REFINITIV

DELTA REPORT

10-Q

AKR - ACADIA REALTY TRUST

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2733
CHANGES	408
DELETIONS	1099
ADDITIONS	1226

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, March 31, 2023 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-12002

ACADIA REALTY TRUST

(Exact name of registrant in its charter)

MARYLAND	**23-2715194**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
411 THEODORE FREMD AVENUE, SUITE 300, RYE, NY	**10580**
(Address of principal executive offices)	**(Zip Code)**

(914) 288-8100

(Registrant's telephone number, including area code)

Title of class of registered securities	Trading symbol	Name of exchange on which registered
Common shares of beneficial interest, par value $0.001 per share	AKR	The New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES ☒ **NO** ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

YES ☒ **NO** ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐	Emerging Growth Company	☐

Non-accelerated Filer	☐	Smaller Reporting Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) Yes ☐ No ☒

As of October 24, 2023 April 26, 2024 there were 95,340,680 103,181,468 common shares of beneficial interest, par value $0.001 per share (“Common Shares”), outstanding.

ACADIA REALTY TRUST AND SUBSIDIARIES
FORM 10-Q
INDEX

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this Quarterly Report on Form 10-Q (this “Report”) of Acadia Realty Trust, a Maryland real estate investment trust, (the “Company”) may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations are generally identifiable by the use of the words such as “may,” “will,” “should,” “expect,” “anticipate,” “estimate,” “believe,” “intend” or “project,” or the negative thereof, or other variations thereon or comparable terminology. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause our actual results and financial performance to be materially different from future results and financial performance expressed or implied by such forward-looking statements, including, but not limited to: (i) macroeconomic conditions, including due to geopolitical conditions and instability, which may lead to a disruption of or lack of access to the capital markets, disruptions and instability in the banking and financial services industries and rising inflation; (ii) our success in implementing our business strategy and our ability to identify, underwrite, finance, consummate and integrate diversifying acquisitions and investments; (iii) changes in general economic conditions or economic conditions in the markets in which we may, from time to time, compete, and their effect on our revenues, earnings and funding sources; (iv) increases in our borrowing costs as a result of rising inflation, changes in interest rates and other factors, including the discontinuation of USD LIBOR, which was effected on June 30, 2023; factors; (v) our ability to pay down, refinance, restructure or extend our indebtedness as it becomes due; (vi) our investments in joint ventures and unconsolidated entities, including our lack of sole decision-making authority and our reliance on our joint venture partners' financial condition; (vii) our ability to obtain the financial results expected from our development and redevelopment projects; (viii) our tenants' ability and willingness to renew their leases with us upon expiration, our ability to re-lease our properties on the same or better terms in the event of nonrenewal or in the event we exercise our right to replace an existing tenant, and obligations we may incur in connection with the replacement of an existing tenant; (ix) our potential liability for environmental matters; (x) damage to our properties from catastrophic weather and other natural events, and the physical effects of climate change; (xi) the economic, political and social impact of, and uncertainty surrounding, any public health crisis, such as the recent COVID-19 Pandemic, which adversely affected the Company and its tenants' business, financial condition, results of operations and liquidity; (xii) uninsured losses; (xiii) our ability and willingness to maintain our qualification as a real estate investment trust (REIT) ("REIT") in light of economic, market, legal, tax and other considerations; (xiv) information technology security breaches, including increased cybersecurity risks relating to the use of remote technology; (xv) the loss of key executives; and (xvi) the accuracy of our methodologies and estimates regarding environmental, social and governance ("ESG") metrics, goals and targets, tenant willingness and ability to collaborate towards reporting ESG metrics and meeting ESG goals and targets, and the impact of governmental regulation on our ESG efforts.

The factors described above are not exhaustive and additional factors could adversely affect the Company's future results and financial performance, including the risk factors discussed under the section captioned "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 and other periodic or current reports the Company files with the SEC, including those set forth under the headings "Item 1A. Risk Factors" and "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Report. These risks and uncertainties should be considered in evaluating any forward-looking statements contained or incorporated by reference herein. Any forward-looking statements speak only as of the date hereof. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any changes in the Company's expectations with regard thereto or changes in the events, conditions or circumstances on which such forward-looking statements are based.

SPECIAL NOTE REGARDING CERTAIN REFERENCES

All references to "Notes" throughout the document refer to the footnotes Notes to the condensed consolidated financial statements Condensed Consolidated Financial Statements of the registrant referenced in Part I, Item 1. Financial Statements.

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

ACADIA REALTY TRUST AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
(dollars in thousands, except share and per share data)				
(in thousands, except share amounts)				
ASSETS				
Investments in real estate, at cost				
Operating real estate, net	$ 3,482,675	$ 3,343,265	$ 3,499,695	$ 3,517,281
Real estate under development	92,729	184,602	96,594	94,799
Net investments in real estate	3,575,404	3,527,867	3,596,289	3,612,080
Notes receivable, net ($988 and $898 of allowance for credit losses as of September 30, 2023 and December 31, 2022, respectively)	123,813	123,903		
Notes receivable, net ($1,416 and $1,279 of allowance for credit losses as of March 31, 2024 and December 31, 2023, respectively)			118,877	124,949
Investments in and advances to unconsolidated affiliates	184,034	291,156	198,702	197,240

Other assets, net	243,498	229,591	212,699	208,460
Right-of-use assets - operating leases, net	30,180	37,281	28,348	29,286
Cash and cash equivalents	19,312	17,158	18,795	17,481
Restricted cash	7,868	15,063	8,119	7,813
Marketable securities	35,197	—	27,274	33,284
Rents receivable, net	50,415	49,506	51,532	49,504
Assets of properties held for sale	11,057	11,057	11,147	11,057
Total assets (a)	$ 4,280,778	$ 4,302,582	$ 4,271,782	$ 4,291,154
LIABILITIES				
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY				
Liabilities:				
Mortgage and other notes payable, net	$ 961,611	$ 928,639	$ 962,468	$ 930,127
Unsecured notes payable, net	666,188	696,134	646,524	726,727
Unsecured line of credit	192,287	168,287	114,687	213,287
Accounts payable and other liabilities	221,586	196,491	218,116	229,375
Lease liability - operating leases, net	32,520	35,271		
Lease liability - operating leases			30,620	31,580
Dividends and distributions payable	18,519	18,395	19,978	18,520
Distributions in excess of income from, and investments in, unconsolidated affiliates	8,545	10,505	7,858	7,982
Total liabilities (a)	2,101,256	2,053,722	2,000,251	2,157,598
Commitments and contingencies (Note 9)				
Redeemable noncontrolling interests (Note 10)	55,284	67,664	45,462	50,339
EQUITY				
Equity:				
Acadia Shareholders' Equity				
Common shares, $0.001 par value per share, authorized 200,000,000 shares, issued and outstanding 95,310,104 and 95,120,773 shares, respectively	95	95		
Common shares, $0.001 par value per share, authorized 200,000,000 shares, issued and outstanding 103,155,933 and 95,361,676 shares, respectively			103	95
Additional paid-in capital	1,950,212	1,945,322	2,078,295	1,953,521
Accumulated other comprehensive income	65,560	46,817	46,942	32,442
Distributions in excess of accumulated earnings	(330,639)	(300,402)	(364,440)	(349,141)
Total Acadia shareholders' equity	1,685,228	1,691,832	1,760,900	1,636,917
Noncontrolling interests	439,010	489,364	465,169	446,300
Total equity	2,124,238	2,181,196	2,226,069	2,083,217
Total liabilities, redeemable noncontrolling interests, and equity	$ 4,280,778	$ 4,302,582	$ 4,271,782	$ 4,291,154

(a) Represents the consolidated assets and liabilities of Acadia Realty Limited Partnership (the "Operating Partnership"), which is a consolidated variable interest entity ("VIE") (Note 15). The consolidated balance sheets include the following amounts related to our consolidated VIEs that are consolidated by the Operating Partnership: $1,636.8 1,672.4 million and $1,466.4 1,679.8 million of Operating real estate, net; $28.1 29.0 million and $129.9 28.9 million of Real estate under development; $100.5 90.2 million and $210.9 92.8 million of Investments in and advances to unconsolidated affiliates; $97.4 96.7 million and $98.7 101.7 million of Other assets, net; $2.2 2.0 million and $2.5 2.1 million of Right-of-use assets - operating leases, net; $10.5 15.5 million and $13.3 10.8 million of Cash and cash equivalents; $7.4 6.6 million and $15.0 7.0 million of Restricted cash; $19.7 22.5 million and $17.9 21.4 million of Rents receivable, net; $795.6 804.7 million and $761.2 764.6 million of Mortgage and other notes payable, net; $20.3 0.0 million and $51.2 80.5 million of Unsecured notes payable, net; $122.2 130.5 million and $95.4 127.2 million of Accounts payable and other liabilities; $2.3 2.1 million and $2.7 2.2 million of Lease liability-operating leases, net as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

The accompanying notes are an integral part of these condensed consolidated financial statements.

ACADIA REALTY TRUST AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS INCOME (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands except per share amounts)	**2023**	**2022**	**2023**	**2022**
Revenues				
Rental income	$ 79,961	$ 78,453	$ 248,839	$ 238,479
Other	1,431	1,493	4,340	7,233
Total revenues	81,392	79,946	253,179	245,712
Operating expenses				
Depreciation and amortization	33,726	33,744	100,955	102,428
General and administrative	10,309	10,170	30,898	32,768
Real estate taxes	11,726	11,749	34,586	34,657
Property operating	15,254	13,810	44,597	40,727
Impairment charges	3,686	33,311	3,686	33,311
Total operating expenses	74,701	102,784	214,722	243,891
Gain on disposition of properties	—	8,885	—	49,916
Operating income (loss)	6,691	(13,953)	38,457	51,737
Equity in losses of unconsolidated affiliates	(4,865)	(50,579)	(6,273)	(46,169)
Interest and other income	5,087	3,994	14,875	9,890
Realized and unrealized holding gains (losses) on investments and other	1,664	(7,862)	30,236	(18,415)
Interest expense	(24,885)	(21,162)	(68,561)	(58,309)
(Loss) income from continuing operations before income taxes	(16,308)	(89,562)	8,734	(61,266)
Income tax benefit (provision)	40	17	(248)	(7)
Net (loss) income	(16,268)	(89,545)	8,486	(61,273)
Net loss attributable to redeemable noncontrolling interests	2,495	3,193	5,661	3,193
Net loss attributable to noncontrolling interests	12,347	30,461	7,063	18,653
Net (loss) income attributable to Acadia shareholders	$ (1,426)	$ (55,891)	$ 21,210	$ (39,427)
Basic (loss) income per share	$ (0.02)	$ (0.59)	$ 0.21	$ (0.42)
Diluted (loss) income per share	$ (0.02)	$ (0.61)	$ 0.21	$ (0.43)
Weighted average shares for basic (loss) income per share	95,320	94,980	95,257	94,758

Weighted average shares for diluted (loss) income per share	95,320	95,251	95,257	94,849

	Three Months Ended March 31,	
(in thousands, except per share amounts)	**2024**	**2023**
Revenues		
Rental	$ 86,037	$ 80,737
Other	5,319	1,102
Total revenues	91,356	81,839
Expenses		
Depreciation and amortization	34,940	33,173
General and administrative	9,768	9,946
Real estate taxes	12,346	11,479
Property operating	19,096	15,133
Total expenses	76,150	69,731
Loss related to a previously disposed property	(1,198)	—
Operating income	14,008	12,108
Equity in (losses) earnings of unconsolidated affiliates	(312)	29
Interest income	5,238	4,818
Realized and unrealized holding (losses) gains on investments and other	(2,051)	26,757
Interest expense	(23,709)	(21,587)
(Loss) income from continuing operations before income taxes	(6,826)	22,125
Income tax provision	(31)	(123)
Net (loss) income	(6,857)	22,002
Net loss attributable to redeemable noncontrolling interests	2,554	2,075
Net loss (income) attributable to noncontrolling interests	7,572	(10,717)
Net income attributable to Acadia shareholders	$ 3,269	$ 13,360
Basic income per share	$ 0.03	$ 0.14
Diluted income per share	$ 0.03	$ 0.14
Weighted average shares for basic income per share	102,128	95,189
Weighted average shares for diluted income per share	102,128	95,189

The accompanying notes are an integral part of these condensed consolidated financial statements.

ACADIA REALTY TRUST AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
(in thousands)	**2023**	**2022**	**2023**	**2022**	**2024**	**2023**

Net (loss) income	$ (16,268)	$ (89,545)	$ 8,486	$ (61,273)	$ (6,857)	$ 22,002
Other comprehensive income:						
Unrealized gain on valuation of swap agreements	26,763	44,114	45,034	96,899		
Reclassification of realized interest on swap agreements	(9,478)	1,518	(24,293)	10,778		
Other comprehensive income	17,285	45,632	20,741	107,677		
Comprehensive income (loss)	1,017	(43,913)	29,227	46,404		
Other comprehensive income (loss):						
Unrealized gain (loss) on valuation of derivatives					25,819	(15,242)
Reclassification of realized interest on swap derivatives					(8,833)	(6,553)
Other comprehensive income (loss)					16,986	(21,795)
Comprehensive income					10,129	207
Comprehensive loss attributable to redeemable noncontrolling interests	2,495	3,193	5,661	3,193	2,554	2,075
Comprehensive loss (income) attributable to noncontrolling interests	10,767	23,273	5,065	(3,126)	5,086	(5,736)
Comprehensive income (loss) attributable to Acadia shareholders	$ 14,279	$ (17,447)	$ 39,953	$ 46,471	$ 17,769	$ (3,454)

The accompanying notes are an integral part of these condensed consolidated financial statements.

ACADIA REALTY TRUST AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

Three Months Ended September 30, 2023 March 31, 2024 and 2022 2023

Acadia Shareholders	Acadia Shareholders

(in thousands, except per share amounts)	Common Shares	Share Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Distributions in Excess of Accumulated Earnings	Total Common Shareholders' Equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests	Common Shares	Share Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Distributions in Excess of Accumulated Earnings	Total Common Shareholders' Equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests
Balance at July 1, 2023	**95,297**	**$ 95**	**$ 1,947,779**	**$ 49,855**	**$ (312,057)**	**$ 1,685,672**	**$ 452,437**	**$ 2,138,109**	**$ 59,833**									
Balance as of January 1, 2024										**95,362**	**$ 95**	**$ 1,953,521**	**$ 32,442**	**$ (349,141)**	**$ 1,636,917**	**$ 446,300**	**$ 2,083,217**	**$ 50,339**
Conversion of OP Units to Common Shares by limited partners of the Operating Partnership	11	—	182	—	—	182	(182)	—	—	795	1	12,912	—	—	12,913	(12,913)	—	—
Issuance of Common Shares, net										6,987	7	113,841	—	—	113,848	—	113,848	
Dividends/distributions declared ($0.18 per Common Share/OP Unit)	—	—	—	—	(17,156)	(17,156)	(1,338)	(18,494)	—	—	—	—	—	(18,568)	(18,568)	(1,453)	(20,021)	—
City Point Loan accrued interest	—	—	—	—	—	—	—	—	(2,332)	—	—	—	—	—	—	—	—	(2,323)
Employee and trustee stock compensation, net	2	—	212	—	—	212	2,353	2,565	—	12	—	202	—	—	202	4,043	4,245	—

Capital call receivable	—	—	—	—	—	—	(16,300)	(16,300)	—	—	—	—	—	—	—	(6,153)	(6,153)	—
Noncontrolling interest distributions	—	—	—	—	—	—	(1,754)	(1,754)	(37)	—	—	—	—	—	—	(5,459)	(5,459)	—
Noncontrolling interest contributions	—	—	—	—	—	—	16,600	16,600	315	—	—	—	—	—	—	43,709	43,709	—
Comprehensive income (loss)	—	—	—	15,705	(1,426)	14,279	(10,767)	3,512	(2,495)	—	—	—	14,500	3,269	17,769	(5,086)	12,683	(2,554)
Reallocation of noncontrolling interests	—	—	2,039	—	—	2,039	(2,039)	—	—	—	—	(2,181)	—	—	(2,181)	2,181	—	—
Balance at September 30, 2023	**95,310**	**$ 95**	**$ 1,950,212**	**$ 65,560**	**$ (330,639)**	**$ 1,685,228**	**$ 439,010**	**$ 2,124,238**	**$ 55,284**									
Balance as of March 31, 2024										**103,156**	**$ 103**	**$ 2,078,295**	**$ 46,942**	**$ (364,440)**	**$ 1,760,900**	**$ 465,169**	**$ 2,226,069**	**$ 45,462**
Balance at July 1, 2022	**94,929**	**$ 95**	**$ 1,895,556**	**$ 11,240**	**$ (214,279)**	**$ 1,692,612**	**$ 670,606**	**$ 2,363,218**	**$ —**									
Balance as of January 1, 2023										**95,121**	**$ 95**	**$ 1,945,322**	**$ 46,817**	**$ (300,402)**	**$ 1,691,832**	**$ 489,364**	**$ 2,181,196**	**$ 67,664**
Conversion of OP Units to Common Shares by limited partners of the Operating Partnership	20	—	333	—	—	333	(333)	—	—	37	—	631	—	—	631	(631)	—	—

Dividends/distributions declared ($0.18 per Common Share/OP Unit)	—	—	—	—	(17,092)	(17,092)	(1,276)	(18,368)	—	—	—	—	—	(17,131)	(17,131)	(1,343)	(18,474)	—
Acquisition of noncontrolling interest	—	—	44,605	—	—	44,605	(50,435)	(5,830)	—									
City Point Loan	—	—	—	—	—	—	—	—	(65,405)									
City Point Loan accrued interest	—	—	—	—	—	—	—	—	(1,564)	—	—	—	—	—	—	—	—	(2,320)
Employee and trustee stock compensation, net	2	—	183	—	—	183	1,997	2,180	—	50	—	988	—	—	988	3,897	4,885	—
Noncontrolling interest distributions	—	—	—	—	—	—	(24,632)	(24,632)	—	—	—	—	—	—	—	(70,868)	(70,868)	—
Noncontrolling interest contributions	—	—	—	—	—	—	9,572	9,572	65,945	—	—	—	—	—	—	31,242	31,242	—
Comprehensive income (loss)	—	—	—	38,444	(55,891)	(17,447)	(23,273)	(40,720)	(3,193)									
Reclassification of redeemable noncontrolling interests	—	—	—	—	—	—	(76,569)	(76,569)	76,569									
Comprehensive (loss) income										—	—	—	(16,814)	13,360	(3,454)	5,736	2,282	(2,075)
Reallocation of noncontrolling interests	—	—	(644)	—	—	(644)	644	—	—	—	—	(1,784)	—	—	(1,784)	1,784	—	—

Balance at September 30, 2022	**94,951**	**$ 95**	**$ 1,940,033**	**$ 49,684**	**$ (287,262)**	**$ 1,702,550**	**$ 506,301**	**$ 2,208,851**	**$ 72,352**
Balance as of March 31, 2023	**95,208**	**$ 95**	**$ 1,945,157**	**$ 30,003**	**$ (304,173)**	**$ 1,671,082**	**$ 459,181**	**$ 2,130,263**	**$ 63,269**

The accompanying notes are an integral part of these condensed consolidated financial statements.

ACADIA REALTY TRUST AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

Nine Months Ended September 30, 2023 and 2022

	Acadia Shareholders								
(in thousands, except per share amounts)	**Common Shares**	**Share Amount**	**Additional Paid-in Capital**	**Accumulated Other Comprehensive Income (Loss)**	**Distributions in Excess of Accumulated Earnings**	**Total Common Shareholders' Equity**	**Noncontrolling Interests**	**Total Equity**	**Redeemable Noncontrolling Interest**
Balance at January 1, 2023	**95,121**	**$ 95**	**$ 1,945,322**	**$ 46,817**	**$ (300,402)**	**$ 1,691,832**	**$ 489,364**	**$ 2,181,196**	**$ 67,664**
Conversion of OP Units to Common Shares by limited partners of the Operating Partnership	102	—	1,715	—	—	1,715	(1,715)	—	—
Dividends/distributions declared ($0.54 per Common Share/OP Unit)	—	—	—	—	(51,447)	(51,447)	(4,022)	(55,469)	—
City Point Loan	—	—	—	—	—	—	—	—	(796)
City Point Loan accrued interest	—	—	—	—	—	—	—	—	(6,995)
Employee and trustee stock compensation, net	87	—	1,476	—	—	1,476	8,719	10,195	—
Capital call receivable	—	—	—	—	—	—	(16,300)	(16,300)	—
Noncontrolling interest distributions	—	—	—	—	—	—	(78,114)	(78,114)	(38)
Noncontrolling interest contributions	—	—	—	—	—	—	47,842	47,842	1,110
Comprehensive income (loss)	—	—	—	18,743	21,210	39,953	(5,065)	34,888	(5,661)

Reallocation of noncontrolling interests	—	—	1,699	—	—	1,699	(1,699)	—	—
Balance at September 30, 2023	**95,310**	**$ 95**	**$ 1,950,212**	**$ 65,560**	**$ (330,639)**	**$ 1,685,228**	**$ 439,010**	**$ 2,124,238**	**$ 55,284**
Balance at January 1, 2022	**89,304**	**$ 89**	**$ 1,754,383**	**$ (36,214)**	**$ (196,645)**	**$ 1,521,613**	**$ 628,322**	**$ 2,149,935**	**$ —**
Issuance of Common Shares, net	5,525	6	119,479	—	—	119,485	—	119,485	—
Conversion of OP Units to Common Shares by limited partners of the Operating Partnership	71	—	1,147	—	—	1,147	(1,147)	—	—
Dividends/distributions declared ($0.54 per Common Share/OP Unit)	—	—	—	—	(51,190)	(51,190)	(3,846)	(55,036)	—
Acquisition of noncontrolling interest	—	—	67,475	—	—	67,475	(91,811)	(24,336)	—
City Point Loan	—	—	—	—	—	—	—	—	(65,405)
City Point Loan accrued interest	—	—	—	—	—	—	—	—	(1,564)
Employee and trustee stock compensation, net	51	—	871	—	—	871	7,669	8,540	—
Noncontrolling interest distributions	—	—	—	—	—	—	(72,187)	(72,187)	
Noncontrolling interest contributions	—	—	—	—	—	—	109,422	109,422	65,945
Comprehensive income (loss)	—	—	—	85,898	(39,427)	46,471	3,126	49,597	(3,193)
Reclassification of redeemable noncontrolling interests	—	—	—	—	—	—	(76,569)	(76,569)	76,569
Reallocation of noncontrolling interests	—	—	(3,322)	—	—	(3,322)	3,322	—	—
Balance at September 30, 2022	**94,951**	**$ 95**	**$ 1,940,033**	**$ 49,684**	**$ (287,262)**	**$ 1,702,550**	**$ 506,301**	**$ 2,208,851**	**$ 72,352**

The accompanying notes are an integral part of these condensed consolidated financial statements.

ACADIA REALTY TRUST AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Nine Months Ended September 30,		Three Months Ended March 31,	
(in thousands)	**2023**	**2022**	**2024**	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income (loss)	$ 8,486	$ (61,273)		
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Net (loss) income			$ (6,857)	$ 22,002
Adjustments to reconcile net (loss) income to net cash provided by operating activities:				
Depreciation and amortization	100,955	102,428	34,940	33,173
Gain on disposition of properties and other investments	—	(51,389)		
Net unrealized holding (gains) losses on investments	(1,282)	20,786		
Loss related to a previously disposed property			1,198	—
Net unrealized holding losses on investments			2,015	2,059

Stock compensation expense	10,195	8,540	4,245	4,885
Straight-line rents	(1,619)	(7,246)	(76)	(767)
Equity in losses of unconsolidated affiliates	6,273	46,169		
Equity in losses (gains) of unconsolidated affiliates			312	(29)
Distributions of operating income from unconsolidated affiliates	2,907	8,192	1,245	1,097
Adjustments to straight-line rent reserves	—	(79)	—	473
Amortization of financing costs	4,661	4,100	1,766	1,647
Non-cash lease expense	2,702	2,584	938	901
Adjustments to allowance for credit loss	—	(779)	(73)	326
Acceleration of below market lease	(8,057)	—		
Impairment charges	3,686	33,311		
Other, net	(3,760)	(6,361)	(1,232)	(1,568)
Changes in assets and liabilities:				
Rents receivable	747	3,523	(3,253)	3,562
Other liabilities	(127)	(817)	(2,844)	(1,281)
Accounts payable and accrued expenses	5,197	93	(3,164)	(6,256)
Prepaid expenses and other assets	(13,046)	1,296	(2,213)	118
Lease liability - operating leases	(2,751)	(2,600)	(959)	(910)
Net cash provided by operating activities	**115,167**	**100,478**	**25,988**	**59,432**
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of real estate	(48,909)	(242,633)		
Proceeds from the disposition of properties and other investments, net	—	195,367		
Investments in and advances to unconsolidated affiliates	(30,563)	(148,430)	(2,532)	(24,911)
Development, construction and property improvement costs	(51,280)	(36,863)	(12,775)	(12,529)
Refund of deposits for properties under purchase contract	1,080	350	—	930
Deposits for properties under sale contract	1,515	—		
Change in control of previously unconsolidated affiliate	—	3,592		
Return of capital from unconsolidated affiliates	41,948	63,661	2,615	35,406
Payment of deferred leasing costs	(6,233)	(4,996)	(1,132)	(2,508)
Acquisition of investment interests	—	(4,527)		
Proceeds from sale of marketable securities	2,371	—	3,995	—
Proceeds from repayment of notes receivable	—	29,530	6,000	—
Net cash used in investing activities	**(90,071)**	**(144,949)**	**(3,829)**	**(3,612)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from unsecured debt	158,889	823,262	31,750	43,309
Principal payments on unsecured debt	(165,833)	(621,180)	(210,950)	(88,395)
Proceeds from the sale of Common Shares	—	119,485	113,848	—
Capital contributions from noncontrolling interests	31,857	109,423	37,556	31,242
Principal payments on mortgage and other notes	(99,103)	(429,301)	(12,976)	(2,196)
Distributions to noncontrolling interests	(32,965)	(75,796)	(6,790)	(22,999)
Dividends paid to Common Shareholders	(51,413)	(47,494)	(17,165)	(17,122)
Proceeds received from mortgage and other notes	132,902	202,743	45,553	—
Deferred financing and other costs	(3,760)	(9,191)		
Acquisition of noncontrolling interest	—	(24,336)		
Payment of deferred financing and other costs			(1,323)	(498)
Payments of finance lease obligations	(711)	—	(42)	—
Net cash (used in) provided by financing activities	**(30,137)**	**47,615**		
(Decrease) increase in cash and restricted cash	(5,041)	3,144		

Cash of $17,158 and $17,746 and restricted cash of $15,063 and $9,813, respectively, beginning of period	32,221	27,559
Cash of $19,312 and $18,068 and restricted cash of $7,868 and $12,635, respectively, end of period	$ 27,180	$ 30,703

Net cash used in financing activities	**(20,539)**	**(56,659)**
Increase (decrease) in cash and restricted cash	1,620	(839)
Cash and cash equivalents of $17,481 and $17,158 and restricted cash of $7,813 and $15,063, respectively, beginning of period	25,294	32,221
Cash and cash equivalents of $18,795 and $17,125 and restricted cash of $8,119 and $14,257, respectively, end of period	$ 26,914	$ 31,382

ACADIA REALTY TRUST AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (Continued)

	Nine Months Ended September 30,	
(in thousands)	**2023**	**2022**
Supplemental disclosure of cash flow information		
Cash paid during the period for interest, net of capitalized interest of $5,660 and $2,331 respectively (a)	$ 86,775	$ 41,922
Cash paid for income taxes, net of (refunds)	$ 248	$ 6
Supplemental disclosure of non-cash investing and financing activities		
Distribution declared and payable on October 13, 2023 and October 14, 2022, respectively	$ 18,372	$ 18,244
Assumption of accounts payable and accrued expenses through acquisition of real estate	$ 465	$ 4,062
Issuance of note receivable used as capital contributions from redeemable noncontrolling interests	$ 796	$ 65,945
Accrued interest on note receivable recorded to redeemable noncontrolling interest	$ 6,995	$ 1,564
Distributions to noncontrolling interests of marketable securities	$ 49,117	$ —
Reclassification of investment in unconsolidated affiliate to marketable securities	$ 32,745	$ —
Reclassification of noncontrolling interest in excess of amount paid to additional paid-in capital	$ —	$ 67,475
Change in control of previously unconsolidated investment		
Increase in real estate	$ —	$ (55,791)
Increase in mortgage notes payable	—	35,970
Decrease in investments in and advances to unconsolidated affiliates	—	17,822
Decrease in notes receivable	—	5,306
Decrease in reserve on note receivable	—	(4,582)
Decrease in accrued interest on notes receivable	—	4,691
Change in other assets and liabilities	—	176
Increase in cash and restricted cash upon change of control	$ —	$ 3,592

	Three Months Ended March 31,	
(in thousands)	**2024**	**2023**

Supplemental disclosure of cash flow information		
Cash paid during the period for interest, net of capitalized interest of $1,648 and $1,928 respectively (a)	$ 31,612	$ 23,107
Cash paid for income taxes, net of refunds	$ 31	$ 123
Supplemental disclosure of non-cash investing and financing activities		
Dividends/distributions declared and payable	$ 19,898	$ 18,351
Conversion of Common OP Units to Common Shares	$ 12,913	$ 631
Accrued interest on note receivable recorded to redeemable noncontrolling interest	$ 2,362	$ 2,307
Recognition of non-refundable deposit upon expiration of sale agreement	$ 3,315	$ —
Distributions to noncontrolling interests of marketable securities	$ —	$ 49,117
Reclassification of investment in unconsolidated affiliate to marketable securities	$ —	$ 32,745

(a) Interest paid for the nine three months ended September 30, 2023 March 31, 2024 and 2022 2023 excludes the cash flows from net settlements on interest rate swap contracts, which was a net receipt receivable of cash of $20.6 7.6 million and a net payment of $10.2 5.7 million, respectively.

The accompanying notes are an integral part of these condensed consolidated financial statements (unaudited).

ACADIA REALTY TRUST AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Organization, Basis of Presentation and Summary of Significant Accounting Policies

Organization

Acadia Realty Trust (the “Trust”, collectively with its consolidated subsidiaries, the “Company”), a Maryland real estate investment trust (collectively with its consolidated subsidiaries, the “Company” (“REIT”), is a fully-integrated equity REIT focused on the ownership, acquisition, development, and management of retail properties located primarily in high-barrier-to-entry, supply-constrained, densely populated metropolitan areas in the United States.

All of the Company’s assets are held by, and all of its operations are conducted through, Acadia Realty Limited Partnership (the “Operating Partnership”) and entities in which the Operating Partnership owns an interest. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company Trust controlled approximately 95% of the Operating Partnership as the sole general partner and is entitled to share, in proportion to its percentage interest, in the cash distributions and profits and losses of the Operating Partnership. The limited partners primarily represent entities or individuals that contributed their interests in certain properties or entities to the Operating Partnership in exchange for common or preferred units of limited partnership interest (“Common OP Units” or “Preferred OP Units”) and employees who have been awarded restricted Common OP Units (“LTIP Units”) as long-term incentive compensation (Note 13). Limited partners holding Common OP and LTIP Units are generally entitled to exchange their units on a one-for-one basis for common shares of beneficial interest, par value $0.001 per share, of the Company (“Common Shares”). This structure is referred to as an umbrella partnership REIT or “UPREIT.”

As of September 30, 2023 March 31, 2024, the Company has ownership interests in 149 properties within its core portfolio, which consist of those properties either 100% owned, or partially owned through joint venture interests, by the Operating Partnership, or subsidiaries thereof, not including those properties owned through its funds (“Core Portfolio”). The Company also has ownership interests in 52 properties within its opportunity funds, Acadia Strategic Opportunity Fund II, LLC (“Fund II”), Acadia Strategic Opportunity Fund III LLC (“Fund III”), Acadia Strategic Opportunity Fund IV LLC (“Fund IV”), and Acadia Strategic Opportunity Fund V LLC (“Fund V” and, collectively with Fund II, Fund III and Fund IV, the “Funds”). The 201 Core Portfolio and Fund properties primarily consist of street and urban retail and suburban shopping centers. In addition, the Company, together with the investors in the Funds, invested in operating companies through Acadia Mervyn Investors II, LLC (“Mervyns II”), all on a non-recourse basis.

The Operating Partnership is the sole general partner or managing member of the Funds and Mervyns II and earns fees or priority distributions for asset management, property management, construction, development, leasing, and legal services. Cash flows from the Funds and Mervyns II are distributed pro-rata to their respective partners and members (including the Operating Partnership) until each receives a certain cumulative return (“Preferred Return”) and the return of all capital contributions. Thereafter, remaining cash flow is distributed 20% to the Operating Partnership ("Promote") and 80% to the partners or members (including the Operating Partnership). All transactions between the Funds and the Operating Partnership have been eliminated in consolidation.

The following table summarizes the general terms and Operating Partnership's equity interests in the Funds and Mervyns II (dollars in millions):

Entity	Formation Date	Operating Partnership Share of Capital	Capital Called as of September 30, 2023 (b)	Unfunded Commitment (b, c)	Equity Interest Held By Operating Partnership (a)	Preferred Return	Total Distributions as of September 30, 2023 (b, c)	Formation Date	Operating Partnership Share of Capital	Capital Called as of March 31, 2024 (a)	Unfunded Commitment (a)	Equity Interest Held By Operating Partnership (b)	Preferred Return	Total Distributions as of March 31, 2024 (a)
Fund II and Mervyns II (c,d)	6/2004	61.67 %	$ 559.4	$ 0.0	61.67 %	8 %	$ 172.9							
Fund II and Mervyns II (c)								6/2004	61.67 %	$ 559.4	$ 0.0	61.67 %	8 %	$ 172.9
Fund III	5/2007	24.54 %	448.1	1.9	24.54 %	6 %	603.5	5/2007	24.54 %	448.1	1.9	24.54 %	6 %	603.5
Fund IV	5/2012	23.12 %	488.1	41.9	23.12 %	6 %	221.4	5/2012	23.12 %	506.0	24.0	23.12 %	6 %	221.4
Fund V	8/2016	20.10 %	387.0	133.0	20.10 %	6 %	103.3	8/2016	20.10 %	459.6	60.4	20.10 %	6 %	112.6

(a) Represents the total for the Funds, including the Operating Partnership and noncontrolling interests' share.

(b) Amount represents the current economic ownership at September 30, 2023 as of March 31, 2024, which could differ from the stated legal ownership based upon the cumulative preferred return respective Fund.

(b) Represents the total for the Funds, including the Operating Partnership and noncontrolling interests' shares.

(c) During the second quarter of 2022, the Company increased its The Company's ownership in Fund II and Mervyns II through an acquisition of its partner's interest by is 11.67%, from 28.33 40.0% to 40.00%, for $18.5 million. Additionally, during the third quarter as of 2022, the Company increased its ownership in Fund II through an acquisition of a partner's interest by 21.67%, from 40.00% to 61.67%, for $5.8 million. Each of the remaining partners in Fund II have a right to put their equity interests to the Company which began in August 2023. As the Company retained its controlling interest, these additional investments were accounted for as equity transactions (Note 10).

(d) During 2022, Mervyns II recalled $3.8 million of the $15.7 million recallable distribution, of which the Company's share is $1.2 million. In January 2023, following the expiration of the lock-up period, Mervyns II distributed the 2.5 million shares of its investment in Albertsons to its partners; the Company received 1.6 million shares (Note 4, Note 8) March 31, 2024.

Basis of Presentation

The interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. Operating results for the interim periods presented are not necessarily indicative of the results that may be expected for the full fiscal year. The information furnished in the accompanying condensed consolidated financial statements reflects all adjustments that, in the opinion of management, are necessary for a fair presentation of the aforementioned condensed consolidated financial statements for the interim periods. Such adjustments consisted of normal recurring items.

These interim condensed consolidated financial statements should be read in conjunction with the Company's 2022 consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

Segments

At September 30, 2023, the Company had three reportable operating segments: Core Portfolio, Funds and Structured Financing. The Company's chief operating decision maker may review operational and financial data on a property-level basis and does not differentiate properties on a geographical basis for purposes of allocating resources or capital.

Principles of Consolidation

The interim condensed consolidated financial statements include the consolidated accounts of the Company and its investments in partnerships and limited liability companies in which the Company has control, including where the Company has been determined to be a primary beneficiary of a variable interest entity ("VIE"), in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 810 "Consolidation" ("ASC Topic 810"). The ownership interests of other investors in these entities are recorded as noncontrolling interests. All significant intercompany balances and transactions have been eliminated in consolidation. Investments in entities for which the Company has the ability to exercise significant influence over, but does not have financial or operating control, are accounted for using the equity method of accounting. Accordingly, the Company's share of the earnings (or losses) of these entities are included in consolidated net income or loss.

Use of Estimates

GAAP requires the Company's management to make estimates and assumptions that affect the amounts reported in the interim condensed consolidated financial statements and accompanying notes. The most significant assumptions and estimates relate to the valuation of real estate, depreciable lives, revenue recognition and the collectability of notes receivable and rents receivable. Application of these estimates and assumptions requires the exercise of judgment as to future uncertainties and, as a result, actual results could differ from these estimates.

These interim condensed consolidated financial statements should be read in conjunction with the Company's 2023 consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

Recent Accounting Pronouncements

In January 2021, August 2023, the FASB Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2021-01, Reference Rate Reform ASU 2023-05, "*Business Combinations - Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement*" ("ASU 2023-05"). ASU 2023-05 addresses the accounting for contributions made to a joint venture, upon formation, in a joint venture's separate financial statements. Prior to the amendment, the FASB did not provide specific authoritative guidance on the initial measurement of assets and liabilities assumed by a joint venture upon its formation. ASU 2023-05 requires a joint venture to recognize and initially measure its assets and liabilities at fair value (with exceptions to fair value measurement that are consistent with the business combinations guidance). ASU 2023-05 is effective for all joint venture formations with a formation date on or after January 1, 2025, with early adoption permitted. The Company has elected not to early adopt ASU 2023-05 and does not expect the adoption will have a significant impact on our consolidated financial statements.

In November 2023, the FASB issued ASU 2023-07 *"Segment Reporting (Topic 848) 280): Scope, which modifies ASC 848 Improvements to Reportable Segment Disclosures"* Reference Rate Reform ("ASC 848" *("ASU 2023-07")*, which was intended. ASU 2023-07 provides for additional disclosures as it relates to provide relief related the Company's segments. Additional requirements per the update include disclosures for significant segment expenses, measures of profit or loss used by the Chief Operating Decision Maker and how these measures are used to "contracts allocate resources and transactions that reference assess segment performance. The amendments in ASU 2023-07 will also apply to entities with a single reportable segment. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023. The Company is evaluating the London Interbank Offered Rate ("LIBOR") or a reference rate that was discontinued effective June 30, 2023 impact of this update on its disclosures and will adopt the amendments in its December 31, 2024 Annual Report on Form 10-K.

In March 2024, the SEC issued final climate-disclosure rules to enhance and standardize climate-related disclosures by public companies. With regards to financial statements, the rules requires disclosure of (i) capitalized costs, expenditures expensed, charges, and losses incurred as a result of reference rate reform." ASU 2021-01 expands severe weather events and other natural conditions, subject to applicable 1% and de minimis disclosure thresholds; (ii) capitalized costs, expenditures expensed, and losses related to carbon offsets and renewable energy credits or certificates (RECs) if used as a material component of a company's plans to achieve its disclosed climate-related targets or goals; and (iii) if the scope estimates and assumptions the company uses to produce the financial statements were materially impacted by risks and uncertainties associated with severe weather events and other natural conditions or any disclosed climate-related targets or transition plans, a qualitative description of ASC 848 how the development of such estimates and assumptions was impacted. The rules are effective for annual periods beginning January 1, 2025 and are to include all affected derivatives and give reporting entities the ability to apply certain aspects of the contract modification and hedge accounting expedients to derivative contracts affected by the discounting transition. ASU 2021-01, Reference Rate Reform (ASC 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting, also adds implementation guidance to clarify which optional expedients in ASC 848 may be applied to derivative instruments that do not reference LIBOR or a reference rate that is expected to be discontinued, but that are being modified prospectively. On April 4, 2024, the SEC voluntarily stayed the rules pending judicial review as a result of the discounting transition. The Company has elected the optional practical expedient under ASU 2020-04 and 2021-01, which allows entities to account for the modification as if the modification was not substantial. As a result, the implementation of this guidance did not have an effect on the Company's condensed consolidated financial statements.

In December 2022, the FASB issued ASU 2022-06 Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848. The guidance in this update defers the sunset date of ASC 848 from December 31, 2022, to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. The amendments are effective for all entities in scope upon issuance of the ASU. The Company has transitioned all variable rate loans to SOFR or another applicable benchmark index and will apply the relief based Topic 848 in line with the sunset date. litigation.

Any other recently issued accounting standards or pronouncements not disclosed above have been excluded as they are not relevant to the Company, or they are not expected to have a material impact on the condensed consolidated financial statements.

2. Real Estate

The Company's consolidated real estate is comprised of the following for the periods presented (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Land	$ 880,882	$ 817,802	$ 871,084	$ 872,228
Buildings and improvements	3,072,499	2,987,594	3,137,273	3,128,650

Tenant improvements	250,452	216,899	264,548	257,955
Construction in progress	19,894	21,027	22,884	23,250
Right-of-use assets - finance leases (Note 11)	58,637	25,086	58,637	58,637
Total	4,282,364	4,068,408	4,354,426	4,340,720
Less: Accumulated depreciation and amortization	(799,689)	(725,143)	(854,731)	(823,439)
Operating real estate, net	3,482,675	3,343,265	3,499,695	3,517,281
Real estate under development	92,729	184,602	96,594	94,799
Net investments in real estate	$ 3,575,404	$ 3,527,867	$ 3,596,289	$ 3,612,080

Acquisitions

During the nine three months ended September 30, 2023 March 31, 2024, the Company acquired the following did not acquire any consolidated retail property (dollars in thousands):

Property and Location	Percent Acquired	Date of Acquisition	Purchase Price
Fund V 2023 Acquisition			
Cypress Creek - Tampa, FL	100%	July 3, 2023	$ 49,374

For the nine months ended September 30, 2023, the Company capitalized $0.2 million of acquisition costs in connection with the Fund V 2023 Acquisition.

Purchase Price Allocations

The purchase price for the Fund V 2023 Acquisition were allocated to the acquired assets and assumed liabilities based on their estimated relative fair values at the date of acquisition. The Company determines the fair value of the individual components of income producing properties or other real estate asset acquisitions primarily through calculating the "as-if vacant" value of a building, using an income approach, which relies significantly upon internally determined assumptions. The following table summarizes the allocation of the purchase price of the property acquired during the period presented (in thousands):

	Nine Months Ended September 30, 2023
Net Assets Acquired	
Land	$ —
Buildings and improvements	39,637
Intangible assets (Note 6)	10,949
Accounts receivable, prepaids and other assets	—
Right-of-use asset - finance lease (Note 11)	25,314
Lease liability - finance lease (Note 11)	(22,076)
Accounts payable and other liabilities	—
Intangible liabilities (Note 6)	(4,450)
Net assets acquired	$ 49,374
Consideration	
Cash	$ 48,909
Carrying value of note receivable exchanged in foreclosure (Note 3)	—
Existing interest in previously unconsolidated investment (Note 4)	—
Debt assumed	—
Liabilities assumed	465
Total consideration	49,374
Gain on bargain purchase	—
	$ 49,374

The Company determines the fair value of the individual components of income producing real estate asset acquisitions primarily through calculating the "as-if vacant" value of a building, using an income approach, which relies significantly upon internally determined assumptions. The Company has determined that these estimates primarily rely on Level 3 inputs, which are unobservable inputs based on our own assumptions. The most significant assumptions used in calculating the "as-if vacant" value for acquisition activity during 2023 are as follows:

	2023	
	Low	High
Exit Capitalization Rate	7.00 %	7.00 %
Annual net rental rate per square foot on acquired buildings	$ 12.00	$ 47.00
Annual net rental rate per square foot on acquired ground lease	$ 1.04	$ 1.91

The estimate of the portion of the "as-if vacant" value that is allocated to the land underlying the acquired real estate relies on Level 3 inputs and is primarily determined by reference to recent comparable transactions. investments.

Dispositions

During the nine three months ended September 30, 2023 March 31, 2024, the Company did not dispose of any consolidated retail properties and or other real estate investments. The Company recorded a $1.2 million loss related to a Fund IV property that was sold in 2019 in connection with a post-closing dispute.

Properties Held for Sale

The Company had two properties classified as held for sale as of March 31, 2024 and one property classified as held for sale as of December 31, 2023. The property as of December 31, 2023 was moved to Investments in real estate, at September 30, 2023 cost during the first quarter of 2024, as the Company no longer believes it is probable the asset will be disposed within the next twelve months. The Company sold the two properties held for sale as of March 31, 2024 in April 2024 and December 31, 2022 repaid the related debt upon disposition (Note 16). Assets of the held for sale property properties consisted of the following:

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Assets				
Land			$ 4,524	$ 3,380
Buildings and improvements	$ 12,562	$ 12,562	8,412	12,562
Land	3,380	3,380		
Tenant improvements	1,010	1,010	44	1,010
Less: Accumulated depreciation and amortization	(5,895)	(5,895)	(1,833)	(5,895)
	$ 11,057	$ 11,057	$ 11,147	$ 11,057

Real Estate Under Development and Construction in Progress

Real estate under development represents the Company's consolidated properties that have not yet been placed into service while undergoing substantial development or construction.

Development activity for the Company's consolidated properties comprised the following during the periods presented (dollars in thousands):

	January 1, 2023		Nine Months Ended September 30, 2023			September 30, 2023		January 1, 2024		Three Months Ended March 31, 2024			March 31, 2024	
	Number of Properties	Carrying Value	Transfers In	Capitalized Costs	Transfers Out	Number of Properties	Carrying Value	Number of Properties	Carrying Value	Transfers In	Capitalized Costs	Transfers Out	Number of Properties	Carrying Value
Core	2	$ 54,817	$ —	$ 9,914	$ —	2	64,731	2	$ 66,083	$ —	$ 1,615	$ —	2	67,698
Fund II	—	34,072	—	633	34,705	—	—							
Fund III	1	25,798	—	2,200	—	1	27,998	1	28,716	—	180	—	1	28,896
Fund IV	1	69,915	—	—	69,915	—	—							
Total	4	$ 184,602	$ —	$ 12,747	$ 104,620	3	$ 92,729	3	$ 94,799	$ —	$ 1,795	$ —	3	$ 96,594

The number of properties in the tables above refers to projects comprising the entire property under development; however, certain projects represent a portion of a property. At September 30, 2023 As of March 31, 2024, consolidated development projects included: portions of the Henderson 1 & 2 Portfolio in the Core Portfolio, and Broad Hollow Commons in Fund III. In addition, at September 30, 2023, the Company had one Core unconsolidated development project, 1238 Wisconsin Avenue (Note 4).

During the nine three months ended September 30, 2023 March 31, 2024, the Company: Company did not place any assets into service.

- placed a portion of the building and improvements of one Fund IV property, 717 N. Michigan Avenue, into service in the first quarter and;
- placed the remainder of the building and improvements of one Fund II property, City Point, into service in the third quarter.

Construction in progress pertains to construction activity at the Company's operating properties that are in service and continue to operate during the construction period.

3. Notes Receivable, Net

Earnings from these notes and mortgages receivable are reported within the Company's Structured Financing segment (Note 12). Interest receivable is included in Other assets, net (Note 5). The Company's notes receivable, net are generally collateralized either by the underlying properties or the borrowers' ownership interests in the entities that own the properties, and were as follows (dollars in thousands):

Description	September 30, 2023	December 31, 2022	September 30, 2023 Number	September 30, 2023 Maturity Date	September 30, 2023 Interest Rate	March 31, 2024	December 31, 2023	March 31, 2024 Number	March 31, 2024 Maturity Date	March 31, 2024 Interest Rate
Core Portfolio (a)	$ 124,801	$ 124,801	5	Apr 2020 - Dec 2027	4.65% - 10.00%	$ 120,293	$ 126,228	5	Apr 2020 - Dec 2027	4.65% - 10.00%
Allowance for credit losses	(988)	(898)				(1,416)	(1,279)			
Notes receivable, net	$ 123,813	$ 123,903	5			$ 118,877	$ 124,949	5		

(a) Includes one note receivable from an OP Unit holder, with a balance of $6.0 million at September 30, 2023 and December 31, 2022 as of December 31, 2023. The note was paid off during the three months ended March 31, 2024.

15 Changes in the Company's credit allowance were as follows (in thousands):

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Allowance for credit losses as of beginning of periods	$ 1,279	$ 898
Provision of loan losses	137	(64)
Total - credit losses and reserves	$ 1,416	$ 834

Due to the lack of comparability across the Structured Financing portfolio, each note was evaluated separately. As a result, the Company did not elect the collateral-dependent allowance for credit losses practical expedient for four of its notes with a total amortized cost of $122.9 million, inclusive of accrued interest of $20.5 million, for which an allowance for credit losses has been recorded aggregating $1.4 million as of March 31, 2024. For one note in this portfolio, aggregating $21.6 million, inclusive of accrued interest of $3.8 million as of March 31, 2024, the Company has elected to apply the practical expedient in accordance with ASC 326 and did not establish an allowance for credit losses because (i) this note is a collateral-dependent note, which due to their settlement terms is not expected to be settled in cash but rather by the Company's possession of the real estate collateral; and (ii) as of March 31, 2024, the Company determined that the estimated fair value of the collateral at the expected realization date for this loans was sufficient to cover the carrying value of its investments in this note receivable.

Default

One Core Portfolio note aggregating $21.6 million including accrued interest (exclusive of default interest and other amounts due on the loan that have not been recognized) was in default at September 30, 2023 as of March 31, 2024 and December 31, 2022 December 31, 2023. On April 1, 2020, the loan matured and was not repaid. The Company expects to take appropriate actions to recover the amounts due under the loan and has issued a reservation of rights letter to the borrowers and guarantor, reserving all of its rights and remedies under the applicable loan documents and otherwise. The Company has determined that the collateral for this loan is sufficient to cover the loan's carrying value at September 30, 2023 as of March 31, 2024 and December 31, 2022 December 31, 2023.

Allowance for Credit Losses

The Company monitors During the credit quality three months ended March 31, 2024, the Company:

- extended the maturity date of its notes one Core note receivable on an ongoing basis and considers indicators of credit quality such as loan payment activity, the estimated fair value of the underlying collateral, the seniority of the Company's loan in relation to other debt secured by the collateral and the prospects of the borrower.

  Earnings from these notes and mortgages receivable are reported within the Company's Structured Financing segment (Note 12). Interest receivable is included in Other assets (Note 5).

  The Company's estimated allowance for credit losses related to its Structured Financing segment has been computed for its amortized cost basis in the portfolio, including accrued interest (Note 5), factoring historical loss experience in the United States for similar loans, as adjusted for current conditions, as well as the Company's expectations related to future economic conditions. Due to the lack of comparability across the Structured Financing portfolio, each loan was evaluated separately. As a result, the Company did not elect the collateral-dependent allowance for credit losses practical expedient for three of its loans with a total amortized cost of $117.9 54.0 million inclusive of accrued interest of from January 9, 2024 to January 9, 2025; and

- received full payment on a $16.9 6.0 million for which an allowance for credit losses has been recorded aggregating $ Core Portfolio note. 1.0

million at September 30, 2023. For two loans in this portfolio, aggregating $
27.9 million, inclusive of accrued interest of $4.1 million at September 30, 2023, the Company has elected to apply the practical expedient in accordance with ASC 326 and did not establish an allowance for credit losses because (i) these loans are collateral-dependent loans, which due to their settlement terms are not expected to be settled in cash but rather by the Company's possession of the real estate collateral; and (ii) at September 30, 2023, the Company determined that the estimated fair value of the collateral at the expected realization date for these loans was sufficient to cover the carrying value of its investments in these notes receivable. Impairment charges may be required if and when such amounts are estimated to be nonrecoverable upon a realization event, which is generally at the time a loan is repaid, or in the case of foreclosure, when the underlying asset is sold; however, non-recoverability may also be concluded if it is reasonably certain that all amounts due will not be collected. 14

4. Investments in and Advances to Unconsolidated Affiliates

The Company accounts for its investments in and advances to unconsolidated affiliates primarily under the equity method of accounting as it has the ability to exercise significant influence, but does not have financial or operating control over the investment, which is maintained by each of the unaffiliated partners who co-invest with the Company. Certain of the Company's unconsolidated joint venture agreements include provisions whereby, at certain specified times, each partner has the right to initiate a purchase or sale of its interest in the joint ventures. Under certain of the Company's joint venture agreements, if certain return thresholds are achieved, the partners or the Company will be entitled to an additional promoted interest or payments. accounting.

The Company's investments in and advances to unconsolidated affiliates consist of the following (dollars in thousands):

	Ownership Interest	September 30,	December 31,	Ownership Interest	March 31,	December 31,

Portfolio	Property	September 30, 2023	2023	2022
Core:	Renaissance Portfolio	20%	$ 28,050	$ 28,755
	Gotham Plaza	49%	30,405	30,112
	Georgetown Portfolio (a)	50%	4,170	4,048
	1238 Wisconsin Avenue (a, b)	80%	17,995	14,502
			80,620	77,417
Mervyns II:	KLA/ABS (c)	36.7%	—	85,403
Fund IV:	Fund IV Other Portfolio	98.57%	5,400	7,914
	650 Bald Hill Road	90%	9,698	10,203
	Paramus Plaza	50%	203	936

Property	March 31, 2024	2024	2023
Renaissance Portfolio	20%	$ 30,552	$ 30,745
Gotham Plaza	49%	30,650	30,772
Georgetown Portfolio (a)	50%	4,235	4,230
1238 Wisconsin Avenue (a, b)	80%	19,346	19,719
840 N. Michigan Avenue (c)	91.85%	18,964	15,761
		103,747	101,227
Fund IV Other Portfolio	90%	4,924	5,221
650 Bald Hill Road	90%	9,438	9,486
Paramus Plaza	50%	—	70

			15,301	19,053			14,362	14,777
Fund V:	Family Center at Riverdale (d)	89.42%	3,641	4,995	Family Center at Riverdale (c)	89.42%	2,260	2,552
	Tri-City Plaza	90%	7,163	8,422	Tri-City Plaza	90%	6,094	6,452
	Frederick County Acquisitions	90%	12,037	12,240	Frederick County Acquisitions	90%	12,560	11,345
	Wood Ridge Plaza	90%	11,395	12,751	Wood Ridge Plaza	90%	10,475	10,313
	La Frontera Village	90%	19,062	20,803	La Frontera Village	90%	16,574	17,483
	Shoppes at South Hills (e)	90%	11,522	44,677	Shoppes at South Hills	90%	10,684	11,707
	Mohawk Commons	90%	18,634	7,775	Mohawk Commons	90%	15,669	16,434
			83,454	104,663			74,316	76,286
Various:	Due from (to) Related Parties		262	305	Due from (to) Related Parties		1,764	396
	Other (f)		4,397	4,315	Other (d)		4,513	4,554

	Investments in and advances to unconsolidated affiliates		**$ 184,034**	**$ 291,156**	**Investments in and advances to unconsolidated affiliates**		**$ 198,702**	**$ 197,240**
Core:	Crossroads (g)	49%	$ 8,324	$ 8,832	Crossroads (e)	49%	$ 7,680	$ 7,982
	840 N. Michigan Avenue (d, g)	88.43%	221	1,673				
Fund IV:					Paramus Plaza (e)	50%	178	—
	Distributions in excess of income from, and investments in, unconsolidated affiliates		**$ 8,545**	**$ 10,550**	**Distributions in excess of income from, and investments in, unconsolidated affiliates**		**$ 7,858**	**$ 7,982**

(a) Represents a VIE variable interest entity ("VIE") for which the Company is not the primary beneficiary (Note 15).

(b) Includes the amounts advanced against a $12.8 million construction commitment from the Company to the venture that holds its investment in 1238 Wisconsin. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 the note receivable from a related party had a balance of $12.3 million and $7.7 12.8 million, net of an allowance for credit losses of $0.1 million, and $0.1 million, respectively. as of each period. The loan is collateralized by the venture members' equity interest in the entity that holds the 1238 Wisconsin development property, bears interest at Prime + 1.0% subject to a 4.5% floor and matures on December 28, 2023 December 28, 2024. The loan has a one-year extension option and interest is recognized over the life of the loan.

(c) At December 31, 2022, Mervyns II had an effective indirect ownership of approximately 4.1 million shares (approximately 1% interest) through its Investment in Albertsons Companies Inc. ("Albertsons"), which is accounted for at fair value (Note 8). Mervyns II distributed the shares to its investors upon expiration of the lock-up agreement in January 2023, as further described below.

(d) Represents a tenancy-in-common interest.

(e) At December 31, 2022, includes a $31.7 million bridge loan from the Company to the venture that holds the property in its investment in Shoppes at South Hills. During the first quarter of 2023 the bridge loan was repaid (Note 2), as further described below.

(f) (d) Includes cost-method investments in Fifth Wall.

(g) (e) Distributions have exceeded the Company's investment; however, the Company recognizes a liability balance as it may elect to contribute capital to the entity.

During the nine months ended September 30, 2023, the Company:

- funded $4.6 million of a $12.8 million construction loan commitment to the 1238 Wisconsin venture. The total outstanding balance of the loan was $12.3 million as of September 30, 2023;
- through Fund IV, modified a property mortgage with an outstanding balance of $21.9 million with a new loan of $24.1 million at an unconsolidated property, Eden Square;
-

- through Fund V, acquired a 90% interest in a venture which acquired Mohawk Commons, a shopping center located in Schenectady, New York for $62.1 million. In addition, on January 27, 2023, the Mohawk Commons venture entered into a $39.7 million mortgage loan;

- through Fund V, received payment on a bridge loan from the Shoppes at South Hills venture for $31.7 million which matured in February 2023. Upon maturity of the bridge loan, the venture entered into a $36.0 million mortgage loan, of which $31.8 million was funded at closing.

- through Mervyns II, received cash dividends from its investment in Albertsons totaling $28.5 million on January 20, 2023, of which the Company's share was $11.3 million. Additionally, the lock-up period, which restricted the transfer or sale of shares, expired on January 24, 2023, and 4.1 million shares of Albertsons were distributed to the individual investors as a non-cash distribution, of which the Company received 1.6 million shares. The shares are classified as Marketable securities on the Company's condensed consolidated balance sheets (Note 8).

Fees from Unconsolidated Affiliates

The Company earned property management, construction, development, legal and leasing fees from its investments in unconsolidated partnerships affiliates totaling $0.1 million for each of the three months ended September 30, 2023 March 31, 2024 and 2022, and $0.3 million for each of the nine months ended September 30, 2023 and 2022, 2023, which are included in Other revenues in the condensed consolidated statements Condensed Consolidated Statements of operations. Operations.

In addition, the Company's joint ventures paid to certain unaffiliated partners third party fees of its joint ventures $0.9 1.1 million and $0.5 0.6 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and $2.1 million and $1.1 million for the nine months ended September 30, 2023 and 2022, respectively, 2023, for leasing commissions, development, management, construction and overhead fees.

Summarized Financial Information of Unconsolidated Affiliates

The following combined and condensed Balance Sheets balance sheets and Statements statements of Operations, operations, in each period, summarize the financial information of the Company's investments in unconsolidated affiliates that were held as of September 30, 2023 March 31, 2024, and accordingly exclude the results of any investments disposed of or consolidated prior to that date (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Combined and Condensed Balance Sheets				
Assets:				
Rental property, net	$ 718,145	$ 650,997	$ 720,004	$ 723,411
Real estate under development	5,560	17,359		
Other assets	130,238	127,070	116,100	125,699
Total assets	$ 853,943	$ 795,426	$ 836,104	$ 849,110
Liabilities and partners' equity:				
Mortgage notes payable	$ 688,978	$ 609,923	$ 659,692	$ 662,552
Other liabilities	97,373	96,532	90,189	100,270
Partners' equity	67,592	88,971	86,223	86,288
Total liabilities and partners' equity	$ 853,943	$ 795,426	$ 836,104	$ 849,110
Company's share of accumulated equity	$ 115,358	$ 131,878	$ 129,231	$ 128,690
Basis differential	52,071	52,813	51,580	51,824
Deferred fees, net of portion related to the Company's interest	3,401	5,937	3,756	3,794

Amounts receivable/payable by the Company	262	305	1,764	396
Investments in and advances to unconsolidated affiliates, net of Company's share of distributions in excess of income from and investments in unconsolidated affiliates	171,092	190,933	186,331	184,704
Investments carried at fair value or cost	4,397	89,718	4,513	4,554
Company's share of distributions in excess of income from and investments in unconsolidated affiliates	8,545	10,505	7,858	7,982
Investments in and advances to unconsolidated affiliates	$ 184,034	$ 291,156	$ 198,702	$ 197,240

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Combined and Condensed Statements of Operations						
Total revenues	$ 24,490	$ 25,096	$ 81,375	$ 72,167	$ 28,004	$ 28,218
Operating and other expenses	(9,189)	(8,443)	(26,538)	(23,768)	(9,986)	(8,632)
Interest expense	(10,742)	(7,130)	(29,877)	(18,458)	(10,414)	(9,233)
Depreciation and amortization	(11,567)	(9,708)	(31,700)	(24,867)	(11,666)	(8,901)
Impairment of Investment	—	(57,423)	—	(57,423)		
Net loss attributable to unconsolidated affiliates	$ (7,008)	$ (57,608)	$ (6,740)	$ (52,349)		
Gain on extinguishment of debt					1,158	—
Net (loss) gain attributable to unconsolidated affiliates					$ (2,904)	$ 1,452
Company's share of equity in net losses of unconsolidated affiliates	$ (4,617)	$ (50,331)	$ (5,531)	$ (45,416)		
Company's share of equity in net (losses) earnings of unconsolidated affiliates					$ (68)	$ 276
Basis differential amortization	(248)	(248)	(742)	(753)	(244)	(247)
Company's equity in losses of unconsolidated affiliates	$ (4,865)	$ (50,579)	$ (6,273)	$ (46,169)		
Company's equity in (losses) earnings of unconsolidated affiliates					$ (312)	$ 29

5. Other Assets, Net and Accounts Payable and Other Liabilities

Other assets, net and accounts payable and other liabilities are comprised of the following for the periods presented:

(in thousands)	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Other Assets, Net:				
Lease intangibles, net (Note 6)	$ 90,039	$ 102,374	$ 93,679	$ 100,594
Derivative financial instruments (Note 8)	74,479	54,902	40,841	28,989
Deferred charges, net (a)	30,486	28,478		
Deferred charges, net (A)			30,617	31,074
Accrued interest receivable (Note 3)	24,039	18,082	27,004	25,553
Prepaid expenses	17,187	15,872	12,802	15,204
Due from seller	2,794	3,036	2,389	2,631
Income taxes receivable	1,340	1,876	1,839	1,141
Deposits	583	1,624	574	575
Corporate assets, net	1,016	1,287	833	924
Other receivables	1,535	2,060	2,121	1,775
	$ 243,498	$ 229,591	$ 212,699	$ 208,460
(a) Deferred Charges, Net:				
Deferred leasing and other costs (a)	$ 70,932	$ 63,920		
(A) Deferred Charges, Net:				
Deferred leasing and other costs			$ 74,955	$ 73,908
Deferred financing costs related to line of credit	9,691	9,494	9,879	9,829
	80,623	73,414	84,834	83,737
Accumulated amortization	(50,137)	(44,936)	(54,217)	(52,663)
Deferred charges, net	$ 30,486	$ 28,478	$ 30,617	$ 31,074
Accounts Payable and Other Liabilities:				
Lease intangibles, net (Note 6)	$ 68,785	$ 78,416	$ 72,136	$ 73,994
Accounts payable and accrued expenses	67,709	59,922	58,163	61,425
Deferred income	34,565	34,503	36,248	34,386
Tenant security deposits, escrow and other	17,689	16,582	14,181	17,939
Lease liability - finance leases, net (Note 11)	32,838	7,022	32,696	32,739
Derivative financial instruments (Note 8)	—	46	4,692	8,892
	$ 221,586	$ 196,491	$ 218,116	$ 229,375

(a) Effective January 1, 2023, the Company implemented compensation plans for its internal leasing representatives to adopt a commission structure paid in connection with new, renewal, and modified leases. At September 30, 2023, deferred leasing and other costs include direct and incremental capitalized internal leasing commissions incurred in connection with executed lease agreements of $1.7 million, which are amortized on a straight-line basis over the terms of the related leases.

6. Lease Intangibles

Upon acquisitions of real estate (Note 2), the Company assesses the relative fair value of acquired assets (including land, buildings and improvements, and identified intangibles such as above- and below-market leases, including below-market options and acquired in-place leases) and assumed liabilities. The lease intangibles are amortized over the remaining terms of the respective leases, including option periods where applicable.

ACADIA REALTY TRUST AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Intangible assets and liabilities are included in Other assets, net and Accounts payable and other liabilities (Note 5) on the condensed consolidated balance sheets Condensed Consolidated Balance Sheets and summarized as follows (in thousands):

	September 30, 2023			December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizable Intangible Assets						
In-place lease intangible assets	$ 311,538	$ (227,753)	$ 83,785	$ 301,556	$ (205,951)	$ 95,605
Above-market rent	25,032	(18,778)	6,254	24,064	(17,295)	6,769
	$ 336,570	$ (246,531)	$ 90,039	$ 325,620	$ (223,246)	$ 102,374
Amortizable Intangible Liabilities						
Below-market rent	$ (180,704)	$ 112,222	$ (68,482)	$ (176,253)	$ 98,182	$ (78,071)
Above-market ground lease	(671)	368	(303)	(671)	326	(345)
	$ (181,375)	$ 112,590	$ (68,785)	$ (176,924)	$ 98,508	$ (78,416)

During the nine months ended September 30, 2023, the Company:

- acquired in-place lease intangibles of $10.0 million, above-market rent of $1.0 million, and below-market rents of $4.5 million with weighted-average useful lives of 7.7, 7.1, and 22.0 years, respectively (Note 2);
- recorded accelerated amortization related to below-market rent of $8.4 million and in-place lease intangible assets of $2.3 million, of which the Company's share was $8.1 million and $2.1 million, respectively, related to notification of tenant non-renewals and early tenant lease terminations.

	March 31, 2024			December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizable Intangible Assets						
In-place lease intangible assets	$ 327,484	$ (241,194)	$ 86,290	$ 327,484	$ (234,808)	$ 92,676
Above-market rent	27,294	(19,905)	7,389	27,294	(19,376)	7,918
	$ 354,778	$ (261,099)	$ 93,679	$ 354,778	$ (254,184)	$ 100,594
Amortizable Intangible Liabilities						
Below-market rent	$ (188,098)	$ 116,234	$ (71,864)	$ (188,098)	$ 114,393	$ (73,705)
Above-market ground lease	(671)	399	(272)	(671)	382	(289)
	$ (188,769)	$ 116,633	$ (72,136)	$ (188,769)	$ 114,775	$ (73,994)

Amortization of in-place lease intangible assets is recorded in depreciation and amortization expense and amortization of above-market rent and below-market rent is recorded as a reduction to and increase to rental income, respectively, in the condensed consolidated statements Condensed Consolidated Statements of operations. Operations. Amortization of above-market ground leases are recorded as a reduction to rent expense in the condensed consolidated statements Condensed Consolidated Statements of operations. Operations.

The scheduled amortization of acquired lease intangible assets and assumed liabilities as of September 30, 2023 March 31, 2024 is as follows (in thousands):

Years Ending December 31,	Net Increase in Lease Revenues	Increase to Amortization	Reduction of Rent Expense
2023 (Remainder)	$ 1,311	$ (5,731)	$ 15
2024	5,091	(18,962)	58
2025	4,661	(14,103)	58
2026	4,413	(11,717)	58
2027	4,248	(9,514)	58

Years Ending December 31,	Net Increase in Rental Revenues	Increase to Amortization Expense	Reduction of Property Operating Expense
2024 (Remainder)	$ 3,860	$ (17,180)	$ 44
2025	4,751	(17,914)	58
2026	4,523	(14,430)	58
2027	4,452	(11,159)	58
2028	4,536	(7,299)	54

7. Debt

A summary of the Company’s consolidated indebtedness is as follows (dollars in thousands):

	Interest Rate at			Carrying Value at				Carrying Value as of	
	September 30, 2023	December 31, 2022	Maturity Date at September 30, 2023	September 30, 2023	December 31, 2022	Interest Rate as of March 31, 2024	Maturity Date as of March 31, 2024	March 31, 2024	December 31, 2023
Mortgages Payable									

Core Mortgages Payable	3.99% - 5.89%	3.88% - 5.89%	Feb 2024 - Apr 2035	$192,340	$193,838
Fund II Mortgages Payable	SOFR+ 2.61%	SOFR+ 2.61%	Aug 2025	137,485	133,655
Fund III Mortgages Payable	SOFR+ 3.75%	SOFR+ 3.35%	Oct 2025	33,000	35,970
Fund IV Mortgages and Other Notes Payable (a)(d)	SOFR+ 2.25% - SOFR+ 3.65%	LIBOR +2.25% - LIBOR +3.65%	Jul 2023 - Jun 2026	146,575	146,230
Total Fund V Mortgages Payable	SOFR + 1.61% - SOFR + 2.80%	LIBOR + 1.85% - SOFR + 2.76%	Jan 2024 - Jun 2028	460,316	426,224
Net unamortized debt issuance costs				(8,371)	(7,621)
Unamortized premium				266	343
Total Mortgages Payable				**$961,611**	**$928,639**
Unsecured Notes Payable					
Core Unsecured Term Loans	SOFR+ 1.60% - SOFR+ 2.05%	3.74%- 5.11%	Jun 2026 - Jul 2029	$650,000	$650,000
Fund V Subscription Facility	SOFR+ 3.05%	SOFR+ 1.86%	Nov 2023	20,266	51,210

Core	3.99% - 5.89%	Jan 2025 - Apr 2035	$184,035	$191,830
Fund II (a)	SOFR+2.61%	Aug 2025	137,485	137,485
Fund III	SOFR+3.75%	Oct 2025	33,000	33,000
Fund IV (b)	SOFR+2.25% - SOFR+3.33%	March 2025 - Jun 2028	115,896	115,925
Fund V	SOFR+1.80% - SOFR+2.85%	Jul 2024 - Jun 2028	499,360	458,960
Net unamortized debt issuance costs			(7,536)	(7,313)
Unamortized premium			228	240
Total Mortgages Payable			**$962,468**	**$930,127**
Unsecured Notes Payable				
Core Term Loans (c)	SOFR+1.60% - SOFR+1.95%	Jun 2026 - Jul 2029	$650,000	$650,000

Fund V Subscription Line (d)								—	80,600
Net unamortized debt issuance costs				(4,078)	(5,076)			(3,476)	(3,873)
Total Unsecured Notes Payable				**$666,188**	**$696,134**			**$646,524**	**$726,727**
Unsecured Line of Credit									
Total Unsecured Line of Credit	SOFR+ 1.45%	SOFR+ 1.50%	Jun 2025	**$192,287**	**$168,287**				
Revolving Credit Facility (c)						SOFR+1.45%	Jun 2025	**$114,687**	**$213,287**
Total Debt (b)(c)				$1,832,269	$1,805,414				
Total Debt (e)(f)								$1,734,463	$1,881,087
Net unamortized debt issuance costs				(12,449)	(12,697)			(11,012)	(11,186)
Unamortized premium				266	343			228	240
Total Indebtedness				**$1,820,086**	**$1,793,060**			**$1,723,679**	**$1,870,141**

(a) The Company has a total borrowing capacity of $198.0 million on the Fund II mortgage as of both March 31, 2024 and December 31, 2023.

(b) Includes the outstanding balance on the Fund IV secured bridge facility of $39.2 36.2 million at each as of September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023.

(b) (c) The Company has entered into various swap agreements to effectively fix its interest costs on a portion of its Revolver and term loans as of March 31, 2024 and December 31, 2023.

(d) Fund V paid off the subscription line and terminated the outstanding letters of credit during the three months ended March 31, 2024.

(e) Includes $1,250.8 1,207.6 million and $1,264.0 1,249.8 million, respectively, of variable-rate debt that has been fixed with interest rate swap agreements as of the periods presented. The effective fixed rates ranged from 1.14% to 4.54 4.69%.

(c) (f) Includes $154.1 151.3 million and $103.8 151.4 million, respectively, of variable-rate debt that is subject to interest cap agreements as of the periods presented. The effective fixed rates ranged from 3.0 4.50% to 5.50 6.00%.

(d) Includes $19.3 million of a non-recourse loan in default related to 146 Geary Street, that matured with no further extension options.

Unsecured Debt

Credit Facilities Facility

The Operating Partnership has a $700.0 million senior unsecured credit facility, as amended (the "Credit Facility"), with Bank of America, N.A. as administrative agent, comprised of a $300.0 million senior unsecured revolving credit facility (the "Revolver") which bears interest at a floating rate based on SOFR with margins based on leverage or credit rating, and a $400.0 million senior unsecured term loan (the "Term Loan") which bears interest at a floating rate based on SOFR with margins based on leverage or credit rating. Currently, the Revolver bears interest at SOFR + 1.50% and the Term Loan bears interest at SOFR + 1.65%. The Revolver matures on June 29, 2025, subject to two six-month extension options, and the Term Loan matures on June 29, 2026. The Credit Facility provides for an accordion feature, which allows for one or more increases in the revolving credit facility or term loan facility, for a maximum aggregate principal amount not to exceed $900.0 million. The Credit Facility is guaranteed by the Company Trust and certain subsidiaries of the Company Trust (Note 9). In April 2024, the Company amended the existing Credit Facility (Note 16).

On April 6, 2022 Revolving Credit Facility

As of March 31, 2024, the Revolver bears interest at SOFR + 1.45% and matures on June 29, 2025, subject to two six-month extension options. The outstanding balance and total available credit of the Revolver was $114.7 million and $185.3 million, respectively, as of March 31, 2024, reflecting no letters of credit outstanding. The outstanding balance and total available credit of the Revolver was $213.3 million and $86.7 million, respectively, as of December 31, 2023, reflecting no letters of credit outstanding.

Core Term Loans

As of March 31, 2024, the Term Loan bears interest at SOFR + 1.60% and matures on June 29, 2026.
The Operating Partnership entered into has a $175.0 million term loan facility (the "$175.0 Million Term Loan"), with Bank of America, N.A. as administrative agent, which bears interest at a floating rate based on SOFR with margins based on leverage or credit rating, and which matures on April 6, 2027, and is guaranteed by the Trust and certain subsidiaries of the Trust (Note 9). The proceeds As of March 31, 2024, the $175.0 million term loan were used to pay down the Revolver. Currently the $175.0 million term loan Million Term Loan bears interest at SOFR + 1.60%. The $175.0 million term loan is guaranteed by the Company and certain subsidiaries of the Company (Note 9).

On July 29, 2022, the The Operating Partnership entered into the has a $75.0 million term loan (the "$75.0 Million Term Loan"), with TD Bank, N.A. as administrative agent, which bears interest at a floating rate based on SOFR with margins based on leverage or credit rating, and which matures on July 29, 2029, and is guaranteed by the Trust and certain subsidiaries of the Trust (Note 9). Currently As of March 31, 2024, the $75.0 million term loan Million Term Loan bears interest at SOFR + 2.05 1.95%. The proceeds of the $75.0 million term loan were used to pay down the Revolver. The $75.0 million term loan is guaranteed by the Company and certain subsidiaries of the Company (Note 9).

The Company has entered into various swap agreements to effectively fix its interest costs on a portion of its Revolver and term loans (Note 8).

Unsecured Revolving Line of Credit

At September 30, 2023 and December 31, 2022, the Company had a total of $107.7 million and $131.7 million available under its Revolver, reflecting borrowings of $192.3 million and $168.3 million, respectively, and no letters of credit outstanding.

Mortgages and Other Notes Payable

During the nine three months ended September 30, 2023 March 31, 2024, the Company (amounts represent balances at the time of transactions):

- repaid a Core mortgage totaling $7.3 million at maturity;
- entered into a new Fund mortgage of $32.3 43.4 million in the third quarter; million;
- extended four two Fund mortgages two of which were extended in the first quarter totaling $58.0 million (excluding principal reductions of $0.2 million), and two of which were extended in the second quarter totaling $61.3 million;
- refinanced four Fund mortgages, three of which were refinanced in the second quarter totaling $78.4 million, and one of which was refinanced in the third quarter for $33.0 67.7 million; and

- made scheduled principal payments totaling $5.8 1.8 million.

At September 30, 2023 A portion of the Company's variable-rate mortgage debt has been effectively fixed through certain cash flow hedge transactions (Note 8).

As of both March 31, 2024 and December 31, 2022 December 31, 2023, the Company's mortgages were collateralized by 33 and 31properties respectively, and the related tenant leases. Certain loans are cross-collateralized and contain cross-default provisions. The loan agreements contain customary representations, covenants and events of default. Certain loan agreements require the Company to comply with affirmative and negative covenants, including the maintenance of debt service coverage and leverage ratios. The Operating Partnership has guaranteed up to $50.0 million related to the Fund II City Point mortgage loan (Note 9). A portion Company was in compliance with its debt covenants as of the Company's variable-rate mortgage debt has been effectively fixed through certain cash flow hedge transactions (Note 8) March 31, 2024.

Fund IV also has an outstanding balance and total available credit on its secured bridge facility of $39.2 36.2 million and $0.0 million, respectively, at September 30, 2023 as of both March 31, 2024 and December 31, 2022 December 31, 2023. The Operating Partnership has guaranteed up to $22.5 million of the Fund IV secured bridge facility (Note 9).

At September 30, 2023, a Fund V mortgage of $29.2 million, or $5.9 million at the Company's share, and the Fund IV secured bridge facility had not met their debt service coverage ratio requirements. The lenders may require a cash sweep of property rent or a principal paydown until these conditions are cured. As this is not an event of default, debt maturity is not accelerated, however, the Company is restricted from making any distributions under the loan.

On July 15, 2023, the 146 Geary Street, Fund IV non-recourse mortgage loan with an outstanding balance of $19.3 million, or $4.5 million at the Company's share, matured with no further extension options and was in default. The property securing the mortgage is a vacant building located in San Francisco, California. The loan accrued default interest at a rate of 4.00% per annum in excess of the interest rate of SOFR + 3.65%. On October 27, 2023, the Company completed the transfer of the property to its lender through a deed-in-lieu foreclosure (Note 16). The Company has recorded an impairment charge related to such loan default and transfer of the property (Note 8).

Unsecured Notes Payable

Unsecured notes payable at September 30, 2023 and December 31, 2022 are comprised of the following:

- The outstanding balance of the Term Loan was $400.0 million at each of September 30, 2023 and December 31, 2022.
- The outstanding balance of the $175.0 Million Term Loan was $175.0 million at each of September 30, 2023 and December 31, 2022.
- The outstanding balance of the $75.0 Million Term Loan was $75.0 million at each of September 30, 2023 and December 31, 2022.
- Fund II refinanced its City Point debt in the third quarter of 2022 (Note 10).
- Fund V has a $100.0 million subscription line collateralized by Fund V's unfunded capital commitments, and, to the extent of Acadia's capital commitments, is guaranteed by the Operating Partnership. On May 1, 2023, Fund V modified its subscription line and extended the maturity date to November 1, 2023. The outstanding balance and total available credit of the Fund V subscription line was $20.3 million and $72.7 million, respectively at September 30, 2023 reflecting outstanding letters of credit of $7.0 million. The outstanding balance and total available credit were $51.2 million and $41.8 million at December 31, 2022, respectively, reflecting outstanding letters of credit of $7.0 million.

Scheduled Debt Principal Payments

The scheduled principal repayments, without regard to available extension options (described further below), of the Company's consolidated indebtedness, as of September 30, 2023 March 31, 2024 are as follows (in thousands):

Year Ending December 31,		**Principal Repayments**
2023 (Remainder)	$ 135,007	
2024	252,759	
2024 (Remainder)		$ 222,787
2025	577,818	583,887
2026	436,727	454,398
2027	202,790	246,226
2028		130,959
Thereafter	227,168	96,206
	1,832,269	1,734,463
Unamortized premium	266	228
Net unamortized debt issuance costs	(12,449)	(11,012)
Total indebtedness	$ 1,820,086	$ 1,723,679

ACADIA REALTY TRUST AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The table above does not reflect available extension options (subject to customary conditions) on consolidated debt with balances as of September 30, 2023 March 31, 2024. The Company has debt balances of $20.3 40.1 million contractually due in the remainder 2024, $438.7 million due in 2025, $27.6 million due in 2026 and $69.4 million contractually due in 2027, all of 2023 for which the Company has available options to extend by up to six 12 months, and for some an additional 12 months. thereafter. However, there can be no assurance that the Company will be able to successfully execute any or all of its available extension options.

See Note 4 for information about liabilities of the Company's unconsolidated affiliates.

8. Financial Instruments and Fair Value Measurements

The fair value of an asset is defined as the exit price, which is the amount that would either be received when an asset is sold or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The guidance establishes a three-tier fair value hierarchy based on the inputs used in measuring fair value. These tiers are: Level 1, for which quoted market prices for identical instruments are available in active markets, such as money market funds, equity securities, and U.S. Treasury securities; Level 2, for which there are inputs other than quoted prices included within Level 1 that are observable for the instrument, such as certain derivative instruments including interest rate caps and interest rate swaps; and Level 3, for financial instruments or other assets/liabilities that do not fall into Level 1 or Level 2 and for which little or no market data exists, therefore requiring the Company to develop its own assumptions.

ACADIA REALTY TRUST AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Items Measured at Fair Value on a Recurring Basis

The methods and assumptions described below were used to estimate the fair value of each class of financial instrument. For significant Level 3 items, the Company has also provided the unobservable inputs.

Money Market Funds — The Company has money market funds, which at times have zero balances and are included in Cash and cash equivalents in the condensed consolidated balance sheets, and are comprised of government securities and/or U.S. Treasury bills. These funds were classified as Level 1 as the Company used quoted prices from active markets to determine their fair values.

Marketable Equity Securities — The Company has an investment in marketable equity securities of Albertsons, which has a readily determinable market value (traded on an exchange) and is being accounted for as a Level 1 investment. This investment (Note 4). The Company classifies its marketable equity was included in Marketable securities on the Consolidated Balance Sheets as available-for-sale in accordance with the FASB's Investments-Debt of March 31, 2024 and Equity Securities guidance. In accordance with ASC Topic 825 Financial Instruments: the Company recognizes changes in the fair value of equity investments with readily determinable fair values in net income. December 31, 2023.

Derivative Assets Financial Instruments — The Company has derivative assets, which are included in Other assets, net on the condensed consolidated balance sheets, Consolidated Balance Sheets, and are comprised of interest rate swaps and caps. The Company has derivative liabilities, which are included in Accounts payable and other liabilities on the Consolidated Balance Sheets and are comprised of interest rate swaps. The derivative instruments were measured at fair value using readily observable market inputs, such as quotations on interest rates, and were classified as Level 2 as these instruments are custom, over-the-counter contracts with various bank counterparties that are not traded in an active market. See "Derivative Financial Instruments," below.

Derivative Liabilities — The Company has derivative liabilities, which are included in Accounts payable and other liabilities on the condensed consolidated balance sheets, and are comprised of interest rate swaps. These derivative instruments were measured at fair value using readily observable market inputs, such as quotations on interest rates, and were classified as Level 2 because they are custom, over-the-counter contracts with various bank counterparties that are not traded in an active market. See "Derivative Financial Instruments," below.

The Company did not have any transfers into or out of Level 1, Level 2, and Level 3 measurements during the nine months ended September 30, 2023 or for the year ended December 31, 2022.

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis (in thousands):

	September 30, 2023			December 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Money market funds	$ —	$ —	$ —	$ —	$ —	$ —
Derivative financial instruments	—	74,479	—	—	54,902	—
Marketable equity securities	35,197	—	—	85,403	—	—
Liabilities						
Derivative financial instruments	—	—	—	—	(46)	—

	March 31, 2024			December 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Marketable equity securities	$ 27,274	$ —	$ —	$ 33,284	$ —	$ —
Derivative financial instruments	—	40,841	—	—	28,989	—
Liabilities						
Derivative financial instruments	—	(4,692)	—	—	(8,892)	—

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

The Company did not have any transfers into or out of Level 1, Level 2, and Level 3 measurements during the three months ended March 31, 2024, and 2023.

Marketable Equity Securities

During the three months ended September 30, 2023 March 31, 2024, the Company sold 100,000 175,000 shares of Albertsons, generating net proceeds of $2.4 4.0 million. As of September 30, 2023 March 31, 2024, the Company still held 1.5 1.3 million shares of Albertsons which had a fair value of $35.2 27.3 million.

During the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, the Company recognized dividend income from marketable securities of $0.2 million and $0.4 28.5 million, of which the Company's share was $0.2 million and $0.2 11.4 million, respectively. During the nine months ended September 30, 2023 and 2022, the Company recognized dividend income from marketable securities of $28.9 million and $1.4 million, of which the Company's share was $11.8 million and $0.4 million, respectively.

These amounts are included in Realized and unrealized holding (losses) gains on investments and other on the Company's condensed consolidated statements Condensed Consolidated Statements of operations. Operations.

The following table represents the realized and unrealized gain (loss) on marketable securities included in Realized and unrealized holding (losses) gains on investments and other on the Company's condensed consolidated statements Condensed Consolidated Statements of operations Operations (in thousands):

Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
2023	2022	2023	2022	2024	2023

Realized gain on marketable securities, net	$ 2,371	$ —	$ 2,371	$ —	$ 3,994	$ —
Less: previously recognized unrealized gains on marketable securities sold during the period	(2,371)	—	(2,371)	—	(3,994)	—
Unrealized gains on marketable securities still held at the end of the period and through the disposition date on marketable securities sold during the period	1,627	(7,671)	1,282	(21,947)		
Gain on Marketable securities, net	$ 1,627	$ (7,671)	$ 1,282	$ (21,947)		
Unrealized losses on marketable securities still held as of the end of the period and through the disposition date on marketable securities sold during the period					(2,015)	(2,059)
Loss on Marketable securities, net					$ (2,015)	$ (2,059)

Items Measured at Fair Value on a Nonrecurring Basis

Impairment Charges

During The Company did not recognize any impairments during the nine three months ended September 30, 2023 March 31, 2024, and 2023.

Redeemable Noncontrolling Interests

The Company has redeemable noncontrolling interests related to certain properties. The Company is required to periodically review these redeemable noncontrolling interests to in order to compare the Company reduced its holding period and intended use at a property as a result of a loan in maturity default and deed-in-lieu foreclosure (redemption value to the carrying value. See Note 7 10, Note 16). During 2022, the Company reduced its holding period and intended use, and projected operating income at certain properties. As a result, several impairments were recorded. Impairment charges for the periods presented are as follows (in thousands):

Property and Location	Owner	Triggering Event	Effective Date	Impairment Charge (a) Total	Impairment Charge (a) Acadia's Share
2023 Impairment Charges					
146 Geary Street, San Francisco, CA	Fund IV	Reduced holding period (Note 7)	Sept 30, 2023	**$ 3,686**	**$ 852**
2022 Impairment Charges					
146 Geary Street, San Francisco, CA	Fund IV	Reduced projected operating income	Sept 30, 2022	$ 12,435	$ 2,875
717 N. Michigan Avenue, Chicago, IL	Fund IV	Reduced holding period and intended use	Sept 30, 2022	20,876	4,827
Total 2022 Impairment Charges				**$ 33,311**	**$ 7,702**

(a) The fair value of 717 N. Michigan Avenue was based on an observable contract to sell the asset, less estimated costs to sell. The Company estimated the fair value of 146 Geary Street based on a discounted cash flow analysis using a range of discount rates from 5.00% to 7.75% and a range of capitalization rates from 4.25% to 5.75%. As significant inputs to the models are unobservable, the Company determined that the value determined for further discussion regarding these properties falls within Level 3 of the fair value reporting hierarchy.

interests.

Derivative Financial Instruments

The Company had the following interest rate swaps and caps for the periods presented (dollars (information is as of March 31, 2024, unless otherwise noted, and dollars in thousands):

Derivative Instrument	Aggregate Notional Amount	Effective Date	Maturity Date	Strike Rate Low		Strike Rate High	Balance Sheet Location	Fair Value September 30, 2023	Fair Value December 31, 2022	Aggregate Notional Amount	Effective Date	Maturity Date	Strike Rate Low		Strike Rate High	Balance Sheet Location	Fair Value March 31, 2024	Fair Value December 31, 2023
Core																		
Interest Rate Swaps	$ —						Other Liabilities	$ —	$ (46)	$ 175,000	Oct 2023	Jul 2027 - Jul 2029	4.59%	—	4.69%	Accounts payable and other liabilities	$ (4,692)	$ (8,807)
Interest Rate Swaps	856,000	May 2022 - May 2023	Mar 2025 - Jul 2030	1.98%	—	3.61%	Other Assets	60,367	40,884	681,000	May 2022 - May 2023	Mar 2025 - Jul 2030	1.98%	—	3.61%	Other Assets	33,440	22,675
	$ 856,000							$ 60,367	$ 40,838	$ 856,000							$ 28,748	$ 13,868
Fund II																		

Interest Rate Swap	$ 50,000	Jan 2023	Dec 2029	3.23%	—	3.23%	Other Assets	$ 2,678	$ 1,108	$ 50,000	Jan 2023	Dec 2029	3.23% — 3.23%	Other Assets	$ 1,631	$ 634
Fund III																
Interest Rate Cap	$ 33,000	Sep 2023	Oct 2025	5.50%	—	5.50%	Other Assets	$ 149	$ 232	$ 33,000	Sep 2023	Oct 2025	5.50% — 5.50%	Other Assets	$ 25	$ 26
Fund IV																
Interest Rate Cap	$ 57,000	Dec 2022	Dec 2023	3.00%	—	3.00%	Other Assets	$ 255	$ 1,093	$ 54,500	Dec 2023	Dec 2025	6.00% — 6.00%	Other Assets	$ 28	$ 29
Fund V																
Interest Rate Swaps	$ 344,890	Apr 2022 - Jul 2023	Mar 2024 - Dec 2027	1.14%	—	4.54%	Other Assets	$ 10,555	$ 11,585	$ 342,940	Apr 2022 - Mar 2024	Sep 2024- Dec 2027	1.14% — 4.49%	Other Assets	$ 5,445	$ 5,523

Interest Rate Caps	72,588	Jan 2023 - Aug 2023	Jan 2024 - Sep 2025	3.64% — 5.00%	Other Assets	475	—	72,307	Aug 2023 - Feb 2024	Jan 2025 - Sep 2025	4.50% — 5.00%	Other Assets	272	102
Interest Rate Swaps								—				Accounts payable and other liabilities	—	(85)
	$ 417,478					$ 11,030	$ 11,558	$ 415,247					$ 5,717	$ 5,540
Total asset derivatives	Total asset derivatives					$ 74,479	$ 54,902	Total asset derivatives					$ 40,841	$ 28,989
Total liability derivatives	Total liability derivatives					$ —	$ (46)	Total liability derivatives					$ (4,692)	$ (8,892)

All of the Company's derivative instruments have been designated as cash flow hedges and hedge the future cash outflows on variable-rate debt (Note 7). It is estimated that approximately $32.4 24.7 million included in Accumulated other comprehensive income related to derivatives will be reclassified as a reduction to interest expense within the next twelve months. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, no derivatives were designated as fair value hedges or hedges of net investments in foreign operations. Additionally, the Company does not use derivatives for trading or speculative purposes and currently does not have any derivatives that are not designated hedges.

Risk Management Objective of Using Derivatives

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company manages economic risks, including interest rate, liquidity and credit risk, primarily by managing the amount, sources and duration of its debt funding and, from time to time, through the use of derivative financial instruments. The Company enters into derivative financial instruments to manage exposures that result in the receipt or payment of future known and uncertain cash amounts, the values of which are determined by interest rates. The Company's derivative financial instruments are used to manage differences in the amount, timing and duration of the Company's known or expected cash receipts and its known or expected cash payments principally related to the Company's investments and borrowings.

The Company is exposed to credit risk in the event of non-performance by the counterparties to the swaps if the derivative position has a positive balance. The Company believes it mitigates its credit risk by entering into swaps with major financial institutions. The Company continually monitors and actively manages interest costs on its variable-rate debt portfolio and may enter into additional interest rate swap positions or other derivative interest rate instruments based on market conditions.

Credit Risk-Related Contingent Features

The Company has agreements with each of its swap counterparties that contain a provision whereby if the Company defaults on certain of its unsecured indebtedness, the Company could also be declared in default on its swaps, resulting in an acceleration of payment under the swaps.

Other Financial Instruments

The Company's other financial instruments had the following carrying values and fair values as of the dates shown (dollars in thousands, inclusive of amounts attributable to noncontrolling interests where applicable):

		September 30, 2023		December 31, 2022			March 31, 2024		December 31, 2023	
	Level	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value	Level	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Notes Receivable (a)	3	$ 123,813	$ 121,976	$ 123,903	$ 122,716	3	$ 118,877	$ 118,577	$ 124,949	$ 124,789
City Point Loan (a)	3	66,741	65,209	65,945	65,856	3	66,741	65,306	66,741	66,017
Mortgage and Other Notes Payable (a)	3	969,716	949,550	935,917	906,348	3	969,776	953,467	937,200	921,563
Investment in non-traded equity securities (b)	3	4,242	4,784	4,160	5,593	3	4,358	4,358	4,398	4,702
Unsecured notes payable and Unsecured line of credit (c)	2	862,553	860,069	869,497	868,399	2	764,687	757,603	943,887	937,153

(a) The Company determined the estimated fair value of these financial instruments using a discounted cash flow model with rates that take into account the credit of the borrower or tenant, where applicable, and changes in interest rates. The Company also considered the value of the underlying collateral, taking into account the quality of the collateral, the credit quality of the borrower, the time until maturity and the current market interest rate environment. Amounts exclude discounts and loan costs. The estimated market rates are between 6.06 5.24% to 14.74 14.69% for the Company's notes receivable and City Point Loan, and 6.07 6.22% to 10.72 9.82% for the Company's mortgage and other notes payable, depending on the attributes of the specific loans.

(b) Represents Includes the Operating Partnership's cost-method investment in Fifth Wall (Note 4).

(c) The Company determined the estimated fair value of the unsecured notes payable and unsecured line of credit using quoted market prices in an open market with limited trading volume where avai cases where there was no trading volume, the Company determined the estimated fair value using a discounted cash flow model using a rate that reflects the average yield of similar market participants.

The Company's cash and cash equivalents, restricted cash, rents receivable, accounts payable and certain financial instruments (classified as Level 1) included in other assets and other liabilities had fair values that approximated their carrying values due to their short maturity profiles at September 30, 2023 as of March 31, 2024 and December 31, 2023.

9. Commitments and Contingencies

The Company is involved in various matters of litigation arising out of, or incidental to, its business. While the Company is unable to predict with certainty the outcome of any particular matter, management does not expect, when such litigation is resolved, that the Company's resulting exposure to loss contingencies, if any, will have a material adverse effect on its consolidated financial position or results of operations.

Commitments and Guaranties

From time to time, the Company (or ventures in which the Company has an ownership interest) has agreed, and may in the future agree, to guarantee portions of the principal, interest and other amounts in connection with their borrowings, provide customary environmental indemnifications and nonrecourse carve-outs (e.g., guarantees against fraud, misrepresentation and bankruptcy) in connection with their borrowings and provide guarantees to lenders, tenants and other third parties for the completion of development projects.

With respect to borrowings of our consolidated entities, the Company and certain subsidiaries of the Company have guaranteed $72.5 million of principal payment guarantees on various property mortgage loans and the Fund IV secured bridge facility (Note 7, Note 15). As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, no amounts related to the guarantees were recorded as liabilities in the Company's condensed consolidated financial statements. At September 30, 2023 and December 31, 2022 As of March 31, 2024, the Company had no Core or Fund letters of credit outstanding, and as of December 31, 2023, the Company had no Core letters of credit and Fund letters of credit outstanding of $7.0 2.0 million (Note 7). million. The Company has not recorded any obligation associated with these letters of credit. The majority of the letters of credit are collateral for existing indebtedness and other obligations of the Company.

Additionally, in connection with the refinancing of the La Frontera Village mortgage loan of $57.0 million, which is collateralized by the investment property, Fund V guaranteed the joint venture's obligation under the loan. Fund V earned a fee from the joint venture for providing the guarantee. As of September 30, 2023 March 31, 2024, $0.2 million related to the guarantee was recorded as a liability in the Company's condensed consolidated financial statements. The Company has $0.5 million remaining of a $12.8 million construction loan commitment related to its investment in 1238 Wisconsin as of September 30, 2023 statements (Note 4).

In conjunction with the development and expansion of various properties, the Company has entered into agreements with general contractors for the construction or development of properties aggregating approximately $16.0 14.5 million and $11.7 15.8 million, of which the Company's share is $10.7 11.8 million and $9.2 12.5 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. The Company has committed client-related obligations for tenant improvements based on executed leases aggregating approximately $21.7 million and $25.7 million, of which the Company's share is $11.6 million and $14.6 million, as of March 31, 2024 and December 31, 2023, respectively. The timing and amounts of payments for tenant-related obligations are uncertain and may only be due upon satisfactory performance of certain conditions.

 Forfeiture of Deposits

The Company entered into a purchase and sale agreement (together with subsequent amendments thereto) to sell its West Shore Expressway property in the Core Portfolio. At the request of the former potential buyer, the Company extended the closing date numerous times in exchange for additional non-refundable deposits and contributions towards the carrying costs of the property. The agreement terminated and expired by its terms in August 2023, and the deposit was forfeited to an affiliate of the Company, when, among other things, the former potential buyer failed to close on the property pursuant to the terms of the agreement. During the third quarter of 2023, the former potential buyer filed for Chapter 11 bankruptcy, which bankruptcy was dismissed during the fourth quarter, and as of March 31, 2024 is no longer subject to appeal. The Company recorded income of $3.5 million in Other revenues on the Condensed Consolidated Statements of Income for the three months ended March 31, 2024, related to the forfeiture of the non-refundable payments.

Insurance Coverage

We carry insurance coverage on our properties of different types and in amounts with deductibles that we believe are in line with coverage customarily obtained by owners of similar properties.

---

10. Shareholders' Equity, Noncontrolling Interests and Other Comprehensive Loss

Common Shares and Units

In January 2024, the Company completed an underwritten offering of 6,900,000 Common Shares (inclusive of the underwriters' option to purchase 900,000 additional shares) for net proceeds of $113.0 million.

In addition to the ATM Program activity discussed below, the Company completed the following transactions in its Common Shares during the nine three months ended September 30, 2023 March 31, 2024:

- The Company withheld 3,251 3,410 shares of its restricted Common Shares ("Restricted Shares") to pay the employees' statutory minimum income taxes due on the value of the portion of their Restricted Shares that vested.
- The Company recognized Common Share and Common OP Unit-based compensation expense totaling $2.1 million in connection with Restricted Shares and Common OP Units ("Restricted Units") (Note 13) totaling $2.3 million and $1.9 million for the three months ended September 30, 2023 and 2022, respectively, and $6.9 million and $5.1 million for the nine months ended September 30, 2023 and 2022, respectively. .

ATM Program

The Company has an at-the-market equity issuance program ("ATM Program") that provides the Company with an efficient vehicle for raising public equity capital to fund its needs. The Company entered into its current $250.0 million ATM Program, which includes an optional "forward sale" component, in the first quarter of 2022. The Company sold 5,150,832 Common Shares under its ATM Program during the three months ended March 31, 2022 generating had approximately $115.6 220.9 million of gross proceeds and $111.5 million availability under the ATM program as of net proceeds after related issuance costs at a weighted-average price per share of $22.44 and $21.65, respectively. No such sales were made during the nine months ended September 30, 2023 March 31, 2024. The Company did not sell or issue any Common Shares on a forward basis for the nine three months ended September 30, 2023 March 31, 2024 or 2023. The Company sold 87,139 Common Shares under its ATM Program during the year three months ended December 31, 2022, and at September 30, 2023 had approximately March 31, 2024 generating $222.3 1.5 million of availability under net proceeds after related issuance costs. No such sales were made during the ATM program. three months ended March 31, 2023.

Share Repurchase Program

During 2018, the Company's board of trustees (the "Board") approved a new share repurchase program, which authorizes management, at its discretion, to repurchase up to $200.0 million of its outstanding Common Shares. The program does not obligate the Company to repurchase any specific number of Common Shares and may be discontinued or extended at any time. The Company did not repurchase any shares during the nine three months ended September 30, 2023 March 31, 2024 or 2022. 2023. Under the share repurchase program $122.5 million remains available as of September 30, 2023 March 31, 2024.

Dividends and Distributions

On February 28, 2024, the Company declared the first quarter 2024 dividend of $0.18 per Common Share for holders of record as of March 28, 2024. The following table sets forth Company paid the distributions declared and/or paid during the periods presented: first quarter dividend on April 15, 2024.

Date Declared	Amount Per Share		Record Date	Payment Date
February 15, 2022	$	0.18	March 31, 2022	April 14, 2022
May 4, 2022	$	0.18	June 30, 2022	July 15, 2022
August 10, 2022	$	0.18	September 30, 2022	October 14, 2022
November 9, 2022	$	0.18	December 30, 2022	January 13, 2023
January 17, 2023	$	0.18	March 31, 2023	April 14, 2023
May 3, 2023	$	0.18	June 30, 2023	July 14, 2023
August 9, 2023	$	0.18	September 29, 2023	October 13, 2023

Accumulated Other Comprehensive Income (Loss)

The following tables set forth the activity in accumulated other comprehensive income (loss) for the three and nine months ended September 30, 2023 and 2022 (in thousands):

	Acadia's Share
Balance at July 1, 2023	**$ 49,855**
Other comprehensive income before reclassifications - swap agreements	26,763
Reclassification of realized interest on swap agreements	(9,478)
Net current period other comprehensive income	17,285
Net current period other comprehensive income attributable to noncontrolling interests	(1,580)
Balance at September 30, 2023	**$ 65,560**
Balance at July 1, 2022	**$ 11,240**
Other comprehensive income before reclassifications - swap agreements	44,114
Reclassification of realized interest on swap agreements	1,518
Net current period other comprehensive income	45,632
Net current period other comprehensive income attributable to noncontrolling interests	(7,188)
Balance at September 30, 2022	**$ 49,684**

	Acadia's Share
Balance at January 1, 2023	**$ 46,817**
Other comprehensive income before reclassifications - swap agreements	45,034
Reclassification of realized interest on swap agreements	(24,293)
Net current period other comprehensive income	20,741
Net current period other comprehensive income attributable to noncontrolling interests	(1,998)
Balance at September 30, 2023	**$ 65,560**
Balance at January 1, 2022	**$ (36,214)**
Other comprehensive income before reclassifications - swap agreements	96,899
Reclassification of realized interest on swap agreements	10,778
Net current period other comprehensive income	107,677
Net current period other comprehensive income attributable to noncontrolling interests	(21,779)
Balance at September 30, 2022	**$ 49,684**

Noncontrolling Interests

The following tables summarize the change in the noncontrolling interests for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 (dollars in thousands) thousands, except per unit data):

	Noncontrolling Interests in Operating Partnership (a)	Noncontrolling Interests in Partially-Owned Affiliates (b)	Total	Redeemable Noncontrolling Interests (c)
Balance at July 1, 2023	**$ 103,813**	**$ 348,624**	**$ 452,437**	**$ 59,833**

Distributions declared of $0.18 per Common OP Unit and distributions on Preferred OP Units	(1,338)	—	(1,338)	
Net income (loss) for the three months ended September 30, 2023	79	(12,426)	(12,347)	(2,495)
Conversion of 10,828 Common OP Units to Common Shares by limited partners of the Operating Partnership	(182)	—	(182)	—
Other comprehensive income - unrealized gain on valuation of swap agreements	950	4,212	5,162	—
Reclassification of realized interest expense on swap agreements	(56)	(3,526)	(3,582)	—
City Point Loan accrued interest	—	—	—	(2,332)
Capital call receivable	—	(16,300)	(16,300)	—
Noncontrolling interest contributions	—	16,600	16,600	315
Noncontrolling interest distributions	—	(1,754)	(1,754)	(37)
Employee Long-term Incentive Plan Unit Awards	2,353	—	2,353	—
Reallocation of noncontrolling interests (d)	(2,039)	—	(2,039)	—
Balance at September 30, 2023	**$ 103,580**	**$ 335,430**	**$ 439,010**	**$ 55,284**
Balance at July 1, 2022	**$ 103,068**	**$ 567,538**	**$ 670,606**	**$ —**
Distributions declared of $0.18 per Common OP Unit and distributions on Preferred OP Units	(1,276)	—	(1,276)	—
Net loss for the three months ended September 30, 2022	(2,958)	(27,503)	(30,461)	(3,193)
Conversion of 20,000 Common OP Units to Common Shares by limited partners of the Operating Partnership	(333)	—	(333)	—
Other comprehensive income - unrealized gain on valuation of swap agreements	2,145	4,877	7,022	—
Reclassification of realized interest expense on swap agreements	5	161	166	—
Acquisition of noncontrolling interest (e)	—	(50,435)	(50,435)	—
City Point Loan	—	—	—	(65,405)
City Point Loan accrued interest	—	—	—	(1,564)
Noncontrolling interest contributions	—	9,572	9,572	65,945
Noncontrolling interest distributions	—	(24,632)	(24,632)	—
Employee Long-term Incentive Plan Unit Awards	1,997	—	1,997	—
Reclassification of redeemable noncontrolling interests(f)	-	(76,569)	(76,569)	76,569
Reallocation of noncontrolling interests (d)	644	—	644	—
Balance at September 30, 2022	**$ 103,292**	**$ 403,009**	**$ 506,301**	**$ 72,352**

	Noncontrolling Interests in Operating Partnership (a)	Noncontrolling Interests in Partially-Owned Affiliates (b)	Total	Redeemable Noncontrolling Interests (c)	Noncontrolling Interests in Operating Partnership (a)	Noncontrolling Interests in Partially-Owned Affiliates (b)	Total	Redeemable Noncontrolling Interests (c)
Balance at January 1, 2023	**$ 99,554**	**$ 389,810**	**$ 489,364**	**$ 67,664**				

Distributions declared of $0.54 per Common OP Unit and distributions on Preferred OP Units	(4,022)	—	(4,022)	—				
Net income (loss) for the nine months ended September 30, 2023	1,693	(8,756)	(7,063)	(5,661)				
Conversion of 102,261 Common OP Units to Common Shares by limited partners of the Operating Partnership	(1,715)	—	(1,715)	—				
Balance as of January 1, 2024					**$ 99,718**	**$ 346,582**	**$ 446,300**	**$ 50,339**
Distributions declared of $0.18 per Common OP Unit and distributions on Preferred OP Units					(1,453)	—	(1,453)	
Net income (loss) for the three months ended March 31, 2024					326	(7,898)	(7,572)	(2,554)
Conversion of 795,145 Common OP Units to Common Shares by limited partners of the Operating Partnership					(12,913)	—	(12,913)	—
Other comprehensive income - unrealized gain on valuation of swap agreements	1,205	10,732	11,937	—	859	5,378	6,237	—
Reclassification of realized interest expense on swap agreements	(155)	(9,784)	(9,939)	—	(54)	(3,697)	(3,751)	—
City Point Loan	—	—	—	(796)				
City Point Loan accrued interest	—	—	—	(6,995)	—	—	—	(2,323)
Capital call receivable	—	(16,300)	(16,300)	—	—	(6,153)	(6,153)	—
Noncontrolling interest contributions	—	47,842	47,842	1,110	—	43,709	43,709	—
Noncontrolling interest distributions	—	(78,114)	(78,114)	(38)	—	(5,459)	(5,459)	—
Employee Long-term Incentive Plan Unit Awards	8,719	—	8,719	—	4,043	—	4,043	—
Reallocation of noncontrolling interests (d)	(1,699)	—	(1,699)	—	2,181	—	2,181	—
Balance at September 30, 2023	**$ 103,580**	**$ 335,430**	**$ 439,010**	**$ 55,284**				
Balance as of March 31, 2024					**$ 92,707**	**$ 372,462**	**$ 465,169**	**$ 45,462**
Balance at January 1, 2022	**$ 94,120**	**$ 534,202**	**$ 628,322**	**$ —**				
Distributions declared of $0.54 per Common OP Unit and distributions on Preferred OP Units	(3,846)	—	(3,846)	—				

Net loss for the nine months ended September 30, 2022	(1,686)	(16,967)	(18,653)	(3,193)				
Conversion of 71,307 Common OP Units to Common Shares by limited partners of the Operating Partnership	(1,147)	—	(1,147)	—				
Balance as of January 1, 2023					**$ 99,554**	**$ 389,810**	**$ 489,364**	**$ 67,664**
Distributions declared of $0.18 per Common OP Unit and distributions on Preferred OP Units					(1,343)	—	(1,343)	—
Net income (loss) for the three months ended March 31, 2023					917	9,800	10,717	(2,075)
Conversion of 37,393 Common OP Units to Common Shares by limited partners of the Operating Partnership					(631)	—	(631)	—
Other comprehensive income - unrealized gain on valuation of swap agreements	4,780	13,840	18,620	—	(914)	(1,347)	(2,261)	—
Reclassification of realized interest expense on swap agreements	80	3,079	3,159	—	(45)	(2,675)	(2,720)	—
Acquisition of noncontrolling interest (e)	—	(91,811)	(91,811)	—				
City Point Loan	—	—	—	(65,405)				
City Point Loan accrued interest	—	—	—	(1,564)	—	—	—	(2,320)
Noncontrolling interest contributions	—	109,422	109,422	65,945	—	31,242	31,242	—
Noncontrolling interest distributions	—	(72,187)	(72,187)	—	—	(70,868)	(70,868)	—
Employee Long-term Incentive Plan Unit Awards	7,669	—	7,669	—	3,897	—	3,897	—
Reclassification of redeemable noncontrolling interests (f)	—	(76,569)	(76,569)	76,569				
Reallocation of noncontrolling interests (d)	3,322	—	3,322	—	1,784	—	1,784	—
Balance at September 30, 2022	**$ 103,292**	**$ 403,009**	**$ 506,301**	**$ 72,352**				
Balance as of March 31, 2023					**$ 103,219**	**$ 355,962**	**$ 459,181**	**$ 63,269**

(a) Noncontrolling interests in the Operating Partnership are comprised of (i) the limited partners' 2,864,074 2,219,958 and 3,062,108 2,864,074 Common OP Units at September 30, 2023 as of March 31, 2024 and 2022, 2023, respectively; (ii) 188 Series A Preferred OP Units at each as of September 30, 2023 both March 31, 2024 and 2022; 2023; (iii) 126,384 and 126,593 126,384 Series C Preferred OP Units at September 30, 2023 as of March 31, 2024 and 2022, 2023, respectively; and (iv) 4,287,550 4,749,661 and 3,666,989 4,313,047 LTIP units at September 30, 2023 as of March 31, 2024 and 2022, 2023, respectively, as discussed in the Amended and Restated 2020 Plan (Note 13). Distributions declared for Preferred OP Units are reflected in net income (loss) in the table above.

(b) Noncontrolling interests in partially-owned affiliates comprise third-party interests in Funds II, III, IV and V, and Mervyns II, and seven other subsidiaries.

(c) Redeemable noncontrolling interests comprise third-party interests that have been granted put rights, as further described below.

(d) Adjustment reflects the difference between the fair value of the consideration received or paid and the book value of the Common Shares, Common OP Units, Preferred OP Units, and LTIP Units i changes in ownership.

(e) Represents the acquisition of the 11.67% noncontrolling interest in Fund II and Mervyns II acquired on June 27, 2022 for $18.5 million and of a 21.67% interest in Fund II on August 1, 2022 for $5.8 million (Note 1).

(f)

Represents the reclassification of redeemable noncontrolling interests related to the City Point Loan in the third quarter of 2022.

Redeemable Noncontrolling Interests

Williamsburg Portfolio

In connection with the Williamsburg Portfolio acquisition in February 2022, the venture partner has a one-time right to put its 50.01% interest in the property to the Company for redemption at fair value at a future date ("Williamsburg NCI"). As it was unlikely as of the acquisition date that the venture partner would receive any consideration on redemption due to the Company's preferential returns, the initial fair value of the Williamsburg NCI was determined to be zero. As of March 31, 2024, the Company determined there was no change in the fair value of the Williamsburg NCI.

City Point Loan

In August 2022, the Company provided a loan to other Fund II investors in City Point to fund the investors' pro rata contribution necessary to complete the refinancing of the City Point debt, of which $65.9 million was funded at closing ("City Point Loan"). The City Point Loan is collateralized by the investors' equity in City Point ("City Point NCI"). The City Point Loan, net of a $0.7 million allowance for credit loss as of March 31, 2024, is presented as a reduction of the City Point NCI balance. In connection with the City Point Loan, each partner has a one-time right to put its City Point NCI to the Company for redemption in exchange for the settlement of its proportion of the City Point Loan amount. As of March 31, 2024, the Company determined that the carrying value of the City Point NCI exceeded the maximum redemption value and no adjustment was required.

8833 Beverly Boulevard

In July 2023, the Company entered into a limited partnership agreement to own and operate the 8833 Beverly Boulevard property. Following the formation of the partnership, the Company retained a 97.0% controlling interest. At a future point in time, either party may elect a buy-out right, where either the Company may purchase the venture partner's interest, or the venture partner may sell its 3.0% interest in the partnership (the "8833 Beverly NCI") to the Company for fair value. As a result of these redemption rights, the 8833 Beverly NCI was initially recorded at fair value. As of March 31, 2024, the redemption value of the 8833 Beverly NCI was $0.1 million. As of March 31, 2024, the Company determined that the carrying value exceeded the maximum redemption value and no adjustment was required.

Preferred OP Units

There were no issuances of Preferred OP Units during the nine months ended September 30, 2023 or the year ended December 31, 2022.

In 1999, the Operating Partnership issued 1,580 Series A Preferred OP Units in connection with the acquisition of a property, which have a stated value of $1,000 per unit, and are entitled to a preferred quarterly distribution of the greater of (i) $22.50 (9% annually) per Series A Preferred OP Unit or (ii) the quarterly distribution attributable to a Series A Preferred OP Unit if such unit was converted into a Common OP Unit. Through September 30, 2023, 1,392 Series A Preferred OP Units were converted into 185,600 Common OP Units and then into Common Shares. The 188 remaining Series A Preferred OP Units are currently convertible into Common OP Units based on the stated value divided by $7.50. Either the Company or the holders can currently call for the conversion of the Series A Preferred OP Units at the lesser of $7.50 or the market price of the Common Shares as of the conversion date.

During 2016, the Operating Partnership issued 442,478 Common OP Units and 141,593 Series C Preferred OP Units to a third party to acquire Gotham Plaza (Note 4). The Series C Preferred OP Units have a value of $100.00 per unit and are entitled to a preferred quarterly distribution of $0.9375 per unit and are convertible into Common OP Units at a rate based on the share price at the time of conversion. If the share price is below $28.80 on the conversion date, each Series C Preferred OP Unit will be convertible into 3.4722 Common OP Units. If the share price is between $28.80 and $35.20 on the conversion date, each Series C Preferred OP Unit will be convertible into a number of Common OP Units equal to $100.00 divided by the closing share price. If the share price is above $35.20 on the conversion date, each Series C Preferred OP Unit will be convertible into 2.8409 Common OP Units. The Series C Preferred OP Units have a mandatory conversion date of December 31, 2025, at which time all units that have not been converted will automatically be converted into Common OP Units based on the same calculations. Through September 30, 2023 March 31, 2024, 15,209 Series C Preferred OP Units were converted into 52,613 Common OP Units and then into Common Shares.

Redeemable Noncontrolling Interests In 1999, the Operating Partnership issued

Williamsburg Portfolio 1,580

In Series A Preferred OP Units in connection with the Williamsburg Portfolio acquisition in February 2022 of a property, which have a stated value of $1,000 per unit, and are entitled to a preferred quarterly distribution of the greater of (i) $22.50 (Note 2 9) % annually) per Series A Preferred OP Unit or (ii) the quarterly distribution attributable to a Series A Preferred OP Unit if such unit was converted into a Common OP Unit. Through March 31, 2024,1,392 Series A Preferred OP Units were converted into 185,600 Common OP Units and then into Common Shares. The 188 remaining Series A Preferred OP Units are currently convertible into Common OP Units based on the stated value divided by $7.50. Either the Company evaluated or the Williamsburg Noncontrolling Interest ("NCI"), which represents holders can currently call for the venture partner's one-time right to put its 50.01% interest in conversion of the property to Series A Preferred OP Units at the Company for redemption at fair value at a future date. As it was unlikely lesser of $7.50 or the market price of the Common Shares as of the acquisition date that the venture partner would receive any consideration on redemption due to the Company's preferential returns, the initial fair value of the Williamsburg NCI was determined to be zero. The Company is required to periodically evaluate the NCI and adjust it to redemption value. At September 30, 2023 and December 31, 2022, the Company determined that the fair value of the Williamsburg NCI was zero. conversion date.

City Point Loan 27

In August 2022, the Company provided a loan, through a separate lending subsidiary, to other Fund II investors in City Point, through a separate borrower subsidiary, to fund the investors' pro rata contribution necessary to complete the refinancing of the City Point debt (Note 7), of which $65.9 million was funded at closing ("City Point Loan"). The City Point Loan has a five-year term which matures on August 1, 2027 and is collateralized by the investors' equity in City Point ("City Point NCI"). Because the City Point Loan was granted in return for a capital contribution from the investors, and is collateralized by the City Point NCI, the City Point Loan, net of a $0.5 million allowance for credit loss, and accrued interest are presented as a reduction of the City Point NCI balance. The borrower subsidiary of the City Point Loan was determined to be a VIE for which the Company is not the primary beneficiary. The maximum loss in the VIE is limited to the amount of the City Point Loan and any accrued interest.

In connection with the City Point Loan, each partner has a one-time right to put its City Point NCI to the Company for redemption in exchange for the settlement of its proportion of the City Point Loan amount plus either (i) a fixed cash amount or (ii) a cash amount equal to the value of fixed number of Common Shares of the Company on the trading day prior to the election, which began in August 2023 ("redemption value"). As a result of granting these redemption rights, the City Point NCI, net of the City Point Loan, has been reclassified and presented as redeemable noncontrolling interests on the Company's condensed consolidated balance sheets. Given the carrying value of the City Point NCI at the time of the transaction exceeded the maximum redemption value, the Company did not recognize any initial adjustment to accrete the City Point NCI to the redemption value. The Company is required to periodically evaluate the maximum redemption amount of the NCI interest and recognize an increase in the carrying value of the City Point NCI if the redemption value exceeds the then current carrying value. At September 30, 2023 and December 31, 2022, the Company determined that the carrying value exceeded the maximum redemption value and no adjustment was required.

8833 Beverly Boulevard

In July 2023, the Company entered into a limited partnership agreement to own and operate the 8833 Beverly Boulevard property, which agreement was effective retroactively as of the date the Company acquired the property in March 2022. Following the formation of the partnership, the Company retained a 97.0% controlling interest. At a future point in time, subject to certain criteria, either party may elect a buy-out right, where either the Company may purchase the venture partner's interest or the venture partner may sell its 3.0% interest in the partnership (the "8833 Beverly NCI") to the Company for fair value. As a result of these redemption rights, the 8833 Beverly NCI was initially recorded at fair value and presented as redeemable noncontrolling interests in the Company's condensed consolidated balance sheets. At September 30, 2023, the redemption value of the 8833 Beverly NCI was $0.3 million. On a quarterly basis, the Company will recognize changes in the redemption value as an adjustment to the carrying amount of the redeemable 8833 Beverly NCI.

11. Leases

As Lessor

The Company is engaged has approximately 1,000 leases in the operation leasing of shopping centers and other retail properties that are either owned or, with respect to certain shopping centers, operated leased under long-term ground leases (see below) that expire at various dates through December 31, 2121, with renewal options. Certain leases may allow for the tenants to terminate the leases before the expiration of the lease term. Space in the shopping centers properties is leased to tenants pursuant to agreements that generally provide for terms ranging generally from one month to sixty years and generally provide for additional rents based on certain operating expenses as well as tenants' sales volumes. In addition to the lease-specific collectability assessment, the Company also recognizes a general allowance based on the Company's historical collection experience, for its portfolio of operating lease receivables which are not expected to be fully collectible. During the nine months ended September 30, 2023 and 2022, the Company earned $45.8 million and $44.3 million, respectively in variable lease revenues, primarily for real estate taxes and common area maintenance charges, which are included in rental income in the condensed consolidated statements of operations.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) follows (in thousands):

Reserve Analysis

The Company estimates the collectability components of its accrued rent and accounts receivable balances related to lease revenue. Management exercises judgment in assessing collectability and considers customer creditworthiness, assessment of risk associated with the tenant, and current economic trends, among other factors. If the Company determines that the accrued rent and/or accounts receivable balances rental revenue are no longer probable of collection then the balances are written-off and the lease is recognized on a cash basis. During the three months ended September 30, 2023 and 2022, the Company recorded a decrease in its general allowance for credit losses of $0.1 million and an increase of $0.4 million, respectively. During the nine months ended September 30, 2023 and 2022, the Company recorded a decrease in its general allowance for credit losses of $1.2 million and an increase of $1.5 million, respectively. As of September 30, 2023 and December 31, 2022, the Company had a general allowance of $4.2 million and $5.4 million, respectively.

During the nine months ended September 30, 2023, Fund II received $2.0 million, or $1.1 million at the Company's share, of proceeds from the Century 21 Department Stores LLC bankruptcy claim. The proceeds are recorded in Other income on the Company's condensed consolidated financial statements.

As Lessee

During the nine months ended September 30, 2023, the Company:

- modified its master lease at 565 Broadway within the Core Portfolio and extended the lease term for 43 years until December 31, 2121 for an additional payment of $4.0 million to be paid over the lease term. As a result, the transaction was accounted for as a lease modification which resulted in a change in lease classification per ASC 842 from Right-of-use-asset – operating lease to a Right-of-use-asset – finance lease. The Company recorded an additional Right-of-use asset – finance lease and corresponding Lease liability-finance lease of $3.8 million.
- acquired four ground leases as part of the Fund V acquisition of Cypress Creek in July 2023 (Note 2), and recorded a Right-of-use-asset – finance lease of $25.3 million and a Lease liability – finance lease of $22.1 million as the present value of the sum of the lease payments exceeded substantially all of the fair value of the underlying assets.

Additional disclosures regarding the Company's leases as lessee are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Lease Cost				
Finance lease cost:				
Amortization of right-of-use assets	$ 332	226	$ 783	$ 677
Interest on lease liabilities	495	103	709	305
Subtotal	827	329	1,492	982
Operating lease cost	1,324	1,334	3,988	4,004
Variable lease cost	43	21	187	63
Total lease cost	$ 2,194	$ 1,684	$ 5,667	$ 5,049
Other Information				
Weighted-average remaining lease term - finance leases (years)			58.4	32.1
Weighted-average remaining lease term - operating leases (years)			9.8	13.6
Weighted-average discount rate - finance leases			6.5%	6.3%
Weighted-average discount rate - operating leases			5.1%	5.1%

	Three Months Ended March 31,	
	2024	2023
Fixed lease revenue	$ 68,657	$ 64,882
Variable lease revenue	17,380	15,855
Total rental revenue	$ 86,037	$ 80,737

Right-of-use assets – finance leases are included in Operating real estate (Note 2) in the condensed consolidated balance sheets. Lease liabilities – finance leases are included in Accounts payable and other liabilities in the condensed consolidated balance sheets (Note 5). Operating lease cost comprises amortization of right-of-use assets for operating properties (related to ground rents) or amortization of right-of-use assets for office and corporate assets and is included in Property operating expense or General and administrative expense, respectively, in the condensed consolidated statements of operations. Finance lease cost comprises amortization of right-of-use assets for certain ground leases, which is included in Property operating expense, as well as interest on lease liabilities, which is included in Interest expense in the condensed consolidated statements of operations.

Lease Obligations

The scheduled future minimum (i) rental revenues from rental properties under the terms of non-cancelable tenant leases greater than one year (assuming no new or renegotiated leases or option extensions for such premises) and (ii) rental payments under the terms of all non-cancelable operating and finance leases in which the Company is the lessee, principally for office space, land and equipment, as of September 30, 2023 March 31, 2024, are summarized as follows (in thousands):

		Minimum Rental Payments		
Year Ending December 31,	**Minimum Rental Revenues (a)**	**Operating Leases (b)**	**Finance Leases (b)**	**Minimum Rental Revenues (a)**
2023 (Remainder)	$ 58,266	$ 1,349	$ 980	
2024	243,242	5,414	3,925	
2024 (Remainder)				$ 180,170
2025	222,597	5,329	1,429	240,000
2026	197,435	5,173	1,264	217,554
2027	174,287	4,373	1,264	193,180
2028				163,307
Thereafter	742,441	20,069	155,328	702,061
	1,638,268	41,707	164,190	
Interest	—	(9,187)	(131,352)	
Total	$ 1,638,268	$ 32,520	$ 32,838	$ 1,696,272

(a) Amount represents contractual lease maturities at September 30, 2023 as of March 31, 2024 including any extension options that management determined were reasonably certain of exercise.

(b) Minimum rental payments include $9.2 million of interest related to operating leases and $131.4 million related to finance leases and exclude options or renewals not reasonably certain of exercise.

During the three and nine months ended September 30, 2023 March 31, 2024 and 2022, 2023, no single tenant or property collectively comprised more than 10% of the Company's consolidated total revenues.

As Lessee

The Company has properties in its portfolio that are currently owned by third parties. We also lease real estate for equipment and office space. We lease these properties pursuant to ground leases that provide us the right to operate each such property, and generally provide terms ranging from five months to 97 years.

	Minimum Rental Payments	
Year Ending December 31,	**Operating Leases (a)**	**Finance Leases (a)**
2024 (Remainder)	$ 4,059	$ 2,829

2025	5,329	2,311
2026	5,173	1,264
2027	4,373	1,264
2028	4,157	1,310
Thereafter	15,912	154,018
	39,003	162,996
Interest	(8,383)	(130,300)
Total	$ 30,620	$ 32,696

(a) Minimum rental payments include $8.4 million of interest related to operating leases and $130.3 million related to finance leases and exclude options or renewals not reasonably certain of exercise.

Additional disclosures regarding the Company's leases as lessee are as follows (dollars in thousands):

	Three Months Ended March 31,	
	2024	2023
Lease Cost		
Finance lease cost:		
Amortization of right-of-use assets	$ 249	$ 226
Interest on lease liabilities	522	106
Subtotal	771	332
Operating lease cost	1,331	1,337
Variable lease cost	75	20
Total lease cost	$ 2,177	$ 1,689
Other Information		
Weighted-average remaining lease term - finance leases (years)	58.2	31.8
Weighted-average remaining lease term - operating leases (years)	9.5	13.4
Weighted-average discount rate - finance leases	6.5%	6.3%
Weighted-average discount rate - operating leases	5.1%	5.1%

12. Segment Reporting

The Company has three reportable segments: Core Portfolio, Funds and Structured Financing. The Company's Core Portfolio consists primarily of high-quality retail properties located primarily in high-barrier-to-entry, densely-populated metropolitan areas with a long-term investment horizon. The Company's Funds hold primarily retail real estate in which the Company co-invests with high-quality institutional investors. The Company's Structured Financing segment consists of earnings and expenses related to notes and mortgages receivable which are held within the Core Portfolio or the Funds (Note 3). Fees earned by the Company as the general partner or managing member of the Funds are eliminated in the Company's condensed consolidated financial statements and are not presented in the Company's segments.

The following tables set forth certain segment information for the Company (in thousands): 29

	For the Three Months Ended September 30, 2023				
	Core Portfolio	Funds	Structured Financing	Unallocated	Total
Revenues	$ 47,334	$ 34,058	$ —	$ —	$ 81,392
Depreciation and amortization	(18,847)	(14,879)	—	—	(33,726)
Property operating expenses and real estate taxes	(15,553)	(11,427)	—	—	(26,980)
General and administrative expenses	—	—	—	(10,309)	(10,309)
Impairment charges	—	(3,686)	—	—	(3,686)
Gain on disposition of properties	—	—	—	—	—
Operating income	12,934	4,066	—	(10,309)	6,691
Interest and other income	—	—	5,087	—	5,087
Realized and unrealized holding gains (losses) on investments and other	1,729	—	(65)	—	1,664
Equity in losses of unconsolidated affiliates	(825)	(4,040)	—	—	(4,865)
Interest expense	(11,388)	(13,497)	—	—	(24,885)

	Core Portfolio	Funds	Structured Financing	Unallocated	Total
Income tax benefit	—	—	—	40	40
Net income (loss)	2,450	(13,471)	5,022	(10,269)	(16,268)
Net loss attributable to redeemable noncontrolling interests	—	2,495	—	—	2,495
Net (income) loss attributable to noncontrolling interests	(176)	12,523	—	—	12,347
Net income attributable to Acadia	$ 2,274	$ 1,547	$ 5,022	$ (10,269)	$ (1,426)

	For the Three Months Ended September 30, 2022				
	Core Portfolio	Funds	Structured Financing	Unallocated	Total
Revenues	$ 50,076	$ 29,870	$ —	$ —	$ 79,946
Depreciation and amortization	(18,811)	(14,933)	—	—	(33,744)
Property operating expenses and real estate taxes	(14,808)	(10,751)	—	—	(25,559)
General and administrative expenses	—	—	—	(10,170)	(10,170)
Impairment charges	—	(33,311)	—	—	(33,311)
Gain on disposition of properties	—	8,885	—	—	8,885
Operating income (loss)	16,457	(20,240)	—	(10,170)	(13,953)
Interest and other income	—	—	3,994	—	3,994
Realized and unrealized holding (losses) gains on investments and other	—	(7,257)	(605)	—	(7,862)
Equity in losses of unconsolidated affiliates	(49,806)	(773)	—	—	(50,579)
Interest expense	(10,428)	(10,734)	—	—	(21,162)
Income tax benefit	—	—	—	17	17
Net income (loss)	(43,777)	(39,004)	3,389	(10,153)	(89,545)
Net loss attributable to redeemable noncontrolling interests	—	3,193	—	—	3,193
Net loss attributable to noncontrolling interests	2,884	27,577	—	—	30,461
Net loss attributable to Acadia	$ (40,893)	$ (8,234)	$ 3,389	$ (10,153)	$ (55,891)

The following tables set forth certain segment information for the Company (in thousands):

	As of or for the Nine Months Ended September 30, 2023					As of or for the Three Months Ended March 31, 2024				
	Core Portfolio	Funds	Structured Financing	Unallocated	Total	Core Portfolio	Funds	Structured Financing	Unallocated	Total
Revenues	$ 153,506	$ 99,673	$ —	$ —	$ 253,179					
Depreciation and amortization	(57,541)	(43,414)	—	—	(100,955)					
Property operating expenses and real estate taxes	(46,717)	(32,466)	—	—	(79,183)					
Total Revenues						$ 53,538	$ 37,818	$ —	$ —	$ 91,356

Depreciation and amortization expenses						(18,267)	(16,673)	—	—	(34,940)
General and administrative expenses	—	—	—	(30,898)	(30,898)	—	—	—	(9,768)	(9,768)
Impairment charges	—	(3,686)	—	—	(3,686)					
Property operating expenses, other operating and real estate taxes						(17,919)	(13,523)	—	—	(31,442)
Loss related to a previously disposed property						—	(1,198)	—	—	(1,198)
Operating income	49,248	20,107	—	(30,898)	38,457	17,352	6,424	—	(9,768)	14,008
Interest and other income	—	—	14,875	—	14,875					
Realized and unrealized holding gains on investments and other	5,218	24,995	23	—	30,236					
Equity in earnings (losses) of unconsolidated affiliates	1,897	(8,170)	—	—	(6,273)	2,107	(2,419)	—	—	(312)
Interest income						—	—	5,238	—	5,238
Realized and unrealized holding (losses) gains on investments and other						(1,862)	—	(189)	—	(2,051)
Interest expense	(33,048)	(35,513)	—	—	(68,561)	(10,037)	(13,672)	—	—	(23,709)
Income (loss) from continuing operations before income taxes						7,560	(9,667)	5,049	(9,768)	(6,826)
Income tax provision	—	—	—	(248)	(248)	—	—	—	(31)	(31)
Net income	23,315	1,419	14,898	(31,146)	8,486					
Net income (loss)						7,560	(9,667)	5,049	(9,799)	(6,857)
Net loss attributable to redeemable noncontrolling interests	—	5,661	—	—	5,661	—	2,554	—	—	2,554
Net (income) loss attributable to noncontrolling interests	(1,813)	8,876	—	—	7,063	(366)	7,938	—	—	7,572
Net income attributable to Acadia	$ 21,502	$ 15,956	$ 14,898	$ (31,146)	$ 21,210					
Net income attributable to Acadia shareholders						$ 7,194	$ 825	$ 5,049	$ (9,799)	$ 3,269
Real estate at cost (a)	$ 2,639,893	$ 1,735,200	$ —	$ —	$ 4,375,093	$ 2,652,732	$ 1,798,288	$ —	$ —	$ 4,451,020
Total assets (a)	$ 2,596,241	$ 1,560,724	$ 123,813	$ —	$ 4,280,778	$ 2,564,745	$ 1,588,160	$ 118,877	$ —	$ 4,271,782
Cash paid for acquisition of real estate	$ —	$ 48,909	$ —	$ —	$ 48,909					
Cash paid for development and property improvement costs	$ 33,599	$ 17,681	$ —	$ —	$ 51,280	$ 8,079	$ 4,696	$ —	$ —	$ 12,775

As of or for the Nine Months Ended September 30, 2022

	Core Portfolio	Funds	Structured Financing	Unallocated	Total
Revenues	$ 151,650	$ 94,062	$ —	$ —	$ 245,712
Depreciation and amortization	(56,547)	(45,881)	—	—	(102,428)
Property operating expenses and real estate taxes	(44,379)	(31,005)	—	—	(75,384)
General and administrative expenses	—	—	—	(32,768)	(32,768)
Impairment charges	—	(33,311)	—	—	(33,311)
Gain on disposition of properties	—	49,916	—	—	49,916
Operating income	50,724	33,781	—	(32,768)	51,737
Interest and other income	—	—	9,890	—	9,890
Realized and unrealized holding gains (losses) on investments and other	1,163	(19,073)	(505)	—	(18,415)
Equity in (losses) earnings of unconsolidated affiliates	(47,402)	1,233	—	—	(46,169)
Interest expense	(26,543)	(31,766)	—	—	(58,309)
Income tax provision	—	—	—	(7)	(7)
Net income	(22,058)	(15,825)	9,385	(32,775)	(61,273)
Net loss attributable to redeemable noncontrolling interests	—	3,193	—	—	3,193
Net loss attributable to noncontrolling interests	1,398	17,255	—	—	18,653
Net (loss) income attributable to Acadia	$ (20,660)	$ 4,623	$ 9,385	$ (32,775)	$ (39,427)
Real estate at cost (a)	$ 2,614,103	$ 1,651,319	$ —	$ —	$ 4,265,422
Total assets (a)	$ 2,636,041	$ 1,603,491	$ 123,966	$ —	$ 4,363,498
Cash paid for acquisition of real estate	$ 242,633	$ —	$ —	$ —	$ 242,633
Cash paid for development and property improvement costs	$ 22,325	$ 14,538	$ —	$ —	$ 36,863

	As of or for the Three Months Ended March 31, 2023				
	Core Portfolio	Funds	Structured Financing	Unallocated	Total
Total Revenues	$ 49,796	$ 32,043	$ —	$ —	$ 81,839
Depreciation and amortization expenses	(18,659)	(14,514)	—	—	(33,173)
General and administrative expenses	—	—	—	(9,946)	(9,946)
Property operating expenses, other operating and real estate taxes	(16,109)	(10,503)	—	—	(26,612)
Operating income	15,028	7,026	—	(9,946)	12,108
Equity in earnings (losses) of unconsolidated affiliates	1,800	(1,771)	—	—	29
Interest income	—	—	4,818	—	4,818
Realized and unrealized holding gains on investments and other	1,482	24,995	280	—	26,757
Interest expense	(10,670)	(10,917)	—	—	(21,587)
Income (loss) from continuing operations before income taxes	7,640	19,333	5,098	(9,946)	22,125
Income tax provision	—	—	—	(123)	(123)
Net income	7,640	19,333	5,098	(10,069)	22,002
Net loss attributable to redeemable noncontrolling interests	—	2,075	—	—	2,075
Net income attributable to noncontrolling interests	(923)	(9,794)	—	—	(10,717)
Net income attributable to Acadia shareholders	$ 6,717	$ 11,614	$ 5,098	$ (10,069)	$ 13,360
Real estate at cost (a)	$ 2,604,244	$ 1,664,665	$ —	$ —	$ 4,268,909
Total assets (a)	$ 2,568,946	$ 1,501,297	$ 123,967	$ —	$ 4,194,210
Cash paid for development and property improvement costs	$ 6,686	$ 5,843	$ —	$ —	$ 12,529

(a) Real estate at cost and total Total assets for the Funds segment include $670.1 553.4 million and $661.7 670.8 million or $423.8 million and $418.5 million net of noncontrolling interests, related to Fund II's City Point property at September 30, 2023 as of March 31, 2024 and 2022, 2023, respectively.

ACADIA REALTY TRUST AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

13. Share Incentive and Other Compensation

Share Incentive Plan

In March and May of 2020, respectively, the Board and the Company's shareholders, approved the 2020 Share Incentive Plan (the "2020 Plan"), which increased the number of Common Shares authorized for issuance by 2,650,000 shares to an aggregate of 2,829,953 shares. On March 22, 2023 and May 4, 2023, respectively, the Board and the Company's shareholders approved the Amended and Restated 2020 Share Incentive Plan (the "Amended and Restated 2020 Plan") which further increased the number of Common Shares authorized for issuance by 3,100,000 to an aggregate of 3,883,564 shares (Note 16). shares. In this report, references to issuances, compensation arrangements and expenses under the Amended and Restated 2020 Plan include issuances, compensation arrangements and expenses under the originally adopted 2020 Plan, as applicable. The 2020 Plan and the Amended and Restated 2020 Plan authorize the Company to issue options, Restricted Shares, LTIP Units and other securities (collectively "Awards") to, among others, the Company's officers, trustees, and employees. At September 30, 2023 As of March 31, 2024 a total of 3,804,345 3,114,272 shares remained available to be issued under the Amended and Restated 2020 Plan.

A summary of the status of the Company's unvested Restricted Shares and LTIP Units is presented below:

Unvested Restricted Shares and LTIP Units	Common Restricted Shares	Weighted Grant-Date Fair Value	LTIP Units	Weighted Grant-Date Fair Value
Unvested as of December 31, 2022	**92,735**	**$ 17.31**	**1,465,398**	**$ 18.59**
Granted	70,629	14.11	780,193	15.00
Vested	(41,268)	19.09	(354,343)	20.35
Forfeited	(8,187)	21.07	(92,589)	30.78
Unvested as of December 31, 2023	**113,909**	**14.41**	**1,798,659**	**16.03**
Granted	25,423	17.03	724,045	16.13
Vested	(12,193)	17.50	(416,713)	18.97
Forfeited	(171)	28.06	(62,258)	26.51
Unvested as of March 31, 2024	**126,968**	**$ 14.62**	**2,043,733**	**$ 15.15**

The weighted-average grant date fair value for Restricted Shares and LTIP Units granted for the three months ended March 31, 2024 and the year ended December 31, 2023 were $16.16 and $14.93, respectively. As of March 31, 2024, there was $24.4 million of total unrecognized compensation cost related to unvested share-based compensation arrangements granted under the Amended and Restated 2020 Plan. That cost is expected to be recognized over a weighted-average period of 1.7 years. The total fair value of Restricted Shares that vested during the three months ended March 31, 2024 and the year ended December 31, 2023, was $0.2 million and $0.8 million, respectively.

Restricted Shares and LTIP Units - Employees

During the nine three months ended September 30, 2023 March 31, 2024, the Company issued 739,734 724,045 LTIP Units and 22,314 25,423 restricted share units ("Restricted Share Units"), to employees of the Company pursuant to the Amended and Restated 2020 Plan. These awards were measured at their fair value on the grant date, incorporating the following factors:

- A portion of these annual equity awards is granted in performance-based Restricted Share Units or LTIP Units that may be earned based on the Company's attainme specified relative total shareholder returns ("Relative TSR") hurdles or specified same-property net operating income growth ("Absolute SSNOI Growth").
- In the event the Relative TSR percentile falls between the 25th percentile and the 50th percentile, the Relative TSR vesting percentage is determined using a straight-line linear interpolation between 50% and 100% and in the event that the Relative TSR percentile falls between the 50th percentile and 75th percentile, the Relative TSR vesting percentage is determined using a straight-line linear interpolation between 100% and 200%.

- Fifty percent (50%) of the performance-based LTIP Units will vest based on the Company's total shareholder return ("TSR") for the three-year forward-looking performance period relative to the constituents of the National Association of Real Estate Investment Trusts ("NAREIT") Shopping Center Property Subsector and twenty five percent (25%) on the Company's TSR for the three-year forward-looking performance period as compared to the constituents of the NAREIT Retail Property Sector (both on a non-weighted basis).

- Twenty five Twenty-five percent (25%) of the performance-based LTIP Units will vest based on the Company's same-property net operating income ("SSNOI") growth for the three-year forward-looking performance period. If the Company achieves annualized SSNOI growth between 2% and 3%, the Absolute SSNOI Growth vesting percentage is determined using a straight-line linear interpolation between 50% and 100% and in the event that the Company achieves annualized SSNOI growth between 3% and 4%, the Absolute SSNOI Growth vesting percentage is determined using a straight-line linear interpolation between 100% and 200%.

- If the Company's performance fails to achieve the aforementioned hurdles at the culmination of the three-year performance period, all performance-based shares will be forfeited. Any earned performance-based shares vest 60% at the end of the performance period, in accordance with the remaining 40% of shares vesting ratably over the next two years. applicable award agreements.

For valuation of the 2023 2024 and 2022 2023 Performance Shares, a Monte Carlo simulation was used to estimate the fair values of the Relative TSR portion based on probability of satisfying the market conditions and the projected share prices at the time of payments, discounted to the valuation dates over the three-year performance periods. The assumptions include volatility (48.0 43.0% and 49.0 48.0%) and risk-free interest rates of (4.3 4.8% and 1.7 4.3%) for 2023 2024 and 2022, 2023, respectively. The total fair value of the 2023 2024 and 2022 2023 Performance Shares will be expensed over the vesting period.

The total fair value of the above Restricted Share Units and LTIP Units as of the grant date was $11.5 12.1 million for the nine three months ended September 30, 2023 March 31, 2024 and $13.1 11.5 million for the year ended December 31, 2022 December 31, 2023. Total long-term incentive compensation expense, including the expense related to the Amended and Restated 2020 Plan, was $2.3 2.1 million and $1.9 2.9 million for the three months ended September 30, 2023 March 31, 2024, and 2022, respectively, and $6.9 million and $5.1 million for the nine months ended September 30, 2023 and 2022, respectively, 2023, and is recorded in General and administrative in the condensed consolidated statements Condensed Consolidated Statements of operations. Operations.

Restricted Shares and LTIP Units - Board of Trustees

In addition, members of the Board have been issued shares and units under the Amended and Restated 2020 Plan. During the nine three months ended September 30, 2023 March 31, 2024, the Company issued there were 40,459 no LTIP Units and 45,882 or Restricted Shares issued to Trustees of the Company in connection with Trustee

---

ACADIA REALTY TRUST AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

fees. Vesting with respect to 10,427 of the LTIP Units and 15,850 of the Restricted Shares will be on the first anniversary of the date of issuance and 30,032 of the LTIP Units and 30,032 of the Restricted Shares vest over three years with 33% vesting on each of the next three anniversaries of the issuance date. Additionally, during the nine months ended September 30, 2023, the Company issued 2,433 Restricted Shares as compensation to a new Trustee of the Company. These Restricted Shares vest over three years with 33% vesting May 9, 2023 and the remaining amount vesting ratably on May 9, 2024 and May 9, 2025. The Restricted Shares do not carry voting rights or other rights of Common Shares until vesting and may not be transferred, assigned or pledged until the recipients have a vested non-forfeitable right to such shares. Dividends are not paid currently on unvested Restricted Shares but are paid cumulatively from the issuance date through the applicable vesting date of such Restricted Shares. Total trustee fee expense, including the expense related to the Amended and Restated 2020 Plan, was $1.5 0.4 million and $1.2 0.6 million for the nine months ended September 30, 2023 and 2022, respectively, and $0.4 million for each of the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively, and is recorded in General and administrative in the condensed consolidated statements Condensed Consolidated Statements of operations. Operations.

Long-Term Investment Alignment Program

In 2009, the Company adopted the Long-Term Investment Alignment Program (the "Program") pursuant to which the Company may grant awards to employees, entitling them to receive up to 25% of any potential future payments of Promote to the Operating Partnership from Funds III, IV and V. The Company has granted such awards to employees representing 25% of the potential Promote payments from Fund III to the Operating Partnership, 23.1% of the potential Promote payments from Fund IV to the Operating

Partnership and 18.0 21.3% of the potential Promote payments from Fund V to the Operating Partnership. Payments to senior executives under the Program require further Board approval at the time any potential payments are due pursuant to these grants. Compensation relating to these awards will be recognized in each reporting period in which Board approval is granted.

As payments to other employees are not subject to further Board approval, compensation relating to these awards will be recorded based on the estimated fair value at as of each reporting period in accordance with ASC Topic 718, *Compensation– Stock Compensation.* The awards in connection with Fund IV were determined to have no intrinsic value as of September 30, 2023 March 31, 2024 or December 31, 2022 December 31, 2023.

The Company recognized $ did 0.2 no million of t recognize any compensation expense related to the Program for the nine three months ended September 30, 2023 March 31, 2024 and 2023, respectively, related to Funds III and V.

A summary of the status of the Company's unvested Restricted Shares and LTIP Units is presented below:

Unvested Restricted Shares and LTIP Units	Common Restricted Shares	Weighted Grant-Date Fair Value	LTIP Units	Weighted Grant-Date Fair Value
Unvested at December 31, 2021	**89,746**	**$ 16.87**	**1,415,195**	**$ 20.85**
Granted	45,813	20.98	637,818	21.04
Vested	(40,894)	19.75	(309,283)	22.86
Forfeited	(1,930)	31.82	(278,332)	31.16
Unvested at December 31, 2022	**92,735**	**17.31**	**1,465,398**	**18.59**
Granted	68,196	14.10	780,193	15.00
Vested	(41,268)	19.09	(354,343)	20.35
Forfeited	(8,187)	21.07	(92,589)	30.78
Unvested at September 30, 2023	**111,476**	**$ 14.41**	**1,798,659**	**$ 16.03**

The weighted-average grant date fair value for Restricted Shares and LTIP Units granted for the nine months ended September 30, 2023 and the year ended December 31, 2022 were $14.93 and $21.04, respectively. As of September 30, 2023, there was $19.3 million of total unrecognized compensation cost related to unvested share-based compensation arrangements granted under the Amended and Restated 2020 Plan. That cost is expected to be recognized over a weighted-average period of 1.6 years. The total fair value of Restricted Shares that vested during the nine months ended September 30, 2023 and the year ended December 31, 2022, was $0.8 million and $0.8 million, respectively. The total fair value of LTIP Units that vested (LTIP units vest primarily during the first quarter) during the nine months ended September 30, 2023 and the year ended December 31, 2022, was $7.2 million and $7.1 million, respectively.

Other Plans

On a combined basis, the Company incurred a total of $0.4 0.2 million of compensation expense related to the following employee benefit plans for each of the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively.

Employee Share Purchase Plan

The Acadia Realty Trust Employee Share Purchase Plan (the "Purchase Plan"), allows eligible employees of the Company to purchase Common Shares through payroll deductions for a maximum aggregate issuance of 200,000 Common Shares. The Purchase Plan provides for employees to purchase Common Shares on a quarterly basis at a 15% discount to the closing price of the Company's Common Shares on either the first day or the last day of the quarter, whichever is lower. A participant may not purchase more than $25,000 in Common Shares per year. Compensation expense will be recognized by the Company to the extent of the above discount to the closing price of the Common Shares with respect to the applicable quarter. A total of 10,601 3,322 and 6,188 2,837 Common Shares were purchased by employees under the Purchase Plan for the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively, and 178,042 172,144 shares remained available to be issued under the Purchase Plan.

Deferred Share Plan

The Company maintains a Trustee Deferral and Distribution Election program, under which the participating Trustees earn deferred compensation.

Employee 401(k) Plan

The Company maintains a 401(k) plan for employees under which the Company currently matches 50% of a plan participant's contribution up to 6% of the employee's annual salary. A plan participant may contribute up to a maximum of 15% of their compensation, up to $22,500 23,000, for the year ending December 31, 2023 December 31, 2024.

14. Earnings Per Common Share

Basic earnings per Common Share is computed by dividing net income attributable to Common Shareholders by the weighted-average Common Shares outstanding (Note 10). During the periods presented, the Company had unvested LTIP Units which provide for non-forfeitable rights to dividend equivalent payments. Accordingly, these unvested LTIP Units are considered participating securities and are included in the computation of basic earnings per Common Share pursuant to the two-class method.

Diluted earnings per Common Share reflects the potential dilution of the conversion of obligations and the assumed exercises of securities including the effects of Restricted Share Units issued under the Company's Amended and Restated 2020 Plan (Note 13). The effect of such shares is excluded from the calculation of earnings per share when anti-dilutive as indicated in the table below.

The effect of the conversion of Common OP Units is not reflected in the computation of basic and diluted earnings per share, as they are exchangeable for Common Shares on a one-for-one basis. The income allocable to such units is allocated on this same basis and reflected as noncontrolling interests in the accompanying condensed consolidated financial statements. As such, the assumed conversion of these units would have no net impact on the determination of diluted earnings per share.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(dollars in thousands)	**2023**	**2022**	**2023**	**2022**
Numerator:				
Net (loss) income attributable to Acadia shareholders	$ (1,426)	$ (55,891)	$ 21,210	$ (39,427)
Less: earnings attributable to unvested participating securities	(244)	(198)	(734)	—
(Loss) income from continuing operations net of income attributable to participating securities for basic earnings per share	$ (1,670)	$ (56,089)	$ 20,476	$ (39,427)
Impact of City Point Loan share conversion option (a)	—	(1,804)	—	(1,804)
Income from continuing operations net of income attributable to participating securities for diluted earnings per share	$ (1,670)	$ (57,893)	$ 20,476	$ (41,231)
Denominator:				
Weighted average shares for basic earnings per share	95,319,958	94,980,333	95,256,703	94,757,678
Effect of dilutive securities:				
Series A Preferred OP Units	—	—	—	—
Employee unvested restricted shares	—	—	—	—
City Point Loan common stock conversion option (Note 10) (a)	—	270,635	—	91,203
Weighted average shares for diluted earnings per share	95,319,958	95,250,968	95,256,703	94,848,881
Basic (loss) earnings per Common Share from continuing operations attributable to Acadia	$ (0.02)	$ (0.59)	$ 0.21	$ (0.42)
Diluted (loss) earnings per Common Share from continuing operations attributable to Acadia	$ (0.02)	$ (0.61)	$ 0.21	$ (0.43)
Anti-Dilutive Shares Excluded from Denominator:				

Series A Preferred OP Units	188	188	188	188
Series A Preferred OP Units - Common share equivalent	25,067	25,067	25,067	25,067
Series C Preferred OP Units	126,384	126,593	126,384	126,593
Series C Preferred OP Units - Common share equivalent	438,831	439,556	438,831	439,556
Restricted shares	90,006	70,827	90,006	69,832

(a) The impact of assumed conversion of dilutive convertible securities is related to the assumed conversion of potential common shares of the Company that could be subsequently issued in connection with City Point Loan (Note 10) for the stub-period until the put rights were modified for a cash-only settlement option in the third quarter of 2022.

	Three Months Ended March 31,	
(dollars in thousands, except per share data)	**2024**	**2023**
Numerator:		
Net income attributable to Acadia shareholders	$ 3,269	$ 13,360
Less: earnings attributable to unvested participating securities	(288)	(243)
Income from continuing operations net of income attributable to participating securities for basic earnings per share	$ 2,981	$ 13,117
Denominator:		
Weighted average shares for basic earnings per share	102,127,715	95,189,490
Effect of dilutive securities:		
Series A Preferred OP Units	—	—
Employee unvested restricted shares	—	—
Weighted average shares for diluted earnings per share	102,127,715	95,189,490
Basic earnings per Common Share from continuing operations attributable to Acadia	$ 0.03	$ 0.14
Diluted earnings per Common Share from continuing operations attributable to Acadia	$ 0.03	$ 0.14
Anti-Dilutive Shares Excluded from Denominator:		
Series A Preferred OP Units	188	188
Series A Preferred OP Units - Common share equivalent	25,067	25,067
Series C Preferred OP Units	126,384	126,384
Series C Preferred OP Units - Common share equivalent	438,831	438,831
Restricted shares	103,065	78,060

15. Variable Interest Entities

Pursuant to GAAP consolidation guidance, the Company consolidates certain VIEs for which the Company is the primary beneficiary. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company has identified eight seven consolidated VIEs, including the Operating Partnership and the Funds. Excluding the Operating Partnership and the Funds, the VIEs consisted of three in-service core properties: the Williamsburg Portfolio, 239 Greenwich Avenue, and 8833 Beverly Boulevard. The Operating Partnership is considered a VIE in which the Company is the primary beneficiary because the limited partners do not have substantive kick-out or participating rights. The Company consolidates these VIEs because it is the primary beneficiary in which the Company has (i) the power to direct the activities of the entity that most significantly impact the entity's economic performance, and (ii) the obligation to absorb the entity's losses or receive benefits from the entity that could potentially be significant to the entity. The third parties' interests in these consolidated entities are reflected as noncontrolling interests in the accompanying condensed consolidated financial statements and in Note 10.

The majority of the operations of these VIEs are funded with fees earned from investment opportunities or cash flows generated from the properties. The Company has not provided financial support to any of these VIEs that it was not previously contractually required to provide, which consists primarily of funding any capital commitments and capital expenditures, which are deemed necessary to continue to operate the entity and any operating cash shortfalls the entity may experience.

Since the Company conducts its business through and substantially all of its interests are held by the Operating Partnership, substantially all of the assets and liabilities on the condensed consolidated balance sheets Condensed Consolidated Balance Sheets represent the assets and liabilities of the Operating Partnership. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the condensed consolidated balance sheets Condensed Consolidated Balance Sheets include the following assets and liabilities of the consolidated VIEs of the Operating Partnership:

(dollars in thousands)	**September 30, 2023**	**December 31, 2022**		
(in thousands)			**March 31, 2024**	**December 31, 2023**
VIE ASSETS				
Operating real estate, net	$ 1,636,783	$ 1,466,381	$ 1,672,427	$ 1,679,779
Real estate under development	28,132	129,888	29,031	28,851
Investments in and advances to unconsolidated affiliates	100,502	210,922	90,221	92,802
Other assets, net	97,396	98,675	96,673	101,679
Right-of-use assets - operating leases, net	2,220	2,535	2,003	2,112
Cash and cash equivalents	10,506	13,330	15,497	10,787
Restricted cash	7,400	14,995	6,635	7,048
Rents receivable, net	19,666	17,915	22,462	21,427
Total VIE assets (a)	$ 1,902,605	$ 1,954,641	$ 1,934,949	$ 1,944,485
VIE LIABILITIES				
Mortgage and other notes payable, net	$ 795,600	$ 761,166	$ 804,746	$ 764,614
Unsecured notes payable, net	20,264	51,202	—	80,473
Accounts payable and other liabilities	122,162	95,385	130,544	127,162
Lease liability - operating leases, net	2,326	2,657	2,098	2,213
Total VIE liabilities (a)	$ 940,352	$ 910,410	$ 937,388	$ 974,462

(a) At September 30, 2023 As of March 31, 2024 and December 31, 2022 December 31, 2023, includes total VIE assets of $670.5 717.5 million and $678.1 721.2 million, respectively, and total VIE liabilities of $206.0 237.0 million and $200.4 234.7 million, respectively, related to third-party mortgages that are collateralized by the real estate assets of City Point, a Fund II property, and 27 East 61st Street, 801 Madison Avenue, and 1035 Third Avenue, all Fund IV properties, of which $72.5 million is guaranteed by the Operating Partnership (Note 9). The remaining VIE assets are generally encumbered by third-party non-recourse mortgage debt and are collateral under the respective mortgages and are therefore restricted and can only be used to settle the corresponding liabilities of the VIE. The remaining VIE assets may only be used to settle obligations of these consolidated VIEs and the remaining VIE liabilities are only the obligations of these consolidated VIEs and they do not have recourse to the Operating Partnership or the Company.

Unconsolidated VIEs

The Company holds variable interests in certain VIEs which are not consolidated. While the Company may be responsible for managing the day-to-day operations of these investees, it is not the primary beneficiary of these VIEs, as the Company does not hold unilateral power over activities that, when taken together, most significantly impact the respective VIE's economic performance. The Company accounts for investments in these entities under the equity method (Note 4). As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company has determined that the following entities are VIEs: 1238 Wisconsin Avenue and the Georgetown Portfolio. The

Company's involvement with these entities is in the form of direct and indirect equity interests and fee arrangements. The maximum exposure to loss in these entities is limited to: (i) the amount of the Company's

equity investment (ii) the $0.7 million remaining construction commitment related to its investment in 1238 Wisconsin, and (iii) (ii) debt guarantees (Note 9). The Company's aggregate investment in the unconsolidated VIEs assets was $44.9 45.1 million and $41.5 45.8 million at September 30, 2023 as of March 31, 2024 and December 31, 2022 December 31, 2023, respectively. The Company's aggregate investment in unconsolidated VIEs liabilities was $40.0 39.6 million and $49.2 40.1 million at September 30, 2023 as of March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

16. Subsequent Events

On October 27, 2023 April 3, 2024, the Company transferred 146 Geary Street, a disposed of two Fund IV property, to its lender through a deed-in-lieu foreclosure. The property was a vacant building located street retail assets in San Francisco, California. On July 15, 2023, the Fund IV non-recourse mortgage loan on the property, with an outstanding principal balance CA, 2207 Fillmore and 2208-2216 Fillmore, for a total sales price of $19.3 14.1 million, or and paid off $4.5 6.4 million of mortgages payable at closing.

On April 15, 2024, the Operating Partnership entered into a Third Amended and Restated Credit Agreement, with Bank of America, N.A., as administrative agent, to amend the existing Credit Facility (“Amended Credit Facility”). The Amended Credit Facility provides for an increase in the existing Revolver from $300.0 million to $350.0 million, which includes the capacity to issue letters of credit in an amount up to $60.0 million, and the extension of the term from June 29, 2025 to April 15, 2028, with two additional six-month extension options. The Amended Credit Facility also provides for the extension of the Term Loan from June 29, 2026 to April 15, 2028, with two additional six-month extension options. The Amended Credit Facility has an accordion feature to increase its capacity up to $900.0 million at the Company's share, matured with no further extension options option of the Operating Partnership, subject to customary conditions. Borrowings under the Revolver and was in default. The loan accrued default Term Loan will accrue interest at a floating rate of 4.00% per annum in excess of the interest rate of based on SOFR + 3.65% (Note 7).

On October 30, 2023, the Renaissance Portfolio, which the Company holds a 20% interest (Note 4), extended the maturity date with margins based on its nonrecourse mortgage to November 3, 2023, as the partners complete the documentation for a longer-term extension with its lender. The loan had an outstanding principal balance of $160.0 million, leverage or $32.0 million at the Company's share, at the time the loan was extended. credit rating.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

OVERVIEW

As of September 30, 2023 March 31, 2024, we own or have an ownership interest in 201 properties held through our Core Portfolio and Funds. Our Core Portfolio consists of those properties either 100% owned, or partially owned through joint venture interests, by the Operating Partnership, or subsidiaries thereof, not including those properties owned through our Funds. These properties primarily consist of street and urban retail, and suburban shopping centers. Our Funds are investment vehicles through which our Operating Partnership and outside institutional investors invest in primarily opportunistic and value-add retail real estate. Currently, we have active investments in four Funds. A summary of our wholly-owned and partially-owned retail properties and their physical occupancies at September 30, 2023 as of March 31, 2024 is as follows:

	Number of Properties		Operating Properties		Number of Properties		Operating Properties	
	Development or Redevelopment	Operating	GLA	Occupancy	Development or Redevelopment	Operating	GLA	Occupancy
Core Portfolio:								
Chicago Metro	3	36	576,977	85.7 %	3	36	576,799	84.3 %

New York Metro	—	29	394,5 57	91.4%	—	29	394,301	92.6%
Los Angeles Metro	—	2	23,75 7	100.0%	—	2	23,757	100.0%
San Francisco Metro	2	—	—	0.0%	2	—	—	0.0%
Dallas Metro	2	14	121,3 86	85.6%	2	14	121,386	86.0%
Washington DC Metro	1	31	344,5 90	87.4%	—	32	358,182	87.0%
Boston Metro	—	1	1,050	100.0%	—	1	1,050	100.0%
Suburban	3	25	3,910, 213	93.4%	3	25	3,910,343	93.1%
Total Core Portfolio	11	138	5,372, 530	91.9%	10	139	5,385,818	91.6%
Acadia Share of Total Core Portfolio	11	138	5,011, 251	92.4%	10	139	5,018,615	91.8%
Fund Portfolio:								
Fund II	—	1	536,1 98	70.0%	—	1	538,097	76.1%
Fund III	1	1	4,637	91.6%	1	1	4,637	77.6%
Fund IV	1	26	696,6 27	89.1%	1	25	686,023	89.1%
Fund V	—	22	7,358, 804	92.5%	—	23	7,757,907	92.0%
Total Fund Portfolio	2	50	8,596, 266	90.8%	2	50	8,986,664	90.8%
Acadia Share of Total Fund Portfolio	2	50	1,872, 458	88.5%	2	50	1,946,772	89.2%
Total Core and Funds	13	188	13,96 8,796	91.3%	12	189	14,372,482	91.1%
Acadia Share of Total Core and Funds	13	188	6,883, 710	91.3%	12	189	6,965,387	91.1%

The majority of our operating income is derived from rental revenues from operating properties, including expense recoveries from tenants, offset by operating and overhead expenses.

Our primary business objective is to acquire and manage commercial retail properties that will provide cash for distributions to shareholders while also creating the potential for capital appreciation to enhance investor returns. Generally, we focus on the following fundamentals to achieve this objective:

- Own and operate a Core Portfolio of high-quality retail properties located primarily in high-barrier-to-entry, densely populated metropolitan areas and create through accretive development and re-tenanting activities coupled with the acquisition of high-quality assets that have the long-term potential to outperform the class as part of our Core asset recycling and acquisition initiative.
- Generate additional external growth through an opportunistic yet disciplined acquisition program within our Funds. We target transactions with high inherent oppc for the creation of additional value through:
  - o value-add investments in street retail properties, located in established and “next generation” submarkets, with re-tenanting or repositioning opportunities,
  - o opportunistic acquisitions of well-located real-estate anchored by distressed retailers, and
  - o other opportunistic acquisitions which that may include high-yield acquisitions and purchases of distressed debt.

- Some of these investments historically have also included, and may in the future include, joint ventures with private equity investors for the purpose of r investments in operating retailers with significant embedded value in their real estate assets.
- Maintain a strong and flexible balance sheet through conservative financial practices while ensuring access to sufficient capital to fund future growth.

45

SIGNIFICANT DEVELOPMENTS DURING THE NINE THREE MONTHS ENDED SEPTEMBER 30, 2023 MARCH 31, 2024 AND SUBSEQUENT EVENTS

Investments

During the nine months ended September 30, 2023, Fund V acquired one unconsolidated property and one consolidated property totaling $111.5 million, inclusive of transaction costs, as described below (Note 2, Note 4):

- On January 27, 2023, Fund V acquired a 90% interest in an unconsolidated venture. The venture purchased a shopping center, Mohawk Commons, loca Schenectady, New York, for $62.1 million, inclusive of transaction costs.
- On July 3, 2023, Fund V acquired a shopping center, Cypress Creek, located in Tampa, Florida, for $49.4 million, inclusive of transaction costs.

On January 20, 2023, through Mervyns II, we received a special cash dividend of $28.2 million from our investment in Albertsons, of which our share was $11.3 million. Additionally, following the expiration of the lock-up period and distribution of 2.5 million shares of Albertsons to our partners, we received 1.6 million shares of Albertsons (Note 4, Note 8).

Financing Activity

In April 2024, the Operating Partnership entered into a Third Amended and Restated Credit Agreement, with Bank of America, N.A., as administrative agent, to amend its existing senior unsecured credit facility (the “Amended Credit Facility”). The Amended Credit Facility provides for an increase in the existing unsecured revolving credit facility from $300.0 million to $350.0 million, which includes the capacity to issue letters of credit in an amount up to $60.0 million, and the extension of the term from June 29, 2025 to April 15, 2028, with two additional six-month extension options. The Amended Credit Facility also provides for the extension of the term on the existing $400.0 million unsecured term loan from June 29, 2026 to April 15, 2028, with two additional six-month extension options. The Amended Credit Facility has an accordion feature to increase its capacity up to $900 million at the option of the Operating Partnership, subject to customary conditions. Borrowings under the revolving credit facility and the term loan will accrue interest at a floating rate based on SOFR with margins based on leverage or credit rating.

During the nine three months ended September 30, 2023 March 31, 2024, we (Note 7, Note 4):

- repaid a Core mortgage totaling $7.3 million at maturity;
- repaid the Fund V subscription line totaling $80.6 million;
- entered into a new Fund mortgage of $32.3 million $43.4 million;
- extended four two Fund mortgages two of which were extended in the first quarter totaling $58.0 million (excluding principal reductions of $0.2 million), and two of were extended in the second quarter totaling $61.3 million;
- refinanced four Fund mortgages, three of which were refinanced in the second quarter totaling $78.4 million, and one of which was refinanced in the third quar $33.0 million;
- through Fund V, entered into a new mortgage at an unconsolidated property for $39.7 million, and refinanced a $36.0 million mortgage loan at an unconso property;
- through Fund IV extended a $21.9 million property mortgage at an unconsolidated property;
- through Fund V modified its subscription line and extended the maturity date to November 1, 2023 $67.7 million; and
- made scheduled principal payments of $5.8 million totaling $1.8 million.

On July 15, 2023, the 146 Geary Street, Fund IV non-recourse mortgage loan with an outstanding balance of $19.3 million, or $4.5 million at the Company’s share, matured with no further extension options and was in default (Note 7). The property securing the mortgage is a vacant building located in San Francisco, California. The loan accrued default interest at a rate of 4.00% per annum in excess of the interest rate of SOFR + 3.65%. On October 27, 2023, the Company completed the transfer of the property to its lender through a deed-in-lieu foreclosure (Note 16). The Company has recorded an impairment charge related to such loan default and transfer of the property (Note 8).

Structured Financing Investments

During the nine months ended September 30, 2023, we funded $4.6 million of a $12.8 million construction loan commitment to an unconsolidated venture (Note 4). Through Fund V, we refinanced a $31.7 million bridge loan at an unconsolidated property that was originated by Fund V at acquisition with the a new mortgage loan at an unconsolidated property.

Economic and Other Considerations

The three months ended March 31, 2024 and the year ended December 31, 2022 and nine months ended September 30, 2023December 31, 2023 were impacted by significant volatility in global markets, largely driven by rising inflation, rising interest rates, slowing economic growth, geopolitical uncertainty and instability in the banking sector following multiple bank failures. The rate hikes enacted by the Federal Reserve have had a significant impact on interest rate indexes such as LIBOR, SOFR and the Prime Rate and cost of borrowing. We manage our exposure to fluctuations in interest rates primarily through the use of fixed-rate debt and interest rate swap and cap agreements. We believe we manage our properties in a cost-conscious manner to minimize recurring operational expenses and utilize multi-year contracts to alleviate the impact of inflation on our business and our tenants. We also continue to see consumer confidence and we expect to continue to add value to our portfolio by executing on our current leasing momentum, our active development and redevelopment projects, and leasing pipeline. Except for increased interest costs, we have not experienced any material negative impacts at this time, and we intend to actively manage our business to respond to the ongoing economic and social impact from such events.

On April 23, 2023, Bed Bath and Beyond, Inc. ("Bed Bath and Beyond") filed Chapter 11 bankruptcy protection. Bed Bath and Beyond had leases at two locations within our Core Portfolio and three locations in our Fund Portfolio, with aggregate GLA of 124,432 square feet and 59,391 square feet, representing 2.1% and 0.7% of Core and Fund GLA, respectively. In our Core Portfolio, we recaptured and re-leased one of the spaces to an existing tenant that is expanding a flagship store under a new 15-year lease. We are actively seeking a tenant for the remaining Core

Portfolio location. In our Fund Portfolio, one lease was assumed by a new tenant and we have regained possession of the other two locations; we have one signed lease and identified a future tenant at the remaining Fund locations. As a result of the bankruptcy filing, for the nine months ended September 30, 2023, we accelerated the amortization of the below-market lease intangibles of $8.1 million related to the Bed Bath and Beyond lease terminations. We did not experience any material negative impacts on our cash flows or property values as a result of the bankruptcy.

RESULTS OF OPERATIONS

See Note 12 in the Notes to Condensed Consolidated Financial Statements for an overview of our three reportable segments.

Comparison of Results for theThree Months Ended September 30, 2023to theThree Months Ended September 30, 2022

The results of operations by reportable segment for the three months ended September 30, 2023March 31, 2024 compared to the three months ended September 30, 2022March 31, 2023 are summarized in the table below (in millions, totals may not add due to rounding):

	Three Months Ended September 30, 2023				Three Months Ended September 30, 2022				Increase (Decrease)			
	Core	Funds	SF	Total	Core	Funds	SF	Total	Core	Funds	SF	Total
Revenues	$ 47.3	$ 34.1	$ —	$ 81.4	$ 50.1	$ 29.9	$ —	$ 79.9	$ (2.8)	$ 4.2	$ —	$ 1.5
Depreciation and amortization	(18.8)	(14.9)	—	(33.7)	(18.8)	(14.9)	—	(33.7)	—	—	—	—
Property operating expenses and real estate taxes	(15.6)	(11.4)	—	(27.0)	(14.8)	(10.8)	—	(25.6)	0.8	0.6	—	1.4
General and administrative expenses	—	—	—	(10.3)	—	—	—	(10.2)	—	—	—	0.1

	Three Months Ended March 31, 2024				Three Months Ended March 31, 2023				Increase (Decrease)			
	Core	Funds	SF	Total	Core	Funds	SF	Total	Core	Funds	SF	Total
Revenues	$ 53.5	$ 37.8	$ —	$ 91.4	$ 49.8	$ 32.0	$ —	$ 81.8	$ 3.7	$ 5.8	$ —	$ 9.6
Depreciation and amortization	(18.3)	(16.7)	—	(34.9)	(18.7)	(14.5)	—	(33.2)	(0.4)	2.2	—	1.7
Property operating expenses and real estate taxes	(17.9)	(13.5)	—	(31.4)	(16.1)	(10.5)	—	(26.6)	1.8	3.0	—	4.8
General and administrative expenses	—	—	—	(9.8)	—	—	—	(9.9)	—	—	—	(0.1)

Impairment charges	—	(3.7)	—	(3.7)	—	(33.3)	—	(33.3)	—	(29.6)	—	(29.6)												
Gain on disposition of properties	—	—	—	—	—	8.9	—	8.9	—	(8.9)	—	(8.9)												
Loss related to a previously disposed property													—	(1.2)	—	(1.2)	—	—	—	—	—	(1.2)	—	(1.2)
Operating income	12.9	4.1	—	6.7	16.5	(20.2)	—	(14.0)	(3.6)	24.3	—	20.7	17.4	6.4	—	14.0	15.0	7.0	—	12.1	2.4	(0.6)	—	1.9
Interest and other income	—	—	5.1	5.1	—	—	4.0	4.0	—	—	1.1	1.1												
Realized and unrealized holding gains (losses) on investments and other	1.7	—	(0.1)	1.7	—	(7.3)	(0.6)	(7.9)	1.7	7.3	0.5	9.6												
Equity in earnings (losses) of unconsolidated affiliates	(0.8)	(4.0)	—	(4.9)	(49.8)	(0.8)	—	(50.6)	49.0	(3.2)	—	45.7	2.1	(2.4)	—	(0.3)	1.8	(1.8)	—	—	0.3	(0.6)	—	(0.3)
Interest income													—	—	5.2	5.2	—	—	4.8	4.8	—	—	0.4	0.4
Realized and unrealized holding (losses) gains on investments and other													(1.9)	—	(0.2)	(2.1)	1.5	25.0	0.3	26.8	(3.4)	(25.0)	(0.5)	(28.9)
Interest expense	(11.4)	(13.5)	—	(24.9)	(10.4)	(10.7)	—	(21.2)	1.0	2.8	—	3.7	(10.0)	(13.7)	—	(23.7)	(10.7)	(10.9)	—	(21.6)	(0.7)	2.8	—	2.1
Income (loss) from continuing operations before income taxes													7.6	(9.7)	5.0	(6.8)	7.6	19.3	5.1	22.1	—	29.0	0.1	28.9
Income tax (provision) benefit	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(0.1)	—	—	—	0.1
Net income (loss)	2.5	(13.5)	5.0	(16.3)	(43.8)	(39.0)	3.4	(89.5)	46.3	25.5	1.6	73.2	7.6	(9.7)	5.0	(6.9)	7.6	19.3	5.1	22.0	—	(29.0)	(0.1)	(28.9)
Net loss attributable to redeemable noncontrolling interests	—	2.5	—	2.5	—	3.2	—	3.2	—	(0.7)	—	(0.7)	—	2.6	—	2.6	—	2.1	—	2.1	—	0.5	—	0.5
Net (income) loss attributable to noncontrolling interests	(0.2)	12.5	—	12.3	2.9	27.6	—	30.5	(3.1)	(15.1)	—	(18.2)	(0.4)	7.9	—	7.6	(0.9)	(9.8)	—	(10.7)	0.5	17.7	—	18.3
Net income attributable to Acadia	$ 2.3	$ 1.5	$ 5.0	$ (1.4)	$ (40.9)	$ (8.2)	$ 3.4	$ (55.9)	$ 43.2	$ 9.7	$ 1.6	$ 54.5	$ 7.2	$ 0.8	$ 5.0	$ 3.3	$ 6.7	$ 11.6	$ 5.1	$ 13.4	$ 0.5	$ (10.8)	$ (0.1)	$ (10.1)

Core Portfolio

The results of operations for our Core Portfolio segment are depicted in the table above under the headings labeled "Core." Segment net income attributable to Acadia for our Core Portfolio increased $43.2 million $0.5 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period as a result of the changes further described below.

Revenues for our Core Portfolio decreased $2.8 million increased $3.7 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to the bankruptcy recognition of Bed, Bath and Beyond. a forfeited deposit within Other revenues in the Condensed Consolidated Statements of Income for a property previously under contract for sale.

Realized

Property operating expenses and unrealized holding gains (losses) on investments and other for our Core Portfolio real estate taxes increased $1.7 million $1.8 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to a $1.0 million reserve for increased legal expenses along with higher non-recurring operating expenses throughout the Core Portfolio.

Realized and unrealized holding (losses) gains on investments and other for our Core Portfolio decreased $3.4 million for the three months ended March 31, 2024 compared to the prior year period primarily due to a change in the mark-to-market adjustment on the Investment in Albertsons in 2023. Albertsons. In January 2023, following the expiration of the lock-up period and distribution of approximately 2.5 million shares by Mervyns II to its partners, the Company received 1.6 million shares of Albertsons, the remaining amount of which are now included in the Core portfolio Portfolio (Note 4, Note 8).

Equity in earnings (losses) of unconsolidated affiliates for our Core Portfolio increased $49.0 million for the three months ended September 30, 2023 compared to the prior year period primarily due to an impairment charge for 840 N. Michigan Avenue in 2022

Interest expense for our Core Portfolio increased $1.0 million for the three months ended September 30, 2023 compared to the prior year period primarily due to higher average outstanding borrowings and interest rates in 2023 (Note 7).

Net income attributable to noncontrolling interests for our Core Portfolio decreased $3.1 million for the three months ended September 30, 2023 compared to the prior year period based on the noncontrolling interests' share of the variances discussed above.

Funds (all amounts below are consolidated amounts and are not representative of our proportionate share)

The results of operations for our Funds segment are depicted in the table above under the headings labeled "Funds." Segment net income attributable to Acadia for the Funds increased $9.7 million decreased $10.8 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period as a result of the changes described below.

48

Revenues for the Funds increased $4.2 million $5.8 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due (i) $4.8 million from Fund property acquisitions and (ii) $1.7 million from new tenant lease up within the Funds in 2024 and 2023.

38

Depreciation and amortization for the Funds increased $2.2 million for the three months ended March 31, 2024 compared to the prior year period primarily due to (i) $2.9 million from new tenant lease up in 2022 and 2023 and (ii) $1.6 million from Fund property acquisitions. These increases were offset by $0.5 million from Fund property dispositions in 2022.

Impairment charges Property operating expenses and real estate taxes for the Funds decreased $29.6 million increased $3.0 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period. Impairment charges totaling $3.7 million during 2023 period primarily due to Fund property acquisitions and non-recurring property operating expenses within the Fund Portfolio.

Loss on disposition of property for the Funds related to 146 Geary Street in Fund IV. Impairment charges totaling $33.3 million during 2022 for the Funds related to 146 Geary Street and 717 N. Michigan Avenue in Fund IV.

Gain on disposition of properties for the Funds decreased $8.9 million increased $1.2 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period due to the sale of Wake Forest Crossing at Fund IV in 2022 a loss related to a previously disposed property (Note 2).

Realized and unrealized holding (losses) gains on investments and other for the Funds increased $7.3 million decreased $25.0 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to the $7.3 million mark-to-market adjustment on the Investment a $28.2 million increase in dividend income from Albertsons in 2023. In January 2023 following the expiration of the lock-up period and distribution of approximately 2.5 million shares offset by Mervyns II to its partners, the Company received 1.6 million shares of Albertsons, which are now included a $2.0 million mark-to-market loss in the Core portfolio (Note 4, Note 8).

Equity in earnings (losses) of unconsolidated affiliates for the Funds decreased $3.2 million for the three months ended September 30, 2023 compared to the prior year period primarily due to new unconsolidated Fund acquisitions in 2022 and 2023 (Note 4). 2023.

Interest expense for the Funds increased $2.8 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to $4.5 million from higher average interest rates in 2023, offset by $1.6 million from lower average outstanding borrowings in 2023. 2024.

Net (income) loss attributable to noncontrolling interests for the Funds decreased $15.1 million increased $17.7 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period based on the noncontrolling interests' share of the variances discussed above. Net income attributable to noncontrolling interests in the Funds includes asset management fees earned by the Company of $2.4 million and $2.3 million $2.5 million for the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively.

Structured Financing

Interest and other income for the Structured Financing portfolio increased $1.1 million $0.4 million for the three months ended September 30, 2023 March 31, 2024 compared to the prior year period primarily due to the City Point loan new loans issued during 2022 (Note 10) the three months ended March 31, 2024.

Unallocated

The Company does not allocate general and administrative expenses and income taxes to its reportable segments. These unallocated amounts are depicted in the table above under the headings labeled "Total."

49

Comparison of Results for theNineMonths Ended September 30, 2023to theNine Months Ended September 30, 2022

The results of operations by reportable segment for the nine months ended September 30, 2023 compared to the nine months ended September 30, 2022 are summarized in the table below (in millions, totals may not add due to rounding):

	Nine Months Ended September 30, 2023				Nine Months Ended September 30, 2022				Increase (Decrease)			
	Core	Funds	SF	Total	Core	Funds	SF	Total	Core	Funds	SF	Total
Revenues	$ 153.5	$ 99.7	$ —	$ 253.2	$ 151.7	$ 94.1	$ —	$ 245.7	$ 1.8	$ 5.6	$ —	$ 7.5
Depreciation and amortization	(57.5)	(43.4)	—	(101.0)	(56.5)	(45.9)	—	(102.4)	1.0	(2.5)	—	(1.4)
Property operating expenses and real estate taxes	(46.7)	(32.5)	—	(79.2)	(44.4)	(31.0)	—	(75.4)	2.3	1.5	—	3.8
General and administrative expenses	—	—	—	(30.9)	—	—	—	(32.8)	—	—	—	(1.9)
Impairment charges	—	(3.7)	—	(3.7)	—	(33.3)	—	(33.3)	—	(29.6)	—	(29.6)
Gain on disposition of properties	—	—	—	—	—	49.9	—	49.9	—	(49.9)	—	(49.9)
Operating income (loss)	49.2	20.1	—	38.5	50.7	33.8	—	51.7	(1.5)	(13.7)	—	(13.2)
Interest and other income	—	—	14.9	14.9	—	—	9.9	9.9	—	—	5.0	5.0
Realized and unrealized holding gains (losses) on investments and other	5.2	25.0	—	30.2	1.2	(19.1)	(0.5)	(18.4)	4.0	44.1	0.5	48.6
Equity in (losses) earnings of unconsolidated affiliates	1.9	(8.2)	—	(6.3)	(47.4)	1.2	—	(46.2)	49.3	(9.4)	—	39.9
Interest expense	(33.0)	(35.5)	—	(68.6)	(26.5)	(31.8)	—	(58.3)	6.5	3.7	—	10.3
Income tax benefit (provision)	—	—	—	(0.2)	—	—	—	-	—	—	—	(0.2)
Net income (loss)	23.3	1.4	14.9	8.5	(22.1)	(15.8)	9.4	(61.3)	45.4	17.2	5.5	69.8
Net loss attributable to redeemable noncontrolling interests	—	5.7	—	5.7	—	3.2	—	3.2	—	2.5	—	2.5
Net income attributable to noncontrolling interests	(1.8)	8.9	—	7.1	1.4	17.3	—	18.7	(3.2)	(8.4)	—	(11.6)
Net income (loss) attributable to Acadia	$ 21.5	$ 16.0	$ 14.9	$ 21.2	$ (20.7)	$ 4.6	$ 9.4	$ (39.4)	$ 42.2	$ 11.4	$ 5.5	$ 60.6

Core Portfolio

The results of operations for our Core Portfolio segment are depicted in the table above under the headings labeled "Core." Segment net income attributable to Acadia for our Core Portfolio increased $42.2 million for the nine months ended September 30, 2023 compared to the prior year period as a result of the changes further described below.

Revenues for our Core Portfolio increased $1.8 million for the nine months ended September 30, 2023 compared to the prior year period primarily due to (i) a $7.8 million acceleration of a below market lease for a bankrupt tenant, (ii) a $2.8 million increase from Core Portfolio property acquisitions in 2022 (Note 2), and (iii) $3.6 million from lease up within the Core Portfolio. These increases were offset by (i) $5.4 million from vacating tenants, (ii) $3.5 million from additional termination income received in 2022, and (iii) a $2.7 million increase associated with revenues deemed uncollectible in 2023.

Depreciation and amortization for our Core Portfolio increased $1.0 million for the nine months ended September 30, 2023 compared to the prior year period primarily due to Core Portfolio property acquisitions in 2022.

Property operating expenses and real estate taxes for our Core Portfolio increased $2.3 million for the nine months ended September 30, 2023 compared to the prior year period primarily due to an increase in non-recurring repair and maintenance and utility and insurance costs in 2023.

Realized and unrealized holding gains (losses) on investments and other for our Core Portfolio includes a $4.9 million mark-to-market adjustment on the Investment in Albertsons in 2023 and a $1.2 million bargain purchase gain on the acquisition of the Williamsburg Collection in 2022 (Note 2). In January 2023, following the expiration of the lock-up period and distribution of approximately 2.5 million shares by Mervyns II to its partners, the Company received 1.6 million shares of Albertsons, which are now included in the Core portfolio (Note 4, Note 8).

Equity in earnings (losses) of unconsolidated affiliates for our Core Portfolio increased $49.3 million for the nine months ended September 30, 2023 compared to the prior year period primarily due to an impairment charge for 840 N. Michigan Avenue in 2022.

Interest expense for our Core Portfolio increased $6.5 million for the nine months ended September 30, 2023 compared to the prior year period due to (i) $4.4 million from higher average outstanding borrowings in 2023, and (ii) $3.4 million from higher average interest rates in 2023. These increases were partially offset by $0.7 million from higher capitalized interest in 2023.

Net income attributable to noncontrolling interests for our Core Portfolio decreased $3.2 million for the nine months ended September 30, 2023 compared to the prior year period based on the noncontrolling interests’ share of the variances discussed above.

Funds

The results of operations for our Funds segment are depicted in the table above under the headings labeled “Funds.” Segment net income attributable to Acadia for the Funds increased $11.4 million for the nine months ended September 30, 2023 compared to the prior year period as a result of the changes described below.

Revenues for the Funds increased $5.6 million for the nine months ended September 30, 2023 compared to the prior year period primarily due to (i) $7.5 million from new tenant lease up in 2022 and 2023, (ii) $2.0 million from settlement income related to a tenant. and (iii) $1.6 million from Fund property acquisitions in 2023. These increases were offset by (i) $4.1 million from Fund property dispositions in 2022 (Note 2) and (ii) a $1.3 million increase associated with revenues deemed uncollectible in 2023.

Depreciation and amortization for the Funds decreased $2.5 million for the nine months ended September 30, 2023 compared to the prior year period primarily due to Fund property dispositions in 2022.

Impairment charges for the Funds decreased $29.6 million for the nine months ended September 30, 2023 compared to the prior year period. Impairment charges totaling $3.7 million during 2023 for the Funds related to 146 Geary Street in Fund IV. Impairment charges totaling $33.3 million during 2022 for the Funds related to 146 Geary Street and 717 N. Michigan Avenue in Fund IV.

Gain on disposition of properties for the Funds decreased $49.9 million for the nine months ended September 30, 2023 compared to the prior year period due to the sales of Cortlandt Crossing at Fund III, Lincoln Place, Mayfair, Dauphin and Wake Forest Crossing in Fund IV and a New Towne outparcel in Fund V in 2022 (Note 2).

Realized and unrealized holding gains (losses) on investments and other for the Funds increased $44.1 million for the nine months ended September 30, 2023 compared to the prior year period, primarily due to (i) a $28.2 million increase in dividend income from Albertsons in 2023 and by (ii) a $21.6 million decrease in the mark-to-market adjustment on the Investment in Albertsons in 2022, offset by (i) a $2.0 million decrease in the mark-to-market adjustment on the Investment in Albertsons in 2023, and (ii) a $1.4 million distribution from the Storage Post Management Company in 2022. (Note 4).

Equity in earnings (losses) of unconsolidated affiliates for the Funds decreased $9.4 million for the nine months ended September 30, 2023 compared to the prior year period primarily due to new unconsolidated Fund acquisitions in 2022 and 2023 (Note 4).

Interest expense for the Funds increased $3.7 million for the nine months ended September 30, 2023 compared to the prior year period primarily due to $12.9 million from higher average interest rates in 2023 offset by $7.1 million from lower average outstanding borrowings in 2023 and $2.4 million from higher capitalized interest in 2023.

Net loss attributable to redeemable noncontrolling interests for the Funds increased $2.5 million for the nine months ended September 30, 2023 compared to the prior year period due to the City Point Loan in August 2022 (Note 10). The Company did not allocate any income to redeemable noncontrolling interests for the Funds for the nine months ended September 30, 2022.

Net (income) loss attributable to noncontrolling interests for the Funds decreased $8.4 million for the nine months ended September 30, 2023 compared to the prior year period based on the noncontrolling interests' share of the variances discussed above. Net loss attributable to noncontrolling interests in the Funds includes asset management fees earned by the Company of $7.2 million and $7.2 million for the nine months ended September 30, 2023 and 2022, respectively.

Structured Financing

The results of operations for our Structured Financing segment are depicted in the table above under the headings labeled "SF." Interest and other income for the Structured Financing portfolio increased $5.0 million for the nine months ended September 30, 2023 compared to the prior year period primarily due to the City Point Loan in 2022.

Unallocated

The Company does not allocate general and administrative expense and income taxes to its reportable segments. These unallocated amounts are depicted in the table above under the headings labeled "Total." Unallocated general and administrative expenses decreased $1.9 million for the nine months ended September 30, 2023 compared to the prior year period due to $2.0 million related to acquisition costs in the prior year but not the current year (Note 2).

NON-GAAP FINANCIAL MEASURES

Net Property Operating Income

The following discussion of net property operating income ("NOI") and rent spreads on new and renewal leases includes the activity from both our consolidated and our pro-rata share of unconsolidated properties within our Core Portfolio. Our Funds invest primarily in properties that typically require significant leasing and development. Given that the Funds are finite-life investment vehicles, these properties are sold following stabilization. For these reasons, we believe NOI and rent spreads are not meaningful measures for our Fund investments.

NOI represents property revenues less property expenses. We consider NOI and rent spreads on new and renewal leases for our Core Portfolio to be appropriate supplemental disclosures of portfolio operating performance due to their widespread acceptance and use within the REIT investor and analyst communities. NOI and rent spreads on new and renewal leases are presented to assist investors in analyzing our property performance, however, our method of calculating these may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs.

A reconciliation of consolidated operating income to net operating income - Core Portfolio follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Consolidated operating income	$ 6,691	$ (13,953)	$ 38,457	$ 51,737	$ 14,008	$ 12,108
Add back:						
General and administrative	10,309	10,170	30,898	32,768	9,768	9,946
Depreciation and amortization	33,726	33,744	100,955	102,428	34,940	33,173
Impairment charges	3,686	33,311	3,686	33,311		
Loss related to a previously disposed property					1,198	—
Less:						
Above/below-market rent, straight-line rent and other adjustments (a)	(3,336)	(4,864)	(18,666)	(17,469)	(4,608)	(2,242)

Gain on disposition of properties	—	(8,885)	—	(49,916)		
Consolidated NOI	51,076	49,523	155,330	152,859	55,306	52,985
Redeemable noncontrolling interest in consolidated NOI	(861)	(517)	(3,260)	(517)	(204)	(1,217)
Noncontrolling interest in consolidated NOI	(14,927)	(13,753)	(43,132)	(45,010)	(17,768)	(14,475)
Less: Operating Partnership's interest in Fund NOI included above	(4,656)	(3,800)	(14,458)	(11,278)	(5,341)	(5,037)
Add: Operating Partnership's share of unconsolidated joint ventures NOI (b)	3,163	3,397	11,263	10,451	3,961	3,959
Core Portfolio NOI	$ 33,795	$ 34,850	$ 105,743	$ 106,505	$ 35,954	$ 36,215

a) Includes straight-line rent reserves. See Note 11 for additional information about straight-line rent reserves and adjustments for the periods presented.

b) Does not include the Operating Partnership's share of NOI from unconsolidated joint ventures within the Funds.

Same-Property NOI includes Core Portfolio properties that we owned for both the current and prior periods presented, but excludes those properties that we acquired, sold or expected to sell, redeveloped and developed during these periods. The following table summarizes Same-Property NOI for our Core Portfolio (in (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Core Portfolio NOI	$ 33,795	$ 34,850	$ 105,743	$ 106,505	$ 35,954	$ 36,215
Less properties excluded from Same-Property NOI	(6,071)	(8,644)	(21,305)	(26,772)	(3,926)	(5,900)
Same-Property NOI	$ 27,724	$ 26,206	$ 84,438	$ 79,733	$ 32,028	$ 30,315
Percent change from prior year period	5.8 %		5.9 %		5.7 %	
Components of Same-Property NOI:						
Same-Property Revenues	$ 39,714	$ 37,756	$ 120,755	$ 114,982	$ 46,143	$ 43,782
Same-Property Operating Expenses	(11,990)	(11,550)	(36,317)	(35,249)	(14,115)	(13,467)
Same-Property NOI	$ 27,724	$ 26,206	$ 84,438	$ 79,733	$ 32,028	$ 30,315

Rent Spreads on Core Portfolio New and Renewal Leases

The following table summarizes rent spreads on both a cash basis and straight-line basis for new and renewal leases based on leases executed within our Core Portfolio for the periods presented. Cash basis represents a comparison of rent most recently paid on the previous lease as compared to the initial rent paid on the new lease. Straight-line basis represents a comparison of rents as adjusted for contractual escalations, abated rent, and lease incentives for the same comparable leases. The table below includes embedded option renewals for which the renewed rent was equal to or approximated existing base rent.

Core Portfolio New and Renewal Leases	Three Months Ended September 30, 2023 Cash Basis	Three Months Ended September 30, 2023 Straight-Line Basis	Nine Months Ended September 30, 2023 Cash Basis	Nine Months Ended September 30, 2023 Straight-Line Basis	Three Months Ended March 31, 2024 Cash Basis	Three Months Ended March 31, 2024 Straight-Line Basis
Number of new and renewal leases executed	17	17	53	53	22	22
GLA commencing	85,899	85,899	374,813	374,813	187,851	187,851
New base rent	$ 82.29	$ 87.15	$ 36.90	$ 38.58	$ 22.49	$ 22.85
Expiring base rent	$ 63.53	$ 62.55	$ 30.63	$ 29.62	$ 21.37	$ 20.64
Percent growth in base rent	29.5 %	39.3 %	20.5 %	30.3 %	5.2 %	10.7 %
Average cost per square foot (a)	$ 59.99	$ 59.99	$ 17.15	$ 17.15	$ 1.35	$ 1.35
Weighted average lease term (years)	6.8	6.8	6.6	6.6	4.7	4.7

(a) The average cost per square foot includes tenant improvement costs, leasing commissions and tenant allowances.

53 41

Funds from Operations

We consider 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 due to its widespread acceptance and use within the REIT investor and analyst communities. FFO is presented to assist investors in analyzing our performance. It is helpful as it excludes 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 real estate. Our 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 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 our performance or to cash flows as a measure of liquidity. Consistent with the NAREIT definition, we define FFO as net income (computed in accordance with GAAP), excluding gains (losses) from sales of depreciated property and impairment of depreciable real estate, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Also consistent with NAREIT’s definition of FFO, the Company has elected to include gains and losses incidental to its main business (including those related to its RCP investments, such as Albertsons) in FFO. A reconciliation of net income (loss) attributable to Acadia to FFO follows (dollars in thousands, except per share amounts) data):

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Net (loss) income attributable to Acadia	$ (1,426)	$ (55,891)	$ 21,210	$ (39,427)
Depreciation of real estate and amortization of leasing costs (net of noncontrolling interests' share)	27,351	27,097	82,043	78,007
Impairment charges (net of noncontrolling interests' share)	852	58,481	852	58,481
Gain on disposition of properties (net of noncontrolling interests' share)	—	(2,055)	—	(11,892)
Income attributable to Common OP Unit holders	(55)	(3,083)	1,313	(2,057)
Distributions - Preferred OP Units	123	123	369	369
Funds from operations attributable to Common Shareholders and Common OP Unit holders - Basic	$ 26,845	$ 24,672	$ 105,787	$ 83,481

Less: Impact of City Point share conversion (a)	—	(906)	—	(906)
Funds from operations attributable to Common Shareholders and Common OP Unit holders - Diluted	$ 26,845	$ 23,766	$ 105,787	$ 82,575
Funds From Operations per Share - Diluted				
Basic weighted-average shares outstanding, GAAP earnings	95,319,958	94,980,333	95,256,703	94,757,678
Weighted-average OP Units outstanding	6,962,435	5,307,160	6,980,766	5,311,460
Basic weighted-average shares and OP Units outstanding, FFO	102,282,393	100,287,493	102,237,469	100,069,138
Assumed conversion of Preferred OP Units to Common Shares	463,898	25,067	463,898	464,623
Assumed conversion of LTIP units and Restricted Share Units to Common Shares	—	—	—	—
Diluted weighted-average number of Common Shares and Common OP Units outstanding, FFO	102,746,291	100,312,560	102,701,367	100,533,761
Diluted Funds from operations, per Common Share and Common OP Unit	$ 0.26	$ 0.24	$ 1.03	$ 0.82

a) The impact of assumed conversion of dilutive convertible securities is related to the assumed conversion of potential common shares of the Company that could be subsequently issued in connection with the City Point Loan (Note 10) for the stub-period until the put rights were modified for a cash-only settlement option in the third quarter of 2022.

	Three Months Ended March 31,	
	2024	2023
Net income attributable to Acadia	$ 3,269	$ 13,360
Depreciation of real estate and amortization of leasing costs (net of noncontrolling interests' share)	27,087	26,444
Loss on disposition of property (net of noncontrolling interests' share)	275	—
Income attributable to Common OP Unit holders	203	794
Distributions - Preferred OP Units	123	123
Funds from operations attributable to Common Shareholders and Common OP Unit holders - Basic and Diluted	$ 30,957	$ 40,721
Funds From Operations per Share - Diluted		
Basic weighted-average shares outstanding, GAAP earnings	102,127,715	95,189,490
Weighted-average OP Units outstanding	7,717,578	6,885,106
Basic weighted-average shares and OP Units outstanding, FFO	109,845,293	102,074,596
Assumed conversion of Preferred OP Units to Common Shares	463,898	463,898
Assumed conversion of LTIP units and Restricted Share Units to Common Shares	741,888	858
Diluted weighted-average number of Common Shares and Common OP Units outstanding, FFO	111,051,079	102,539,352
Diluted Funds from operations, per Common Share and Common OP Unit	$ 0.28	$ 0.40

LIQUIDITY AND CAPITAL RESOURCES

Uses of Liquidity and Cash Requirements

Generally, our principal uses of liquidity are (i) distributions to our shareholders and OP unit holders, (ii) investments, which include the funding of our capital committed to the Funds and property acquisitions and development/re-tenanting activities within our Core Portfolio, (iii) distributions to our Fund investors, (iv) debt service and loan repayments and (v) share repurchases.

Distributions

In order to qualify as a REIT for federal income tax purposes, we must distribute at least 90% of our taxable income to our shareholders. During the nine three months ended September 30, 2023 March 31, 2024, we paid dividends and distributions on our Common Shares and Preferred OP Units totaling $51.5 million $18.6 million.

Investments

During the nine months ended September 30, 2023, Fund V acquired one unconsolidated property and one consolidated property totaling $111.5 million, inclusive of transaction costs, as described below (Note 2, Note 4):

- On January 27, 2023, Fund V acquired a 90% interest in an unconsolidated venture. The venture purchased a shopping center, Mohawk Commons, loca Schenectady, New York, for $62.1 million, inclusive of transaction costs.
- On July 3, 2023, Fund V acquired a shopping center, Cypress Creek, located in Tampa, Florida, for $49.4 million, inclusive of transaction costs.

Structured Financing Investments

During the nine months ended September 30, 2023, we funded $4.6 million of a $12.8 million construction loan commitment to an unconsolidated venture (Note 4). Through Fund V, we refinanced a $31.7 million bridge loan at an unconsolidated property that was originated by Fund V at acquisition with a new mortgage loan at an unconsolidated property.

Capital Commitments

During the nine three months ended September 30, 2023 March 31, 2024, we made capital contributions aggregating $8.7 million $11.1 million to our Funds, including $2.0 million to Fund II for City Point. In October 2023, we made an additional Fund V capital contribution of $4.1 million. Funds.

At September 30, 2023 As of March 31, 2024, our share of the remaining capital commitments to our Funds aggregated $36.9 million $18.1 million as follows:

- $0 to Fund II – During August 2020, a recallable distribution of $15.7 million was made by Mervyns II to its investors, of which our share was $4.5 million.During 2021 and 2022, Mervyns II recalled $11.9 million and $3.8 million, respectively, of the $15.7 million, of which our share is $3.4 million and $1.2 million, respectively.
- $0.5 million to Fund III – Fund III was launched in May 2007 with total committed capital of $450.0 million, of which our original share was $89.6 million. During we acquired an additional interest, which had an original capital commitment of $20.9 million.
- $9.7 5.5 million to Fund IV – Fund IV was launched in May 2012 with total committed capital of $530.0 million, of which our original share was $122.5 million.
- $26.7 12.1 million to Fund V – Fund V was launched in August 2016 with total committed capital of $520.0 million, of which our original share was $104.5 million.

Development Activities

During the nine three months ended September 30, 2023 March 31, 2024, capitalized costs associated with development activities totaled $12.7 million $1.8 million (Note 2). At September 30, 2023 As of March 31, 2024, we had a total of twelve thirteen consolidated and one unconsolidated project projects under development or redevelopment, for which the estimated total cost to complete these projects through 2025 was $50.6 million $44.8 million to $77.0 million $71.2 million, and our estimated share was approximately $28.7 million $23.8 million to $45.1 million $40.2 million. Substantially all remaining development and redevelopment costs are discretionary, which and could be affected by various risks and uncertainties, including, but not limited to, the effects of the current inflationary environment, rising interest rates, and other risks detailed in Part I, Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Debt

A summary of our consolidated debt, which includes the full amount of Fund related obligations and excludes our pro rata share of debt at our unconsolidated subsidiaries, is as follows (in thousands):

	September 30,	December 31,	March 31,	December 31,

	2023	2022	2024	2023
Total Debt - Fixed and Effectively Fixed Rate	$ 1,456,226	$ 1,440,773	$ 1,404,644	$ 1,454,707
Total Debt - Variable Rate	376,043	364,641	329,819	426,380
	1,832,269	1,805,414	1,734,463	1,881,087
Net unamortized debt issuance costs	(12,449)	(12,697)	(11,012)	(11,186)
Unamortized premium	266	343	228	240
Total Indebtedness	$ 1,820,086	$ 1,793,060	$ 1,723,679	$ 1,870,141

43

As of September 30, 2023 March 31, 2024, our consolidated indebtedness aggregated $1,832.3 million $1,734.5 million, excluding unamortized premium of $0.3 million $0.2 million and net unamortized loan costs of $12.4 million $11.0 million, and were was collateralized by 33 properties and related tenant leases. Stated interest rates on our outstanding indebtedness ranged from 3.99% to SOFR + 3.75% with maturities that ranged from November 1, 2023 January 1, 2025 to April 15, 2035, without regard to available extension options and the Fund IV mortgage loan in maturity default. options. With respect to the debt maturing in October and November 2023, 2024, we are actively pursuing refinancing the remaining obligations, though there can be no assurance that we can refinance such obligations on favorable terms or at all. One non-recourse Fund IV mortgage loan with an outstanding balance of $19.3 million, or $4.5 million at our share, was in default at September 30, 2023. On July 15, 2023 the loan matured and was not repaid and accrues default interest at a rate of 4.00% per annum in excess of the interest rate of SOFR + 3.65%. Taking into consideration $1,250.8 million $1,207.6 million of notional principal under variable to fixed-rate swap agreements currently in effect, $1,456.2 million $1,404.6 million of the portfolio debt, or 79.50% 81.0%, was fixed at a 4.73% weighted-average 4.77% weighted average interest rate and $376.0 million $329.8 million, or 20.50% 19.0%, was floating at a 7.30% 8.09% weighted average interest rate as of September 30, 2023 March 31, 2024. Our variable-rate debt includes $154.1 million $151.3 million of debt subject to interest rate caps.

Without regard to available extension options, at September 30, 2023 there was $133.1 million as of March 31, 2024, we had $218.4 million of debt maturing in 2023 2024 at a weighted-average interest rate of 8.36% 4.27%; there was $1.9 million $4.4 million of scheduled principal amortization due in the remainder of 2023; 2024; and our share of scheduled remaining 2023 2024 principal payments and maturities on our unconsolidated debt was $40.9 million $65.6 million. In addition, $75.7 million $309.8 million of our total consolidated debt and $6.3 million $61.0 million of our pro-rata share of unconsolidated debt will come due by September 30, 2024 March 31, 2025. With respect to the debt maturing in 2023 2024 and 2024, 2025, we have options to extend consolidated debt aggregating $20.3 million $40.1 million and $0.0 million at September 30, 2023, respectively; $438.7 million as of March 31, 2024 and; however, there can be no assurance that the Company will be able to successfully execute any or all of its available extension options. For the remaining indebtedness, we may not have sufficient cash on hand to repay such indebtedness, and, therefore, we expect to refinance at least a portion of this indebtedness or select other alternatives based on market conditions as these loans mature; however, there can be no assurance that we will be able to obtain financing on acceptable terms or at all. Our ability to obtain financing could be affected by various risks and uncertainties, including, but not limited to, the effects of the current inflationary environment, rising interest rates, and other risks detailed in Part I, Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Share Repurchase Program

We maintain a share repurchase program under which $122.5 million remains available as of September 30, 2023 March 31, 2024 (Note 10). We did not repurchase any shares under this program during the nine three months ended September 30, 2023 March 31, 2024.

Sources of Liquidity

Our primary sources of capital for funding our short-term (less than 12 months) and long-term (12 months and longer) liquidity needs include (i) the issuance of both public equity and OP Units, (ii) the issuance of both secured and unsecured debt, (iii) unfunded capital commitments from noncontrolling interests within our Funds, (iv) future sales of existing properties, (v) repayments of structured financing investments, (vi) liquidation of marketable securities, and (vii) cash on hand and future cash flow from operating activities. Our cash on hand in our consolidated subsidiaries at September 30, 2023 as of March 31, 2024 totaled $19.3 million $18.8 million. Our remaining sources of liquidity are described further below.

56 Issuance of Common Shares

In January 2024, the Company completed an underwritten offering of 6,900,000 Common Shares (inclusive of the underwriters' option to purchase 900,000 additional shares) for net proceeds of $113.0 million.

ATM Program

We have an ATM Program (Note 10) that provides us with an efficient and low-cost vehicle for raising capital through public equity issuances on an as-we-go basis to fund our capital needs. Through this program, we have been able to effectively “match-fund” the required capital for our Core Portfolio and our share of Fund acquisitions through the issuance of Common Shares over extended periods employing a price averaging strategy. In addition, from time to time, we have issued and may issue, equity in follow-on offerings separate from our ATM Program. Net proceeds raised through our ATM Program and follow-on offerings are primarily used for acquisitions, both for our Core Portfolio and our pro-rata share of Fund acquisitions, and for general corporate purposes. We did not make any sales The Company sold 87,139 Common Shares under the its ATM program Program during the nine three months ended September 30, 2023. March 31, 2024 generating $1.5 million of net proceeds.

Fund Capital

During the nine three months ended September 30, 2023 March 31, 2024, Fund V called for capital contributions of $39.1 million $52.2 million, of which our aggregate share was $8.7 million $11.1 million. In October, Fund V called for capital contributions As of $20.4 million, of which our aggregate share was $4.1 million. At September 30, 2023 March 31, 2024, unfunded capital commitments from noncontrolling interests within Funds II, III, IV and V were zero, $1.4 million, $32.2 million $18.5 million and $106.3 million $48.3 million, respectively.

Other Transactions

The contractual lock-up restrictions on our investment in Albertsons expired in January 2023, and we received 1.6 million shares. During the three months ended September 30, 2023 March 31, 2024, we sold 100,000 175,000 shares of Albertsons, generating net proceeds of $2.4 million $4.0 million. At September 30, 2023 As of March 31, 2024, we held 1.5 million 1.3 million shares which had with a fair value of $35.2 million $27.3 million (Note 4, Note 8). In addition, during the nine three months ended September 30, 2023 March 31, 2024, we recognized dividend income of $28.9 million (inclusive of the $28.2 million special dividend received from Mervyns II investment in Albertsons prior to the expiration of the lockup), of which the Company's share was $11.8 million $0.2 million (Note 8).

In April and June 2023, Fund II received $2.0 million, or $1.1 million at the Company’s share, of proceeds from the Century 21 Department Stores LLC bankruptcy claim (Note 11).

Structured Financing Repayments

During the nine three months ended September 30, 2023 March 31, 2024, Fund V refinanced the Company received full payment on a $31.7 million bridge loan at an unconsolidated property that was originated by Fund V at acquisition. We also have one Structured Financing investment in the amount of $21.6 million including accrued interest (exclusive of default interest and other amounts due on the loanthat have not been recognized) that previously matured and has not been repaid (Note 3). $6.0 million Core Portfolio note.

Financing and Debt

As of September 30, 2023 March 31, 2024, we had $180.4 million $185.3 million of additional capacity under existing Core Portfolio and Fund revolving debt facilities. In addition, at as of that date within our Core and Fund portfolios, we had 93 92 unleveraged consolidated properties with an aggregate carrying value of approximately $1.8 billion, although there can be no assurance that we would be able to obtain financing for these properties at favorable terms, if at all.

Inflation and Economic Condition Considerations

The three months ended March 31, 2024, and the year ended December 31, 2022 and nine months ended September 30, 2023 December 31, 2023, were impacted by significant volatility in global markets, largely driven by rising inflation rising and interest rates, slowing economic growth, geopolitical uncertainty and instability in the banking sector following multiple bank failures. Central banks have responded to rapidly rising inflation by tightening monetary policies that are likely to create headwinds to economic growth. The Federal Reserve has raised interest rates eleven times since January 2022, and has signaled that further interest rate increases may be forthcoming throughout 2023 and into in 2024. The rate hikes enacted by the Federal Reserve have had a significant impact on interest rate indexes such as SOFR and the Prime Rate. As of September 30, 2023 March 31, 2024, approximately 79.5% 81.0% of our outstanding debt is fixed or effectively fixed rate with the remaining 20.5% 19.0% indexed to LIBOR, SOFR or Prime plus an applicable margin per the loan agreement. As of September 30, 2023 March 31, 2024, we were counterparty to 36 interest rate swap agreements and four interest rate cap agreements, all of which qualify for and are designated as hedging instruments, which helps to alleviate the impact of rising interest rates on our operations.

We believe we manage our properties in a cost-conscious manner to minimize recurring operational expenses and utilize multi-year contracts to alleviate the impact of inflation on our business and our tenants. Most of our leases require tenants to pay their share of operating expenses, including common area maintenance, real estate taxes and insurance, thereby reducing our exposure to increases in costs and operating expenses resulting from inflation. These provisions are designed to partially mitigate the impact of inflation; however, current inflation levels are much greater than the contractual rent increases we obtain from our tenant base. We also continue to see consumer confidence and we expect to continue to add value to our portfolio through executing on our current leasing momentum, our active development and redevelopment projects, and leasing pipeline.

On April 23, 2023, Bed Bath and Beyond filed Chapter 11 bankruptcy protection causing them to reject their leases at several of our properties. Bed Bath and Beyond's leases represents two locations within our Core Portfolio and three locations in our Fund Portfolio. The bankruptcy of any of our tenants, which may cause them to reject their leases, or not to renew their leases as they expire, could have an adverse effect on our cash flows or property values. For the nine months ended September 30, 2023, we accelerated the amortization of the below-market lease intangible of $8.1 million related to the Bed Bath and Beyond lease termination.

While we have not experienced any material negative impacts at this time, we intend to actively manage our business to respond to the ongoing economic and social impact from such events. See Risk Factors in Part I, Item 1A, of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

HISTORICAL CASH FLOW

The following table compares the historical cash flow for the nine three months ended September 30, 2023 March 31, 2024 with the cash flow for the nine three months ended September 30, 2022 March 31, 2023 (in millions, totals may not add due to rounding):

	Nine Months Ended September 30,			Three Months Ended March 31,		
	2023	2022	Variance	2024	2023	Variance
Net cash provided by operating activities	$ 115.2	$ 100.5	$ 14.7	$ 26.0	$ 59.4	$ (33.4)
Net cash used in investing activities	(90.1)	(144.9)	54.8	(3.8)	(3.6)	(0.2)
Net cash (used in) provided by financing activities	(30.1)	47.6	(77.7)			
(Decrease) increase in cash and restricted cash	$ (5.0)	$ 3.1	$ (8.1)			
Net cash used in financing activities				(20.5)	(56.7)	36.2
Increase (decrease) in cash and restricted cash				$ 1.6	$ (0.8)	$ 2.4

Operating Activities

Net cash provided by operating activities primarily consists of cash inflows from dividend income and rental revenue, and cash outflows for property operating expenses, general and administrative expenses and interest and debt expense.

Our operating activities provided $14.7 million more $33.4 million less cash for the nine three months ended September 30, 2023 March 31, 2024 as compared to the nine three months ended September 30, 2022 March 31, 2023, primarily due to the $28.2 million dividend received from our investment in Albertsons in 2023, offset by higher payments of interest in 2023.

Investing Activities

Net cash used in investing activities is impacted by our investments in and advances to unconsolidated affiliates, the timing and extent of our real estate development, capital improvements, and acquisition and disposition activities during the period.

Our investing activities used $54.8 million less $0.2 million more cash for the nine three months ended September 30, 2023 March 31, 2024 as compared to the nine three months ended September 30, 2022 March 31, 2023, primarily due to (i) $194.4 million $32.8 million less cash used for the acquisition received from return of properties, and (ii) $117.9 million capital from unconsolidated affiliates. This use of cash was offset by (i) $22.4 million less cash used in our investments in and advances to unconsolidated affiliates. These sources of cash were primarily offset by (i) $195.4 million less affiliates, (ii) $6.0 million more received from proceeds from notes receivable and (iii) $4.0 million more cash received from the disposition sale of properties, (ii) $21.7 million less cash received from return of capital from unconsolidated affiliates, (iii) $29.5 million less cash received from repayment of notes receivable, and (iv) $14.4 million more cash used in development, construction, and property improvements. marketable securities.

Financing Activities

Net cash used in financing activities is impacted by the timing and extent of issuances of debt and equity securities, distributions paid to common shareholders and unitholders of the Operating Partnership, as well as principal and other payments associated with our outstanding indebtedness.

Our financing activities used $77.7 million more $36.2 million less cash during the nine three months ended September 30, 2023 March 31, 2024 as compared to the nine three months ended September 30, 2022 March 31, 2023, primarily from (i) $119.5 million less $113.8 million more cash provided by the sale of Common Shares, (ii) $77.6 million $16.2 million less cash distributed to noncontrolling interests, and (iii) $6.3 million more cash provided by contributions from noncontrolling interests, and (iii) $3.9 million interests. These increases were offset by $99.4 million more cash used in dividends paid to Common shareholders. These decreases were offset by (i) $51.3 million more cash received in proceeds from debt, (ii) $42.8 million less cash used for distributions to noncontrolling interests, (iii) $24.3 million less cash used for the acquisition of noncontrolling interests, and (iv) $5.4 million from lower financing costs.

58

pay debt.

OFF-BALANCE SHEET ARRANGEMENTS

We have the following investments made through joint ventures (that may include, among others, tenancy-in common and other similar investments) for the purpose of investing in operating properties. We account for these investments using the equity method of accounting. As such, our financial statements reflect our investment and our share of income and loss from, but not the individual assets and liabilities, of these joint ventures.

See Note 4 in the Notes to Condensed Consolidated Financial Statements, for a discussion of our unconsolidated investments. The Operating Partnership's pro-rata share of unconsolidated non-recourse debt related to those investments is as follows (dollars in millions):

	Operating Partnership		September 30, 2023		Operating Partnership		March 31, 2024	
Investment	**Ownership Percentage**	**Pro-rata Share of Mortgage Debt**	**Effective Interest Rate (a)**	**Maturity Date**	**Ownership Percentage**	**Pro-rata Share of Mortgage Debt**	**Effective Interest Rate (a)**	**Maturity Date**
Renaissance	20.0 %	$ 32.0	7.68 %	Oct 2023				
Gotham(c)	49.0 %	8.5	8.33 %	Dec 2023				
3104 M Street	20.0 %	0.8	8.50 %	Jan 2024				
Gotham Plaza					49.0 %	$ 8.4	9.32 %	Jun 2024
Eden	22.8 %	5.5	7.60 %	Sep 2024	20.8 %	5.0	7.60 %	Sep 2024
Crossroads	49.0 %	29.3	3.94 %	Oct 2024	49.0 %	28.9	3.94 %	Oct 2024
Tri City Plaza(c)	18.1 %	6.9	2.94 %	Oct 2024				
Frederick Crossing(c)	18.1 %	4.3	3.26 %	Dec 2024				
Paramus Plaza(b)	11.6 %	3.3	7.66 %	Dec 2024				
Frederick County Square(c)	18.1 %	4.2	4.11 %	Jan 2025				
Tri City Plaza(b)					18.1 %	6.9	3.04 %	Oct 2024
Frederick Crossing(b)					18.1 %	4.3	3.27 %	Dec 2024

Paramus Plaza(c)					11.6 %	3.2	7.67 %	Dec 2024
Frederick County Square(b)					18.1 %	4.3	5.56 %	Jan 2025
650 Bald Hill					20.8 %	3.2	3.75 %	Jun 2026
Renaissance(c)					20.0 %	30.4	7.15 %	Nov 2026
840 N Michigan	88.4 %	65.0	4.36 %	Feb 2025	91.9 %	47.4	6.50 %	Dec 2026
3104 M Street(c)					20.0 %	0.8	8.50 %	Jan 2027
Wood Ridge Plaza(b)	18.1 %	5.8	8.63 %	Mar 2025	18.1 %	6.2	7.22 %	Mar 2027
650 Bald Hill	20.8 %	3.2	3.75 %	Jun 2026				
La Frontera	18.1 %	10.0	6.11 %	Jun 2027	18.1 %	10.0	6.11 %	Jun 2027
Riverdale	18.0 %	6.9	7.79 %	Nov 2027	18.0 %	6.9	7.27 %	Nov 2027
Georgetown	50.0 %	7.3	4.72 %	Dec 2027	50.0 %	7.2	4.72 %	Dec 2027
Mohawk Commons	18.1 %	7.2	5.80 %	Mar 2028	18.1 %	7.2	5.80 %	Mar 2028
Shoppes at South Hills(c)	18.1 %	5.8	5.95 %	Mar 2028				
Shoppes at South Hills(b)					18.1 %	5.8	5.95 %	Mar 2028
Total		$ 206.0				$ 186.1		

(a) Effective interest rates incorporate the effect of interest rate swaps and caps that were in effect at September 30, 2023 as of March 31, 2024, where applicable.
(b) The debt has one available 12-month extension option.
(c) The debt has two available 12-month extension options.

46

CRITICAL ACCOUNTING POLICIES

Management's discussion and analysis of financial condition and results of operations is based upon our Condensed Consolidated Financial Statements, condensed consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of Condensed Consolidated Financial Statements condensed consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. We base our estimates on historical experience and assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. We believe there have been no material changes to the items that we disclosed as our critical accounting policies under Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our 2022 2023 Annual Report on Form 10-K.

Recently Issued and Adopted Accounting Pronouncements

Reference is made to Note 1 of in the condensed consolidated financial statements Notes to Condensed Consolidated Financial Statements for information about recently issued accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Information as of September 30, 2023 March 31, 2024

Our primary market risk exposure is to changes in interest rates related to our mortgage and other debt. See Note 7 in the Notes to Condensed Consolidated Financial Statements, for certain quantitative details related to our mortgage and other debt.

Currently, we manage our exposure to fluctuations in interest rates primarily through the use of fixed-rate debt and interest rate swap and cap agreements. As of September 30, 2023 March 31, 2024, we had total mortgage and other notes payable of $1,832.3 million $1,734.5 million, excluding the unamortized premium of $0.3 million $0.2 million and net unamortized debt issuance costs of $12.4 million $11.0 million, of which $1,456.2 million $1,404.6 million, or 79.5% 81.0% was fixed-rate, inclusive of debt with rates fixed through the use of derivative financial instruments, and $376.0 million $329.8 million, or 20.5% 19.0%, was variable-rate based upon LIBOR, SOFR or Prime rates plus certain spreads. As of September 30, 2023 March 31, 2024, we were party to 36 interest rate swaps and four interest rate cap agreements to hedge our exposure to changes in interest rates with respect to $1,250.8 million $1,207.6 million and $154.1 million $151.3 million of variable-rate debt, respectively. For a discussion of the risks associated with the discontinuation of LIBOR, see Item 1A. “Risk Factors—Risks Related to Our Liquidity and Indebtedness on our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 — If we decided to employ higher leverage levels, we would be subject to increased debt service requirements and a higher risk of default on our debt obligations, which could adversely affect our financial conditions, cash flows and ability to make distributions to our shareholders. In addition, increases or changes in interest rates could cause our borrowing costs to rise and may limit our ability to refinance debt”. debt.”

The following table sets forth information as of September 30, 2023 March 31, 2024 concerning our long-term debt obligations, including principal cash flows by scheduled maturity (without regard to available extension options) and weighted average effective interest rates of maturing amounts (dollars in millions):

Core Consolidated Mortgage and Other Debt

Year	Scheduled Amortization	Maturities	Total	Weighted-Average Interest Rate	Scheduled Amortization	Maturities	Total	Weighted Average Interest Rate
2023 (Remainder)	$ 0.5	$ —	$ 0.5	—%				
2024	1.8	7.3	9.1	4.7%				
2024 (Remainder)					$ 1.3	$ —	$ 1.3	—%
2025	2.1	252.3	254.4	4.2%	2.0	174.7	176.7	4.1%
2026	2.4	400.0	402.4	4.2%	2.4	400.0	402.4	4.7%
2027	2.2	200.1	202.3	4.1%	2.3	200.1	202.4	4.6%
2028					1.8	67.9	69.7	4.5%
Thereafter	4.3	161.6	165.9	4.6%	2.5	93.7	96.2	5.5%
	$ 13.3	$ 1,021.3	$ 1,034.6		$ 12.3	$ 936.4	$ 948.7	

Fund Consolidated Mortgage and Other Debt

Year	Scheduled Amortization	Maturities	Total	Weighted-Average Interest Rate	Scheduled Amortization	Maturities	Total	Weighted Average Interest Rate
2023 (Remainder)	$ 1.4	$ 133.1	$ 134.5	8.4%				

Year	Scheduled Amortization	Maturities	Total	Weighted-Average Interest Rate	Scheduled Amortization	Maturities	Total	Weighted Average Interest Rate
2024	3.9	239.7	243.6	4.1%				
2024 (Remainder)					$ 3.1	$ 218.4	$ 221.5	4.3%
2025	0.6	322.8	323.4	7.0%	1.2	406.0	407.2	7.3%
2026	0.3	34.0	34.3	8.0%	0.3	51.7	52.0	6.5%
2027	0.4	—	0.4	—%	0.4	43.4	43.8	8.2%
2028					0.2	61.1	61.3	6.0%
Thereafter	0.2	61.3	61.5	6.0%	—	—	—	—%
	$ 6.8	$ 790.9	$ 797.7		$ 5.2	$ 780.6	$ 785.8	

Mortgage Debt in Unconsolidated Partnerships (at our Pro-Rata Share)

Year	Scheduled Amortization	Maturities	Total	Weighted-Average Interest Rate	Scheduled Amortization	Maturities	Total	Weighted Average Interest Rate
2023 (Remainder)	$ 0.4	$ 40.5	$ 40.9	7.8%				
2024	1.4	49.0	50.4	4.5%				
2024 (Remainder)					$ 9.5	$ 56.1	$ 65.6	5.1%
2025	0.6	74.8	75.4	4.7%	6.0	4.3	10.3	5.6%
2026	0.6	3.0	3.6	3.8%	6.1	61.5	67.6	6.7%
2027	0.6	22.8	23.4	6.2%	0.6	29.7	30.3	6.3%
2028					—	12.3	12.3	5.9%
Thereafter	—	12.3	12.3	5.9%	—	—	—	—%
	$ 3.6	$ 202.4	$ 206.0		$ 22.2	$ 163.9	$ 186.1	

Without regard to available extension options, in the remainder of 2023, $135.0 million 2024, $222.8 million of our total consolidated debt and $40.9 million $65.6 million of our pro-rata share of unconsolidated outstanding debt will become due. In addition, $252.8 million $583.9 million of our total consolidated debt and $50.4 million $10.3 million of our pro-rata share of unconsolidated debt will become due in 2024. 2025. As it relates to the aforementioned maturing debt in 2023 2024 and 2024, 2025, we

have options to extend consolidated debt aggregating $20.3 million $40.1 million and $0.0 million $438.7 million, respectively; however, there can be no assurance that the Company will be able successfully execute any or all of its available extension options. As we intend on refinancing some or all of such debt at the then-existing market interest rates, which may be greater than the current interest rates, our interest expense would increase by approximately $4.8 million $8.7 million annually if the interest rate on the refinanced debt increased by 100 basis points. After giving effect to noncontrolling interests, our share of this increase would be $0.9 million $4.3 million. Interest expense on our variable-rate debt of $376.0 million $329.8 million, net of variable to fixed-rate swap agreements currently in effect, as of September 30, 2023 March 31, 2024, would increase $3.8 million $3.3 million if corresponding rate indices increased by 100 basis points. After giving effect to noncontrolling interests, our share of this increase would be $1.5 million $1.0 million. We may seek additional variable-rate financing if and when pricing and other commercial and financial terms warrant. As such, we would consider hedging against the interest rate risk related to such additional variable-rate debt through interest rate swaps and protection agreements, or other means.

Based on our outstanding debt balances as of September 30, 2023 March 31, 2024, the fair value of our total consolidated outstanding debt would decrease by approximately $6.8 million $5.7 million if interest rates increase increased by 1%. Conversely, if interest rates decrease decreased by 1%, the fair value of our total outstanding debt would increase by approximately $6.2 million $5.9 million.

As of September 30, 2023 March 31, 2024, and December 31, 2022 December 31, 2023, we had consolidated notes receivable of $123.8 million $118.9 million and $123.9 million $124.9 million, respectively. We determined the estimated fair value of our notes receivable by discounting future cash receipts utilizing a discount rate equivalent to the rate at which similar notes receivable would be originated under conditions then existing.

Based on our outstanding notes receivable balances as of September 30, 2023 March 31, 2024, the fair value of our total outstanding notes receivable would decrease by approximately $0.9 million $0.8 million if interest rates increase increased by 1%. Conversely, if interest rates decrease decreased by 1%, the fair value of our total outstanding notes receivable would increase by approximately $0.8 million.

48

Summarized Information as of December 31, 2022 December 31, 2023

As of December 31, 2022 December 31, 2023, we had total mortgage and other notes payable of $1,805.4 million $1,881.1 million, excluding the unamortized premium of $0.3 million $0.2 million and unamortized debt issuance costs of $12.7 million $11.2 million, of which $1,440.8 million $1,454.7 million, or 79.8% 77.3%, was fixed-rate, inclusive of debt with rates fixed through the use of derivative financial instruments, and $364.6 million $426.4 million, or 20.2% 22.7%, was variable-rate based upon LIBOR rates plus certain spreads. As of December 31, 2022 December 31, 2023, we were party to 36 interest rate swap and three interest rate cap agreements to hedge our exposure to changes in interest rates with respect to $1,264.0 million $1,249.8 million and $103.8 million $151.4 million of LIBOR or SOFR-based variable-rate debt, respectively.

Interest expense on our variable-rate debt of $364.6 million $426.4 million as of December 31, 2022 December 31, 2023, would have increased $3.6 million $4.3 million if corresponding rate indices increased by 100 basis points. Based on our outstanding debt balances as of December 31, 2022 December 31, 2023, the fair value of our total outstanding debt would have decreased by approximately $0.4 million $6.9 million if interest rates increased by 1%. Conversely, if interest rates decreased by 1%, the fair value of our total outstanding debt would have increased by approximately $2.6 million $6.6 million.

Changes in Market Risk Exposures from December 31, 2022 December 31, 2023 to September 30, 2023 March 31, 2024

Our interest rate risk exposure from December 31, 2022 December 31, 2023, to September 30, 2023 March 31, 2024, has increased decreased on an absolute basis, as the $364.6 million $426.4 million of variable-rate debt as of December 31, 2022 December 31, 2023 has increased decreased to $376.0 million $329.8 million as of September 30, 2023 March 31, 2024. As a percentage of our overall debt, our interest rate exposure has increased decreased as our variable-rate debt accounted for 20.2% 22.7% of our consolidated debt as of December 31, 2022 December 31, 2023 compared to 20.5% 19.0% as of September 30, 2023 March 31, 2024.

61

ITEM 4. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

Our disclosure controls and procedures include internal controls and other procedures designed to provide reasonable assurance that information required to be disclosed in this and other reports filed under the Exchange Act, is recorded, processed, summarized, and reported within the required time periods specified in the SEC's rules and forms; and that such information is accumulated and communicated to management, including our chief executive officer and chief financial officer, to allow timely decisions regarding required disclosures. It should be noted that no system of controls can provide complete assurance of achieving a company's objectives and that future events may impact the effectiveness of a system of controls. Our chief executive officer and chief financial officer, after conducting an evaluation, together with members of our management, of the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2023 March 31, 2024, have concluded that our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) were effective as of September 30, 2023 March 31, 2024, at a reasonable level of assurance.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

62 49

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

From time to time, we are a party to various legal proceedings, claims or regulatory inquiries and investigations arising out of, or incident to, our ordinary course of business. While we are unable to predict with certainty the outcome of any particular matter, management does not expect, when such matters are resolved, that our resulting exposure to loss contingencies, if any, will have a material adverse effect on our consolidated financial position.

ITEM 1A. RISK FACTORS.

Except to the extent additional factual information disclosed elsewhere in this Report relates to such risk factors (including, without limitation, the matters discussed in Part I, "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations"), there were no material changes to the risk factors disclosed in Part I, "Item 1A. Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

Not applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

Trading Arrangements

During the three months ended September 30, 2023 March 31, 2024, none of our officers or trustees (as defined in Rule 16a-1(f) of the Exchange Act) adopted, terminated, or modified any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any non-Rule 10b5-1 trading arrangement (as defined in Item 408 of Regulation S-K).

ITEM 6. EXHIBITS.

The following is an index to all exhibits including (i) those filed with this Quarterly Report on Form 10-Q and (ii) those incorporated by reference herein:

Exhibit No.	Description	Method of Filing
31.1 10.1*	Form of Long-Term Incentive Plan Award Agreement (Time-Based) (SVP/EVP)	Filed herewith
10.2*	Form of Long-Term Incentive Plan Award Agreement (Time- and Performance- Based) (SVP/EVP)	Filed herewith
31.1	Certification of Chief Executive Officer pursuant to rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Certification of Chief Financial Officer pursuant to rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Furnished herewith

101.INS	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	Filed herewith
101.SCH	Inline XBRL Taxonomy Extension Schema Document	Filed herewith
101.CAL	Inline XBRL Taxonomy Extension Calculation Document	Filed herewith
101.DEF	Inline XBRL Taxonomy Extension Definitions Document	Filed herewith
101.LAB	Inline XBRL Taxonomy Extension Labels Document	Filed herewith
101.PRE	Inline XBRL Taxonomy Extension Presentation Document	Filed herewith
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)	Filed herewith

64 * Management contract or compensation plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

ACADIA REALTY TRUST
(Registrant)

By: /s/ Kenneth F. Bernstein
Kenneth F. Bernstein
Chief Executive Officer,
President and Trustee

By: /s/ John Gottfried
John Gottfried
Executive Vice President and
Chief Financial Officer

By: /s/ Richard Hartmann
Richard Hartmann
Senior Vice President and
Chief Accounting Officer

Dated: October 31, 2023 April 30, 2024

ACADIA REALTY TRUST
[ ] LONG-TERM INCENTIVE PLAN
AWARD AGREEMENT

[ ] LONG-TERM INCENTIVE PLAN AWARD AGREEMENT made as of the date set forth on Schedule A hereto between Acadia Realty Trust, a Maryland real estate investment trust (the "Company"), its subsidiary Acadia Realty Limited Partnership, a Delaware limited partnership and the entity through which the Company conducts substantially all of its operations (the "Partnership"), and the party listed on Schedule A (the "Grantee").

RECITALS

1. The Grantee is a key employee of the Company or one of its Subsidiaries or affiliates and provides services to the Partnership.

2. The Company has adopted the [ ] Long-Term Incentive Plan (the "LTIP") pursuant to the Acadia Realty Trust Amended and Restated 2020 Share Incentive Plan (the "Plan"), to provide certain key employees of the Company or its Subsidiaries and affiliates, including the Grantee, in connection with their employment with the long-term incentive compensation described in this Award Agreement (this "Agreement" or "Award Agreement"), and thereby provide additional incentive for them to promote the progress and success of the business of the Company and its Subsidiaries and affiliates, including the Partnership, while increasing the total return to the Company's shareholders. The LTIP Units (as defined herein) may, under certain circumstances, become exchangeable for shares of beneficial ownership of the Company reserved for issuance under the Plan, or any successor equity plan. This Agreement evidences an award to the Grantee under the LTIP (this "Award"), which is subject to the terms and conditions set forth herein.

3. The Grantee was selected to receive this Award as an employee who, through the effective execution of his or her assigned duties and responsibilities, is in a position to have a direct and measurable impact on the Company's long-term financial results. Effective as of the grant date specified in Schedule A hereto (the "Grant Date"), the Grantee was issued the number of LTIP Units (as defined herein) set forth in Schedule A.

NOW, THEREFORE, the Company, the Partnership and the Grantee agree as follows:

Section 1.Administration. The LTIP and all awards thereunder, including this Award, shall be administered by the Compensation Committee of the Board of Trustees of the Company (the "Committee"), which in the administration of the LTIP shall have all the powers and authority it has in the administration of the Plan, as set forth in the Plan. The Committee may from time to time adopt any rules or procedures it deems necessary or desirable for the proper and efficient administration of the LTIP, consistent with the terms hereof and of the Plan. The Committee's determinations and interpretations with respect to the LTIP and this Agreement shall be final and binding on all parties.

Section 2.Definitions. Capitalized terms used herein without definitions shall have the meanings given to those terms in the Plan. In addition, as used herein:

"Award LTIP Units" has the meaning set forth in Section 3.

"Cause" means the Grantee has: (A) deliberately made a misrepresentation in connection with, or willfully failed to cooperate with, a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or willfully destroyed or failed to preserve documents or other materials known to be relevant to such investigation, or willfully induced others to fail to cooperate or to produce documents or other materials; (B) materially breached (other than as a result of the Grantee's incapacity due to physical or mental illness or death) his/her material duties hereunder, which breach is demonstrably willful and deliberate on the Grantee's part, is committed in bad faith or without reasonable belief that such breach is in the best interests of the Company and such breach is not cured within a reasonable period of time after written notice from the Company specifying such Breach (but in any event, no less than ninety (90) days thereafter) in which Grantee is diligently pursuing cure; (C) engaged in conduct constituting a material act of willful misconduct in connection with the performance of his/her duties, including, without limitation, misappropriation of funds or property of the Company other than the occasional customary and de minimis use of Company property for personal purposes; (D) materially violated a material Company policy, including but not limited to a policy set forth in the Company's employee handbook; (E) disparaged the Company, its officers, trustees, employees or partners; (F) committed a felony or misdemeanor involving moral turpitude, deceit, dishonesty or fraud.

"Change of Control" means that any of the following events has occurred: (A) any Person or "group" of Persons, as such terms are used in Sections 13 and 14 of the Exchange Act, other than any employee benefit plan sponsored by the Company, becomes the "beneficial owner," as such term is used in Section 13 of the Exchange Act (irrespective of any vesting or waiting periods) of (i) the Company's Common Shares in an amount equal to thirty percent (30%) or more of the sum total of the Common Shares issued and outstanding immediately prior to such acquisition as if they were a single class and disregarding any equity raise in connection with the financing of such transaction; provided, however, that in determining whether a Change of Control has occurred, Common Shares which are acquired in an acquisition by (i) the Company or any of its subsidiaries or (ii) an employee benefit plan (or a trust forming a part thereof) maintained by the Company or any of its subsidiaries shall not constitute an acquisition which can cause a Change of Control; or (B) the approval of the dissolution or liquidation of the Company by the Board of Trustees of the Company (the "Board"); or (C) the approval of the sale or other disposition of all or substantially all of its assets in one or more transactions (including, without limitation, the approval of a transaction or series of transactions to sell or dispose of all or substantially all of the assets in the Company's core business line to any Person or "group" of Persons, as such terms are used in Sections 13 and 14 of the Exchange Act); or (D) a turnover, during any two-year

period, of the majority of the members of the Board, without the consent of the majority of the members of the Board as to the appointment of the new Board members.

"Code" means the Internal Revenue Code of 1986, as amended.

"Common Shares" means shares of beneficial ownership of the Company, par value $0.001 per share, either currently existing or authorized hereafter.

"Disability" means (i) if the Grantee is a party to a Service Agreement (as defined in Section 5(b) below), and "Disability" is defined therein, such definition, or (ii) if the Grantee is not party to a Service Agreement that defines "Disability," a reasonable determination by the Company that the Grantee has become physically or mentally incapable of performing his duties to the Company and/or Partnership and such disability has disabled the Grantee for a cumulative period of one hundred eighty (180) days within a twelve (12) month period.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Good Reason" means the Grantee shall have the right to terminate his/her employment within the 90-day period following the Company's failure to cure any of the following events that shall constitute "Good Reason" if not cured within the 30-day period following written notice of such default to the Company by the Grantee (the "Good Reason Cure Period"): (A) upon the occurrence of any material breach of this Agreement by the Company; (B) without the Grantee's consent, a material, adverse alteration in the nature of the Grantee's duties, responsibilities or authority, or in the 18-month period following a Change of Control only, upon the determination by the Grantee (which determination will be conclusive and binding upon the parties hereto provided it has been made in good faith and in all events will be presumed to have been made in good faith unless otherwise shown clear and convincing evidence) that a material negative change in circumstances has occurred following a Change of Control; (C) without the Grantee's consent, upon a reduction in the Grantee's base salary or a reduction of ten percent (10%) or greater in Grantee's other compensation and employee benefits (which includes a ten percent (10%) or greater reduction in target cash and equity bonus, or a ten percent (10%) or greater reduction in total bonus opportunity, but in all cases excludes any grants made under the Long-Term Incentive Alignment Program); or (D) if the Company relocates the Grantee's office requiring the Grantee to increase his/her commuting time by more than one hour, or in the 18-month period following a Change of Control only, upon the Company requiring the Grantee to travel away from the Grantee's office in the course of discharging the Grantee's responsibilities or duties hereunder at least twenty percent (20%) more than was required of the Grantee in any of the three (3) full years immediately prior to the Change of Control, without, in either case, the Grantee's prior written consent. Any notice hereunder by the Grantee must be made within ninety (90) days after the Grantee first knows or has reason to know about the occurrence of the event alleged to be Good Reason.

"LTIP Units" means units of limited partnership interest of the Partnership designated as "LTIP Units" in the Partnership Agreement awarded under the LTIP, having the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption set forth in the Partnership Agreement.

"Partnership Agreement" means the Second Amended and Restated Limited Partnership Agreement of the Partnership, effective as of December 31, 2018, among the Company, as general partner, and the limited partners who are parties thereto, as amended from time to time.

"Person" means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, other entity or "group" (as defined in the Exchange Act).

"Securities Act" means the Securities Act of 1933, as amended.

"Units" means OP Units (as defined in the Partnership Agreement) that are outstanding or are issuable upon the conversion, exercise, exchange or redemption of any securities of any kind convertible, exercisable, exchangeable or redeemable for OP Units.

Section 3.Award of LTIP Units; Effectiveness of Award.

(a) Award of LTIP Units. On the terms and conditions set forth in this Agreement, as well as the terms and conditions of the Plan, the Grantee is hereby granted this Award consisting of the number of LTIP Units set forth on Schedule A hereto, which is incorporated herein by reference (the "Award LTIP Units"). Award LTIP Units shall have the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption and conversion set forth herein and in the Partnership Agreement and shall constitute and be treated as the property of the Grantee, subject to the terms of this Agreement and the Partnership Agreement. In connection with each subsequent issuance of Award LTIP Units, if any, the Grantee shall execute and deliver to the Company and the Partnership such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws. Award LTIP Units will be subject to vesting as provided in Section 4 hereof, subject to the terms and conditions of Sections 5 and 6.

(b) Effectiveness of Award. As of the Grant Date, the Grantee shall be admitted as a partner of the Partnership with beneficial ownership of the number of Award LTIP Units issued to the Grantee as of such date by: (A) signing and delivering to the Partnership a copy of this Agreement; and (B) signing, as a Limited Partner, and delivering to the Partnership a counterpart signature page to the Partnership Agreement (attached hereto as Exhibit A). The Partnership Agreement shall be amended from time to time as applicable to reflect the issuance to the Grantee of Award LTIP Units, whereupon the Grantee shall have all the rights of a Limited Partner of the Partnership with respect to the number of LTIP Units then held by the Grantee, as set forth in the

4

Partnership Agreement, subject, however, to the restrictions and conditions specified herein and in the Partnership Agreement.

Section 4.Vesting of Award LTIP Units.

(a) The Award LTIP Units are subject to time-based vesting over a period of three (3) years. With respect to one hundred percent (100%) of the Award LTIP Units, vesting shall occur in substantially equal installments commencing on [ ], and on each of the first and second anniversaries thereof (each a "Vesting Date"), subject to the Grantee's continuous employment with the Company through each applicable Vesting Date.

(b) Except as otherwise provided in the Plan and subject to Section 5 and 6, the Award LTIP Units shall not be transferable unless and until (and solely to the extent) the Grantee satisfies the vesting requirements contained in Section 4. In addition, notwithstanding anything herein or in the Plan to the contrary (and without limiting the transfer restrictions in Section 9), the Grantee shall not, without the consent of the Committee (which may be withheld in its sole discretion), Transfer any vested Award LTIP Units prior to the earlier to occur of (a) the second (2nd) anniversary of the date on which such Award LTIP Units become vested under Section 4, 5 or 6 and (b) the occurrence of a Change of Control (collectively, the "Additional Transfer Restrictions"); provided, however, that the Additional Transfer Restrictions shall not apply to (i) any Transfer of shares or LTIP Units to the Company, (ii) any Transfer of shares in satisfaction of any withholding obligations with respect to the Award LTIP Units, or (iii) any Transfer following the termination of the Grantee's employment with the Company and its Affiliates, including without limitation by will or pursuant to the laws of descent and distribution. Any Transfer of the Award LTIP Units which is not made in compliance with the Plan and this Agreement shall be null and void and of no effect.

Section 5.Termination of Grantee's Employment.

(a) Termination Generally. Except as otherwise provided in this Section 5, (i) if the Grantee's employment with the Company is voluntarily or involuntarily terminated for any reason prior to the final Vesting Date, all such Award LTIP Units which have not yet vested shall immediately and automatically be forfeited and returned to the Company;

(b) Qualifying Termination. Notwithstanding the foregoing, and notwithstanding the terms of any employment, consulting or similar service agreement(s) then in effect between the Grantee, on the one hand, and the Company and/or the Partnership on the other hand (a "Service Agreement"), if, prior to the final Vesting Date (or, if sooner, the date of a Change of Control), the Grantee's employment or service relationship with the Company (i) is terminated by the Company without Cause, (ii) is terminated by the Grantee for Good Reason or (iii) terminates due to the Grantee's death or Disability (each of (i), (ii) and (iii), a "Qualifying Termination"), then all unvested Award LTIP Units outstanding as of the date of such Qualifying Termination shall accelerate and become vested in full.

Section 6.Change of Control. Notwithstanding the foregoing and further notwithstanding any provision of the Grantee's Service Agreement, if applicable, to the contrary,

5

if a Change of Control occurs prior to the final Vesting Date, then all unvested Award LTIP Units shall accelerate and become vested in full upon the consummation of such Change of Control.

Section 7.Payments by Award Recipients. A capital contribution in the amount of $0.01 per Award LTIP Unit shall be payable to the Company or the Partnership by the Grantee in respect of this Award, with such amount being netted against cash compensation otherwise payable to the Grantee.

Section 8.Distributions.To the extent provided for in the Partnership Agreement, the Grantee shall be entitled to receive distributions with respect to the Award LTIP Units. The Award LTIP Units shall be treated as "LTIP Units" under the Partnership Agreement and shall not be designated as "Special LTIP Units." As of the Grant Date, the Award LTIP Units shall be entitled to the full distribution payable on Units outstanding as of the record date for the quarterly distribution period during which the Award LTIP Units are issued, even though it will not have been outstanding for the whole period, and to subsequent distributions. All distributions paid with respect to the Award LTIP Units shall be fully vested and non-forfeitable when paid whether the underlying Award LTIP Units are vested or unvested. In the event of any discrepancy or inconsistency between this Section 8 andthe Partnership Agreement, the terms and conditions of the Partnership Agreement shallcontrol.

Section 9.Restrictions on Transfer. None of the Award LTIP Units shall be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of or encumbered (whether voluntarily or involuntarily or by judgment, levy, attachment, garnishment or other legal or equitable proceeding) (each such action a "Transfer"), or redeemed in accordance with the Partnership Agreement (a) prior to vesting, (b) for a period of two (2) years beginning on the Grant Date other than in connection with a Change of Control, and (c) unless such Transfer is in compliance with all applicable securities laws (including, without limitation, the Securities Act, and such Transfer is in accordance with the applicable terms and conditions of the Partnership Agreement; provided that, upon the approval of, and subject to the terms and conditions specified by, the Committee, unvested Award LTIP Units that have been held for a period of at least two (2) years may be Transferred to (i) the spouse, children or grandchildren of the Grantee ("Immediate Family Members"), (ii) a trust or trusts for the exclusive benefit of the Grantee and such Immediate Family Members, (iii) a partnership in which the Grantee and such Immediate Family Members are the only partners, or (iv) one or more entities in which the Grantee has a ten percent (10%) or greater equity interest, provided that the Transferee agrees in writing with the Company and the Partnership to be bound by all the terms and conditions of this Agreement and that subsequent transfers of unvested Award LTIP Units shall be prohibited except those in accordance with this Section 9. In connection with any Transfer of Award LTIP Units, the Partnership may require the Grantee to provide an opinion of counsel, satisfactory to the Partnership, that such Transfer is in compliance with all federal and state securities laws (including, without limitation, the Securities Act). Any attempted Transfer of Award LTIP Units not in accordance with the terms and conditions of this Section 9 shall be null and void, and the Partnership shall not reflect on its records any change in record ownership of any LTIP Units as a result of any such Transfer, shall otherwise refuse to recognize any such Transfer and shall not in any way give effect to any such Transfer of any LTIP Units. This Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

Section 10.Changes in Capital Structure. Without duplication with the provisions of the Plan, if (a) the outstanding Common Shares are changed into or exchanged for a different number or kind of shares or other securities of the Company by reason of any recapitalization, reclassification, share split, share dividend, combination or subdivision, merger, consolidation, or other similar transaction or (b) any other event shall occur that in each case in the good faith judgment of the Committee necessitates action by way of appropriate equitable adjustment in the terms of this Award, the LTIP or the LTIP Units, then the Committee shall take such action as it deems necessary to maintain the Grantee's rights hereunder so that they are substantially proportionate to the rights existing under this Award, the LTIP and the terms of the LTIP Units prior to such event, including, without limitation: (i) adjustments in the Award LTIP Units and (ii) substitution of other awards under the Plan or otherwise. The Grantee shall have the right to vote the Award LTIP Units if and when voting is allowed under the Partnership Agreement, regardless of whether vesting has occurred.

Section 11.Miscellaneous.

(a) Amendments; Modifications. This Agreement may be amended or modified only with the consent of the Company and the Partnership acting through the Committee; provided that any such amendment or modification materially and adversely affecting the rights of the Grantee hereunder must be consented to by the Grantee to be effective as against him; and provided, further, that the Grantee acknowledges that the Plan may be amended or discontinued in accordance with its terms and that this Agreement may be amended or canceled by the Committee, on behalf of the Company and the Partnership, for the purpose of satisfying changes in law or for any other lawful purpose, so long as no such action shall impair the Grantee's rights under this Agreement without the Grantee's written consent. Notwithstanding the foregoing, this Agreement may be amended in writing signed only by the Company to correct any errors or ambiguities in this Agreement and/or to make such changes that do not materially adversely affect the Grantee's rights hereunder. No promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, with respect to the subject matter hereof, have been made by the parties which are not set forth expressly in this Agreement. This grant shall in no way affect the Grantee's participation or benefits under any other plan or benefit program maintained or provided by the Company.

(b) Incorporation of Plan; Committee Determinations. The provisions of the Plan are hereby incorporated by reference as if set forth herein. In the event of a conflict between this Agreement and the Plan, this Agreement shall be controlling and determinative. The Committee will make the determinations and certifications required by this Award as promptly as reasonably practicable following the occurrence of the event or events necessitating such determinations or certifications.

(c) Status of LTIP Units under the Plan. Insofar as the LTIP has been established as an incentive program of the Company and the Partnership, the Award LTIP Units are both issued as equity securities of the Partnership and granted as awards under the Plan. The Company will have the right at its option, as set forth in the Partnership Agreement, to issue Common Shares in exchange for Units into which Award LTIP Units may have been converted pursuant to the Partnership Agreement, subject to certain limitations set forth in the Partnership Agreement, and such Common Shares, if issued, will be issued under the Plan. The Grantee must be eligible to

---

receive the Award LTIP Units in compliance with applicable federal and state securities laws and to that effect is required to complete, execute and deliver certain covenants, representations and warranties (attached as Exhibit B). The Grantee acknowledges that the Grantee will have no right to approve or disapprove such eligibility determination by the Committee.

(d) Legend. If certificates are issued evidencing the Award LTIP Units, the records of the Partnership shall bear an appropriate legend, as determined by the Partnership in its sole discretion, to the effect that such Award LTIP Units are subject to restrictions as set forth herein, in the Plan and in the Partnership Agreement.

(e) Compliance with Securities Laws. The Partnership and the Grantee will make reasonable efforts to comply with all applicable securities laws. In addition, notwithstanding any provision of this Agreement to the contrary, no Award LTIP Units will become vested or be issued at a time that such vesting or issuance would result in a violation of any such laws.

(f) Investment Representations; Registration. The Grantee hereby makes the covenants, representations and warranties and set forth on Exhibit B attached hereto. All of such covenants, warranties and representations shall survive the execution and delivery of this Agreement by the Grantee. The Partnership will have no obligation to register under the Securities Act any LTIP Units or any other securities issued pursuant to this Agreement or upon conversion or exchange of LTIP Units. In addition, any resale shall be made in compliance with the registration requirements of the Securities Act or an applicable exemption therefrom, including, without limitation, the exemption provided by Rule 144 promulgated thereunder (or any successor rule).

(g) Policy for Recoupment of Incentive Compensation. "Covered Officer" means any officer of the Company who (i) is subject to the reporting requirements of Section 16 of the Exchange Act. The Company will endeavor to inform the Grantee if the Grantee is designated as a "Covered Officer," it being understood, however, that failure to notify the Grantee will have no effect on the rights of the Company under the policy. If the Grantee is a Covered Officer, the Grantee hereby agrees that this Award and all compensation consisting of annual cash bonus and long-term incentive compensation in any form (including stock options, restricted stock and LTIP Units, whether time-based or performance-based) ("Incentive Compensation") awarded to the Grantee prior to the date hereof is subject to recoupment under the Company's Corporate Governance Guidelines, as in effect from time to time. For the avoidance of doubt, the purpose and effect of the foregoing agreement by the Grantee is to make such policy effective both prospectively and retroactively. As an example, in addition to this Award, Incentive Compensation previously awarded in the past, prior to this policy being in effect, is subject to such policy and is applicable to the Grantee if he or she was a Covered Officers during any relevant period even if he or she is no longer an employee of the Company at the time the determination to recoup Incentive Compensation is made.

(h) Severability. If, for any reason, any provision of this Agreement is held invalid, such invalidity shall not affect any other provision of this Agreement not so held invalid, and each such other provision shall to the full extent consistent with law continue in full force and effect. If any provision of this Agreement shall be held invalid in part, such invalidity shall in no way affect the rest of such provision not held so invalid, and the rest of such provision, together with all other

provisions of this Agreement, shall to the full extent consistent with law continue in full force and effect.

(i) Governing Law. This Agreement is made under, and will be construed in accordance with, the laws of State of Delaware, without giving effect to the principles of conflict of laws of such state.

(j) No Obligation to Continue Position as an Employee, Consultant or Advisor. Neither the Company nor any affiliate is obligated by or as a result of this Agreement to continue to have the Grantee as an employee, consultant or advisor, and this Agreement shall not interfere in any way with the right of the Company or any affiliate to terminate the Grantee's service relationship at any time.

(k) Notices. Any notice to be given to the Company shall be addressed to the Secretary of the Company at its principal place of business and any notice to be given the Grantee shall be addressed to the Grantee at the Grantee's address as it appears on the employment records of the Company, or at such other address as the Company or the Grantee may hereafter designate in writing to the other.

(l) Withholding and Taxes. No later than the date as of which an amount first becomes includible in the gross income of the Grantee for income tax purposes or subject to the Federal Insurance Contributions Act withholding with respect to this Award, the Grantee will pay to the Company or, if appropriate, any of its affiliates, or make arrangements satisfactory to the Committee regarding the payment of, any United States federal, state or local or foreign taxes of any kind required by law to be withheld with respect to such amount. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company and its affiliates shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Grantee.

(m)Headings. The headings of paragraphs hereof are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

(n) Counterparts. This Agreement may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

(o) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and any successors to the Company and the Partnership, on the one hand, and any successors to the Grantee, on the other hand, by will or the laws of descent and distribution, but this Agreement shall not otherwise be assignable or otherwise subject to hypothecation by the Grantee.

(p) Complete Agreement. This Agreement (together with those agreements and documents expressly referred to herein, for the purposes referred to herein) embody the complete and entire agreement and understanding between the parties with respect to the subject matter hereof, and supersede any and all prior promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, which may relate to the subject matter hereof in any way.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned have caused this Award Agreement to be executed as of the [ ].

ACADIA REALTY TRUST
By:
ACADIA REALTY LIMITED PARTNERSHIP
By: Acadia Realty Trust, its general partner
By:
GRANTEE
[Name]

[Signature Page to LTIP Award Agreement]

ACTIVE/121854353.6

ACADIA REALTY TRUST
[ ] LONG-TERM INCENTIVE PLAN
AWARD AGREEMENT

[ ] LONG-TERM INCENTIVE PLAN AWARD AGREEMENT made as of the date set forth on Schedule A hereto between Acadia Realty Trust, a Maryland real estate investment trust (the "Company"), its subsidiary Acadia Realty Limited Partnership, a Delaware limited partnership and the entity through which the Company conducts substantially all of its operations (the "Partnership"), and the party listed on Schedule A (the "Grantee").

RECITALS

1. The Grantee is a key employee of the Company or one of its Subsidiaries or affiliates and provides services to the Partnership.

2. The Company has adopted the [ ] Long-Term Incentive Plan (the "LTIP") pursuant to the Acadia Realty Trust Amended and Restated 2020 Share Incentive Plan (the "Plan"), to provide certain key employees of the Company or its Subsidiaries and affiliates, including the Grantee, in connection with their employment with the long-term incentive compensation described in this Award Agreement (this "Agreement" or "Award Agreement"), and thereby provide additional incentive for them to promote the progress and success of the business of the Company and its Subsidiaries and affiliates,

including the Partnership, while increasing the total return to the Company's shareholders. The LTIP Units (as defined herein) may, under certain circumstances, become exchangeable for shares of beneficial ownership of the Company reserved for issuance under the Plan, or any successor equity plan. This Agreement evidences an award to the Grantee under the LTIP (this "Award"), which is subject to the terms and conditions set forth herein.

3. The Grantee was selected to receive this Award as an employee who, through the effective execution of his or her assigned duties and responsibilities, is in a position to have a direct and measurable impact on the Company's long-term financial results. Effective as of the grant date specified in Schedule A hereto (the "Grant Date"), the Grantee was issued the number of LTIP Units (as defined herein) set forth in Schedule A.

NOW, THEREFORE, the Company, the Partnership and the Grantee agree as follows:

Section 1.Administration. The LTIP and all awards thereunder, including this Award, shall be administered by the Compensation Committee of the Board of Trustees of the Company (the "Committee"), which in the administration of the LTIP shall have all the powers and authority it has in the administration of the Plan, as set forth in the Plan. The Committee may from time to time adopt any rules or procedures it deems necessary or desirable for the proper and efficient administration of the LTIP, consistent with the terms hereof and of the Plan. The Committee's determinations and interpretations with respect to the LTIP and this Agreement shall be final and binding on all parties.

Section 2.Definitions. Capitalized terms used herein without definitions shall have the meanings given to those terms in the Plan. In addition, as used herein:

"Award LTIP Units" has the meaning set forth in Section 3.

"Cause" means the Grantee has: (A) deliberately made a misrepresentation in connection with, or willfully failed to cooperate with, a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or willfully destroyed or failed to preserve documents or other materials known to be relevant to such investigation, or willfully induced others to fail to cooperate or to produce documents or other materials; (B) materially breached (other than as a result of the Grantee's incapacity due to physical or mental illness or death) his/her material duties hereunder, which breach is demonstrably willful and deliberate on the Grantee's part, is committed in bad faith or without reasonable belief that such breach is in the best interests of the Company and such breach is not cured within a reasonable period of time after written notice from the Company specifying such Breach (but in any event, no less than ninety (90) days thereafter) in which Grantee is diligently pursuing cure; (C) engaged in conduct constituting a material act of willful misconduct in connection with the performance of his/her duties, including, without limitation, misappropriation of funds or property of the Company other than the occasional customary and de minimis use of Company property for personal purposes; (D) materially violated a material Company policy, including but not limited to a policy set forth in the Company's employee handbook; (E) disparaged the Company, its officers, trustees, employees or partners; (F) committed a felony or misdemeanor involving moral turpitude, deceit, dishonesty or fraud.

"Change of Control" means that any of the following events has occurred: (A) any Person or "group" of Persons, as such terms are used in Sections 13 and 14 of the Exchange Act, other than any employee benefit plan sponsored by the Company, becomes the "beneficial owner," as such term is used in Section 13 of the Exchange Act (irrespective of any vesting or waiting periods) of (i) the Company's Common Shares in an amount equal to thirty percent (30%) or more of the sum total of the Common Shares issued and outstanding immediately prior to such acquisition as if they were a single class and disregarding any equity raise in connection with the financing of such transaction; provided, however, that in determining whether a Change of Control has occurred, Common Shares which are acquired in an acquisition by (i) the Company or any of its subsidiaries or (ii) an employee benefit plan (or a trust forming a part thereof) maintained by the Company or any of its subsidiaries shall not constitute an acquisition which can cause a Change of Control; or (B) the approval of the dissolution or liquidation of the Company by the Board of Trustees of the Company (the "Board"); or (C) the approval of the sale or other disposition of all or substantially all of its assets in one or more transactions (including, without limitation, the approval of a transaction or series of transactions to sell or dispose of all or substantially all of the assets in the Company's core business line to any Person or "group" of Persons, as such terms are used in Sections 13 and 14 of the Exchange Act); or (D) a turnover, during any two-year

period, of the majority of the members of the Board, without the consent of the majority of the members of the Board as to the appointment of the new Board members.

"Code" means the Internal Revenue Code of 1986, as amended.

"Common Shares" means shares of beneficial ownership of the Company, par value $0.001 per share, either currently existing or authorized hereafter.

"Disability" means (i) if the Grantee is a party to a Service Agreement (as defined in Section 5(b) below), and "Disability" is defined therein, such definition, or (ii) if the Grantee is not party to a Service Agreement that defines "Disability," a reasonable determination by the Company that the Grantee has become physically or mentally incapable of performing his duties to the Company and/or Partnership and such disability has disabled the Grantee for a cumulative period of one hundred eighty (180) days within a twelve (12) month period.

"Effective Date" means **[ ]**.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Fair Market Value" means, as of a particular date, the "Fair Market Value" (as defined in the Plan) of one Common Share; provided, however, if such date is the date of a Public Announcement with respect to a Change of Control, then the fair market value shall be, as determined by the Board, t

he total consideration payable for one Common Share in the transaction that ultimately results in a Change of Control.

"Good Reason" means the Grantee shall have the right to terminate his/her employment within the 90-day period following the Company's failure to cure any of the following events that shall constitute "Good Reason" if not cured within the 30-day period following written notice of such default to the Company by the Grantee (the "Good Reason Cure Period"): (A) upon the occurrence of any material breach of this Agreement by the Company; (B) without the Grantee's consent, a material, adverse alteration in the nature of the Grantee's duties, responsibilities or authority, or in the 18-month period following a Change of Control only, upon the determination by the Grantee (which determination will be conclusive and binding upon the parties hereto provided it has been made in good faith and in all events will be presumed to have been made in good faith unless otherwise shown clear and convincing evidence) that a material negative change in circumstances has occurred following a Change of Control; (C) without the Grantee's consent, upon a reduction in the Grantee's base salary or a reduction of ten percent (10%) or greater in Grantee's other compensation and employee benefits (which includes a ten percent (10%) or greater reduction in target cash and equity bonus, or a ten percent (10%) or greater reduction in total bonus opportunity, but in all cases excludes any grants made under the Long-Term Incentive Alignment Program); or (D) if the Company relocates the Grantee's office requiring the Grantee to increase his/her commuting time by more than one hour, or in the 18-month period following a Change of Control only, upon the Company requiring the Grantee to travel away from the Grantee's office in the course of discharging the Grantee's responsibilities or duties hereunder at least twenty percent (20%) more than was required of the Grantee in any of the three (3) full years immediately prior to the Change of Control, without, in either case, the Grantee's prior written consent. Any notice hereunder by the Grantee must be made within ninety (90) days after the Grantee first knows or has reason to know about the occurrence of the event alleged to be Good Reason.

"LTIP Units" means units of limited partnership interest of the Partnership designated as "LTIP Units" in the Partnership Agreement awarded under the LTIP, having the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption set forth in the Partnership Agreement.

"Partnership Agreement" means the Second Amended and Restated Limited Partnership Agreement of the Partnership, effective as of December 31, 2018, among the Company, as general partner, and the limited partners who are parties thereto, as amended from time to time.

"Performance Period" means the period beginning on the Effective Date and ending on the Valuation Date.

"Person" means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, other entity or "group" (as defined in the Exchange Act).

"Public Announcement" means, with respect to a Change of Control, the earliest press release, filing with the Securities and Exchange Commission, or other publicly available or widely disseminated communication issued by the Company or another Person who is a party to such transaction which discloses the consideration payable in connection with and other material terms of the transaction that ultimately results in the Change of Control; provided, however, that if such consideration is subsequently increased or decreased, then the term "Public Announcement" shall be deemed to refer to the most recent such press release, filing or communication disclosing a change in the consideration whereby the final consideration and material terms of the transaction that ultimately results in the Change of Control are announced.

"Securities Act" means the Securities Act of 1933, as amended.

"Special LTIP Units" means LTIP Units as defined in the Partnership Agreement and designated as Special LTIP Units pursuant to Section 8 of this Agreement.

"Units" means OP Units (as defined in the Partnership Agreement) that are outstanding or are issuable upon the conversion, exercise, exchange or redemption of any securities of any kind convertible, exercisable, exchangeable or redeemable for OP Units.

"Valuation Date" means [ ].

Section 3.Award of LTIP Units; Effectiveness of Award.

(a)Award of LTIP Units. On the terms and conditions set forth in this Agreement, as well as the terms and conditions of the Plan, the Grantee is hereby granted this Award consisting of the number of LTIP Units set forth on Schedule A hereto, which is incorporated herein by reference (the "Award LTIP Units"). Award LTIP Units shall have the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption and conversion set forth herein and in the Partnership Agreement and shall constitute and be treated as the property of the Grantee, subject to the terms of this Agreement and the Partnership Agreement. In connection with each subsequent issuance of Award LTIP Units, if any, the Grantee shall execute and deliver to the Company and the Partnership such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws. Award LTIP Units will be subject to vesting as provided in Section 4 hereof, subject to the terms and conditions of Sections 5 and 6.

(b)Effectiveness of Award. As of the Grant Date, the Grantee shall be admitted as a partner of the Partnership with beneficial ownership of the number of Award LTIP Units issued to the Grantee as of such date by: (A) signing and delivering to the Partnership a copy of this Agreement; and (B) signing, as a Limited Partner, and delivering to the Partnership a counterpart signature page to the Partnership Agreement (attached hereto as Exhibit B). The Partnership Agreement shall be amended from time to time as applicable to reflect the issuance to the Grantee of Award LTIP Units, whereupon the Grantee shall have all the rights of a Limited Partner of the Partnership with respect to the number of LTIP Units then held by the Grantee, as set forth in the Partnership Agreement, subject, however, to the restrictions and conditions specified herein and in the Partnership Agreement.

Section 4.Vesting of Award LTIP Units. The Award LTIP Units are subject to time-based vesting and performance-based vesting, as follows.

(a)Time-Based LTIP Units. With respect to the Award LTIP Units listed on Schedule A as Time-Based LTIP Units (the "Time-Based LTIP Units"), vesting shall occur in substantially equal installments commencing on **[ ]** and on each of the first, second, third and fourth anniversaries thereof (each a "Vesting Date"), subject to the Grantee's continuous employment with the Company through each applicable Vesting Date.

(b)Performance-Based LTIP Units. With respect to the Award LTIP Units listed on Schedule A as Performance-Based Special LTIP Units (the "Performance-Based LTIP Units"), such Performance-Based LTIP Units shall be earned and thereafter vest if and only to the extent the performance criteria set forth on Exhibit A attached hereto for the Performance Period are achieved, subject to the Grantee's continuous employment with the Company through the end of the Performance Period. Promptly following the conclusion of the Performance Period, but in no

event later than forty-five (45) days thereafter, the Company shall determine (and the Committee shall certify) whether and to what extent such performance criteria were achieved and determine the Performance Percentage (as defined on Exhibit A attached hereto) and the number of Performance-Based LTIP Units subject to this Award, if any, that are earned. For the avoidance of doubt, the Grantee shall have no rights to the Performance-Based LTIP Units pursuant to this Section 4(b) until the Committee has determined that such Performance-Based LTIP Units have been earned.

(i) If the number of earned Performance-Based LTIP Units is smaller than the number of Performance-Based LTIP Units previously issued to the Grantee, then the Grantee, as of the Valuation Date, shall forfeit a number of Performance-Based LTIP Units equal to the difference without payment of any consideration by the Partnership; thereafter, the term "Performance-Based LTIP Units" will only refer to the Performance-Based LTIP Units that were not so forfeited, and neither the Grantee nor any of his/her successors, heirs, assigns or personal representatives will thereafter have any future rights or interests in the LTIP Units that were so forfeited. If the number of earned Performance-Based LTIP Units is the same as the number of Performance-Based LTIP Units previously issued to the Grantee, then there will be no change to the number of Performance-Based LTIP Units under this Award pursuant to this Section 4.

(ii) If any of the Performance-Based LTIP Units have been earned based on performance as provided in Section 4(b), subject to Sections 5 and 6 hereof, the Performance-Based LTIP Units shall become vested in the following amounts and at the following times, subject to the Grantee's continuous employment with the Company through and on the applicable vesting date, or the accelerated vesting date provided in Sections 5 and 6 hereof, as applicable: One Hundred percent (100%) of the earned Performance-Based LTIP Units shall become vested on [ ].

(iii) Any Performance-Based LTIP Units that do not become vested pursuant to Section 4(b) or Sections 5 and 6 hereof, as applicable, shall, without payment of any consideration by the Company or the Partnership, automatically and without notice be forfeited and be and become null and void, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Performance-Based LTIP Units.

(c)Except as otherwise provided in the Plan and subject to Section 5 and 6, the Award LTIP Units shall not be transferable unless and until (and solely to the extent) the Grantee satisfies the vesting requirements contained in Section 4. In addition, notwithstanding anything herein or in the Plan to the contrary (and without limiting the transfer restrictions in Section 9), the Grantee shall not, without the consent of the Committee (which may be withheld in its sole discretion), Transfer any vested Award LTIP Units prior to the earlier to occur of (a) the second (2nd) anniversary of the date on which such Award LTIP Units become vested under Section 4, 5 or 6 and (b) the occurrence of a Change of Control (collectively, the "Additional Transfer Restrictions");

provided, however, that the Additional Transfer Restrictions shall not apply to (i) any Transfer of shares or LTIP Units to the Company, (ii) any Transfer of shares in satisfaction of any withholding obligations with respect to the Award LTIP Units, or (iii) any Transfer following the termination of the Grantee's employment with the Company and its Affiliates, including without limitation by will or pursuant to the laws of descent and distribution. Any Transfer of the

Award LTIP Units which is not made in compliance with the Plan and this Agreement shall be null and void and of no effect.

Section 5.Termination of Grantee's Employment.

(a)Termination Generally. Except as otherwise provided in this Section 5, (i) if the Grantee's employment with the Company is voluntarily or involuntarily terminated for any reason prior to the final Vesting Date with respect to the Time-Based LTIP Units, all such Time-Based LTIP Units which have not yet vested shall immediately and automatically be forfeited and returned to the Company; and (ii) if the Grantee's employment with the Company is voluntarily or involuntarily terminated for any reason prior to the end of the Performance Period with respect to the Performance-Based LTIP Units, such Performance-Based LTIP Units which have not yet been earned shall immediately and automatically be forfeited and returned to the Company.

(b)Qualifying Termination. Notwithstanding the foregoing, and notwithstanding the terms of any employment, consulting or similar service agreement(s) then in effect between the Grantee, on the one hand, and the Company and/or the Partnership on the other hand (a "Service Agreement"), the Award LTIPs shall be treated as follows in the event of certain terminations of employment:

(i) Time-Based LTIP Units. If, prior to the final Vesting Date (or, if sooner, the date of a Change of Control), the Grantee's employment or service relationship with the Company (i) is terminated by the Company without Cause, (ii) is terminated by the Grantee for Good Reason or (iii) terminates due to the Grantee's death or Disability (each of (i), (ii) and (iii), a "Qualifying Termination"), then all unvested Time-Based LTIP Units outstanding as of the date of such Qualifying Termination shall accelerate and become vested in full.

(ii) Performance-Based LTIP Units. If, prior to the end of the Performance Period (or, if sooner, the date of a Change of Control), the Grantee experiences a Qualifying Termination, then the Performance-Based LTIP Units shall remain outstanding following such Qualifying Termination and will be subject to the same conditions as are otherwise set forth herein, and the vesting of such Performance-Based LTIP Units will be determined pursuant to the performance criteria set forth in Exhibit A attached hereto in the same manner as they would have been in the absence of a Qualifying Termination. In addition, the service requirements pursuant to Section 4(b) hereof shall be deemed satisfied.

Section 6.Change of Control. Notwithstanding the foregoing and further notwithstanding any provision of the Grantee's Service Agreement, if applicable, to the contrary, the Award LTIP Units shall be treated as follows upon the occurrence of a Change of Control.

(a)Time-Based LTIP Units. If a Change of Control occurs prior to the final Vesting Date, then all unvested Time-Based LTIP Units shall accelerate and become vested in full upon the consummation of such Change of Control.

(b)Performance-Based LTIP Units. If a Change of Control occurs prior to the end of the Performance Period, then the Grantee will be deemed to have earned the number of

Performance-Based LTIP Units based on the performance criteria set forth in Exhibit A attached hereto, calculated from the Effective Date through the measurement date set forth in Exhibit A. In addition, the service requirements pursuant to Section 4(b) hereof

shall be deemed satisfied, subject to the Grantee's continuous employment with the Company through the consummation of the Change of Control, or, if earlier, the date the Grantee experiences a Qualifying Termination.

Section 7.Payments by Award Recipients. A capital contribution in the amount of $0.01 per Award LTIP Unit shall be payable to the Company or the Partnership by the

Grantee in respect of this Award, with such amount being netted against cash compensation otherwise payable to the Grantee.

Section 8.Distributions. To the extent provided for in the Partnership Agreement, the Grantee shall be entitled to receive distributions with respect to the Award LTIP Units. The Performance-Based LTIP Units shall be designated as "Special

LTIP Units" under the Partnership Agreement. In the event of any discrepancy or inconsistency between this Section 8 and the Partnership Agreement, the terms and conditions of the Partnership Agreement shall control. For purposes of this Section 8, all capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Partnership Agreement.

(a)Time-Based LTIP Units. The Time-Based LTIP Units shall be treated as "LTIP Units" under the Partnership Agreement and shall not be designated as "Special LTIP Units." As of the Grant Date, the Time-Based LTIP Units shall be entitled to the full distribution payable on Units outstanding as of the record date for the quarterly distribution period during which the Time-Based LTIP Units are issued, even though it will not have been outstanding for the whole period, and to subsequent distributions. All distributions paid with respect to the Time-Based LTIP Units shall be fully vested and non-forfeitable when paid whether the underlying Time-Based LTIP Units are vested or unvested.

(b) Performance-Based LTIP Units. The Performance-Based LTIP Units shall be designated as "Special LTIP Units" under the Partnership Agreement. With respect to the Performance-Based LTIP Units and to the extent provided for in the Partnership Agreement, the Special LTIP Unit Full Distribution Participation Date shall be the Valuation Date; provided that prior to such date, Performance-Based LTIP Units shall be entitled to receive the Special LTIP Unit Sharing Percentage (i.e., ten percent (10%)) of the distributions payable on Units outstanding as of the record date for the quarterly distribution periods occurring during the Performance Period. For the avoidance of doubt, after the Valuation Date, Performance-Based LTIP Units, both vested and (until and unless forfeited pursuant to Section 4(b) or Section 5(a)) unvested, shall be entitled to receive the same distributions payable with respect to Units if the payment date for such distributions is after the Valuation Date, even though the Partnership Record Date for such distributions is before the Valuation Date. All distributions paid with respect to Performance-Based LTIP Units, both before and after the Valuation Date, shall be fully vested and non-forfeitable when paid, whether or not the underlying LTIP Units have been earned based on performance or have become vested based on the passage of time as provided in Section 4 hereof. Subsequent to the Special LTIP Unit Full Distribution Participation Date, vested Performance-Based LTIP Units may be entitled to receive the Interim Distribution Amount to the extent provided for in the Partnership Agreement.

Section 9. Restrictions on Transfer. None of the Award LTIP Units shall be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of or encumbered (whether voluntarily or involuntarily or by judgment, levy, attachment, garnishment or other legal or equitable proceeding) (each such action a "Transfer"), or redeemed in accordance with the Partnership Agreement (a) prior to vesting, (b) for a period of two (2) years beginning on the Grant Date other than in connection with a Change of Control, and (c) unless such Transfer is in compliance with all applicable securities laws (including, without limitation, the Securities Act, and such Transfer is in accordance with the applicable terms and conditions of the Partnership Agreement; provided that, upon the approval of, and subject to the terms and conditions specified by, the Committee, unvested Award LTIP Units that have been held for a period of at least two (2) years may be Transferred to (i) the spouse, children or grandchildren of the Grantee ("Immediate Family Members"), (ii) a trust or trusts for the exclusive benefit of the Grantee and such Immediate Family Members, (iii) a partnership in which the Grantee and such Immediate Family Members are the only partners, or (iv) one or more entities in which the Grantee has a ten percent (10%) or greater equity interest, provided that the Transferee agrees in writing with the Company and the Partnership to be bound by all the terms and conditions of this Agreement and that subsequent transfers of unvested Award LTIP Units shall be prohibited except those in accordance with this Section 9. In connection with any Transfer of Award LTIP Units, the Partnership may require the Grantee to provide an opinion of counsel, satisfactory to the Partnership, that such Transfer is in compliance with all federal and state securities laws (including, without limitation, the Securities Act). Any attempted Transfer of Award LTIP Units not in accordance with the terms and conditions of this Section 9 shall be null and void, and the Partnership shall not reflect on its records any change in record ownership of any LTIP Units as a result of any such Transfer, shall otherwise refuse to recognize any such Transfer and shall not in any way give effect to any such Transfer of any LTIP Units. This Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

Section 10.Changes in Capital Structure. Without duplication with the provisions of the Plan, if (a) the outstanding Common Shares are changed into or exchanged for a different number or kind of shares or other securities of the Company by reason of any recapitalization, reclassification, share split, share dividend, combination or subdivision, merger, consolidation, or other similar transaction or (b) any other event shall occur that in each case in the good faith judgment of the Committee necessitates action by way of appropriate equitable adjustment in the terms of this Award, the LTIP or the LTIP Units, then the Committee shall take such action as it deems necessary to maintain the Grantee's rights hereunder so that they are substantially proportionate to the rights existing under this Award, the LTIP and the terms of the LTIP Units prior to such event, including, without limitation: (i) adjustments in the Award LTIP Units and (ii) substitution of other awards under the Plan or otherwise. The Grantee shall have the right to vote the Award LTIP Units if and when voting is allowed under the Partnership Agreement, regardless of whether vesting has occurred.

Section 11.Miscellaneous.

(a)Amendments; Modifications. This Agreement may be amended or modified only with the consent of the Company and the Partnership acting through the Committee; provided that any such amendment or modification materially and adversely affecting the rights of the Grantee

hereunder must be consented to by the Grantee to be effective as against him; and provided, further, that the Grantee acknowledges that the Plan may be amended or discontinued in accordance with its terms and that this Agreement may be amended or canceled by the Committee, on behalf of the Company and the Partnership, for the purpose of satisfying changes in law or for any other lawful purpose, so long as no such action shall impair the Grantee's rights under this Agreement without the Grantee's written consent. Notwithstanding the foregoing, this Agreement may be amended in writing signed only by the Company to correct any errors or ambiguities in this Agreement and/or to make such changes that do not materially adversely affect the Grantee's rights hereunder. No promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, with respect to the subject matter hereof, have been made by the parties which are not set forth expressly in this Agreement. This grant shall in no way affect the Grantee's participation or benefits under any other plan or benefit program maintained or provided by the Company.

(b)Incorporation of Plan; Committee Determinations. The provisions of the Plan are hereby incorporated by reference as if set forth herein. In the event of a conflict between this Agreement and the Plan, this Agreement shall be controlling and determinative. The Committee will make the determinations and certifications required by this Award as promptly as reasonably practicable following the occurrence of the event or events necessitating such determinations or certifications.

(c)Status of LTIP Units under the Plan. Insofar as the LTIP has been established as an incentive program of the Company and the Partnership, the Award LTIP Units are both issued as equity securities of the Partnership and granted as awards under the Plan. The Company will have the right at its option, as set forth in the Partnership Agreement, to issue Common Shares in exchange for Units into which Award LTIP Units may have been converted pursuant to the Partnership Agreement, subject to certain limitations set forth in the Partnership Agreement, and such Common Shares, if issued, will be issued under the Plan. The Grantee must be eligible to receive the Award LTIP Units in compliance with applicable federal and state securities laws and to that effect is required to complete, execute and deliver certain covenants, representations and warranties (attached as Exhibit C). The Grantee acknowledges that the Grantee will have no right to approve or disapprove such eligibility determination by the Committee.

(d)Legend. If certificates are issued evidencing the Award LTIP Units, the records of the Partnership shall bear an appropriate legend, as determined by the Partnership in its sole discretion, to the effect that such Award LTIP Units are subject to restrictions as set forth herein, in the Plan and in the Partnership Agreement.

(e)Compliance with Securities Laws. The Partnership and the Grantee will make reasonable efforts to comply with all applicable securities laws. In addition, notwithstanding any provision of this Agreement to the contrary, no Award LTIP Units will become vested or be issued at a time that such vesting or issuance would result in a violation of any such laws.

(f) Investment Representations; Registration. The Grantee hereby makes the covenants, representations and warranties and set forth on Exhibit C attached hereto. All of such covenants, warranties and representations shall survive the execution and delivery of this Agreement by the Grantee. The Partnership will have no obligation to register under the Securities

Act any LTIP Units or any other securities issued pursuant to this Agreement or upon conversion or exchange of LTIP Units. In addition, any resale shall be made in compliance with the registration requirements of the Securities Act or an applicable exemption therefrom, including, without limitation, the exemption provided by Rule 144 promulgated thereunder (or any successor rule).

(g)Policy for Recoupment of Incentive Compensation. "Covered Officer" means any officer of the Company who (i) is subject to the reporting requirements of Section 16 of the Exchange Act. The Company will endeavor to inform the Grantee if the Grantee is designated as a "Covered Officer," it being understood, however, that failure to notify the Grantee will have no effect on the rights of the Company under the policy. If the Grantee is a Covered Officer, the Grantee hereby agrees that this Award and all compensation consisting of annual cash bonus and long-term incentive compensation in any form (including stock options, restricted stock and LTIP Units, whether time-based or performance-based) ("Incentive Compensation") awarded to the Grantee prior to the date hereof is subject to recoupment under the Company's Corporate Governance Guidelines, as in effect from time to time. For the avoidance of doubt, the purpose and effect of the foregoing agreement by the Grantee is to make such policy effective both prospectively and retroactively. As an example, in addition to this Award, Incentive Compensation previously awarded in the past, prior to this policy being in effect, is subject to such policy and is applicable to the Grantee if he or she was a Covered Officers during any relevant period even if he or she is no longer an employee of the Company at the time the determination to recoup Incentive Compensation is made.

(h)Severability. If, for any reason, any provision of this Agreement is held invalid, such invalidity shall not affect any other provision of this Agreement not so held invalid, and each such other provision shall to the full extent consistent with law continue in full force and effect. If any provision of this Agreement shall be held invalid in part, such invalidity shall in no way affect the rest of such provision not held so invalid, and the rest of such provision, together with all other provisions of this Agreement, shall to the full extent consistent with law continue in full force and effect.

(i) Governing Law. This Agreement is made under, and will be construed in accordance with, the laws of State of Delaware, without giving effect to the principles of conflict of laws of such state.

(j) No Obligation to Continue Position as an Employee, Consultant or Advisor. Neither the Company nor any affiliate is obligated by or as a result of this Agreement to continue to have the Grantee as an employee, consultant or advisor, and this Agreement shall not interfere in any way with the right of the Company or any affiliate to terminate the Grantee's service relationship at any time.

(k)Notices. Any notice to be given to the Company shall be addressed to the Secretary of the Company at its principal place of business and any notice to be given the Grantee shall be addressed to the Grantee at the Grantee's address as it appears on the employment records of the Company, or at such other address as the Company or the Grantee may hereafter designate in writing to the other.

(l) Withholding and Taxes. No later than the date as of which an amount first becomes includible in the gross income of the Grantee for income tax purposes or subject to the Federal Insurance Contributions Act withholding with respect to this Award, the Grantee will pay to the Company or, if appropriate, any of its affiliates, or make arrangements satisfactory to the Committee regarding the payment of, any United States federal, state or local or foreign taxes of any kind required by law to be withheld with respect to such amount. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company and its affiliates shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Grantee.

(m) Headings. The headings of paragraphs hereof are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

(n) Counterparts. This Agreement may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

(o) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and any successors to the Company and the Partnership, on the one hand, and any successors to the Grantee, on the other hand, by will or the laws of descent and distribution, but this Agreement shall not otherwise be assignable or otherwise subject to hypothecation by the Grantee.

(p) Complete Agreement. This Agreement (together with those agreements and documents expressly referred to herein, for the purposes referred to herein) embody the complete and entire agreement and understanding between the parties with respect to the subject matter hereof, and supersede any and all prior promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, which may relate to the subject matter hereof in any way.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned have caused this Award Agreement to be executed as of [ ].

ACADIA REALTY TRUST
By:
ACADIA REALTY LIMITED PARTNERSHIP
By: Acadia Realty Trust, its general partner
By:
GRANTEE

[Name]

[Signature Page to LTIP Award Agreement]

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO RULE 13a - 14(a)

(SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002)

I, Kenneth F. Bernstein, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Acadia Realty Trust;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in lig the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, resul operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-1 and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that mat information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to pro reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with gene accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclo controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors anc audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affec registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

/s/ Kenneth F. Bernstein

Kenneth F. Bernstein

President and Chief Executive Officer

October 31, 2023 April 30, 2024

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO RULE 13a - 14(a)

(SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002)

I, John Gottfried, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Acadia Realty Trust;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in lig the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, resul operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-1 and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that mat information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to prc reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with gene accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclo controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors anc audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affec registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

/s/ John Gottfried

John Gottfried

Executive Vice President and

Chief Financial Officer

October 31, 2023 April 30, 2024

EXHIBIT 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350

(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)

In connection with the Quarterly Report on Form 10-Q of Acadia Realty Trust (the "Company") for the quarter ended September 30, 2023 March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kenneth F. Bernstein, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ Kenneth F. Bernstein

Kenneth F. Bernstein

President and Chief Executive Officer

October 31, 2023 April 30, 2024

EXHIBIT 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350

(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)

In connection with the Quarterly Report on Form 10-Q of Acadia Realty Trust (the "Company") for the quarter ended September 30, 2023 March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John Gottfried, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ John Gottfried

John Gottfried

Executive Vice President and

Chief Financial Officer

October 31, 2023 April 30, 2024

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.