	11.8%	22.27	11.2%
2018	7	476,369	14.1%	21.18	20.0%	59	177,873	11.6%	34.02	9.4%	66	654,242	13.4%	24.67	14.1%
2019	7	334,577	9.9%	8.78	5.8%	36	110,665	7.2%	49.25	8.5%	43	445,242	9.1%	18.84	7.3%
2020	6	329,713	9.8%	12.16	7.9%	25	93,643	6.1%	52.46	7.6%	31	423,356	8.6%	21.07	7.8%
2021	7	283,831	8.4%	13.13	7.4%	21	105,230	6.9%	34.89	5.7%	28	389,061	7.9%	19.02	6.4%
2022	2	69,837	2.1%	26.15	3.6%	26	103,015	6.7%	50.01	8.0%	28	172,852	3.5%	40.37	6.1%
2023	5	205,067	6.1%	17.92	7.3%	16	85,714	5.6%	43.56	5.8%	21	290,781	5.9%	25.48	6.5%
2024	7	239,038	7.1%	25.80	12.2%	30	137,008	9.0%	44.79	9.5%	37	376,046	7.7%	32.72	10.7%
Thereafter	10	460,317	13.7%	13.18	12.0%	18	127,935	8.3%	78.04	15.5%	28	588,252	12.0%	27.29	14.0%
Total	73	3,366,635	100.0%	\$ 15.01	100.0%	382	1,530,685	100.0%	\$ 42.02	100.0%	455	4,897,320	100.0%	\$ 23.45	100.0%

254,916 Anchor GLA Owned by Tenants

66,907 Total Vacant

3,688,458 Total Square Feet

174,541 Total Vacant

1,705,226 Total Square Feet

254,916 Anchor GLA Owned by Tenants

241,448 Total Vacant

5,393,684 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, 2014		December 31, 2014		September 30, 2014		June 30, 2014		March 31, 2014	
	GAAP ³	Cash ²	GAAP ³	Cash ²	GAAP ³	Cash ²	GAAP ³	Cash ²	GAAP ³	Cash ²
New leases										
Number of new leases executed	19	19	9	9	5	5	2	2	3	3
GLA	72,596	72,596	21,555	21,555	28,917	28,917	5,635	5,635	16,489	16,489
New base rent	\$ 59.52	\$ 53.07	\$ 71.07	\$ 63.41	\$ 31.1	\$ 29.01	\$ 41.67	\$ 38.72	\$100.35	\$86.66
Previous base rent	\$ 39.31	\$ 41.85	\$ 57.19	\$ 63.28	\$ 25.21	\$ 26.38	\$ 23.34	\$ 25.38	\$46.12	\$46.61
Average cost per square foot	\$ 121.35	\$ 121.35	\$ 74.18	\$ 74.18	\$ 141.5	\$ 141.5	\$ 1.62	\$ 1.62	\$188.58	\$188.58
Weighted Average Lease Term (years)	11	11	9.7	9.7	9.9	9.9	6.5	6.5	16.3	16.3
Percentage growth in base rent	51.4%	26.8%	24.3%	0.2%	23.4%	10.0%	78.5%	52.6%	117.6%	85.9%
Renewal leases										
Number of renewal leases executed	26	26	5	5	5	5	13	13	3	3
GLA	251,536	251,536	16,195	16,195	42,419	42,419	185,472	185,472	7,450	7,450
New base rent	\$ 19.19	\$ 18.23	\$ 23.31	\$ 22.82	\$ 11.92	\$ 11.9	\$ 20.18	\$ 18.96	\$ 27.05	\$ 25.99
Expiring base rent	\$ 16.91	\$ 17.25	\$ 22.39	\$ 22.76	\$ 11.07	\$ 11.15	\$ 17.55	\$ 17.97	\$ 22.23	\$ 22.23
Average cost per square foot	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Weighted Average Lease Term (years)	4.7	4.7	3.3	3.3	4.9	4.9	4.8	4.8	5.3	5.3
Percentage growth in base rent	13.5%	5.7%	4.1%	0.3%	7.7%	6.7%	15.0%	5.5%	21.7%	16.9%
Total new and renewal Leases										
Number of new and renewal leases executed	45	45	14	14	10	10	15	15	6	6
GLA commencing	324,132	324,132	37,750	37,750	71,336	71,336	191,107	191,107	23,939	23,939
New base rent	\$ 28.22	\$ 26.03	\$ 50.58	\$ 46	\$ 19.69	\$ 18.84	\$ 20.81	\$ 19.54	\$ 77.54	\$ 67.78
Expiring base rent	\$ 21.93	\$ 22.76	\$ 42.26	\$ 45.9	\$ 16.8	\$ 17.32	\$ 17.72	\$ 18.19	\$ 38.69	\$ 39.02
Average cost per square foot	\$ 27.18	\$ 27.18	\$ 42.36	\$ 42.36	\$ 57.36	\$ 57.36	\$ 0.05	\$ 0.05	\$ 129.89	\$ 129.89
Weighted Average Lease Term (years)	6.1	6.1	6.9	6.9	6.9	6.9	4.8	4.8	12.9	12.9
Percentage growth in base rent	28.7%	14.4%	19.7%	0.2%	17.2%	8.7%	17.5%	7.4%	100.4%	73.7%

Notes:

¹Based 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.

²Rents 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.

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

Core Portfolio Capital Expenditures

Current Quarter

	Year-to-Date Period ended December 31, 2014	Current Quarter 3 months ended December 31, 2014	Previous Quarter 3 months ended September 30, 2014	Previous Quarter 3 months ended June 30, 2014	Previous Quarter 3 months ended March 31, 2014	Prior Year ended December 31, 2013
Leasing Commissions	\$ 939	\$ 228	\$ 134	\$ 401	\$ 176	\$ 1,676
Tenant Improvements	3,962	1,411	1,259	853	439	4,057
Capital Expenditures	964	187	187	146	444	2,592
Total Capital Expenditures	\$ 5,865	\$ 1,826	\$ 1,580	\$ 1,400	\$ 1,059	\$ 8,325
Other redevelopment and re-anchoring related activities	\$ 2,884	\$ —	\$ 1,800 ¹	\$ —	\$ 1,084 ²	\$ 5,953 ²

Note:

¹ Consists of \$1,800 of costs associated with the re-tenanting at the Branch Plaza.

² Consists of \$3,363 of costs associated with the re-anchoring of Crossroads, \$1,948 of costs associated with the re-tenanting of Merrillville Plaza, \$890 of costs associated with the re-anchoring of Branch Plaza and \$836k of costs associated with the installation of a new tenant at a Chicago Street Retail asset.

Property Demographics - Core

Property	City	State	Base Rent	Total GLA	3-Mile Radius			
					Total Pop.	# HH	Median HH Income	Avg. HH Income
Core - Urban and Street Retail								
664 N. Michigan Avenue	Chicago	IL	\$ 4,303,538	18,141	295,897	163,646	74,143	\$ 115,275
840 N. Michigan Avenue	Chicago	IL	7,044,900	87,135	307,531	172,435	79,109	122,284
Rush and Walton Streets Collection - 6 properties	Chicago	IL	6,303,696	41,432	319,505	178,056	75,196	116,122
613-623 West Diversey Parkway	Chicago	IL	—	19,265	404,680	217,820	70,480	105,904
651-671 West Diversey	Chicago	IL	1,909,285	46,259	413,506	220,785	70,198	105,234
Clark Street and W. Diversey Collection - 3 properties	Chicago	IL	1,053,247	23,531	406,523	217,890	70,388	105,694
Halsted and Armitage Collection - 9 properties	Chicago	IL	1,836,615	44,658	443,549	238,098	72,697	108,583
North Lincoln Park Chicago Collection - 6 properties	Chicago	IL	1,698,169	51,255	496,377	247,811	68,233	99,096
83 Spring Street	Manhattan	NY	623,884	3,000	981,658	479,147	85,920	121,994
152-154 Spring Street	Manhattan	NY	2,139,360	2,936	918,561	473,494	87,476	126,722
Mercer Street	Manhattan	NY	406,494	3,375	942,758	457,309	85,389	121,063
East 17th Street	Manhattan	NY	—	11,467	1,079,577	547,698	91,428	133,947
West 54th Street	Manhattan	NY	2,196,061	5,773	1,249,501	636,418	91,179	137,662
61 Main Street	Westport	CT	351,560	3,400	46,740	17,572	126,406	193,141
181 Main Street	Westport	CT	848,683	11,350	46,401	17,290	132,350	187,954
4401 White Plains Road	Bronx	NY	625,000	12,964	571,325	214,126	52,977	65,542
Bartow Avenue	Bronx	NY	467,987	14,676	578,872	215,091	47,890	58,583
239 Greenwich Avenue	Greenwich	CT	388,573	16,553	67,092	24,790	112,373	169,820
252-256 Greenwich Avenue	Greenwich	CT	1,210,630	9,172	67,228	25,117	110,894	176,008
Third Avenue	Bronx	NY	887,172	40,320	1,239,993	443,231	35,628	49,095
868 Broadway	Manhattan	NY	682,069	2,031	1,077,976	547,276	91,410	134,095
313-315 Bowery	Manhattan	NY	435,600	6,600	1,032,158	506,284	85,730	122,785
120 West Broadway	Manhattan	NY	1,613,503	13,638	878,321	422,645	85,293	121,409
131-135 Prince Street	Manhattan	NY	1,232,352	3,200	990,615	484,990	88,621	132,090
2520 Flatbush Avenue	Brooklyn	NY	1,049,538	29,114	553,769	211,713	56,343	68,554
Shops at Grand	Queens	NY	2,736,357	99,975	935,540	331,826	56,790	68,721
1739-53 & 1801-03 Connecticut Avenue	Washington	DC	1,328,703	22,907	338,815	164,797	81,801	108,533
Rhode Island Place Shopping Center	Washington	DC	1647929	57529	348349	157678	66984	86314
M Street and Wisconsin Corridor - 7 properties	Georgetown	DC	2523512	31629	321861	160430	87539	114211
330-340 River Street	Cambridge	MA	1,130,470	54,226	492,750	214,634	65,037	91,540
Total Core Urban and Street Retail								
Weighted Average - Based on annual base rent					519,058	251,885	\$ 77,704	\$ 113,650

Property	City	State	Base Rent	Total GLA	3-Mile Radius					
					Total Pop.	# HH	Median HH Income	Avg. HH Income		
Core - Suburban Properties										
Elmwood Park Shopping Center	Elmwood Park	NJ	\$ 3,685,445	149,070	252,982	84,585	\$ 60,290	\$ 69,299		
Marketplace of Absecon	Absecon	NJ	1,427,696	104,556	32,668	11,471	61,717	73,395		
60 Orange Street	Bloomfield	NJ	695,000	101,715	338,909	125,166	56,211	67,492		
Village Commons Shopping Center	Smithtown	NY	2,689,355	87,330	67,473	22,922	109,170	123,046		
Branch Plaza	Smithtown	NY	2,411,650	127,241	67,554	22,991	108,660	122,359		
Amboy Center	Staten Island	NY	1,957,236	63,290	151,900	55,451	87,868	98,504		
Pacesetter Park Shopping Center	Pomona	NY	1,074,806	97,604	36,144	11,216	112,281	126,247		
LA Fitness	Staten Island	NY	1,391,500	55,000	128,131	45,167	79,348	89,832		
New Loudon Center	Latham	NY	1,989,333	255,673	42,827	17,479	67,391	81,548		
28 Jericho Turnpike	Westbury	NY	1,650,000	96,363	95,953	29,144	108,872	129,163		
Bedford Green	Bedford Hills	NY	2,450,543	90,472	25,440	8,955	99,204	140,115		
Town Line Plaza	Rocky Hill	CT	1,716,160	206,346	46,399	19,437	72,685	86,521		
Methuen Shopping Center	Methuen	MA	1,027,936	130,021	99,701	34,864	50,705	60,706		
Crescent Plaza	Brockton	MA	1,765,676	218,148	98,838	34,781	57,332	64,961		
201 Needham Street	Newton	MA	591,861	20,409	105,304	36,441	129,789	181,225		
The Gateway Shopping Center	So. Burlington	VT	2,033,128	101,655	48,384	19,261	51,446	63,537		
Hobson West Plaza	Naperville	IL	1,121,625	99,137	94,989	34,059	103,910	126,405		
Merrillville Plaza	Hobart	IN	3,347,323	236,087	26,123	10,805	47,909	58,578		
Bloomfield Town Square	Bloomfield Hills	MI	3,570,885	235,786	56,773	22,617	62,547	94,909		
Mad River Station	Dayton	OH	1,332,503	123,335	65,307	28,938	56,592	69,153		
Mark Plaza	Edwardsville	PA	240,664	106,856	86,196	36,839	37,495	45,983		
Plaza 422	Lebanon	PA	835,956	156,279	45,792	18,157	44,301	52,611		
Route 6 Plaza	Honesdale	PA	1,271,587	175,589	6,832	2,962	37,786	44,999		
Chestnut Hill	Philadelphia	PA	904,845	37,646	147,436	62,292	58,777	77,506		
Abington Towne Center	Abington	PA	1,016,040	216,278	89,439	35,119	78,159	95,124		
Total Core Suburban Properties										
Weighted Average - Based on annual base rent							90,060	32,932	\$ 77,117	\$ 94,236
Total Core Properties										
Weighted Average - Based on annual base rent							304,029	142,138	\$ 77,410	\$ 103,919
	Brandywine/Market Square/Naamans Rd ¹	Wilmington	DE	17,271,783	1,022,900	507,575	193,705	\$ 72,923	\$ 88,573	

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.

	City	State	Base Rent	Total GLA	3-Mile Radius				
					Total Pop.	# HH	Median HH Income	Avg. HH Income	
Fund II									
	Manhattan	NY	\$ 2,574,000	60,000	963,175	337,894	\$ 37,629	\$ 48,228	
	Bronx	NY	3,166,025	232,252	1,274,128	450,383	33,329	45,066	
Liberty Avenue	Queens	NY	937,724	26,125	639,405	213,464	55,561	67,368	
Fund II									
Weighted Average - Based on annual base rent					1,065,137	373,754	\$ 38,108	\$ 49,417	
Fund III									
Cortlandt Towne Center	Mohegan Lake	NY	\$ 9,868,707	639,353	49,966	17,759	\$ 84,926	\$ 97,340	
640 Broadway	Manhattan	NY	600,884	4,145	1,006,693	496,773	86,613	124,108	
654 Broadway	Manhattan	NY	566,500	2,896	1,007,518	497,906	86,836	124,507	
New Hyde Park Shopping Center	New Hyde Park	NY	1,254,488	32,602	199,698	70,745	102,010	122,658	
White City	Shrewsbury	MA	4,026,476	179,684	99,189	39,649	51,215	62,391	
Parkway Crossing	Parkville	MD	1,722,440	260,241	185,935	74,271	59,022	68,972	
Heritage Shops	Chicago	IL	3,149,752	81,730	288,116	154,272	71,414	110,831	
Lincoln Park Centre	Chicago	IL	2,917,267	61,761	431,527	230,716	73,011	109,736	
Nostrand Avenue	Brooklyn	NY	1,419,696	40,315	544,351	203,713	51,528	65,388	
Arundel Plaza	Glen Burnie	MD	1,318,478	265,116	77,759	29,166	59,786	64,793	
Fund III									
Weighted Average - Based on annual base rent					211,611	97,553	\$ 73,203	\$ 92,275	
Fund IV									
1701 Belmont Avenue	Catonsville	MD	\$ 936,166	58,674	110,450	43,613	\$ 60,575	\$ 68,732	
2819 Kennedy Boulevard	North Bergen	NJ	100,000	41,477	526,721	241,698	78,834	110,806	
Promenade at Manassas	Manassas	VA	3,402,218	265,442	57,996	18,940	74,390	84,467	
Paramus Plaza	Paramus	NJ	1,847,945	154,409	106,906	37,209	119,131	132,518	
1151 Third Avenue	Manhattan	NY	545,000	13,158	1,270,132	636,996	87,522	131,326	
Lake Montclair	Prince William County	VA	1,843,740	105,850	55,900	18,373	93,338	103,028	
Eden Square	Bear	DE	2,526,376	235,508	69,756	26,155	69,989	75,629	
	938 W. North Avenue	Chicago	IL	988,726	33,228	453,690	239,813	72,447	108,382
	17 East 71st Street	Manhattan	NY	610,894	9,230	1,266,902	623,592	87,241	138,121
Fund IV									
Weighted Average - Based on annual base rent					214,434	98,693	\$ 82,756	\$ 97,790	
Total - Funds									
Weighted Average - Based on annual base rent					335,431	137,684	\$ 70,784	\$ 87,621	

Overview of Acadia Funds

As of December 31, 2014	FUND I	FUND II	FUND III	FUND IV
Date formed	September 2001	June 2004	May 2007	May 2012
Capital committed	\$86.6 million	\$300.0 million	\$475.0 million	\$540.6 million
Capital funded	Fully funded	Fully funded ²	\$381.6 million	\$140.2 million
As a percentage of commitments	100.0%	100.0%	80.3%	25.9%
Capital funded and allocated ³	100.0%	100.0%	100.0%	40.0%
Distributions	\$192.3 million	\$131.6 million	\$368.5 million	\$95.9 million
As a percentage of funded capital	222.0%	43.9%	96.6%	68.4%
	All original capital and accumulated preferred return has been paid. Acadia is entitled to a Promote on all future distributions.			
Fund structure				
Equity contribution and	22.2% - Acadia	20.0% - Acadia	19.9% - Acadia	23.1% - Acadia
Cash flow distribution:	77.8% - Four institutional investors	80.0% - Six institutional investors	80.1% - 14 institutional investors	76.9% - 17 institutional investors
Distributions:	20% to Acadia once all partners (including Acadia) have received cumulative preferred return and return of equity			
	Remaining 80% is distributed pro-rata to all the partners (including Acadia)			
Preferred return rate:	9%	8%	6%	6%
Fees/Priority Distributions to Acadia				
	Asset management fee/Priority distribution equal to 1.5% of implied capital ¹			
	Property management fee/Priority distribution equal to 4% of gross property revenues			
	Market rate leasing fees			
	Market rate construction/project management fees			
	Development fee equal to 3% of total project cost			

Notes:

¹ Committed capital as reduced by capital attributed to sold investments.

² During the fourth quarter of 2013, a distribution of \$47.1 million was made to the Fund II investors. Until December 2016, this amount is subject to recontribution to Fund II by the investors, if needed to fund the on-going redevelopment of existing projects.

³ Includes all funded capital as well as unfunded capital commitments which have been allocated to (i) complete existing projects and (ii) acquire and complete leasing/development of acquisitions under contract

Fund Retail Properties - Detail 1

	Anchors	Year Acquired	Ownership %	Gross Leasable Area			In Place Occupancy			Leased Occupancy		Annualized Base Rent PSF		
				Anchors	Shops	Total	Anchors	Shops	Total	Total	Anchors	Shops	Total	
Fund I Portfolio Detail														
VARIOUS														
Total - Fund I	Kroger/Safeway Portfolio (3 Properties)	2003	60.0%	97,500	—	97,500	34.9%	—	34.9%	34.9%	\$ 3.03	—	\$ 3.03	
Fund II Portfolio Detail														
NEW YORK														
<u>New York</u>														
Liberty Avenue	CVS	2005	99.1%	10,880	15,245	26,125	100.0%	100.0%	100.0%	100.0%	\$ 39.75	\$ 33.14	\$ 35.89	
216th Street	NYC Human Resources Administration	2005	99.1%	60,000	—	60,000	100.0%	—	100.0%	100.0%	42.90	—	42.90	
161st Street 2	Various New York City & State agencies	2005	99.1%	107,026	125,226	232,252	—	87.6%	47.2%	93.3%	—	28.85	28.85	
Total - Fund II				177,906	140,471	318,377	39.8%	89.0%	61.5%	95.1%	\$ 42.42	\$ 29.38	\$ 34.10	
Fund III Portfolio Detail														
NEW YORK														
<u>New York</u>														
Cortlandt Towne Center	Wal-Mart, Best Buy, A&P	2009	100.0%	472,420	166,933	639,353	95.7%	81.6%	92.0%	96.7%	\$ 14.05	\$ 25.78	\$ 16.77	
654 Broadway	Penguin (Perry Ellis)	2011	100.0%	—	2,896	2,896	—	100.0%	100.0%	100.0%	—	195.61	195.61	
640 Broadway	Swatch	2012	63.1%	—	4,145	4,145	—	61.3%	61.3%	100.0%	—	236.49	236.49	
New Hyde Park Shopping Center	PetSmart	2011	100.0%	13,507	19,095	32,602	100.0%	80.4%	88.5%	88.5%	35.00	50.93	43.47	
Nostrand Avenue	—	2013	100.0%	—	40,315	40,315	—	75.9%	75.9%	75.9%	—	46.39	46.39	
NEW ENGLAND														
<u>Massachusetts</u>														
White City Shopping Center	Shaw's (Supervalu)	2010	84.0%	131,152	125,509	256,661	86%	98.7%	92.2%	100.0%	15.61	35.43	25.98	
MID-ATLANTIC														
<u>Maryland</u>														
Parkway Crossing	Home Depot, Shop Rite	2011	94.3%	192,836	67,405	260,241	100.0%	82.1%	95.4%	95.4%	3.65	18.4	6.94	
Arundel Plaza	Giant Food, Lowe's	2012	94.3%	231,920	33,196	265,116	100.0%	58.8%	94.8%	94.8%	3.90	21.18	5.24	
MIDWEST														
<u>Illinois</u>														
Heritage Shops	LA Fitness, Ann Taylor Loft	2011	100.0%	49,878	31,852	81,730	100.0%	89.7%	96.0%	96.0%	21.61	72.5	40.15	
Lincoln Park Centre	Design Within Reach	2012	100.0%	—	61,761	61,761	—	100.0%	100.0%	100.0%	—	47.23	47.23	
Total - Fund III				1,091,713	553,107	1,644,820	96.5%	86.2%	93.0%	96.1%	\$ 10.71	\$ 37.11	\$ 18.93	
Fund IV Portfolio Detail														
NEW YORK														
<u>New York</u>														
1151 Third Avenue		2013	100.0%	—	13,158	13,158	—	62.7%	62.7%	100.0%	—	\$ 66.07	\$ 66.07	
17 East 71st Street		2014	100.0%	—	9,230	9,230	—	63.9%	63.9%	63.9%	—	103.54	103.54	

New Jersey														
Paramus Plaza	Babies R Us, Ashley Furniture	2013	50.0%	74,837	79,572	154,409	100.0%	28.9%	63.4%	63.4%	22.08	8.50	18.89	
2819 Kennedy Boulevard	Aldi	2013	98.6%	36,941	4,536	41,477	—	33.9%	3.7%	47.9%	—	65.10	65.10	
MID-ATLANTIC														
Virginia														
Promenade at Manassas	Home Depot, HH Gregg	2013	98.6%	194,038	71,404	265,442	100.0%	94.2%	98.4%	98.4%	9.73	22.52	13.02	
Lake Montclair	Food Lion	2013	100.0%	33,000	72,850	105,850	100.0%	90.2%	93.2%	93.2%	9.50	23.30	18.68	
Maryland														
1701 Belmont Avenue	Best Buy	2012	98.6%	58,674	—	58,674	100.0%	—	100.0%	100.0%	15.96	—	15.96	
Delaware														
Eden Square	Giant Food, Lowe's	2014	98.6%	167,333	68,175	235,508	100.0%	79.0%	93.9%	93.9%	10.03	15.73	11.42	
MIDWEST														
Illinois														
938 W. North Avenue	Restoration Hardware, Sephora	2013	80%	—	33,228	33,228	—	62.6%	62.6%	62.6%	—	47.56	47.56	
Total - Fund IV				564,823	352,153	916,976		93.5%	69.9%	84.4%		\$ 12.25	\$ 25.71	\$ 16.54

Notes:

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

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

Property	Fund Ownership %
Sherman Avenue	99.1%
City Point	94.2%
Cortlandt Crossing	100.0%
Broad Hollow Commons	100.0%
3104 M Street	80.0%
210 Bowery	100.0%
Broughton Street Portfolio	50.0%
27 East 61st Street	100.0%

²Currently operating, but redevelopment activities have commenced.

Funds Lease Expirations

Fund I:

Year	Anchor Tenants				
	No. of Leases	Gross Leased Area		Base Rent	
		Expiring	Percent	PSF	Percent
	Expiring	SF	of Total	PSF	of Total
2019	1	34,000	100.0%	\$ 3.03	100.0%
Total	1	34,000	100.0%	\$ 3.03	100.0%
		63,500	Total Vacant		
		97,500	Total Square Feet		

Fund II:

Year	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	
		Expiring	Percent	Percent	Expiring		Percent	Percent	Expiring	Percent		Percent	Expiring	Percent	Percent
	Expiring	SF	of Total	PSF	of Total	Expiring	SF	of Total	PSF	of Total	Expiring	SF	of Total	PSF	of Total
M to M1	—	—	—	\$ —	—	1	9,967	8.0%	\$ 10.00	2.7%	1	9,967	5.1%	\$ 10.00	1.5%
2015	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2016	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2017	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2018	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2019	—	—	—	—	—	1	4,575	3.7%	27.81	3.5%	1	4,575	2.3%	27.81	1.9%
2020	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2021	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2022	—	—	—	—	—	1	4,462	3.6%	31.00	3.8%	1	4,462	2.3%	31.00	2.1%
2023	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2024	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Thereafter	2	70,880	100.0%	42.42	100.0%	6	105,967	84.7%	31.20	90%	8	176,847	90.3%	35.69	94.5%
Total	2	70,880	100.0%	\$ 42.42	100.0%	9	124,971	100.0%	\$ 29.38	100.0%	11	195,851	100.0%	\$ 34.10	100.0%
		107,026	Total Vacant			15,500	Total Vacant				122,526	Total Vacant			
		177,906	Total Square Feet			140,471	Total Square Feet				318,377	Total Square Feet			

Fund III:

Year	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	
		Expiring	Percent	Percent	Expiring		Percent	Percent	Expiring	Percent		Percent	Expiring	Percent	Percent
	Expiring	SF	of Total	PSF	of Total	Expiring	SF	of Total	PSF	of Total	Expiring	SF	of Total	PSF	of Total
M to M1	—	—	—	\$ —	—	3	8,240	1.7%	\$ 21.75	1.0%	3	8,240	0.5%	\$ 21.75	0.6%
2015	3	81,465	7.7%	7.11	5.1%	12	26,287	5.5%	41.38	6.1%	15	107,752	7.0%	15.47	5.8%
2016	1	26,561	2.5%	8.00	1.9%	22	56,800	11.9%	36.76	11.8%	23	83,361	5.4%	27.60	7.9%
2017	2	52,131	4.9%	18.36	8.5%	14	55,665	11.7%	27.88	8.8%	16	107,796	7.0%	23.28	8.7%
2018	5	287,562	27.3%	12.54	32.0%	22	77,706	16.3%	29.42	12.9%	27	365,268	23.9%	16.13	20.3%
2019	3	236,323	22.4%	7.57	15.9%	11	30,622	6.4%	30.87	5.3%	14	266,945	17.4%	10.24	9.4%
2020	—	—	—	—	—	6	16,677	3.5%	23.00	2.2%	6	16,677	1.1%	23.00	1.3%
2021	1	35,601	3.4%	10.76	3.4%	7	28,392	6.0%	36.54	5.9%	8	63,993	4.2%	22.20	4.9%
2022	1	65,028	6.2%	17.00	9.8%	9	26,428	5.5%	38.68	5.8%	10	91,456	6.0%	23.27	7.3%
2023	2	38,836	3.7%	15.49	5.3%	11	40,825	8.6%	58.38	13.5%	13	79,661	5.2%	37.47	10.3%
2024	—	—	—	—	—	10	56,299	11.8%	34.97	11.1%	10	56,299	3.7%	34.97	6.8%
Thereafter	3	229,660	21.8%	8.89	18.1%	9	52,766	11.1%	52.26	15.6%	12	282,426	18.5%	17.00	16.6%
Total	21	1,053,167	100.0%	\$ 10.71	100.0%	136	476,707	100.0%	\$ 37.11	100.0%	157	1,529,874	100.0%	\$ 18.93	100.0%
		38,546	Total Vacant			76,400	Total Vacant				114,946	Total Vacant			
		1,091,713	Total Square Feet			553,107	Total Square Feet				1,644,820	Total Square Feet			

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Fund IV:

Year	Anchor Tenants					Shop Tenants					Total Tenants				
	Gross Leased Area			Base Rent		Gross Leased Area			Base Rent		Gross Leased Area			Base Rent	
	No. of Leases	Expiring	Percent	Percent		No. of Leases	Expiring	Percent	Percent		No. of Leases	Expiring	Percent	Percent	
	Expiring	SF	of Total	PSF	of Total	Expiring	SF	of Total	PSF	of Total	Expiring	SF	of Total	PSF	of Total
M to M ¹	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2015	—	—	—	—	—	5	25,140	10.2%	36.84	14.6%	5	25,140	3.2%	36.84	7.2%
2016	—	—	—	—	—	10	30,575	12.4%	18.63	9.0%	10	30,575	3.9%	18.63	4.4%
2017	2	161,152	30.5%	9.69	24.1%	12	31,435	12.8%	35.51	17.6%	14	192,587	24.8%	13.90	20.9%
2018	—	—	—	—	—	13	39,212	15.9%	22.09	13.7%	13	39,212	5.1%	22.09	6.8%
2019	1	39,220	7.4%	19.52	11.8%	9	58,274	23.6%	15.99	14.7%	10	97,494	12.6%	17.41	13.3%
2020	1	27,926	5.3%	12.00	0.05	4	19,900	8.1%	21.22	6.7%	5	47,826	6.2%	15.84	5.9%
2021	1	32,144	6.1%	11.50	5.7	1	2,400	1.0%	22.95	0.9%	2	34,544	4.5%	12.30	3.3%
2022	1	26,568	5.0%	10,140.00	4.2%	1	9,600	3.9%	13.00	2%	2	36,168	4.7%	10.90	3.1%
2023	1	33,000	6.3%	9.50	4.8%	3	14,063	5.7%	27.50	6.1%	4	47,063	6.1%	14.88	5.5%
2024	2	100,472	19.0%	19.31	0.30	5	15,700	6.4%	59.49	14.7%	7	116,172	15.0%	24.74	22.5%
Thereafter	1	107,400	20.4%	8.50	14.2%	—	—	—	—	—	1	107,400	13.9%	8.50	7.1%
Total	10	527,882	100.0%	12.25	100.0%	63	246,299	100.0%	25.71	100.0%	73	774,181	100.0%	16.53	100.0%
		<u>36,941</u>	Total Vacant			<u>105,854</u>	Total Vacant				<u>142,795</u>	Total Vacant			
		<u>564,823</u>	Total Square Feet			<u>352,153</u>	Total Square Feet				<u>916,976</u>	Total Square Feet			

Note:

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

Development Activity

(\$ in millions)

Property	Ownership	Location	Construction Completion	Estimated Sq.Ft. Upon Completion	Leased Rate ⁴	Key Tenants	Acquisition & Development Costs			Outstanding Debt
							Incurred	Estimated Future Range	Estimated Total Range	
FUND II										
City Point ¹	94.2%	Brooklyn, NY	2016	675,000	65% ²	Century 21, CityTarget, Alamo Drafthouse, Armani Exchange	\$ 334.2 ³	\$ (14.2) to \$ 15.8 ³	\$ 320.0 to \$ 350.0 ³	\$ 259.6
Sherman Plaza	99.1%	New York, NY	TBD	TBD	—	TBD	35.3	TBD	TBD	—
							<u>\$ 369.5</u>	<u>TBD</u>	<u>TBD</u>	<u>\$ 259.6</u>

FUND III

Cortlandt Crossing	100.0%	Mohegan Lake, NY	2017	150,000 - 170,000	—	TBD	\$ 12.9	\$ 34.1 to \$ 43.1	\$ 47.0 to \$ 56.0	\$ —
3104 M Street NW	80.0%	Washington, D.C.	2016	10,000	—	TBD	3.9	4.1 to 5.1	8.0 to 9.0	0.1
Broad Hollow Commons	100.0%	Farmingdale, NY	2016	180,000 - 200,000	—	TBD	14.0	36.0 to 46.0	50.0 to 60.0	—
							<u>\$ 30.8</u>	<u>\$ 74.2</u>	<u>\$ 94.2</u>	<u>\$ 105.0</u>
								<u>\$ 125.0</u>	<u>\$ —</u>	

FUND IV

210 Bowery	100.0%	New York, NY	2016	16,000	—	TBD	\$ 8.2	\$ 10.3 to \$ 14.3	\$ 18.5 to \$ 22.5	\$ 4.6
Broughton Street Portfolio ⁵	50.0%	Savannah, GA	2016	200,000	—	TBD	41.2	20.8 to 26.8	62.0 to 68.0	—
27 E. 61st Street	100.0%	New York, NY	2016	9,500	—	TBD	19.9	2.9 to 6.9	22.8 to 26.8	—
							<u>\$ 69.3</u>	<u>\$ 34.0</u>	<u>\$ 48.0</u>	<u>\$ 103.3</u>
								<u>\$ 117.3</u>	<u>\$ 4.6</u>	

Notes:

¹ Acquired a leasehold interest in this property.

² Leased rate calculated on approximately 475,000 rentable square feet.

³ Net of actual and anticipated contributions from retail tenants and proceeds from residential tower sales. Debt and incurred costs are reduced by \$5,262 relating to the New Markets Tax Credits received.

⁴ The leased rate excludes pre-redevelopment tenants.

⁵ The portfolio will be acquired through a series of transactions. Costs incurred and estimated total costs are for those acquisitions completed as of December 31, 2014 (24 buildings).

Reconciles to Consolidated Balance Sheet as follows:

Development costs above	\$ 469.6
City Point adjustment to FMV	33.8
City Point gain on sale of Tower 1	1.3
Less development held as operating real estate	(8.2)
Less development costs of unconsolidated properties	(41.2)
Less deferred costs and other amounts	(7.9)
Total per consolidated balance sheet	\$ 447.4

Retailer Controlled Property ("RCP") Venture - Overview ¹

Item	Description
Date formed	August 2004
Partnership structure	
Equity Contribution:	\$300 million of total equity - Fully invested
	20% (\$63 million) - AKR Fund I (\$15 million) and Fund II (\$48 million)
	80% - Klaff Realty LP and Lubert-Adler
Cash flow distribution:	20% - AKR Funds
	80% - Four institutional investors
Promote:	20% to Klaff once all partners (including Klaff) have received 10% preferred return and return of equity (50% of first \$40 million of AKR Fund equity is not subject to this promote)
	Remaining 80% is distributed to all the partners (including Klaff)

RCP Venture - Investments

The following table summarizes the RCP Venture investments from inception through December 31, 2014

Investor	Investment	Years acquired	Invested capital	Distributions		Equity Multiple
				Current year-to-date	From inception	
Mervyns I and Mervyns II	Mervyns	2004 through 2007	\$ 33,605	\$ 2,087	\$ 54,336	1.6x
Mervyns II	Albertson's	2006 through 2007	23,133	—	86,458	3.7x
Fund II and Mervyns II	Other investments ²	2006 through 2008	6,478	1,773	8,828	1.4x
Total			\$ 63,216	\$ 3,860	\$ 149,622	2.4x

Notes:

¹ The RCP Venture is not a separate AKR Fund, rather it is a venture in which AKR, Funds I and II have invested approximately \$63 million in equity.

² Represents investments in Shopko, Marsh and Rex Stores.

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. In addition, the Company also discloses FFO as adjusted to include the extraordinary gain from its RCP investment in Albertson's. 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 supplement adjustment more appropriately reflects the results of its operations. The Company also provides two other supplemental disclosures of operating performance, adjusted funds from operations ("AFFO") and funds available for distribution ("FAD"). 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. The Company defines FAD as AFFO adjusted for scheduled debt principal payments.

USE OF EBITDA AND NOI AS NON-GAAP FINANCIAL MEASURES

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