NOTICE OF ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 2, 2024
TO THE COMPANY'S SHAREHOLDERS:

Please take notice that the annual meeting of shareholders (the "Annual Meeting") of Acadia Realty Trust, a Maryland real estate investment trust (the "Company", "Acadia", "we", "us" or "our"), will be held on Thursday, May 2, 2024, at 1:00 p.m., EDT time. This year's Annual Meeting will be a completely virtual meeting of shareholders. You will be able to attend the Annual Meeting, vote and submit your questions during the Annual Meeting via live webcast by visiting www.virtualshareholdermeeting.com/AKR24. Prior to the Annual Meeting, you will be able to authorize a proxy to vote your shares at www.proxyvote.com. The Annual Meeting will be held for the purpose of considering and voting upon:

1. The election of eight individuals as Trustees, each to hold office until the next annual meeting of shareholders and until their successors are duly elected and qualify;

2. The ratification of the appointment of Deloitte & Touche LLP as the independent registered public accounting firm for the Company for the fiscal year ending December 31, 2024;

3. The approval, on a non-binding advisory basis, of the compensation of the Company's Named Executive Officers as disclosed in the accompanying Proxy Statement; and

4. Such other business as may properly come before the Annual Meeting or any postponement or adjournment thereof.

The Board of Trustees of the Company recommends a vote "FOR" each of the nominees for election as a Trustee and "FOR" each of proposals 2 and 3. You should carefully review the accompanying Proxy Statement which contains additional information on each of the proposals.

The Board of Trustees has fixed the close of business on March 5, 2024 as the record date for the determination of shareholders entitled to notice of, and to vote at, the Annual Meeting and any postponement or adjournment thereof.

By order of the Board of Trustees

Jason Blacksberg, Secretary
March 22, 2024

SHAREHOLDERS, WHETHER OR NOT THEY EXPECT TO ATTEND THE VIRTUAL MEETING, ARE REQUESTED TO AUTHORIZE A PROXY TO VOTE THEIR SHARES ELECTRONICALLY VIA THE INTERNET OR BY COMPLETING AND RETURNING THE PROXY CARD, IF YOU REQUESTED PAPER PROXY MATERIALS. VOTING INSTRUCTIONS ARE PROVIDED IN THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS, OR, IF YOU REQUESTED PRINTED MATERIALS, THE INSTRUCTIONS ARE PRINTED ON YOUR PROXY CARD AND INCLUDED IN THE ACCOMPANYING PROXY STATEMENT.

ANY PERSON GIVING A PROXY HAS THE POWER TO REVOKE IT AT ANY TIME PRIOR TO THE MEETING, AND SHAREHOLDERS WHO ATTEND THE MEETING MAY WITHDRAW THEIR PROXIES AND VOTE DURING THE MEETING. WE NOTE THAT ATTENDANCE ALONE IS NOT SUFFICIENT TO REVOKE A PREVIOUSLY AUTHORIZED PROXY. IT IS IMPORTANT THAT YOU VOTE YOUR COMMON SHARES. YOUR FAILURE TO PROMPTLY VOTE YOUR SHARES INCREASES THE OPERATING COSTS OF YOUR INVESTMENT.

YOU ARE CORDIALLY INVITED TO ATTEND THE VIRTUAL MEETING VIA LIVE WEBCAST BY VISITING *WWW.VIRTUALSHAREHOLDERMEETING.COM/AKR24*, BUT YOU SHOULD SUBMIT A PROXY BY INTERNET OR MAIL PRIOR TO THE MEETING, WHETHER OR NOT YOU PLAN TO ATTEND.

ACADIA REALTY TRUST
411 THEODORE FREMD AVENUE, SUITE 300, RYE, NEW YORK 10580

PROXY STATEMENT FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD May 2, 2024

GENERAL INFORMATION

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Trustees (the "Board of Trustees" or the "Board") of Acadia Realty Trust, a Maryland real estate investment trust (the "Company"), for exercise at the annual meeting of shareholders scheduled to be held on Thursday, May 2, 2024, at 1:00 p.m., EDT time, via live webcast at www.virtualshareholdermeeting.com/AKR24, or any postponement or adjournment thereof (the "Annual Meeting"). This Proxy Statement and accompanying form of proxy were first sent to shareholders on or about March 24, 2024.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be held on May 2, 2024. This Proxy Statement and the Company's 2023 Annual Report to shareholders are available electronically at www.acadiarealty.com/proxy.

The Company will bear the costs of the solicitation of its proxies in connection with the Annual Meeting, including the costs of retaining a third party that will assist the Company in preparing, assembling and mailing proxy materials and the handling and tabulation of proxies received. In addition to solicitation of proxies by mail, the Board of Trustees, officers and employees of the Company may solicit proxies in connection with the Annual Meeting by e-mail, telephone, personal interviews or otherwise. Trustees, officers and employees will not be paid any additional compensation for soliciting proxies. Arrangements have been made with brokerage firms, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of common shares of beneficial interest of the Company (the "Common Shares"), held of record by such persons or firms with their nominees, and in connection therewith, such intermediaries will be reimbursed for their reasonable out-of-pocket expenses in forwarding the materials.

All properly executed and unrevoked proxies in the accompanying form that are received in time for the Annual Meeting will be voted at the Annual Meeting in accordance with the specification thereon. If no specification is made, signed proxies will be voted "FOR" each of the nominees for election as a Trustee, "FOR" each of proposals 2 and 3, in each case as set forth in the Notice of Annual Meeting.

You may revoke your proxy:

- by submitting a later-dated proxy either (i) on the Internet, (ii) by telephone by following the instructions on your proxy or voting card, or (iii) to the address shown on your proxy or voting card;
- electronically during the Annual Meeting at www.virtualshareholdermeeting.com/AKR24 when you enter your 16-Digit Control Number, which is available on your proxy card;
- if you are a holder of record, by (i) delivering by mail to the Company's Corporate Secretary at or prior to the Annual Meeting an instrument revoking your proxy or (ii) delivering a subsequently dated proxy with respect to the same Common Shares to the Company's Corporate Secretary at or prior to the Annual Meeting.

Any written notice revoking a proxy should be delivered at or prior to the Annual Meeting to the attention of the Corporate Secretary, Acadia Realty Trust, 411 Theodore Fremd Avenue, Suite 300, Rye, NY 10580.

The Board of Trustees recommends a vote “FOR” each of the nominees for election as a Trustee, “FOR” each of proposals 2 and 3.

OUTSTANDING SHARES AND VOTING RIGHTS

The Board of Trustees has fixed the close of business on March 5, 2024 as the record date for determination of shareholders entitled to notice of, and to vote at, the Annual Meeting. As of the close of business on March 5, 2024, there were 102,989,390 Common Shares outstanding. Holders of Common Shares are entitled to one vote for each Common Share registered in their names on the record date. The presence, in person or by proxy, of the holders of Common Shares entitled to cast a majority of all the votes entitled to be cast at the Annual Meeting on any matter will constitute a quorum at the Annual Meeting.

The affirmative vote of a majority of the votes cast by holders of Common Shares in person or by proxy at the Annual Meeting at which a quorum is present is required for (i) the election of each Trustee, (ii) the ratification of the appointment of Deloitte & Touche LLP as the independent registered public accounting firm for the year ending December 31, 2024, and (iii) the approval, on a non-binding advisory basis of a resolution approving the compensation of the Company's Named Executive Officers as described in this Proxy Statement. With respect to any of the foregoing, an “affirmative vote of a majority of all the votes cast” means that the number of votes cast “for” such Trustee-nominee or proposal must exceed the number of votes cast “against” such Trustee-nominee or proposal. There is no cumulative voting in the election of Trustees.

With respect to a particular Trustee-nominee or any of proposals 2 and 3, holders of Common Shares may vote for or against such Trustee-nominee or proposal by marking “FOR” or “AGAINST,” respectively, on their proxy card. Alternatively, holders of Common Shares may abstain from voting on a particular Trustee-nominee or proposal by marking “ABSTAIN” on their proxy card. Proxies marked “ABSTAIN” (or for which no vote is indicated) are included in determining the presence of a quorum for the Annual Meeting. Except with respect to broker non-votes (see below), properly authorized proxies for which no vote is indicated are treated as votes cast and are voted in accordance with the recommendation of the Board of Trustees as set forth in this Proxy Statement. Accordingly, signed proxies returned without specific voting instructions will be voted “FOR” each of the nominees for election as a Trustee and “FOR” each of proposals 2 through 3. Proxies marked “ABSTAIN,” on the other hand, are not treated as votes cast with respect to any Trustee-nominee or on proposals 2 through 3 and thus are not the equivalent of votes for or against a Trustee-nominee or on any of the other proposals, as the case may be, and will not affect the vote with respect to these matters.

A “broker non-vote” occurs when a nominee holding Common Shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that proposal and has not received instructions with respect to that proposal from the beneficial owner (despite voting on at least one other proposal for which it does have discretionary authority or for which it has received instructions). Broker non-votes, if any, will not be counted as votes cast and will have no effect on the result of the vote, although they will be considered present for the purpose of determining the presence of a quorum. Of the proposals to be voted upon at the Annual Meeting, the only vote that a nominee may cast without receiving instructions from the beneficial owner is the vote to ratify the appointment of the independent registered public accounting firm of the Company for the year ending December 31, 2024.

MATTERS TO BE CONSIDERED AND VOTED ON AT OUR 2023 ANNUAL MEETING

Proposal	Board Recommendation	Page
Proposal No. 1: Election of Trustees	**FOR each nominee**	X
Proposal No. 2: Ratification of Appointment of Independent Registered Public Accounting Firm for the year ending December 31, 2024	**FOR**	X
Proposal No. 3: Approval, on Non-Binding Advisory Basis of Named Executive Officer Compensation as described in this Proxy Statement	**FOR**	X

DETAILS REGARDING THE VIRTUAL ANNUAL MEETING

The Annual Meeting will be held online on Thursday, May 2, 2024, at 1:00 p.m., EDT time, via live webcast. Shareholders of record as of the close of business on March 5, 2024 will be able to attend, participate in, and vote at the Annual Meeting online by accessing www.virtualshareholdermeeting.com/AKR24 and following the log in instructions below. Even if you plan to attend the Annual Meeting online, we recommend that you authorize a proxy to vote your shares as described herein so that your vote will be counted if you decide not to attend the Annual Meeting.

Access to the Audio Webcast of the Annual Meeting. The live audio webcast of the Annual Meeting will begin promptly at 1:00 p.m., EDT. Online access to the audio webcast will open approximately 30 minutes prior to the start of the Annual Meeting to allow time for our shareholders to log in and test the computer audio system. We encourage our shareholders to access the Annual Meeting prior to the start time.

Log in Instructions. To attend the Annual Meeting, log in at www.virtualshareholdermeeting.com/AKR24. Shareholders will need their unique 16-digit control number, which appears on the front of your voting instrument. In the event that you do not have a control number, please contact your broker, bank, or other nominee as soon as possible and no later than April 26, 2024, so that you can be provided with a control number and gain access to the Annual Meeting. If, for any reason, you are unable to locate your control number, you will still be able to join the Annual Meeting as a guest by accessing www.virtualshareholdermeeting.com/AKR24 and following the guest log-in instructions; you will not, however, be able to vote or ask questions.

Submitting Questions at the Annual Meeting. As part of the Annual Meeting, we will hold a live question and answer session, during which we intend to answer appropriate questions of general shareholder interest submitted during the meeting that are pertinent to the Company and the Annual Meeting matters, as time permits. Questions and answers will be grouped by topic and substantially similar questions will be grouped and answered once. Any appropriate questions of general shareholder interest submitted during the Annual Meeting that are pertinent to the Company and Annual Meeting matters and any answers thereto provided by management (including any such questions that were not answered during the Annual Meeting due to time constraints) will be made available in the “Investors – Annual Meeting” section of the Company’s website promptly following the Annual Meeting.

Technical Assistance. Beginning 30 minutes prior to the start of and during the Annual Meeting, we will have a support team ready to assist shareholders with any technical difficulties they may have accessing or hearing the Annual Meeting. If you encounter any difficulties accessing the virtual Annual Meeting during the check-in or meeting time, call our support team, the contact for which will be posted on www.virtualshareholdermeeting.com/AKR24.

Availability of Live Webcast to Team Members and Other Constituents. The live audio webcast will be available to not only our shareholders but also to our team members and other constituents. Such constituents will be able to attend the virtual Annual Meeting by accessing www.virtualshareholdermeeting.com/AKR24 and following the guest log-in instructions; they will not, however, be able to vote or ask questions.

PROPOSAL 1 - ELECTION OF TRUSTEES

There are eight nominees for election as Trustees, each to serve for a one-year term, expiring at the 2025 annual meeting of shareholders and until their respective successors are duly elected and qualify. Election of each Trustee requires the affirmative vote of a majority of the votes cast by holders of Common Shares in person or by proxy at the Annual Meeting.

The Board of Trustees currently consists of nine Trustees, each of whom serves until the next annual meeting of shareholders and until his or her successor is duly elected and qualifies. As part of the Board's ongoing commitment to refreshment, which has included the recent appointments of three new Trustees since 2021 as well as two Trustee retirements during that period, one of our longest-serving Trustees, Douglas Crocker II, will transition off the Board and all committees on which he serves following the Annual Meeting and will not be standing for re-election. Following Mr. Crocker's retirement, the Board will consist of eight members. As a highly respected and qualified industry leader, Mr. Crocker has provided outstanding expertise and an independent voice to the Board for 20 years. We express our deepest gratitude to Mr. Crocker for his significant contributions to the Company.

As stated elsewhere herein, the enclosed proxy will be voted "FOR" the election as a Trustee of each nominee whose name is set forth below unless a contrary instruction is given. All of the nominees currently serve as Trustees of the Company. Management believes that all of the nominees are willing and able to serve the Company as Trustees. If any nominee at the time of election is unable or unwilling to serve or is otherwise unavailable for election, and as a consequence thereof, other nominees are designated, the persons named in the enclosed proxy or their substitutes will have the authority to vote or refrain from voting for other nominees in accordance with their discretion.

Trustee Independence

Upon the election of all nominees, the Company will meet and exceed the New York Stock Exchange ("NYSE") requirement for a majority of independent Trustees serving on the Board of Trustees. The Board of Trustees has affirmatively determined that each of Messrs. Denien, McIntyre, Spitz, Wielansky and Zoba, and Mss. Thurber and Woodhouse is independent under the listing standards of the NYSE. In determining this, the Board of Trustees considered, among others, transactions and relationships between each Trustee or any member of his or her immediate family and the Company and its subsidiaries and affiliates. The Board of Trustees has determined that each member of the Audit, Compensation and Nominating and Corporate Governance Committees is independent under the criteria for independence set forth in the listing standards of the NYSE.

Nominees for Election as Trustees

The table below provides a summary of information about the nominees for election as Trustees. We believe each of our nominees brings a different variety of experience in the listed core competencies and contributes to the collective significant expertise of the Board. This summary is not intended to be an exhaustive list of our nominees' skills, and further information on each nominee's experience, skills and qualifications is set forth in the biographies on pages 6 to 10 below.

				Committee Memberships				Experience									
Name	Independent	Gender Diversity	Ethnic/Racial Diversity	Audit	Compensation	Nominating and Corporate Governance	Investment/Capital Markets	CEO/President/Founder	REIT/Real Estate	Consumer Retail	Real Estate Development	Investment/Capital Markets	Financial Expertise*	Other Public Company Board / Corporate Governance Oversight	Risk Management	Environmental & Social Responsibility	Human Capital Management
Kenneth F. Bernstein	No						👤	✓	✓	✓	✓	✓			✓		✓
Mark A. Denien	Yes			👤					✓		✓	✓	✓		✓		✓
Kenneth A. McIntyre	Yes		✓	👤		👤		✓	✓	✓		✓	✓	✓	✓	✓	✓
William T. Spitz	Yes			👤	👤		👤	✓	✓		✓	✓			✓		✓
Lynn C. Thurber	Yes	✓		👤	👤			✓	✓	✓		✓	✓	✓	✓	✓	✓
Lee S. Wielansky	Yes						👤	✓	✓	✓	✓	✓	✓	✓	✓		✓
Hope B. Woodhouse	Yes	✓				👤		✓	✓			✓	✓	✓	✓		✓
C. David Zoba	Yes					👤	👤	✓	✓	✓	✓	✓		✓	✓		✓

Notes:

* Denotes qualification as an Audit Committee Financial Expert under Securities and Exchange Commission ("SEC") rules in connection with service on an audit committee at the Company or other public company.

Kenneth F. Bernstein, age 62

Professional Experience: Mr. Bernstein has been Chief Executive Officer ("CEO") of the Company since January of 2001. He has been the President and a Trustee of the Company since August 1998, when the Company acquired substantially all of the assets of RD Capital, Inc. ("RDC") and its affiliates. From 1990 to August 1998, Mr. Bernstein was the Chief Operating Officer of RDC. In such capacity, he was responsible for overseeing the day-to-day operations of RDC, its management companies, and its affiliated partnerships. Prior to joining RDC, Mr. Bernstein was an associate at the New York law firm of Battle Fowler, LLP. Mr. Bernstein sits on the Board of Trustees of the International Council of Shopping Centers and served as its 2017/2018 Chairman. He has previously served as a co-chair of the Board of Governors for the National Association of Real Estate Investment Trusts ("NAREIT") and is a member of Urban Land Institute ("ULI") and the Real Estate Roundtable. He is also a member of the World President's Organization (YPO-WPO), where he was the founding chairman of the Real Estate Network and currently sits on the Board of Advisors. Mr. Bernstein is a member of the Board of Trustees of Golub Capital. Mr. Bernstein received his Bachelor of Arts Degree from the University of Vermont and his Juris Doctorate from Boston University School of Law.

Trustee Qualifications: The Board believes Mr. Bernstein's qualifications as a Trustee include his extensive real estate, management and board experience, highlights of which are listed below:

- service as President and CEO of the Company for the past 21 years;
- extensive network of contacts in the real estate industry and his leadership positions with various industry and business associations;
- five years of experience as a real estate attorney;
- eight years of experience as the Chief Operating Officer of a private real estate company; and
- three years of experience as the Chief Operating Officer of a public real estate company.

Mark Denien, age 57

Professional Experience: Mr. Denien has been a Trustee of the Company since October 2022. Mr. Denien has over 30 years of financial experience in the real estate industry, having served multiple executive roles from 2005 to October 2022 at Duke Realty Corporation ("Duke Realty"), a publicly traded REIT in the S&P 500, prior to its recent merger with Prologis, Inc. ("Prologis") in 2022. Mr. Denien most recently served as Executive Vice President, Chief Financial Officer of Duke Realty, a role he held since 2013. As Chief Financial Officer, Mr. Denien oversaw all financial functions for the company, including capital markets, accounting, taxation, investor relations, treasury, and information technology. Mr. Denien is also a Certified Public Accountant, and prior to joining Duke Realty, he was an audit and advisory partner for KPMG, LLP ("KPMG"), focused on the real estate and construction industries. He began his career with KPMG in 1989. Mr. Denien is currently the Chair of the Board of Directors of Goodwill Industries of Central and Southern Indiana. He is also an Advisory Board Member of the Indiana University Center for Real Estate Studies and a member of the investment committee for the University's real estate private equity fund. In addition, Mr. Denien is a real estate and finance guest lecturer at Indiana University.

Trustee Qualifications: The Board of Trustee believes Mr. Denien's qualifications as a Trustee include his extensive real estate investment, capital markets and accounting experience, highlights of which are listed below:

- experience as CFO of Duke Realty for over 9 years;
- qualification as an "audit committee financial expert" under applicable SEC rules;
- experience as a partner at KPMG, focusing on publicly traded real estate companies;
- service on the investment committee of a real estate private equity fund; and
- over 30 years' experience in the real estate industry

Kenneth A. McIntyre, age 63

Professional Experience: Mr. McIntyre has been a Trustee of the Company since March 2021. Mr. McIntyre has over 25 years of experience in the commercial real estate industry. He is the CEO of the Real Estate Executive Council ("REEC"), a trade association for minority executives in the commercial real estate industry, and the founder and Managing Principal of PassPort Real Estate, LLC, a New York-based consulting firm focused on commercial real estate, infrastructure and diversity. Mr. McIntyre previously served as the Executive Advisor for the Office of Diversity and Inclusion at the Port Authority of New York and New Jersey, and as the Executive Director for The Real Estate Associates Program, a non-profit that is focused on increasing the diversity of talent in the commercial real estate industry. Mr. McIntyre was a Senior Vice President and Head of Commercial Real Estate at Hudson City Savings Bank from May 2014 to May 2016. Prior to joining Hudson City Savings Bank, Mr. McIntyre was a Managing Director in MetLife's Real Estate Investments Group, where he was also a voting member of the Investment Committee for Commercial Mortgages. Prior to joining MetLife, Mr. McIntyre held senior origination and relationship management roles at KeyBank, GE Capital, UBS and Chase. Mr. McIntyre is currently a member of the Board of Directors of Newmark Group, Inc. (Nasdaq: NMRK), where he serves as Chair of the Environmental, Social and Governance ("ESG") and Audit Committees, and as a member of the Compensation Committee, and is also a Member of the Board of Governors for the Real Estate Board of New York. In addition, Mr. McIntyre serves on the Boards of the National Jazz Museum of Harlem, the Yorkville Youth Athletic Association, and R*E*N*T. Mr. McIntyre earned a B.S. in Economics with a concentration in Finance from Florida A&M University.

Trustee Qualifications: The Board believes Mr. McIntyre's qualifications as a Trustee include his executive, financial management, and board experience, highlights of which are listed below:

- role as CEO of REEC;
- former position as Head of Commercial Real Estate at Hudson City Savings Bank;
- former position as Managing Director in MetLife's Real Estate Investments Group;
- service on numerous boards of directors, including another publicly traded real estate company;
- previous service as Executive Advisor for the Office of Diversity and Inclusion at the Port Authority of New York and New Jersey;
- current service as a member of ESG, Audit, and Compensation Board Committees of Newmark Group, Inc.;
- qualification as an "audit committee financial expert" as the term is defined by the SEC, with respect to service on another public company board of directors; and
- over 25 years of experience in the commercial real estate industry, with experience across commercial asset types, including retail.

William T. Spitz, age 72

Professional Experience: Mr. Spitz has been a Trustee of the Company since August 2007. Mr. Spitz is a principal and past Director of Diversified Trust Company, a private wealth management trust company. He served as Vice Chancellor for Investments and Treasurer of Vanderbilt University, Nashville, Tennessee from 1985 to July 2007. As Vice Chancellor for Investments at Vanderbilt, Mr. Spitz was responsible for managing the University's $3.5 billion endowment. He was also a member of the Senior Management Group of the University, which is responsible for the day-to-day operations of the institution. During his tenure, the Vanderbilt endowment earned returns in the top 10% of a broad universe of endowments for multiple time frames. While at Vanderbilt, Mr. Spitz conducted asset allocation studies and implemented detailed investment objectives and guidelines, developed a comprehensive risk management plan, invested in approximately two hundred limited partnerships in five illiquid assets classes, selected new custodians for both the endowment fund and the University's charitable remainder trusts and implemented a more aggressive approach to working capital management, which increased returns by 2% per annum. In addition, Mr. Spitz was also on the faculty of Vanderbilt University as Clinical Professor of Management at the Owen Graduate School of Management. He has also held various high-level positions with successful asset management companies and has served on the boards of several companies, including Cambium Global Timber Fund, The Common Fund, MassMutual Financial, and the Bradford Fund. He has also served on multiple advisory committees, including Acadia's Opportunity Fund Advisory Boards, on which he served from 2001 to July 2007. Mr. Spitz is a published author and frequent speaker at industry conferences and seminars.

Trustee Qualifications: The Board believes Mr. Spitz's qualifications as a Trustee include his asset management experience as well as real estate development, board, fund, and REIT experience, highlights of which are listed below:

- former role as Vice Chancellor for Investments and Treasurer of Vanderbilt University for over 20 years;
- former responsibilities managing Vanderbilt University's multi-billion dollar endowment fund;
- high-level positions with successful asset management companies;
- service on the boards of directors of several companies;
- service on multiple fund advisory committees, including, previously, the Company's fund advisory boards;
- involvement in numerous real estate development projects;
- former position as director of a private REIT;
- past service on the audit committee of MassMutual; and
- qualification as a chartered financial analyst.

Lynn C. Thurber, 77

Professional Experience: Ms. Thurber has been a Trustee of the Company since March 2016. Ms. Thurber is past chairman (2007-2017) of LaSalle Investment Management, a global real estate money management firm with over $55 billion of assets under management, investing in private real estate as well as publicly traded real estate companies on behalf of institutional and individual investors. Prior to becoming chairman of LaSalle Investment Management, Ms. Thurber was CEO of LaSalle Investment Management from March 2000 to December 2006 and co-president from December 1994 to March 2000. Prior to Alex Brown, Kleinwort Benson ("ABKB") Realty Advisors' merger with LaSalle Partners in 1994, Ms. Thurber was CEO of ABKB. Before joining ABKB in 1992, she was a principal at Morgan Stanley & Co. Ms. Thurber is a part-time employee of LaSalle Investment Management, an independent subsidiary of JLL Incorporated (NYSE: JLL) (2018-Present) for the purpose of serving as chairman of the board of JLL Income Property Trust, an SEC registered, non-traded REIT. Ms. Thurber served on the Board of Duke Realty from 2008 until the closing of its acquisition by Prologis in 2022. Ms. Thurber is a trustee and a past global Chairman of ULI-Urban Land Institute, and is a past member of the advisory board and past Chair for ULI's Randall Lewis Center for Sustainability in Real Estate. In addition, Ms. Thurber is currently a member of the Wellesley College Business Leadership Council and a member of the board of the Bitterroot Land Trust. Ms. Thurber was the 2013 recipient of the Landauer White award from the Counselors of Real Estate and the 2015 recipient of the Lifetime Achievement Award from the ULI District Council of Chicago. Ms. Thurber earned an MBA from Harvard Business School and an A.B. from Wellesley College.

Trustee Qualifications: The Board believes Ms. Thurber's qualifications as a Trustee include her extensive real estate investment, capital markets and board experiences, highlights of which are listed below:

- experience as CEO, Co-president or Chairman of real estate investment management companies for over 22 years;
- extensive experience investing in and managing real estate properties, including retail shopping centers, neighborhood and community centers and mixed-use properties;
- experience in investing and managing real estate in private fund entities on behalf of institutional investors for 26 years;
- qualification as an "audit committee financial expert" as that term is defined by the SEC;
- current service on one SEC registered non-traded REIT, and past service on another public REIT board and numerous private real estate fund and company boards;
- service on audit, finance, nominating and compensation committees of real estate company boards; and
- over 40 years' experience in the real estate industry.

Lee S. Wielansky, age 72

Professional Experience: Mr. Wielansky has been a Trustee of the Company since May 2000 and the Lead Trustee since 2004. Mr. Wielansky has been Chairman and CEO of Midland Development Group, Inc., which focuses on the development of retail properties in the Midwestern and Southeastern United States, since May 2003. From November 2000 to March 2003, Mr. Wielansky served as CEO and President of JDN Development Company, Inc. and a director of JDN Realty Corporation through its merger with Developers Diversified Realty Corporation in 2003. He was also a founding partner and CEO of Midland Development Group, Inc. from 1983 through 1998 when the company sold its assets to Regency Centers Corporation (NASDAQ: REG). Mr. Wielansky is a member of the Board of Brookdale Senior Living (NYSE: BKD) and a member of the National Association of Corporate Directors.

Trustee Qualifications: The Board believes Mr. Wielansky's qualifications as a Trustee include his real estate development, public company board, fund, asset management and CEO experience, highlights of which are listed below:

- over 38 years of real estate development experience;
- his role in developing over 150 shopping centers;
- his service as Chairman and CEO of Midland Development Group, Inc., which focuses on the development of retail properties in the Mid-western and Southeastern United States, since May 2003;
- service on the boards of directors of four public companies, including one other current public company directorship;
- service on compensation and audit committees;
- current service as the Lead Trustee of the Company, a position he has held since 2004;
- qualification as an "audit committee financial expert" as that term is defined by the SEC, with respect to service on another public company board of directors;
- responsibility for the asset management of 100 properties, accounting for over 11 million square feet;
- former position as CEO of JDN Development Company; and
- former position as Senior Vice President and Director of Regency Centers.

Hope B. Woodhouse, age 67

Professional Experience: Ms. Woodhouse has been a Trustee of the Company since January 2023. Ms. Woodhouse served as Chief Operating Officer ("COO") and as a member of the management committee of Bridgewater Associates, Inc., a global SEC Registered Investment Advisor from 2005 to 2009. As COO she was responsible for Accounting, Operations, Compliance, Counterparty Relations, Finance, Human Resources and Facilities. Between 2003 and 2005, Ms. Woodhouse was President and COO of Auspex Group, L.P., a global macro hedge fund. She was COO and a member of the management committee of Soros Fund Management LLC, a global investment company from 2000 to 2003. Prior to that, she was Treasurer of the Funds at Tiger Management L.L.C. from 1998 to 2000 and before that she was a Managing Director for Fixed Income at Salomon Brothers Inc. from 1983 to 1998. Ms. Woodhouse presently serves as an independent director on the Boards of Two Harbors Investment Corp. (NYSE: TWO), where she has served since 2012 and is chair of the Risk Oversight Committee and a member of the Audit Committee, and Granite Point Mortgage Trust Inc. (NYSE: GPMT), where she has served since 2017 and is chair of the Compensation Committee and a member of the Nominating and Corporate Governance and Audit Committees. She recently joined the Board of Monro, Inc. (Nasdaq: MNRO) and will serve on the Compensation and Audit Committees. Ms. Woodhouse previously served as a director of Piper Jaffray Companies (NYSE: PIPR), Seoul Securities Co. Ltd., Soros Funds Limited, The Bond Market Association and as a member of the investment committee at Phillips Academy, Andover, Massachusetts. Ms. Woodhouse also serves on the board of Children's Services Advisory Committee of Indian River County and is a trustee of the Tiger Foundation. Ms. Woodhouse received an A.B. degree in Economics from Georgetown University and an M.B.A. from Harvard Business School.

Trustee Qualifications: The Board believes Ms. Woodhouse's qualifications as a Trustee include her extensive capital markets and investment experience across a wide range of products and markets as well as her board experiences, highlights of which are listed below:

- over 25 years in executive management roles at top-ranked, global alternative asset management firms and broker dealers;
- current and prior service on the board of directors of publicly traded REITs and broker-dealers where she has served on the Audit, Compensation, Nominating and Governance and Risk Committees. She has chaired both Compensation and Risk committees;
- experience in managing non-investment functions of large financial institutions such as: global financing, securities operations, compliance, finance and accounting, risk, technology, human resources and facilities; and
- qualification as an "audit committee financial expert" as the term is defined by the SEC, with respect to service on another public company board of directors.

C. David Zoba, age 72

Professional Experience: Mr. Zoba has been a Trustee of the Company since August 2015. Mr. Zoba retired on January 31, 2016 from his position as Senior Real Estate Strategy advisor for Gap Inc. (NYSE: GPS) that he held since 2015, after having served, since 2009, as Senior Vice President of Global Real Estate and Store Development for Gap Inc., the $15 billion retailer operating as Gap, Banana Republic, Old Navy, Athleta, and Outlet Brands. Immediately prior to joining Gap, Inc., Mr. Zoba was Principal and COO for +Steiner Associates, one of the country's most respected mixed-use retail developers. Mr. Zoba was Chairman of Jones Lang LaSalle Incorporated's ("JLL") Global Retail Leasing Board from 2015-2022, and now serves as Senior Advisor to JLL. Mr. Zoba is also a past Trustee of the International Council of Shopping Centers and is a consultant to QC Terme (U.S.) Corp., an Italian based spa and wellness company on their expansion in North America. Mr. Zoba also serves on the Board of Café Rio, Inc. and on the Board of White Water Express Car Wash, LLC. Both Café Rio, Inc. and White Water Express Car Wash LLC are portfolio companies of Freeman Spogli & Co., a private equity firm, where he serves as an Industry Executive. From November 2004 through April 2006, Mr. Zoba served as President and COO of Premier Properties, a real estate development company. From 2001 through late 2004, Mr. Zoba worked for Galyan's Trading Company, Inc., where, as Executive Vice President, he helped create and launch a specialty sporting goods retailer that later became part of Dick's Sporting Goods. In the mid-1990s, Mr. Zoba was with The Limited and served as Chief Transaction Attorney, and then expanded his responsibilities significantly to other areas during his seven years there. Mr. Zoba earned his undergraduate degree from Harvard University and attended the London School of Economics for graduate studies. Mr. Zoba has a Juris Doctorate from Case Western Reserve University Law School.

Trustee Qualifications: The Board believes Mr. Zoba's qualifications as a Trustee include his extensive retail, real estate and board experiences, highlights of which are listed below:

- management of real estate transactions and professionals for Gap Inc.'s 3,300 retail stores operating in 10 countries;
- experience as a chief transaction attorney;
- experience in growing retail brands in both North America and globally;
- service on the boards of directors of several companies; and
- experience in supporting the strategy and growth of the retail leasing business for global real estate services and consulting businesses.

Vote Required; Recommendation

The election to the Board of Trustees of each of the eight nominees will require the affirmative vote of a majority of the votes cast by the holders of Common Shares in person or by proxy at the Annual Meeting.

The Board of Trustees unanimously recommends that the shareholders vote "FOR" the election of each of the eight nominees to the Board of Trustees.

Unless otherwise indicated by a shareholder on a proxy and except with respect to broker non-votes, shares will be voted "FOR" the election of each nominee.

Because the election of nominees to the Board of Trustees is a non-routine matter under the listing standards of the NYSE, brokerage firms, banks and other nominees who hold Common Shares on behalf of clients in "street name" are not permitted to vote such Common Shares if the client does not provide instructions.

For additional information regarding voting requirements, see "Outstanding Shares and Voting Rights" above.

PROPOSAL 2 - RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the Board of Trustees has appointed Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2024 and has directed that the appointment of the independent registered public accounting firm be submitted for ratification by the shareholders at the Annual Meeting.

Shareholder ratification of the appointment of Deloitte and Touche LLP as the Company's independent registered public accounting firm is not required by the Company's Declaration of Trust, Bylaws or otherwise. However, the Audit Committee is submitting the appointment of Deloitte & Touche LLP to the shareholders for ratification as a matter of what it considers to be good corporate practice. Notwithstanding the ratification of, or failure to, ratify the appointment, the Audit Committee of the Board of Trustees in its discretion may direct the appointment of a different independent accounting firm at any time during the year if the Audit Committee determines that such a change would be in the best interests of the Company.

Representatives of Deloitte & Touche LLP, the Company's auditors for the fiscal year ended December 31, 2023, are expected to be present at the Annual Meeting and will have the opportunity to make a statement if such representatives desire to do so and will be available to respond to appropriate questions.

Change of Independent Public Accountants: As previously reported in the Company’s Current Report on Form 8-K, dated July 14, 2023, the Audit Committee conducted a competitive process to determine the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2023. Several independent accounting firms were invited to participate in this process, including BDO USA, P.A. (“BDO”), which had been previously engaged as the Company’s independent registered public accounting firm.

As a result of this competitive process, the decision to change the Company’s independent registered public accounting firm and, accordingly, to dismiss BDO, was approved by the Audit Committee on July 13, 2023, and BDO was dismissed effective as of July 13, 2023. Effective as of the same day, the Audit Committee approved the engagement of Deloitte and Touche LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2023.

BDO’s reports on the Company’s consolidated financial statements for the fiscal year ended December 31, 2022, did not contain an adverse opinion or a disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles. BDO’s reports on the Company’s consolidated financial statements for the fiscal year ended December 31, 2021 contained an adverse opinion on the effectiveness of the Company’s internal control over financial reporting related to the restatement of the Company’s financial statements as of and for the years ended December 31, 2020 and 2019 due to an error in accounting treatment at the time of the Company’s formation related to the improper consolidation of two investments that are less-than-wholly-owned through the Company's opportunity funds as more fully described in the Company’s Current Report on Form 8-K filed with the SEC on March 1, 2022, but such reports were not otherwise qualified or modified as to uncertainty, audit scope or accounting principles.

During the Company’s two most recent fiscal years pre-dismissal (fiscal years ended December 31, 2022 and December 31, 2021) and the subsequent interim period through July 13, 2023, there were no (i) disagreements (within the meaning of Item 304(a)(1)(iv) of Regulation S-K and the related instructions thereto) with BDO on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure that, if not resolved to the satisfaction of BDO, would have caused BDO to make reference thereto in its reports covering the Company’s consolidated financial statements for such periods and (ii) reportable events (as defined in Item 304(a)(1)(v) of Regulation S-K).

During the two fiscal years ended December 31, 2021 and 2022, neither the Company nor anyone acting on its behalf has consulted with Deloitte & Touche LLP regarding either (i) the application of accounting principles to a specified transaction, either completed or proposed; or the type of audit opinion that might be rendered on the Company’s financial statements, and either a written report was provided to the Company or oral advice was provided that Deloitte & Touche LLP concluded was an important factor considered by the Company in reaching a decision as to the accounting, auditing or financial reporting issue; or (ii) any matter that was either the subject of a disagreement (as defined in paragraph 304(a)(1)(iv) of Regulation S-K) or a reportable event (as described in paragraph 304(a)(1)(v) of Regulation S-K).

Vote Required; Recommendation

The affirmative vote of a majority of the votes cast by holders of Common Shares in person or by proxy at the Annual Meeting is required to ratify the appointment of Deloitte & Touche LLP as the independent registered public accounting firm for the fiscal year ending December 31, 2024.

The Board of Trustees unanimously recommends that the shareholders vote “FOR” the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2024.

Unless otherwise indicated by a shareholder on a proxy, shares will be voted “FOR” such ratification. Because the ratification of Deloitte & Touche LLP as our independent registered public accounting firm is a routine matter under the listing standards of the NYSE, brokerage firms, banks, and other nominees who hold Common Shares on behalf of clients in “street name” may vote such Common Shares in their discretion if the client does not provide instructions.

For additional information regarding voting requirements, see “Outstanding Shares and Voting Rights” above.

PROPOSAL 3 – NON-BINDING ADVISORY APPROVAL OF THE COMPANY'S EXECUTIVE COMPENSATION

As required under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), the Company is seeking a non-binding, advisory shareholder vote approving the compensation of Named Executive Officers as disclosed in this Proxy Statement in accordance with SEC rules and as discussed in the Company's "*Compensation Discussion and Analysis,"* the compensation tables and any related material. This vote is not intended to address any specific item of compensation, but rather the overall compensation of the Company's Named Executive Officers and the compensation-related policies and practices described in this Proxy Statement.

The Board and management have thoughtfully designed the Company's executive compensation philosophy, policies and programs tailored with the understanding of the Company's business and the strategic mission of the Company.

The Compensation Committee's executive compensation objectives are as follows:

1. Motivating the Company's Named Executive Officers to create maximum shareholder value;
2. Providing incentives to the Company's Named Executive Officers that reward dedication, hard work and success;
3. Providing a compensation program that ensures "pay for performance;"
4. Aligning the interests of the Company's Named Executive Officers and shareholders as closely as possible;
5. Aligning the interests of the Company's Named Executive Officers and the Company's external fund investors as closely as possible;
6. Creating the right mix of long-term incentives to motivate and to retain the Company's Named Executive Officers; and
7. Creating an incentive compensation program that can go beyond the Company's Named Executive Officers and be utilized throughout the organization.

Vote Required; Recommendation

The affirmative vote of a majority of the votes cast by holders of Common Shares in person or by proxy at the Annual Meeting is required to approve the non-binding advisory resolution approving the Company's executive compensation program for Named Executive Officers as set forth in this Proxy Statement. Because the shareholder vote is advisory, the results will not be binding. However, the Compensation Committee and the Board will take the outcome of the vote expressed by the shareholders into consideration for future executive compensation arrangements.

The Board of Trustees unanimously recommends that the shareholders vote "FOR" the approval, on a non-binding advisory basis, of the Company's compensation program for Named Executive Officers as set forth in this Proxy Statement.

Unless otherwise indicated by a shareholder on a proxy and except with respect to broker non-votes, shares will be voted "FOR" the approval of the executive compensation.

Because this proposal is a non-routine matter under the rules of the NYSE, brokerage firms, banks and other nominees who hold Common Shares on behalf of clients in "street name" are not permitted to vote such Common Shares if the client does not provide instructions.

For additional information regarding voting requirements, see "Outstanding Shares and Voting Rights" above.

BOARD OF TRUSTEES

Trustee Meetings and Attendance

During 2023, the Board of Trustees held three telephonic meetings and four in person meetings, the Audit Committee held five telephonic meetings, the Compensation Committee held one telephonic meeting and two in person meetings, the Nominating and Corporate Governance Committee held four telephonic meetings and one in person meeting, and the Investment/Capital Markets Committee held numerous telephonic discussions to discuss potential transactions. The Board of Trustees believes consistent attendance with a minimum of missed meetings is important in carrying out the responsibilities of being a Trustee. In 2023, each incumbent Trustee attended at least 75% of (i) the total number of meetings of the Board held during the period for which he or she was a Trustee, and (ii) the total number of meetings of all committees of the Board on which the Trustee served during the periods that he or she served.

The Company does not have a formal policy requiring Trustees to be present at the Annual Meeting, although the Company does encourage their attendance. All of the Trustees virtually attended the 2023 Annual Meeting of Shareholders.

Board Leadership Structure

The Board's Lead Trustee and the CEO generally provide leadership of the Board. The Company does not have a chairperson of the Board. Mr. Wielansky, an independent Trustee who serves as a member of the Investment/Capital Markets Committee, has been selected by the Board to serve as the Lead Trustee. The duties of the Lead Trustee include, without limitation, the following:

- to chair and facilitate discussions among the independent Trustees;
- to facilitate communication between the independent Trustees, the CEO and management;
- to facilitate proper flow of information to the Board by reviewing the adequacy and timing of materials in support of management's proposals;
- to assist in the planning and preparation of meetings of the independent Trustees and meetings of the Board, including the preparation of the agendas for such meetings;
- to ensure that members of the Board are contributing to Board discussions as needed;
- to discuss committee structure, including assignments of members and committee chairpersons, with the Nominating and Corporate Governance Committee, as needed;
- to be available to participate in any and all committee meetings, as needed;
- to act, individually or in addition to other Trustees, as the spokesperson of the independent Trustees in matters dealing with external groups: shareholders, creditors, consumer groups, local communities, federal, state and local governments and the press, as appropriate; and
- to carry out other duties as requested by the CEO and Board as a whole, depending on need and circumstances.

The Lead Trustee has final say on the agenda for all Board meetings.

The CEO presides over the regular meetings of the Board of Trustees, calling each meeting to order and leading the Trustees through the agenda items. The Lead Trustee presides over all meetings of non-management Trustees held in executive session. "Non-management" Trustees are all those who are not Company officers and include Trustees, if any, who are not "independent" by virtue of the existence of a material relationship with the Company (although all of the current non-management trustees are also independent). An executive session is held in conjunction with each regularly scheduled Board meeting and other executive sessions may be called by the Lead Trustee in his own discretion or at the request of the Board. The Lead Trustee's responsibilities are more fully described in the Company's Corporate Governance Guidelines, which are available on the Company's website at www.acadiarealty.com in the "Investors - Corporate Governance" section. Please note that the information on, or accessible through, the Company's website is not incorporated by reference in this Proxy Statement.

Because the CEO is the Trustee most familiar with the Company's business and industry and best equipped to effectively identify strategic priorities and lead the discussion regarding the execution of the Company's strategy, he usually leads discussion at Board meetings. Independent Trustees and management have different perspectives and roles in strategy development. The Company's independent Trustees bring experience, oversight and expertise from outside the Company, while the CEO brings company-specific experience and expertise. The Board believes that its leadership structure is appropriate because it results in an appropriate balance between independent leadership through the use of a Lead Trustee and strategic considerations, which result from the CEO leading the discussions on most Board topics.

Committees of the Board of Trustees

The Board of Trustees has standing Audit, Compensation, Nominating and Corporate Governance and Investment/Capital Markets Committees. Each committee has the authority to obtain advice and assistance from outside legal, accounting or other advisors as deemed appropriate to perform its duties and responsibilities.

The functions of each committee, are detailed in its respective committee charter, which may be found, in addition to the Company's Corporate Governance Guidelines, Code of Business Conduct and Ethics and Whistleblower Policy, on the Company's website at www.acadiarealty.com in the "Investors - Corporate Governance" section. Please note that the information on, or available through, the Company's website is not incorporated by reference in this Proxy Statement. Copies of these materials are also available to shareholders upon written request to the Company's Corporate Secretary, Acadia Realty Trust 411 Theodore Fremd Avenue, Suite 300, Rye, New York 10580.

Audit Committee

The Audit Committee has authority to engage the Company's independent registered public accounting firm and review the scope and results of the audit. The Audit Committee examines the accounting practices and methods of control and the manner of reporting financial results. These reviews and examinations include meetings with independent auditors, staff accountants and representatives of management. The results of the Audit Committee's examinations and the choice of the Company's independent registered public accounting firm are reported to the full Board of Trustees. The Audit Committee includes no officers or employees of the Company or any of its subsidiaries.

The Audit Committee Charter requires that the Audit Committee be comprised of at least three members, each of whom is "independent," as defined by the listing standards of the NYSE and at least one of whom is an "audit committee financial expert," as that term is defined by the SEC.

The members of the Audit Committee as of the end of the last fiscal year were: Ms. Thurber (Chair), who has served since 2016, Mr. Denien, who has served since 2022, Mr. Spitz, who has served since 2010, and Mr. McIntyre, who has served since 2023. The Board has determined that each of these members meets the independence requirements for members of audit committees prescribed by the listing standards of the NYSE. The Board has determined that Messrs. Denien and McIntyre and Ms. Thurber are each an "audit committee financial expert," as that term is defined by the SEC. See the biographical information for Ms. Thurber, Mr. Denien, Mr. McIntyre and Mr. Spitz in "PROPOSAL 1 - ELECTION OF TRUSTEES" for their relevant experience.

Compensation Committee

The Compensation Committee is responsible for administering the Company's incentive plan and recommending to the full Board the compensation of the executive officers of the Company. The Compensation Committee, either as a committee or together with the other independent Trustees (as directed by the Board), is responsible for determining and approving the CEO's compensation level. In addition, the Compensation Committee evaluates the CEO's performance, coordinates and reviews the Company's succession plans related to the CEO and other executive officers and reports the status of such plans to the Board annually.

The Compensation Committee Charter requires that the Compensation Committee be comprised of at least two members, with all committee members being "independent" as defined by the listing standards of the NYSE.

The members of the Compensation Committee as of the end of the last fiscal year were: Messrs. Spitz (Chair) and Crocker and Ms. Thurber. Mr. Spitz and Mr. Crocker have served as members since 2007, and Ms. Thurber has served as a member since 2016. The Board of Trustees has determined that each of these members is independent within the meaning of the listing standards of the NYSEf. See "Acadia Realty Trust Compensation Committee Report" below.

For information relating to the compensation consultant hired by the Compensation Committee, see "Role of the Independent Compensation Consultant and Use of Peer Group Data" in "Compensation Discussion and Analysis" below.

Compensation Committee Interlocks and Insider Participation

During 2023, none of the Compensation Committee members (i) were officers or employees of the Company or any of its subsidiaries; (ii) were former officers of the Company or any of the Company's subsidiaries or (iii) had any relationship with the Company requiring disclosure under Item 404 of Regulation S-K. In addition, during the last completed fiscal year, none of the executive officers of the Company served as:

- a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of another entity, in an instance where one of such entities' executive officers served on the Compensation Committee;
- a director of another entity, in an instance where one of such entities' executive officers served on the Compensation Committee; or
- a member of the compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of another entity, in an instance where one of such entities' executive officers served as a Trustee of the Company.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for reviewing the qualifications and performance of the Board of Trustees and recommending nominees for Trustees and Board committee membership to the Board. The Nominating and Corporate Governance Committee is also responsible for recommending to the Board changes in the Company's Corporate Governance Guidelines and overseeing the Company's ESG efforts. The Nominating and Corporate Governance Committee Charter requires the Nominating and Corporate Governance Committee to be comprised of at least two members, each of whom is "independent" as defined by the listing standards of the NYSE.

The members of the Nominating and Corporate Governance Committee as of the end of the last fiscal year were: Mr. Zoba (Chair), who has served since 2015, Mr. McIntyre, who has served since 2021, Mr. Crocker, who has served since 2005, and Ms. Woodhouse, who has served since 2023. The Board of Trustees has determined that these members are independent within the meaning of the listing standards of the NYSE.

The Nominating and Corporate Governance Committee will consider all shareholder recommendations for candidates for the Board of Trustees. All shareholder recommendations should be sent to the Company's Corporate Secretary at Acadia Realty Trust, 411 Theodore Fremd Avenue, Suite 300, Rye, New York 10580, and should include all information relating to such person that is required to be disclosed in a proxy statement for the election of Trustees or is otherwise required pursuant to Regulation l4A under the Exchange Act. Shareholders must also include the nominee's written consent to being named in the proxy statement as a nominee and to serving as a Trustee if elected. Furthermore, the shareholder giving the notice and the beneficial owner, if any, on whose behalf the recommendation is made must include their names and addresses as they appear on the Company's books, as well as the class and number of Common Shares of the Company that they beneficially own. The Nominating and Corporate Governance Committee may identify other candidates, if necessary, through recommendations from Trustees, management, employees or outside consultants. The Nominating and Corporate Governance Committee will review candidates in the same manner regardless of the source of the recommendation. The Committee received no shareholder recommendations for candidates for the Board of Trustees for this Annual Meeting. Under the Company's current Bylaws, if a shareholder wishes to put forward a nominee for Trustee, it must deliver notice of such nominee to the Company's Corporate Secretary not less than 120 days and no more than 150 days prior to the first anniversary date of the proxy statement for the preceding year's annual meeting, provided, however, that in the event that the date of the annual meeting is advanced or delayed by more than 30 days from the anniversary date of the preceding year's annual meeting, notice by the shareholder must be so delivered not earlier than the 150th day prior to such annual meeting and not later than 5:00 p.m., Eastern Time, on the later of the 120th day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such annual meeting is first made. See "Submission of Shareholder Proposals" below.

Trustee Qualifications and Review of Trustee Nominees

The Nominating and Corporate Governance Committee makes recommendations to the Board of Trustees regarding the size and composition of the Board. The Nominating and Corporate Governance Committee annually reviews the composition of the Board as a whole and recommends, if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity of backgrounds and contains at least the required minimum number of independent Trustees. The Nominating and Corporate Governance Committee is responsible for ensuring that the composition of the Board accurately reflects the needs of the Company to execute its strategic plan and achieve its objectives. In the event the Nominating and Corporate Governance Committee determines that additional expertise is needed on the Board, or if there is a vacancy, the Nominating and Corporate Governance Committee expects to use its network of contacts to compile a list of potential candidates, but may also engage, if it deems appropriate, a professional search firm.

The Company's strategic plan can be summarized in the following broad categories:

- Maintain a strong balance sheet;
- Maintain a strong core portfolio;
- Enhance the Company's external growth platform; and
- Utilize its experienced management team.

In evaluating a Trustee candidate, including existing Trustees being recommended for re-nomination, the Nominating and Corporate Governance Committee considers factors that are in the best interests of the Company, including the knowledge, experience, integrity and judgment of the candidate; the potential contribution of the candidate to the diversity of experience, competencies, and backgrounds, including diversity with respect to race, gender, and geography required by the Board; the candidate's ability to devote sufficient time and effort to his or her duties as a Trustee; independence and willingness to consider all strategic proposals and oversee the strategic direction of the Company; and any other criteria established by the Board, as well as other core competencies or technical expertise necessary to fill all of the committees of the Board. The Nominating and Corporate Governance Committee formally committed in its charter to seek to include candidates with a diversity of race, ethnicity, and gender in the pool from which it selects Trustee candidates. All nominees are screened for conflicts of interest that would interfere with service on the Board.

The Nominating and Corporate Governance Committee will seek to ensure that each nominee meets the foregoing criteria and also brings a strong and unique background and set of skills to the Board, giving the Board, as a whole, competence and experience in a wide variety of areas:

- General real estate experience;
- Real estate investment experience;
- Asset management experience;
- REIT experience;
- Financial expertise;
- Real estate development experience;
- Retail real estate expertise;
- Public company board service;
- Corporate governance expertise;
- CEO experience;
- Experience in risk management;
- Experience in mergers and acquisitions; and
- Experience in supporting strategy and growth of the retail leasing business.

After completing its evaluation process, the Nominating and Corporate Governance Committee recommends to the Board the nomination of Trustee candidates and the Board then selects the Trustee nominees for shareholders to consider and vote upon at the annual meeting of the shareholders.

Investment/Capital Markets Committee

The Investment/Capital Markets Committee (the "Investment Committee") has been established for the primary purpose of (i) screening all transactions that are within certain defined pre-approval limits to ensure such transactions are within such limits, (ii) acting as the pricing committee for all equity offerings and (iii) for other investments and capital market transactions, exercising such authority as is given to it from time to time by the Board of Trustees.

The Investment Committee Charter requires that it be comprised of at least three members, each of whom is "independent" as defined by the listing standards of the NYSE. The Investment Committee Charter also provides that Company's CEO is a member of the Investment Committee by virtue of his executive position. The members of the Investment Committee as of the end of the last fiscal year were: Messrs. Crocker (Chair) and Wielansky, who have each served since the 2004 Annual Meeting, Mr. Spitz, who has served since 2007, and Mr. Zoba, who has served since November 2015. The Board of Trustees has determined that these Trustees (other than the CEO) are "independent" within the meaning of the listing standards of the NYSE.

CORPORATE GOVERNANCE HIGHLIGHTS

The Company regularly monitors developments in the area of corporate governance and seeks to enhance the Company's corporate governance structure based upon a review of new developments and recommended best practices, taking into account investor feedback. We believe that sound corporate governance strengthens the accountability of our Board and management, and promotes the long-term interests of our shareholders. Our Corporate Governance Guidelines and associated policies mandate an elevated level of excellence from our company, the Board and management. Through transparency, alignment of interests, and removal of potential conflicts of interests, we seek to ensure that our decisions and actions advance the interests of our shareholders, employees, and other stakeholders.

Below are the highlights of our independent Board and leadership practices:

- **Independent and Diverse Board**. We seek to maintain a diverse Board primarily comprised of independent Trustees who represent a mix of varied experience, tenure, skills and backgrounds, including diversity with respect to race, ethnicity and gender, to ensure a broad range of perspectives is represented. We appreciate the value of Board diversity because we believe that Trustees with varying perspectives and cultural backgrounds improve the quality of dialogue and strengthen decision-making by the Board. In 2021, our Nominating and Corporate Governance Committee formally committed in its charter to seek to include candidates with a diversity of race, ethnicity and gender in the pool from which it selects Trustee candidates. Seven of our eight Trustees standing for election are independent, including two gender diverse Trustees and one racially and/or ethnically diverse Trustee, reflecting our continued commitment to creating a balanced Board. All members serving on our Audit, Compensation and Nominating and Corporate Governance Committees are independent.

- **Board Refreshment.** We are committed to ongoing Board refreshment. Our Nominating and Corporate Governance Committee regularly reviews (on not less than an annual basis) the composition of the Board as a whole and recommends measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity of backgrounds (including diversity with respect to race, ethnicity and gender) to enable the Company to execute its strategic plan and achieve its objectives. Since 2021, we have added three independent Trustees to the Board, two of whom represent gender or racial and/or ethnic diversity. As part of the Board's ongoing commitment to refreshment, which has included the recent appointments of three new Trustees since 2021 as well as two Trustee retirements during that period, one of our longest-serving Trustees, Douglas Crocker II, will transition off the Board and all committees on which he serves following the Annual Meeting and will not be standing for re-election. Following Mr. Crocker's retirement, the board will consist of eight members. Mr. Crocker has provided outstanding expertise and an independent voice to the Board for 20 years and we express our deepest gratitude to Mr. Crocker for his significant contributions to the Company.

- **Annual Election of Trustees.** Our Board consists of a single class of Trustees who stand for election at each annual meeting.

- **Majority Voting Standard for Trustees with Trustee Resignation Policy.** Our Bylaws include a majority voting standard for the election of Trustees in uncontested elections. Any incumbent Trustee who fails to receive the required vote for re-election must offer to resign from our Board of Trustees.

- **Lead Trustee.** Our Lead Trustee ensures strong, independent leadership and oversight of our Board of Trustees by, among other things, presiding at executive sessions of the non-management Trustees.

- **Executive Sessions of our Board.** An executive session of independent Trustees is held at each regularly scheduled Board meeting.

- **Opt-out of Board Self-Classification Provisions of Subtitle 8.** We have opted out of the classified board provisions of Subtitle 8 of the Maryland General Corporation Law (often referred to as the Maryland Unsolicited Takeovers Act, or MUTA), the effect of which is that the Company is prohibited, without the approval of shareholders, from classifying the Board, and the Company may only opt back into such provisions with the affirmative vote of a majority of votes cast by shareholders.

- **No Poison Pill.** No Shareholder Rights Plan in effect.

- **Board Evaluations.** Our Nominating and Corporate Governance Committee oversees annual evaluations of our Board as a whole, the committees of the Board and each Trustee individually.

- **Regular Succession Planning.** A high priority is placed on regular and thoughtful succession planning for our senior management.

- **Clawback Policy.** Our Board has adopted a formal clawback policy that applies to cash and equity incentive compensation.

- **Anti-Hedging and Anti-Pledging.** Our Trustees, officers and employees are subject to anti-hedging and anti-pledging policies.

- **Annual Say-on-Pay.** We annually submit "say-on-pay" advisory votes for shareholder consideration and vote.

- **Environmental, Social and Governance ("ESG")**. We strive to conduct our business in a socially responsible manner that balances consideration of environmental and social issues with creating long-term value for our Company and our shareholders. Our Nominating and Corporate Governance Committee oversees our ESG efforts. As tasked in its charter, our Nominating and Corporate Governance is responsible for periodically reviewing our Company's ESG strategy, practices and policies, and receives updates from management regarding our ESG activities. The Nominating and Corporate Governance Committee reports to our Board on our ESG strategy, practices and policies for further discussion and evaluation by the Board, as needed and appropriate.

- **Bylaw Amendments.** Our Bylaws provide that our Board has the power to adopt, alter or repeal any provision of our Bylaws and to make new Bylaws. In addition, shareholders may alter or repeal any provision of the Bylaws and adopt new Bylaws with the approval of a majority of all votes entitled to be cast on the matter.

- **No Over-boarding.** Our Corporate Governance Guidelines limit Trustee membership on other public company boards subject to discretion of our Board.

- **Shareholder-Requested Meetings.** Our Bylaws permit shareholders to call a special meeting upon the written request of shareholders entitled to cast not less than 40% of all the votes entitled to be cast at such a meeting.

- **Whistleblower Policy.** Our Board of Trustees has adopted a "whistleblower" policy.

- **Shareholder Outreach.** Our Board and senior management believe that engaging in shareholder outreach is an essential element of strong corporate governance. We strive for a collaborative approach on issues of importance to investors and continually seek to understand better the views of our investors. Our senior management team engages with our shareholders throughout the year in a variety of forums and discusses, among other things, our business strategy and overall performance, executive compensation program, corporate governance and other ESG matters.

- **Communication with Trustees.** You may communicate directly with the Board of Trustees by sending correspondence to the Company's Corporate Secretary at Acadia Realty Trust, 411 Theodore Fremd Avenue, Suite 300, Rye, New York 10580. The sender should indicate in the address whether it is intended for the entire Board, the independent Trustees as a group, or to an individual Trustee. Each communication intended for the Board, the independent Trustees or an individual Trustee received by the Corporate Secretary will be promptly forwarded to the intended recipients in accordance with the sender's instructions.

- **Risk Oversight by Full Board and Committees.** A principal function of our Board is to oversee risk assessment and risk management related to our business. Oversight for specific areas of risk exposure is delegated to our Board committees:

  Financial and Accounting

  The Board and the Audit Committee monitor the Company's financial and regulatory risk through regular reviews with management and internal and external auditors and other advisors. In its periodic meetings with the internal auditors and the independent registered public accounting firm, the Audit Committee discusses the scope and plan for the internal audit and the audit conducted by the independent registered accounting firm, and includes management in its review of accounting and financial controls and assessment of business risks.

  Governance and Succession

  The Board and the Nominating and Corporate Governance Committee monitor the Company's corporate governance policies and procedures by regular review with management and outside advisors. The Board and the Compensation Committee monitor CEO succession and the Company's compensation policies and related risks by regular reviews with management and the Committee's outside advisors.

  Cybersecurity

  Cybersecurity is an integral part of the Board's and the Audit Committee's risk analysis and discussions with management. The following are highlights of the Company's cybersecurity risk management practices:

  - The Board is updated at least annually on the Company's cybersecurity risks and risk mitigation strategy by the Vice President of Information Technology, who is responsible for management of the Company's Information Technology program. The Board also receives educational materials and ad hoc updates, as needed, about material changes to the Company's cybersecurity program and/or the cybersecurity landscape, including briefings on major legislative and regulatory developments, from the Vice President of Information Technology and representatives from Legal and/or Risk Management, as applicable.
  - Risks and vulnerabilities from the Company's increased reliance on information technology systems are assessed at least annually as part of the Enterprise Risk Management program to evaluate if adequate controls are in place

utilizing a risk-based approach that aligns with the National Institute of Standards and Technology Cybersecurity Framework.

- The Company has formal policies and procedures that address cybersecurity incident response and disaster recovery from interference with its critical applications. Any cybersecurity incident that meets certain criteria will be communicated by a dedicated internal team to senior management and the Board in a timely manner.
- Daily operations are monitored by a dedicated information technology team. The Company conducts monitoring of its computer networks, and has implemented systems and processes intended to secure its information technology systems and prevent unauthorized access to or loss of sensitive data, including through the use of encryption and authentication technologies.
- The adequacy of cybersecurity measures is assessed through annual penetration testing of the Company's computer networks by external consultants, and the Company has performed tabletop simulations and drills at both a technical and management level around scenarios involving the loss of critical information and technology systems.
- Cybersecurity user awareness training is mandatory for all new hires and for existing employees on an annual basis to help protect employees and the Company against cybersecurity threats.

Compensation

As part of its oversight of the Company's executive compensation program, the Compensation Committee considers the impact of the Company's executive compensation program, and the incentives created by the compensation awards that it administers, on the Company's risk profile. In addition, the Company reviews all of its compensation policies and procedures, including the incentives that they create and factors that may reduce the likelihood of excessive risk taking, to determine whether they present a significant risk to the Company.

- **Code of Business Conduct and Ethics.** The Board adopted a Code of Business Conduct and Ethics, which governs business decisions made, and actions taken by, our Trustees, officers and employees. A copy of the Code of Business Conduct and Ethics is available on our website at www.acadiarealty.com under the heading "Investors" and subheading "Corporate Governance". Please note that the information on, or available through, the Company's website is not incorporated by reference in this Proxy Statement. We intend to disclose on our website any amendment to, or waiver of, any provision of the Code of Business Conduct and Ethics applicable to our Trustees and executive officers that would otherwise be required to be disclosed under the rules of the SEC or the NYSE

ENVIRONMENTAL SUSTAINABILITY & SOCIAL RESPONSIBILITY

We seek to drive financial performance while engaging in environmentally and socially responsible business practices grounded in sound corporate governance.

Our ESG program is overseen by the Board's Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee periodically reviews our ESG strategy, practices and policies, receives regular updates from management regarding our ESG activities, and reports to the full Board for further discussion and evaluation as needed and appropriate. Day-to-day management of our ESG program, including developing and guiding the implementation of our ESG initiatives, is performed by our full-time dedicated Director of ESG and our internal ESG Committee, comprised of senior leaders and representatives from various departments. The ESG Committee meets regularly, at least quarterly, and provides periodic updates on our ESG program to our CEO and the Board.

We have ESG policies and procedures that inform and guide our ESG approach and drive our ESG goals forward, including a firmwide ESG Policy and a Tenant Sustainability Guide. We aligned our sustainability practices and reporting to the Global Reporting Initiative ("GRI") standards and to the Sustainability Accounting Standards Board ("SASB") and the Task Force on Climate-Related Financial Disclosures ("TCFD") frameworks. We seek to align our ESG strategy and goals with certain United Nations Sustainable Development Goals ("UN-SDGs"), such as goals to combat climate change and to promote the sustainability of our communities. Additionally, we follow the UN Guiding Principles on Business and Human Rights and we support the Universal Declaration of Human Rights.

We are committed to providing transparency and quantitative reporting around our ESG performance. We are proud to highlight the following recent accomplishments and awards:

- Completed energy efficiency upgrades to LED lighting and smart lighting controls, and water conservation upgrades to smart irrigation controls, at substantially all properties with landlord-controlled exterior common areas

- Named a Green Lease Leader Gold for 2022-2024 by the Institute for Market Transformation/the U.S. Dept of Energy's Better Building Alliance
- Outstanding Achievement in Land Use Award by the Green Business Partnership awarded to the Company's headquarters
- Named a Great Place to Work® in 2024 for fifth consecutive year
- Signed the CEO Action Pledge for Inclusion and Diversity
- Received the 2023 NAREIT Investor CARE Award for the 6th consecutive year

Our strategic priorities around environmental sustainability and social responsibility, along with the key initiatives and goals that support them, are set forth below. Please refer to our annual Corporate Responsibility Report, which can be found on our website at https://www.acadiarealty.com/sustainability/environmental, for a more detailed description of our ESG strategy, goals, and performance. Please note that the information on, or accessible through, the Company's website is not incorporated by reference in this Proxy Statement. We continue to make meaningful progress towards our goals. All goals will be confirmed and reported on in our Corporate Responsibility Report once performance data for the reporting period is finalized.

Environmental Priorities

Climate Change Resiliency

We are building the resiliency of our portfolio to the physical and transition risks of climate change. We analyze climate-related physical and transition risks for existing investments, and we consider any identified risks as part of our enterprise risk management and budgeting, and capital improvements processes. We also assess climate-related physical and transition risks as part of the due diligence process for acquisitions. Understanding climate-related risks in our portfolio enables us to implement mitigation measures, including increased insurance coverage and physical enhancements, such as waterproofing systems, as necessary. We established a greenhouse gas ("GHG") emissions reduction goal for scope 1 and 2 emissions in our portfolio in an effort to reduce our exposure to, and our contribution to, the negative impacts of climate change.

- **Our Goal:** Reduce scope 1 & 2 GHG emissions by 20% by end of 2024 (2019 baseline).

Energy Efficiency & Conservation

We prioritize energy efficiency to try to reduce the amount of GHG emissions generated by our properties. We seek to reduce energy consumption within the landlord-controlled areas of our properties, which are the common areas (typically parking lots and exterior common areas) and vacant tenant spaces, through a variety of measures, including LED lighting and smart lighting controls upgrades in our parking areas and smart thermostat installations in our vacant tenant spaces. For substantially all of our properties with landlord-controlled parking areas, we have installed LED parking lot lighting and smart lighting controls. We also support water conservation through our initiative to install smart irrigation controls in our exterior common areas. For substantially all of our properties with landlord-controlled irrigation, we have installed smart irrigation controls. Our standard forms of retail lease include a "green" clause to align tenant and landlord interests in promoting the sustainability of our properties. This clause provides for cooperation on environmental and social initiatives and efficiency upgrades, among other requirements. We were named a Green Lease Leader Gold for 2022-2024 by the Institute for Market Transformation/the U.S. Dept of Energy's Better Building Alliance for engaging our tenants in making our properties more sustainable.

- **Our Goals:**
    - Install LED lighting and smart lighting controls at substantially all assets with landlord-controlled parking areas.
    - Install smart irrigation controls at substantially all assets with landlord-controlled irrigation.

Renewable Energy

Our energy reduction strategy is complemented by our renewable energy strategy, which seeks to incorporate the use of electricity sourced from on-site and off-site renewable energy projects, such as solar and wind, for the landlord-controlled common areas of our properties. We support renewable energy projects by leasing space at our properties for electric vehicle charging stations and solar panel arrays. This contributes to the production of renewable energy for off-site consumption, and we are evaluating opportunities for onsite offtake and using renewable energy credits (RECs).

- **Our Goal:** Incorporate the use of electricity sourced from on-site and off-site renewable energy projects, such as solar and wind, for the landlord-controlled common areas of our properties.

Social Priorities

Our People

We recognize that our ability to achieve the high standards we set for our Company can best be accomplished by curating a diverse team of top talent. We are committed to fostering an energized and motivated workforce through programs and benefits that promote employee satisfaction, advancement, diversity, equity, and inclusion. In 2020, our CEO, Ken Bernstein, signed the CEO Action Pledge for Inclusion and Diversity, committing to advance diversity and inclusion in our workplace. That same year, we established a formal steering committee that is charged with advancing our diversity, equity and inclusion initiatives. Annual diversity, equity and inclusion training is provided for all employees, as we believe education is a critical part of recognizing and counteracting workplace biases. We conduct annual external employee satisfaction surveys and analyze the survey results to identify opportunity areas for enhancing employee satisfaction and engagement. We were named a Great Place to Work® in 2024 for a fifth consecutive year.

- **Our Goals:**
    - Enhance employee satisfaction, engagement and wellness through annual program assessment, and promote employee advancement
    - Promote employee belonging and inclusivity through company initiatives and programs
    - Diversify our workforce by striving to diversify our summer internship program which provides an opportunity for full-time employment.
    - Increase the diversity of the vendors and contractors engaged in the operation of our properties

Philanthropy and Community Engagement

Employee volunteerism and philanthropy are key areas of focus for our Company. We engage with local charitable and volunteer organizations to connect with those in need and provide support. Employees are encouraged to participate in company-sponsored volunteer events. We value the importance of community engagement through the facilitation of events at our properties. We engage in partnerships with local communities and non-profit organizations to host community events and fundraisers throughout our portfolio.

- **Our Goal:** Engage with our communities through philanthropic giving and community service

MANAGEMENT

Executive Officers

The executive officers of the Company as of the date of this Proxy Statement are as follows:

Name	Age	Office Held	Year First Became Officer/Trustee	Term Expires
Kenneth F. Bernstein	62	Trustee, CEO and President	1998	2024
John Gottfried	52	Executive Vice President and Chief Financial Officer	2016	-
Joseph Napolitano	59	Senior Vice President and Chief Administrative Officer	1998	-
Jason Blacksberg	48	Executive Vice President, Chief Legal Officer and Corporate Secretary	2014	-
Reginald Livingston	49	Executive Vice President, Chief Investment Officer	2024	-

Kenneth F. Bernstein – biographical information with respect to Mr. Bernstein is set forth under "PROPOSAL 1 - ELECTION OF TRUSTEES," above.

John Gottfried, age 52, joined the Company in June 2016 as Chief Financial Officer. Mr. Gottfried is responsible for all accounting, financial reporting, budgeting/forecasting, real estate finance, capital market activities, tax and treasury functions. Mr. Gottfried joined the Company after 18 years at PwC, where he was a Partner and most recently served as the assurance leader of PwC's New York City Real Estate practice. He earned a Bachelor of Science degree in Business Administration from the University of Dayton and is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants.

Joseph Napolitano, age 59, has been Senior Vice President and Chief Administrative Officer of the Company since April 2007. He is accountable for managing the Company's property management, human resources, marketing and information technology disciplines. Mr. Napolitano has been with the Company since January 1995, and has 35 years of real estate experience. Mr. Napolitano has a bachelor's degree in Business Administration from Adelphi University, is a Master Human Capital Strategist (MHCS) as certified by the Human Capital Institute, is a Certified Property Manager (CPM) by the Institute of Real Estate Management, and is a Real Property Administrator (RPA) certified by the Building Owners and Managers Institute International. Mr. Napolitano is also a board member for DDI (Developmental Disabilities Institute), a non-profit, multi-site agency serving the special needs of children with Autism and other developmental disabilities.

Jason Blacksberg, age 48, serves as Executive Vice President, Chief Legal Officer and Corporate Secretary. Mr. Blacksberg is accountable for leading and executing the Company's legal strategy and affairs. He also maintains oversight of the Company's ESG program. Mr. Blacksberg joined the Company in 2014 as Senior Vice President and General Counsel and became Corporate Secretary in 2016. He was promoted to Chief Legal Officer in 2022. Prior to joining the Company, Mr. Blacksberg was Senior Vice President of Investments & Assistant General Counsel at the Trump Organization. Prior to joining Trump, Mr. Blacksberg was an Associate at the law firm of Davis Polk & Wardwell. Mr. Blacksberg began his legal career as a law clerk to Chief Judge Marilyn Huff in the U.S. District Court, Southern District of CA. He received his law degree from Georgetown University Law Center and his bachelor's degree from the University of Pennsylvania.

Reginald Livingston, age 49, serves as Executive Vice President and Chief Investment Officer. Mr. Livingston is accountable for leading and executing the Company's external growth strategy by developing investment strategies and leading the sourcing, underwriting and execution of new investments. Mr. Livingston joined the Company in 2012 and was promoted to Senior Vice President, Co-head of Acquisitions in 2020, to Senior Vice President, Chief Investment Officer in 2023 and to Executive Vice President in 2024. Previously, Mr. Livingston was a Principal at developer Terramark, LLC and a Vice President at UrbanAmerica, a private equity real estate fund. He received a law degree from George Washington School of Law and a bachelor's degree from Georgetown University.

COMPENSATION DISCUSSION AND ANALYSIS

The "Compensation Discussion and Analysis" section of this Proxy Statement presents the detailed compensation arrangements for the Company's named executive officers ("NEOs") for fiscal year 2023, which were determined by the Compensation Committee. For the fiscal year ended December 31, 2023, the Company's NEOs and their titles were as follows:

- Kenneth F. Bernstein - President and CEO;
- John Gottfried - Executive Vice President and Chief Financial Officer ("CFO");
- Jason Blacksberg – Executive Vice President, Chief Legal Officer ("CLO") and Corporate Secretary; and
- Joseph Napolitano - Senior Vice President and Chief Administrative Officer ("CAO").

Our Distinctive Business Model

We are an equity REIT focused on delivering long-term, profitable growth via our dual operating platform – Core Portfolio and Strategic Capital Platform. We accomplish this goal by building a best-in-class, location-driven real estate portfolio with meaningful concentrations of assets in the nation's most dynamic corridors. We also manage opportunistic and value-add investments through a series of discretionary, institutional funds.

The Company attributes its success to its distinctive business model and to its uncompromising commitment to three core attributes:

1. **Stay focused.** The Company executes its strategy by building a best-in-class Core real estate portfolio with meaningful concentrations of assets in the nation's most dynamic corridors, making profitable opportunistic and value-add investments through our Strategic Capital Platform, maintaining a strong balance sheet, and energizing the Acadia team.
2. **Maintain discipline.** The very nature of the Company's business is long-term, with horizons measured in years, not quarters. The Company waits patiently for the right opportunities to present themselves and makes strategic decisions that are driven by its commitment to sustain growth over the long term.
3. **Provide value.** The Company believes that the value it consistently creates and delivers is one of the attributes most admired

by its varied constituency, consumers who shop in its centers, retailers who lease its properties, loyal shareholders who rely on its expertise, business partners and the talented employees who are the face of Acadia.

2023 Performance Highlights

In 2023, we delivered strong leasing results, tracking towards the high end of set funds from operations ("FFO") and leverage goals, outperformed the majority of our peer set in total shareholder return, while fully deploying the remainder of Fund V across three assets. Our 2023 financial and operational performance was highlighted by growth including:

Net income per Share	FFO per Share (as adjusted)	Core Leased Rate	Same-Property NOI Growth	Recognized as
$0.20	**$1.09**	**95.0%**	**5.8%**	**Green Lease Leader Gold Status**
Higher End of Guidance	Higher End of Guidance	As of December 31, 2023	Full Year 2023	In 2023

Refer to pages 49 and 50 of the Company's Form 10-K as filed with the SEC for the fiscal year ended December 31, 2023 for reconciliations of net income to FFO per Share and Same-Property NOI Growth, respectively.

In addition to the key performance highlights listed above, other key performance indicators of our 2023 success includes:

Leasing Activity

- Added Core annual base rent of approximately $10 million through new leasing activity, exceeding 2022 by $1.2 million
- Year-end Core Occupancy of 95.0% (+2.3% vs 2022)
- Same-Property NOI growth of 5.8%, reaching the high end of our guidance, which was 5%-6%

Balance Sheet

- Approximately 94% of Core Portfolio debt was fixed as of December 31, 2023, with no significant scheduled Core debt maturities until 2026
- $886 million of notional swap agreements associated with managing and mitigating future interest rate risk on maturing Core debt with various maturities through 2030
- Net Debt to Core Portfolio EBITDA(1) –of 6.5x (as compared to 6.4x at year-end 2022)
- Paid quarterly dividends of $0.18 per share in 2023

(1) See Annex A for reconciliation of non-GAAP financial measures to the most comparable measure calculated in accordance with GAAP.

2023 Compensation Highlights

The Company's success depends on developing, motivating and retaining executives who have the skills and expertise to lead a REIT that uses both a traditional core portfolio and a Strategic Capital Platform. Our executive compensation program supports this business model and aligns management's interests with its shareholders and other investors. We believe our compensation program demonstrates a strong pay-for-performance alignment that is consistent with value being created for shareholders given that:

- ***Pay-for-Performance Alignment –*** Our incentive programs are based on challenging goals and are subject to meaningful changes in payout levels depending on our annual and long-term performance results. Over the past three years, our CEO's annual cash incentives have paid out between 125% to 136% of target and our performance-based long-term incentives for our NEOs have been earned between 0% and 63% of target units granted.

- ***2023 Annual Incentive Highlights*** – For 2023, we used a formulaic cash bonus that was based 70% on pre-established corporate financial metrics. The remainder of the bonus was based on the achievement of other strategic corporate objectives (10%) and individual performance (20%).

- ***Performance-Based LTI Awards Highlights*** – In accordance with our pay for performance philosophy, our NEOs compensation is materially impacted by our long-term TSR performance and as a result, our executives earned 63% of their respective target bonus opportunity for the 2021 performance-based LTI program earned on December 31, 2023.

Award	Performance Period	Status as of December 31, 2023
2018 Award	1/1/2018 - 12/31/2020	**18% of Target Earned**
2019 Award	1/1/2019 - 12/31/2021	**0% Earned**
2020 Award	1/1/2020 - 12/31/2022	**0% Earned**
2021 Award	1/1/2021 – 12/31/2023	**63% of Target Earned**
2022 Award	1/1/2022 – 12/31/2024	**Tracking Below Target**
2023 Award	1/1/2023 – 12/31/2025	**Tracking At Maximum**

- ***Significant Alignment with Stakeholders*** – Most of the compensation paid to our executives is in the form of equity awards tying the majority of executive pay to the Company's long-term Total Shareholder Return ("TSR") performance.

    - Half of the total award granted for 2023 were in the form of time-based LTIP Units that vest ratably over a five-year period based on continued service, which is significantly longer than the average 3-year period used in the REIT industry. Additionally, our CEO is subject to an additional 2-year post-vesting holding period on all time-based and performance-based LTIP Units.

    - Half of the total awards granted for 2023 were in the form performance-based LTIP Units that only vest at the end of three years if (i) relative TSR goals are achieved *(represents 75% of the award)*; and (ii) same-property NOI goals are achieved *(represents 25% of the award)*. Same store NOI rewards organic growth in our existing portfolio and is an important measure of the Company's long-term success. Any earned performance-based LTIP Units are subject to an additional 2-year post-vest holding period for all our NEOs. Additionally, the CEO's earned awards will not fully vest until two years following the end of the performance period and are also subject to a 2-year post-vesting holding period to further promote retention that is well in excess of industry standards.

    - We also maintain the long-term incentive alignment program to ensure alignment with our fund investors, which is based on the fundamental principle that participants should only realize value if a particular fund has achieved significant success by generating more than a 6% per annum preferred rate of return on its portfolio of investments and typically involves value creation over a seven- to ten-year period.

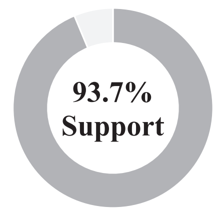
- ***Commitment to Strong Governance*** – We are committed to maintaining strong governance features that effectively provide risk oversight of our compensation structure including:

    - Share ownership requirements, including 10x base salary for our CEO
    - Anti-hedging and anti-pledging policies
    - Long-term vesting requirements on equity awards
    - Post-vesting holdings requirements for CEO equity awards

- Caps on annual cash awards and equity award payouts
- Multiple performance factors tied to our overall business strategy
- Range of payouts (not all-or-nothing)
- Clawback policy for executive officers

Shareholder Say-on-Pay Vote

At the 2023 Annual Meeting, the Company's shareholders approved, on a non-binding advisory basis, the Company's executive compensation plan with an affirmative vote of approximately 93.7% of the votes cast on the matter, which the Company believes affirms strong shareholder support of its executive compensation program. The Compensation Committee is committed to reviewing the results of the advisory say-on-pay vote, market practices and governance standards on an annual basis and making changes as appropriate.



Compensation Program Objectives

Our executive compensation program is designed to help the Company achieve the objectives that are reflected in the Compensation Committee's Charter that is available on the Company's website at www.acadiarealty.com in the "Investors - Corporate Governance" section. Please note that the information on, or available through, the Company's website is not incorporated by reference in this Proxy Statement. The Compensation Committee's executive compensation objectives for NEOs are as follows:

- Motivating the Company's NEOs to create maximum shareholder value.
- Providing incentives to the Company's NEOs that reward dedication, hard work and success.
- Providing a compensation program that ensures "pay for performance".
- Aligning the interests of the Company's NEOs and shareholders as closely as possible.
- Aligning the interests of the Company's NEOs and the Company's external fund investors as closely as possible.
- Creating the right mix of long-term incentives to motivate and retain the Company's NEOs.
- Creating an incentive compensation program that can go beyond the Company's NEOs and be utilized throughout the organization.

How We Determine Compensation

The following sections describe the components of the Company's executive compensation program and the process for determining the compensation of the NEOs. The process includes input from the CEO (except with respect to his own compensation), the Compensation Committee and the Board of Trustees and an objective review of the Company's performance, the individual NEOs performance and the performance of the business unit that reports to each individual NEO. For a discussion of compensation for the members of the Board of Trustees, see "Board of Trustees Compensation" below.

Compensation Committee	CEO and Company Management	Compensation Consultant
• Exercises independent discretion with respect to executive compensation matters • Administers our equity incentive programs, including reviewing and approving equity grants to our NEOs	• CEO provides input on individual performance and results against key business goals • Provides additional information as requested by the Compensation Committee	• Advises the Compensation Committee on competitive benchmarking on pay levels, practices, and governance trends • Assists with peer group selection and analysis • Reviews and advises on recommendations, plan design

• Recommends individual targets and actual compensation for the executive officers • Evaluates performance, determines, and approves compensation levels for the CEO		and establishing incentive plan goals

Role of the Compensation Committee

The Compensation Committee recommends compensation for our NEOs to the full Board and consists of three independent Trustees. The purposes and responsibilities of the Compensation Committee include the following:

- Determine and approve (on its own or together with other independent Trustees, as directed by the Board) the CEO's compensation level, as well as evaluate the CEO's performance;

- Make recommendations to the Board with respect to the compensation of the executive officers other than the CEO; and

- Coordinate and review the Company's succession plans related to the CEO and other executive officers.

Role of Management and the CEO in Setting Executive Compensation

On an annual basis, the Compensation Committee considers market competitiveness, business results, experience and individual performance when evaluating executive compensation. The process includes input from the CEO (except with respect to his own compensation), including recommending for Compensation Committee approval the financial performance goals for annual incentives. Targets are set in order to drive both annual performance and long-term value creation for shareholders. The CEO is subject to the same financial performance goals as other executives, all of which are approved by the Compensation Committee. Upon the recommendation of the Compensation Committee, all final decisions affecting executive compensation are made by the entire Board of Trustees.

Role of the Independent Compensation Consultant

In 2023, the Compensation Committee engaged the services of an outside independent compensation consultant, Ferguson Partners Consulting ("FPC"), to assist it in evaluating the compensation program and determining the appropriate amounts, types and mix of compensation for executive officers in order to achieve the overall objectives as described above. FPC assisted the Compensation Committee in formulating plans for 2024 as well as making decisions with respect to year-end 2023 compensation. The Compensation Committee has the sole authority to retain and terminate the independent compensation consultant and approve fees and other engagement terms. The Compensation Committee has determined FPC is independent from management based upon the consideration of the final rules adopted by the SEC to implement Section 952 of the Dodd-Frank Act.

Use of Peer Group Data

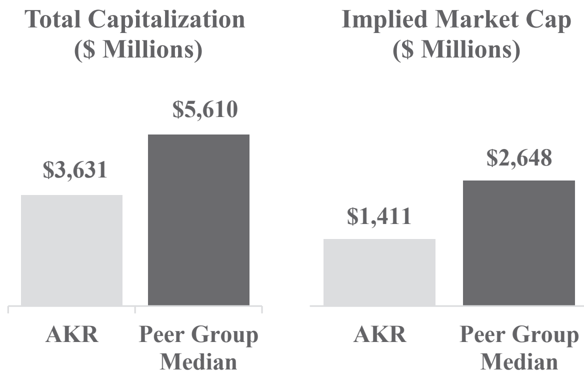
Each year, we review the peer group to determine the appropriateness of each peer company, as well as the peer group in totality. In assessing our peer group, FPC prepared for the Compensation Committee a peer group using the following selection criteria:

- Retail property focus (shopping centers and regional malls); and

- Companies that are approximately no less than one-third (1/3) and no more than 3x the size of the Company in terms of implied market capitalization or total capitalization, and (to a lesser extent) evaluated companies' number of properties and number of employees in evaluating the size and scope of operations.

For 2023, no changes were made to our executive compensation peer group from 2022, which consisted of the following 12 companies (which peer group the Company carefully selected to include the most similar competitors based on size and asset holdings, so that comparisons of our compensation structure to such peers would be meaningful):

2023 Peer Group	
Agree Realty Corporation (ADC)	RPT Realty*
Brixmor Property Group Inc. (BRX)	SITE Centers Corp. (SITC)
InvenTrust Properties Corp. (IVT)	Spirit Realty Capital, Inc.**
Kite Realty Group Trust (KRG)	Tanger, Inc. (SKT)
Phillips Edison & Co., Inc. (PECO)	The Macerich Company (MAC)
Retail Opportunity Investments Corp. (ROIC)	Urban Edge Properties (UE)



Source: As reported by S&P Global Market Intelligence on June 30, 2023

**RPT Realty was acquired by Kimco Realty on January 2, 2024; will have to be removed from the 2024 Peer Group*
***Spirit Realty Capital, Inc. was acquired by Realty Income on January 23, 2024; will have to be removed from the 2024 Peer Group*

The Compensation Committee, with the help of our independent compensation consultant, reviews the compensation practices of the Peer Group in order to evaluate market trends and compare the Company's compensation program with its competitors. Based in part on this data and analysis, the Compensation Committee develops a market competitive compensation plan that is intended to maintain the link between corporate performance and shareholder returns. FPC also reviewed the proposed recommendations made to the Compensation Committee by management and provided commentary regarding the reasonableness of such pay programs and pay level adjustments. While the Compensation Committee does not aim to target any particular peer group percentile, it does review market data for the Peer Group to assess the competitiveness of the pay opportunities. 2023 target compensation for our CEO approximated the median of the executive compensation peer group.

Elements of Compensation

The Company’s primary components of compensation for its executive officers are base salary, annual incentives, and annual long-term incentive compensation. The Company seeks to maintain a competitive total compensation package that aligns the economic interest of the executives with that of shareholders while maintaining sensitivity to multiple factors including the Company’s fiscal year budget, annual accounting cost and the impact to share dilution.

Base Salary

The Compensation Committee reviewed the base salaries of the NEOs and consistent with the Company’s philosophy to offer competitive salaries to key executives relative to peers while providing most compensation in the form of variable, at-risk incentives noted the following:

- Base salary is intended to represent the smallest component of compensation for our NEOs and only reflected 16% of our CEO’s target annual compensation.
- Our CEO’s salary was last adjusted in 2022 to approximate the 25th percentile of the Peer Group; his approved base salary remained flat year-over-year for 2023.
- Other NEOs’ base salaries were adjusted by 4.0% each, which was consistent with anticipated salary adjustments across the REIT industry and intended to maintain market competitiveness with the median of our Peer Group, while also being sensitive to internal equity factors.

The Compensation Committee recommended, and the Board of Trustees approved the increase in NEO base salaries (excluding the CEO) in early 2023, as follows:

Named Executive Officer	2023 Base Salaries ($)	2022 Base Salaries ($)	% Change
Ken Bernstein, President & CEO	850,000	850,000	0.0%
John Gottfried, EVP & CFO	494,000	475,000	4.0%
Jason Blacksberg, EVP & CLO	473,000	455,000	4.0%
Joseph Napolitano, SVP & CAO	390,000	375,000	4.0%

Annual Incentives

Each executive's annual incentive opportunity is based upon threshold, target and maximum percentages of base salary and were set at a level that would provide NEOs with varying total cash compensation contingent on Company and individual performance. 2023 threshold, target and maximum percentages of base salary for our NEOs remained unchanged as follows:

Executive	Threshold	Target	Maximum
Ken Bernstein, President & CEO	105%	175%	315%
John Gottfried, EVP & CFO	45%	75%	135%
Jason Blacksberg, EVP & CLO	45%	75%	135%
Joseph Napolitano, SVP & CAO	45%	75%	135%

2023 Annual Incentive Measures

In early 2023, the Compensation Committee recommended, and the Board of Trustees (in Mr. Bernstein's case, solely the independent Trustees) approved an annual incentive program that was based on the following goals, with actual results achieved in 2023 shown for each measure:

Performance Criteria	Weighting	Threshold	Target	Maximum	Actual Results
FFO/share (before special items)	22.5%	$1.06	$1.08	$1.10	$1.09
Core Leasing Activity	20.0%	$4.0 M	$5.5 M	$7.0 M	$10.0M
Leverage – Net Core Debt/EBITDA	7.5%	7.50x	7.00x	6.50x	6.50x
Transactional Activity (in $mm)	20.0%	$100.0 M	$300.0 M	$500.0 M	$183.1 M
Executing the Strategic Plan Maintain a high-quality core portfolio of retail assets Maintain a disciplined growth strategy that enables opportunistic investing	10.0%	1.00	3.00	5.00	3.75 (see below)
Individual	20.0%	1.00	3.00	5.00	See Below
Total	**100%**				

Executing the Strategic Plan Measure

In early 2023, the Compensation Committee recommended, and the Board of Trustees approved the Company's strategic goals for 2023. The strategic goals are structured to provide our management with the flexibility to assess and best execute the strategic plan given the unpredictable nature of the retail sector. However, the assessment of their success in maintaining the strategic goals is based on measurable achievements and tangible results. The Company's achievement of the 2023 strategic performance goals is outlined below and resulted in an above-target performance rating of 3.75:

2023 Strategic Goal	Related Accomplishments
Maintain a high-quality core portfolio of retail assets	• Delivered same-property NOI growth of 5.8% (high end of guidance) • Core Portfolio occupancy remains strong with 95.0% leased as of December 31, 2023 (gain of 2.3%) • Continued to grow and expand the Company's ESG program, implementing new policies and progressing on environmental goals; Named a 2023 Green Lease Leader Gold Status

Maintain a disciplined growth strategy that enables opportunistic investing	• Core Portfolio:
	  • Approximately 94% of Core Portfolio debt was fixed as of December 31, 2023, with no significant scheduled Core debt maturities until 2026
	  • Core Signed Not Open Pipeline (excluding redevelopments) was $7.0 million of annual base rents, representing approximately 5% of in-place rents
	• Fund Portfolio:
	  • Executed $183 million in Fund investments
	  • Fund V completed its acquisition of Maple Tree Place, which is 84.6% occupied and is comprised of an approximately 400,000 square foot grocery-anchored center

Individual Performance Measures

In early 2023, the Compensation Committee recommended, and the Board of Trustees (in Mr. Bernstein's case, solely the independent Trustees) approved individual performance measures for the 2023 annual incentive program. The individual performance component comprised 20% of the CEO's total cash bonus award. The Compensation Committee concluded that the CEO merited an individual performance ranking of 3.85 based on its assessment of performance against his pre-established individual goals set in early 2023 as follows:

- Ensuring the Company's long-term financial stability by raising new sources of capital, and by preserving & expanding the Company's liquidity position
- Developing short & long-term incentives consistent with the current economic environment and forecasts
- Success in interfacing with Board of Trustees to develop Company strategy to ensure shareholder value is maximized over the long-term
- Stewardship at the top of the organization, and success in interfacing with major institutional investors and JV partners

The individual performance component of the 2023 annual incentive program comprised 20% of the other NEOs' total annual incentive opportunity. These goals were established at the beginning of the year and vary for each NEO based on the different Company disciplines for which each NEO was responsible. The CEO evaluated each of the other NEOs relative to their individual goals and determined that Messrs. Gottfried, Blacksberg and Napolitano earned an overall score of 3.61, 3.68 and 3.66, respectively.

2023 Annual Incentives Payouts

On February 16, 2024, the Board of Trustees approved annual cash incentives payable at or above each NEO's target discussed above as follows:

Named Executive Officer	2023 Threshold Cash Bonus ($)	2023 Target Cash Bonus ($)	2023 Maximum Cash Bonus ($)	2023 Amount Earned ($)
Ken Bernstein, President & CEO	892,500	1,487,500	2,677,500	2,024,845
John Gottfried, EVP & CFO	222,300	370,500	666,900	497,300
Jason Blacksberg, EVP & CLO	212,850	354,750	638,550	477,933
Joseph Napolitano, SVP & CAO	175,500	292,500	526,500	393,775

Bonus Exchange Program

Consistent with the Company's long-standing policy adopted by the Board of Trustees and the Company's focus on creating long-term shareholder value, the Company's NEOs have the option of exchanging all or a portion of their cash bonus for restricted share units or LTIP Units. In 2023, the vesting terms for the LTIP Units granted in lieu of the cash bonus was a five-year ratable vesting period for our CEO and a three-year ratable vesting period for other NEOs. All LTIP Units for the CEO and other NEOs are also subject to an additional 2-year post-vest holding period and are granted based on a 20% discounted share price. The Compensation Committee believes that this deferral feature reinforces a long-term focus and promotes the retention of our management team and is appropriate relative to other REITs that utilize similar bonus deferral programs (the median discount used by other REITs is 20% based on an average three-year vesting period).

Furthermore, the 20% discounted value is factored into each NEO's pay opportunity to ensure that the deferral feature would not result in compensation in excess relative to our peers.

Based on the election of each of the NEOs, the 2023 annual incentives were paid as follows:

Named Executive Officer	Cash ($) (1)	Elective LTIP Units ($) (2)
Ken Bernstein, President & CEO	—	2,531,056
John Gottfried, EVP & CFO	—	621,625
Jason Blacksberg, EVP & CLO	—	597,417
Joseph Napolitano, SVP & CAO	—	492,219

Notes:
(1) Amount reflects the amount elected in cash.
(2) Amount reflects the cash amount elected in LTIP Units on February 16, 2024, inclusive of the additional value in connection with the 20% discounted share price. The values reported herein are not reflective of the grant date fair value of the awards calculated in accordance with the Statement of Financial Accounting Standards Board Accounting Standards Codification ("ASC") Topic 718, "Compensation - Stock Compensation" ("ASC Topic 718"), which is how these awards are reported in the Summary Compensation Table for 2024.

Long-Term Incentives

The Compensation Committee and the Board of Trustees continue to emphasize long-term performance in the form of:

- Time-Based Restricted Share Units or LTIP Units;
- Performance-Based Restricted Share Units or LTIP Units; and
- The Long-Term Investment Alignment Program.

In keeping with the long-term, highly technical and cyclical nature of the Company's business, the Compensation Committee places significant emphasis on a long-term approach to executive compensation while balancing the short-term needs of its executives. The Company's long-term incentives are intended to (i) retain its management team through the inclusion of vesting provisions, (ii) emphasize share ownership, (iii) create direct alignment with shareholder interests, and (iv) motivate management to focus on sustained Company performance.

Annual Equity Compensation Awards

Equity compensation is a critical component of our executive compensation program that directly aligns our NEOs' long-term interests with our shareholders and provides additional retention for our executives. Our 2023 annual equity awards (granted in 2024) were determined based on the following considerations: (i) long-term incentives are designed to provide long-term alignment with our shareholders over a five-year period (or seven years for our CEO, inclusive of the mandatory post-vest holding period) and (ii) half of the value is at-risk based on our total shareholder return performance as well as our same-property NOI growth, both measured over a three-year period (plus an additional two-year holding period). The Compensation Committee determined that the program was achieving our objectives to create direct alignment with shareholder interests and emphasize share ownership with the value of historical equity awards being meaningfully impacted by the Company's share price performance on both an absolute and relative basis.

Accordingly, in February 2024, the Compensation Committee, in consultation with FPC, awarded equity grants for each NEO with 50% of the value granted in the form of time-based Restricted Share Units or LTIP Units and the remaining 50% of the value granted in the form of three-year performance-based Restricted Share Units or LTIP Units.

In determining the value of the 2023 awards (granted in February 2024), the Compensation Committee considered the following key factors:

- The Company's financial and operational performance, including the Company-performance factors set forth above in "2023 Performance Highlights";
- The role and responsibilities of the individual;
- Individual performance; and
- Prevailing market practices based on market data provided by FPC with respect to our Executive Compensation Peer Group.

Based on this assessment, the Compensation Committee approved the following amounts (which represent no change from the prior year):

Executive	**Approved 2023 LTIP Unit Grant ($) (1)**
Ken Bernstein	3,200,000
John Gottfried	850,000
Jason Blacksberg	525,000
Joseph Napolitano	450,000

Notes:
(1) Represents the approved value of 2023 equity awards (which were granted on February 16, 2024 for the previous year's performance).

The total annual equity compensation awards are comprised of two components as follows:

Time-Based Long-Term Incentives

The time-based long-term incentives represent 50% of the annual equity award granted to each NEO and were issued in the form of Restricted Share Units or LTIP Units. These shares vest ratably over five years for each of the NEOs.

Restricted LTIP Units are similar to Restricted Share Units but unlike Restricted Share Units, provide for a quarterly partnership distribution in a like amount as paid to holders of common partnership units in Acadia Realty Limited Partnership, the Company's operating partnership. The Restricted LTIP Units are convertible into common partnership units and, ultimately, Common Shares upon vesting.

To promote further retention and emphasis on long-term performance, our CEO's time-based equity awards are also subject to an additional two-year post-vest holding period.

Performance-Based Long-Term Incentives

The remaining 50% of the annual equity award is granted in performance-based Restricted Share Units or LTIP Units that may be earned based on the Company's attainment of specified relative TSR hurdles or specified same-property NOI growth.

The performance hurdles and levels of opportunity for performance-based LTIP Units granted in 2024 (for 2023 performance) earned over a cumulative three-year performance period are as follows:

Metric[1]	Weighting	Threshold (50% Payout)	Target (100% Payout)	Maximum (200% Payout)
Relative TSR vs. Nareit Shopping Center Index	50%	25th Percentile	50th Percentile	75th Percentile
Relative TSR vs. Nareit Retail Index	25%	25th Percentile	50th Percentile	75th Percentile
Same-Property NOI Growth	25%	2%	3%	4%

Notes:

(1) In the event the performance falls between performance levels (including same-property NOI growth to be disclosed at the end of the performance period), payout will be calculated using a straight-line linear interpolation.

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.

For the 2023 awards, the vesting schedule was modified for the NEOs, (excluding the CEO) with any earned performance-based shares vesting in full at the end of the three-year performance period, with an additional 2-year post-vest holding period (providing the same five years of alignment as the prior construct). This revised vesting schedule was based on a review of competitive market practices across the REIT industry and accounting implications of using a cliff vesting schedule with a holding period as compared to a staggered vesting schedule with no holding period. Our CEO's performance-based equity awards, if earned, will continue to vest 60% at the end of the three-year performance period, with the remaining 40% of shares vesting ratably over the next two years, subject to an additional 2-year post-vest holding period based on the Company's commitment to maintaining market leading alignment for our CEO.

Status of Performance-Based Long-Term Incentives

Below is a snapshot of the status of our recently completed and outstanding performance-based awards as of December 31, 2023, which demonstrates the alignment of our NEOs' compensation with our TSR performance:

Award	Performance Period	Status as of December 31, 2023
2018 Award	1/1/2018 - 12/31/2020	**18% of Target Earned**
2019 Award	1/1/2019 - 12/31/2021	**0% Earned**
2020 Award	1/1/2020 - 12/31/2022	**0% Earned**
2021 Award	1/1/2021 – 12/31/2023	**63% of Target Earned**
2022 Award	1/1/2022 – 12/31/2024	**Tracking Below Target**
2023 Award	1/1/2023 – 12/31/2025	**Tracking At Maximum**

Long-Term Incentive Alignment Program

In 2009, the Compensation Committee and Board of Trustees approved the Company's Long-Term Incentive Alignment Program (the "Program"), a multi-year performance-based compensation program designed to provide an incentive for high, long-term performance by motivating management to create shareholder value by increasing earnings through the profitable management of investment funds and joint ventures. The Program is designed to accomplish the following:

- Reward management for true, long-term performance and not simply for making investment decisions without consideration of actual value realized;
- Motivate management to deliver superior returns to opportunity fund investors, as well as to the Company through its direct investment, strategic investments and successful liquidation of 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 together with Fund III and Fund IV, the "Funds"), thereby increasing shareholder value;
- Provide a retention tool for years to come; and
- Further align the interests of management, shareholders and external investors.

The Program is directly tied to the actual performance of the Funds and is designed as follows: The Company is entitled to a profit participation (the "Promote") of 20% of all cash distributed from the Funds in excess of (i) the return of all invested capital and (ii) the 6% per annum preferred rate of return. Under the Program, after the payment of the preferred return and return of all invested capital, the Company may award up to 25% of its Promote to senior executives, or 5% of each dollar distributed by the Funds after the preferred return has been paid to investors. Each individual's allocation of the 25% of the Promote is subject to time-based, annual vesting over a five-year period from the grant date with 10% in years one and two, 20% in years three and four and 40% in year five for Funds III and IV. For Fund V, each individual’s allocation of the Promote is subject to time-based, annual vesting over a five-year period from the grant date with 20% each year.

If the investors of the Funds do not receive a return of all their invested capital and the 6% preferred return, no Promote will be paid to the Company and senior executives will receive no compensation under the Program. There is no interim profit participation on an individual transaction basis and thus a greater emphasis is placed on all investments being carefully selected and managed for the long term. The Program increases the alignment between senior executives and the investors of the Funds. Additionally, it should be noted that the Company is a significant investor in the Funds, with a 25% investment in Fund III, a 23% investment in Fund IV and a 20% investment in Fund V. The long-term success of the Funds benefits the Company, and thus shareholders, through both its capital investment and the Promote. For 2023, no compensation was paid under the Program to any NEO.

Since 2009, the awards listed below, as a percentage of the potential Promote, were made as a result of the recommendation of the Compensation Committee and approval by the Board of Trustees. In the future, the Compensation Committee and the Board of Trustees may or may not recommend or approve awards to executive officers of additional allocations up to the permitted 25%.

Fund III Awards listed in the table below are reflective of each NEO’s role in connection with investments made in Fund III. As of December 31, 2013, the Company had allocated the entire 25% of the Fund III Promote.

Named Executive Officer	2009 Award Percentage	2010 Award Percentage	2011 Award Percentage	2012 Award Percentage	2013 Award Percentage	Total Percentage
Ken Bernstein, President & CEO	6.2500%	0.8350%	0.8350%	0.8350%	1.4050%	10.1600%
John Gottfried, EVP & CFO	—%	—%	—%	—%	—%	—%
Jason Blacksberg, EVP & CLO	—%	—%	—%	—%	—%	—%
Joseph Napolitano, SVP & CAO	0.7500%	0.1150%	0.1150%	0.1150%	0.2150%	1.3100%
Total	7.0000%	0.9500%	0.9500%	0.9500%	1.6200%	11.4700%(1)

Note:

(1) The total percentage of the Promote allocated may not be directly correlated with the amount of the Fund’s invested capital. This provides the Promote recipients with incentive to acquire appropriate assets with the remaining funds in the Fund and to ensure that diligent efforts will be made to achieve stabilization of those assets.

Fund IV Awards listed in the table below are reflective of each NEO’s role in connection with investments made in Fund IV. The Company has allocated a total of 23.1% of the allowable 25% of the Fund IV Promote.

Named Executive Officer	2013 Award Percentage	2014 Award Percentage	2015 Award Percentage	2016 Award Percentage	2017 Award Percentage	Total Percentage
Ken Bernstein, President & CEO	0.8750%	0.8750%	1.7500%	1.7500%	3.5000%	8.7500%
John Gottfried, EVP & CFO	—%	—%	—%	0.5000%	—%	0.5000%
Jason Blacksberg, EVP & CLO	—%	0.1250%	0.2500%	0.2500%	0.5000%	1.1250%
Joseph Napolitano, SVP & CAO	0.1250%	0.1250%	0.2500%	0.2500%	0.5000%	1.2500%
Total	1.0000%	1.1250%	2.2500%	2.2500%	4.5000%	11.1250%(1)

Note:

(1) The total percentage of the Promote allocated may not be directly correlated with the amount of the Fund's invested capital. This provides the Promote recipients with incentive to acquire appropriate assets with the remaining funds in the Fund and to ensure that diligent efforts will be made to achieve stabilization of those assets.

Fund V Awards listed in the table below are reflective of each NEO's role in connection with investments made in Fund V. The Company has allocated a total of 21.3% of the allowable 25% of the Fund V Promote.

Named Executive Officer	2018 Award Percentage	2019 Award Percentage	2020 Award Percentage	2021 Award Percentage	2022 Award Percentage	2023 Award Percentage	Total Percentage
Ken Bernstein, President & CEO	0.8750%	0.8750%	1.7500%	1.7500%	3.5000%	1.7500%	10.5000%
John Gottfried, EVP & CFO	0.1250%	0.1250%	0.2500%	0.2500%	0.5000%	0.2500%	1.5000%
Jason Blacksberg, EVP & CLO	0.1406%	0.1406%	0.2812%	0.2812%	0.5625%	0.2812%	1.6873%
Joseph Napolitano, SVP & CAO	0.1250%	0.1250%	0.2500%	0.2500%	0.5000%	0.2500%	1.5000%
Total	1.2656%	1.2656%	2.5312%	2.5312%	5.0625%	2.5312%	15.1873%

Note:

(1) The total percentage of the Promote allocated may not be directly correlated with the amount of the Fund's invested capital. This provides the Promote recipients with incentive to acquire appropriate assets with the remaining funds in the Fund and to ensure that diligent efforts will be made to achieve stabilization of those assets.

Governance and Other Policies Relating to Compensation

Share Ownership Guidelines

In order to further foster the strong ownership culture among the Company's senior executive management team and ensure the continued direct alignment of management and shareholder interests, and consistent with emerging corporate governance trends, the Company has adopted a share ownership policy. The policy contains guidelines for NEOs and Trustees to own at all times a certain level of the Company's Common Shares (including Restricted Share Units, LTIP Units, Restricted LTIP Units and OP units). The share ownership guidelines are not mandatory but rather are recommended targets as follows:

Title	Multiple	Ownership Requirement Met as of December 31, 2023 (2)
CEO	10 x Base Salary + Cash Bonus	Yes
All other NEOs	3 x Base Salary + Cash Bonus	Yes
Non-Employee Trustees	3x total annual fees	Yes (1)

Notes:

(1) All non-employee Trustees have met the recommended targets with the exceptions of Mr. McIntyre who joined the Board during March 2021, Mr. Denien who joined the Board during October 2022, and Ms. Woodhouse who joined the Board during January 2023.
(2) In determining whether NEOs have met the recommended targets, unearned performance-based awards are excluded from the ownership level calculation.

Clawback Policy

In the event of an accounting restatement due to material noncompliance with financial reporting requirement under the U.S. federal securities laws (a "Restatement"), the Compensation Committee will review all incentive-based compensation that was paid to our executive officers on the basis of having met or exceeded specific performance targets for the relevant performance periods. If the bonuses or awards paid pursuant to such incentive-based compensation awards (including annual cash incentives, non-qualified share options, restricted shares, or LTIPs) would have been lower than the amounts calculated based on such restated results, the Company will seek to recoup the portion of the excess compensation that was received unless recovery would be impractical and either the third-party costs associated with the recovery would exceed the amount to be recovered or recovery would cause a tax qualified plan to fail to remain tax qualified. The Compensation Recovery Policy has been filed as Exhibit 97.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023. At no time during or after the year ended December 31, 2023, was the Company required to prepare an accounting restatement that required recovery of erroneously awarded compensation pursuant to the Compensation Recovery Policy, nor was there, on December 31, 2023, an outstanding balance of erroneously awarded compensation to be recovered from the application of the policy to a prior restatement.

Anti-Hedging and Anti-Pledging Policies

In addition, the Company has a corporate governance policy that prohibits Trustees and employees of the Company (including executive officers) from engaging in the following activities with respect to the Company securities: (i) short sales, (ii) purchases or sales of derivative securities of the Company or any derivative securities that provide the economic equivalent, (iii) maintaining a margin account secured by shares of the Company and (iv) pledges as collateral for a loan. All Trustee and executive officers subject to this policy were in compliance as of the date hereof.

Standard Employment Benefits

The Company provides a variety of health and welfare benefits, including medical, dental, life, disability and accidental death and dismemberment insurance policies that are generally available to all of its full-time employees. The Company also provides a 401(k) savings plan for employees of the Company (the "401(k) Plan"), which provides for Company matching contributions of 50% up to the first 6% of the participant's base salary contributed to the 401(k) Plan. The All Other Compensation column of the Summary Compensation Table summarizes the matching contributions that the Company made to its NEOs for fiscal 2023, 2022 and 2021.

The Company's Employee Share Purchase Plan (the "Share Purchase Plan", and collectively with the Company's Second Amended and Restated 2006 Incentive Plan and, the 2020 Share Incentive Plan "Share Incentive Plans") allows eligible employees of the Company to purchase, through payroll deductions, Common Shares in the Company 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. The Share Purchase Plan is designed to retain and motivate employees of the Company and its designated affiliates by encouraging them to acquire ownership in the Company. The Company has reserved 200,000 Common Shares for issuance under the Share Purchase Plan. The Share Purchase Plan is not intended to be an "employee stock purchase plan" within the meaning of Section 423 of the Code, as amended. During 2023, 2022 and 2021, 13,177, 9,747 and 7,721 Common Shares were purchased under the Share Purchase Plan, respectively. As of the date hereof, no NEOs participate in the Share Purchase Plan.

Impact of Accounting and Tax Treatment

Cash-based compensation, including salary and bonus, is generally charged as an expense in the period in which the amounts are earned by the NEO. The Company expenses the cost of share-based compensation, including Restricted Share Units and Restricted LTIP Units, in its financial statements in accordance with ASC Topic 718. In accordance with ASC Topic 718, the grant date fair value of equity awards is recognized into expense on a straight-line or graded-vesting basis, as appropriate, over the vesting period.

Section 162(m) of the Code limits to $1 million the deduction that publicly traded corporations may take for compensation paid to "covered employees" of the corporation. Treasury regulations under Section 162(m) (the "Regulations") apply Section 162(m)'s $1 million deduction limit to a REIT's distributive share of any compensation paid by the REIT's operating partnership to certain current and former executive officers of the REIT. The guidance under the Regulations applies to all compensation deductible in tax years ending on or after December 20, 2019 other than compensation paid pursuant to a written binding contract in effect on December 20, 2019 that is not subsequently materially modified. To the extent that compensation paid to our executive officers does not qualify for deduction under Section 162(m), a larger portion of shareholder distributions may be subject to U.S. federal income taxation as dividend income rather than return of capital.

Timing of Equity Grants

The Company does not in any way time its share awards to the release of material non-public information. The CEO meets with the Compensation Committee in January, February or March of each year and recommends the share awards for the NEOs, other than himself to be granted for the prior year. The Compensation Committee reviews the recommendations and then recommends the awards to the full Board of Trustees for approval. The awards are granted in the first quarter of the current year. There is no consequence for selling vested Common Shares but the Company does encourage NEOs and Trustees to hold such Common Shares in accordance with the guidelines for share ownership for NEOs and Trustees.

Relationship of Compensation Policies and Practices to Risk Management

The Compensation Committee has considered the risks arising from the Company's compensation policies and practices for its employees, and does not believe those risks are reasonably likely to have a material adverse effect on the Company.

SUMMARY COMPENSATION TABLE

The following table lists the annual compensation for the fiscal years 2023, 2022 and 2021 awarded to the NEOs. Compensation included in the table relating to bonus and share awards reflect amounts granted with respect to the periods reflected.

For information relating to the elements of compensation discussed in the Summary Compensation Table, please refer to the "Compensation Discussion and Analysis" above.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($) (1)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($) (3)	Total ($)
Kenneth F. Bernstein	2023	850,000	—	3,359,692	—	1,903,182 (2)	—	10,188	6,123,062
Chief Executive	2022	850,000	—	3,608,086	—	1,686,550 (2)	—	9,438	6,154,074
Officer and President	2021	700,000	—	3,683,258	—	1,253,033 (2)	—	8,988	5,645,279
(Principal Executive Officer)									
John Gottfried	2023	494,000	—	1,033,460	—	445,433 (2)	—	10,188	1,983,081
Chief Financial Officer	2022	475,000	—	1,013,962	—	969,727 (2)	—	9,438	2,468,127
and Executive Vice President	2021	463,000	—	1,122,667	—	410,797 (2)	—	8,988	2,005,452
(Principal Financial Officer)									
Jason Blacksberg	2023	473,000	—	638,335	—	502,526 (2)	—	10,188	1,624,049
Chief Legal Officer	2022	455,000	—	620,854	—	574,688 (2)	—	9,438	1,659,980
and Executive Vice President	2021	445,000	—	579,305	—	464,284 (2)	—	8,988	1,497,577
Joseph Napolitano	2023	390,000	—	547,116	—	415,815 (2)	—	10,181	1,363,112
Chief Administrative	2022	375,000	—	555,406	—	473,637 (2)	—	9,413	1,413,456
Officer and Senior Vice President	2021	365,000	—	506,881	—	382,695 (2)	—	8,963	1,263,539

Notes:

(1) Pursuant to SEC rules, the amounts disclosed in this column reflects the grant date fair value of each Restricted Share Unit and Restricted LTIP Unit award calculated in accordance with ASC Topic 718. The grant date fair values of performance-based awards included in this table were

calculated based on the outcome of performance measured at probable achievement of the performance metrics, which we deemed to be at maximum levels. For further information as to the Company's Restricted Share Unit and Restricted LTIP Unit awards issued to employees, see Note 13 (Share Incentive and Other Compensation) to the Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023 filed with the SEC on February 16, 2024.

(2) Cash bonus was received in the form of Restricted LTIP Units. The number of Restricted LTIP Units granted in connection with this portion of the LTIP Unit award were at a 20% discount as discussed above for 2022 performance but granted in 2023.

(3) Detail reflected in the All Other Compensation Table below.

ALL OTHER COMPENSATION TABLE

	Kenneth F. Bernstein			John Gottfried			Jason Blacksberg		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
Perquisites and other personal benefits, unless the aggregate amount is less than $10,000	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Annual Company contributions or allocations to vested and unvested defined contribution plans (1)	9,900	9,150	8,700	9,900	9,150	8,700	9,900	9,150	8,700
The dollar value of insurance premiums paid by the Company on life insurance policies for the benefit of the NEO	288	288	288	288	288	288	288	288	288
Total Other Compensation	$ 10,188	$ 9,438	$ 8,988	$ 10,188	$ 9,438	$ 8,988	$ 10,188	$ 9,438	$ 8,988

	Joseph Napolitano		
	2023	2022	2021
Perquisites and other personal benefits, unless the aggregate amount is less than $10,000	$ —	$ —	$ —
Annual Company contributions or allocations to vested and unvested defined contribution plans (1)	9,900	9,150	8,700
The dollar value of insurance premiums paid by the Company on life insurance policies for the benefit of the NEO	281	263	263
Total Other Compensation	$ 10,181	$ 9,413	$ 8,963

Notes:

(1) Represents contributions made by the Company to the account of the NEO under the Company's 401(k) Plan.

GRANTS OF PLAN-BASED AWARDS

Pursuant to the Company's Share Incentive Plans, the Company granted annual bonus unit awards and long-term incentive awards to the NEOs on February 17, 2023 (with respect to services rendered in the fiscal year ended 2022). The annual bonus unit awards consisted of time-based unvested Restricted LTIP Units. The total long-term incentive awards consisted of unvested Restricted LTIP Units which were allocated 50% as time-based awards and 50% as performance-based awards. For the 50% performance-based award, the number of Restricted LTIP Units will be calculated over a three-year period as described above.

The following table provides a summary of all grants awarded to the NEOs during 2023:

		Estimated Future Payouts Under Performance-Based Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares or Units	Grant Date Fair Value of Stock and Option Awards ($)
Name	Grant Date	Threshold	Target	Maximum		
		(#)	(#) (1)	(#)	(#) (2)	(3)
Kenneth F. Bernstein	2/17/2023	—	—	—	152,866	1,903,182
	2/17/2023	52,528	105,056	210,112	—	2,051,744
	2/17/2023	—	—	—	105,056	1,307,948
		52,528	105,056	210,112	257,922	5,262,874
John Gottfried	2/17/2023	—	—	—	36,581	445,433
	2/17/2023	13,953	27,905	55,810	—	635,814
	2/17/2023	—	—	—	27,905	397,646
		13,953	27,905	55,810	64,486	1,478,893
Jason Blacksberg	2/17/2023	—	—	—	35,265	502,526
	2/17/2023	8,618	17,236	34,472	—	392,722
	2/17/2023	—	—	—	17,236	245,613
		8,618	17,236	34,472	52,501	1,140,861
Joseph Napolitano	2/17/2023	—	—	—	29,180	415,815
	2/17/2023	7,387	14,773	29,546	—	336,601
	2/17/2023	—	—	—	14,773	210,515
		7,387	14,773	29,546	43,953	962,931

Notes:

(1) Represents the performance-based portion of the 2022 awards which will be earned over 5 years with 60% earned at the end of the third year subject to the Company meeting certain performance thresholds. The remaining 40% will be earned ratably over the following two years, provided that the initial 60% is earned as described above. The holders of these Restricted LTIP Units are entitled to receive distributions currently in an amount equal to 10% of the per share dividend paid to holders of Common Shares for the maximum number of Restricted LTIP Units that may be earned.

(2) The Restricted LTIP Units vest over 5 years with 20% vesting on January 6, 2024 and 20% on each anniversary thereof. The holders of these Restricted LTIP Units are entitled to receive distributions currently in an amount equal to the per share dividend paid to holders of Common Shares.

(3) Calculated in accordance with ASC Topic 718. The grant date fair values of performance-based awards were calculated based on the probable outcome of performance measured at target levels at the time of the grant.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

		Stock Awards			
Name	Grant Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested
		(#) (1)	($) (2)	(#) (8)	($) (2) (8)
Kenneth F. Bernstein	2/14/2019	10,588 (3)	179,890	—	—
	2/14/2019	8,997 (3)	152,859	—	—
	2/13/2020	23,190 (4)	393,998	—	—
	2/13/2020	28,086 (4)	477,181	—	—
	2/18/2021	56,914 (5)	966,969	—	—
	2/18/2021	50,221 (5)	853,255	59,760	1,015,322
	2/18/2022	64,618 (6)	1,097,860	—	—
	2/18/2022	79,042 (6)	1,342,924	80,772 (9)	1,372,316
	2/17/2023	105,056 (7)	1,784,901		
	2/17/2023	152,865 (7)	2,597,176	105,056 (10)	1,784,901
		579,577	9,847,013	245,588	4,172,539
John Gottfried	2/14/2019	2,568 (3)	43,630	—	—
	2/14/2019	2,954 (3)	50,188	—	—
	2/13/2020	5,622 (4)	95,518	—	—
	2/13/2020	4,028 (4)	68,436	—	—
	2/18/2021	14,956 (5)	254,102	—	—
	2/18/2021	14,515 (5)	246,610	15,702	266,777
	2/18/2022	15,654 (6)	265,961	—	—
	2/18/2022	40,113 (6)	681,520	39,134 (9)	664,887
	2/17/2023	27,905 (7)	474,106	—	—
	2/17/2023	36,582 (7)	621,528	27,905 (10)	474,106
		164,897	2,801,599	82,741	1,405,770
Jason Blacksberg	2/14/2019	898 (3)	15,257	—	—
	2/14/2019	2,652 (3)	45,057	—	—

	2/13/2020	3,144 (4)	53,417	—	—
	2/13/2020	7,814 (4)	132,760	—	—
	2/18/2021	7,717 (5)	131,112	—	—
	2/18/2021	16,407 (5)	278,755	8,102	137,653
	2/18/2022	12,116 (6)	205,851	—	—
	2/18/2022	23,772 (6)	403,886	20,194 (9)	343,096
	2/17/2023	17,236 (7)	292,840	—	—
	2/17/2023	35,265 (7)	599,152	17,236 (10)	292,840
		127,021	2,158,087	45,232	773,589
Joseph Napolitano	2/14/2019	1,257 (3)	21,356	—	—
	2/14/2019	2,355 (3)	40,011	—	—
	2/13/2020	2,750 (4)	46,723	—	—
	2/13/2020	6,342 (4)	107,751	—	—
	2/18/2021	6,752 (5)	114,716	—	—
	2/18/2021	13,522 (5)	229,739	7,090	120,459
	2/18/2022	11,106 (6)	188,691	—	—
	2/18/2022	19,592 (6)	332,868	17,668 (9)	300,179
	2/17/2023	14,773 (7)	250,993	—	—
	2/17/2023	29,181 (7)	495,785	14,773 (10)	250,993
		107,630	1,828,633	39,531	671,631

Notes:

(1) Represents the time-based portion of the awards.
(2) Market value computed by multiplying the closing market price of the Company's Common Shares of $16.99 as of December 29, 2023, the final trading day of the calendar year, by the number of Restricted Share Units or Restricted LTIP Units that have not vested.
(3) Restricted LTIP Units vest over five years with the last vesting on January 6, 2024.
(4) Restricted LTIP Units vest over five years with the last vesting on January 6, 2025.
(5) Restricted LTIP Units vest over five years with the last vesting on January 6, 2026.
(6) Restricted LTIP Units vest over five years with the last vesting on January 6, 2027.
(7) Restricted LTIP Units vest over five years with the last vesting on January 6, 2028.
(8) Represents the performance-based portion of the awards.
(9) The calculation period for these awards will be measured from January 1, 2022 through December 31, 2024. The number of awards that will ultimately vest will be based on (i) 2/3rds based on the Company’s total shareholder return as compared to the Nareit Equity Shopping Center Index and (ii) 1/3rd based on the Company’s total shareholder return as compared to the Nareit Equity Retail Index. 60% of the awards will vest on January 6, 2025, 20% on January 6, 2026 and 20% on January 6, 2027.
(10) The calculation period for these awards will be measured from January 1, 2023 through December 31, 2025. The number of awards that will ultimately vest will be based on (i) 50% based on the Company’s total shareholder return as compared to the Nareit Equity Shopping Center Index, (ii) 25% based on the Company’s total shareholder return as compared to the Nareit Equity Retail Index and (iii) 25% based on the Company’s same-property net operating income growth. 60% of the awards will vest on January 6, 2026, 20% on January 6, 2027 and 20% on January 6, 2028.

OPTION EXERCISES AND STOCK VESTED

The Option Exercises and Stock Vested Table provides a summary of all values realized by the NEOs upon the exercise of options and similar instruments or the vesting of Restricted Share Units or Restricted LTIP Units during the last fiscal year.

			Option Awards		**Stock Awards**	
Name	Grant Date	Exercise/Vesting Date	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($) (1)
Kenneth F. Bernstein	2/26/2018	1/6/2023	—	—	23,885	346,810
	2/14/2019	1/6/2023	—	—	19,584	284,360
	2/13/2020	1/6/2023	—	—	25,636	372,235
	2/18/2021	1/6/2023	—	—	35,712	518,538
	2/18/2022	1/6/2023	—	—	35,914	521,471
			—	—	140,731	2,043,414
John Gottfried	2/26/2018	1/6/2023	—	—	5,312	77,130
	2/14/2019	1/6/2023	—	—	5,520	80,150
	2/13/2020	1/6/2023			4,824	70,044
	2/18/2021	1/6/2023	—	—	9,824	142,644
	2/18/2022	1/6/2023	—	—	13,941	202,423
			—	—	39,421	572,391
Jason Blacksberg	2/26/2018	1/6/2023	—	—	4,312	62,610
	2/14/2019	1/6/2023	—	—	3,550	51,546
	2/13/2020	1/6/2023	—	—	5,480	79,570
	2/18/2021	1/6/2023	—	—	8,041	116,755
	2/18/2022	1/6/2023	—	—	8,972	130,273
			—	—	30,355	440,754
Joseph Napolitano	2/26/2018	1/6/2023	—	—	4,443	64,512
	2/14/2019	1/6/2023	—	—	3,610	52,417
	2/13/2020	1/6/2023	—	—	4,546	66,008
	2/18/2021	1/6/2023	—	—	6,759	98,141
	2/18/2022	1/6/2023	—	—	7,674	111,426
			—	—	27,032	392,504

Note:
(1) Value based on the market value of the Company's Common Shares on the vesting date. The closing price of the Company's Common Shares was $14.52 on January 6, 2023.

EMPLOYMENT AND SEVERANCE AGREEMENTS WITH NAMED EXECUTIVE OFFICERS

The Company has entered into an employment agreement with Mr. Bernstein and severance agreements with each of the other NEOs.

Kenneth F. Bernstein Amended and Restated Employment Agreement

On March 31, 2014, the Company and Kenneth F. Bernstein entered into an amended and restated employment agreement, which extended his position as President and CEO for three years, renewable for successive yearly periods thereafter. Under the agreement, Mr. Bernstein is subject to a 15-month post-termination non-compete and non-poaching provision if his employment terminates under certain circumstances. Mr. Bernstein's base salary is subject to an annual review and adjustment by the Board of Trustees, based on recommendations of the Compensation Committee.

Each year during the term of Mr. Bernstein's employment, the full Board of Trustees (excluding Mr. Bernstein), at the Compensation Committee's recommendation, considers Mr. Bernstein for an incentive bonus (to be determined by the Compensation Committee and recommended for approval to the full Board of Trustees) and discretionary bonuses payable in cash, Restricted Share Units, options, Restricted LTIP Units, or any combination thereof, as the Board of Trustees and the Compensation Committee may approve. Mr. Bernstein is also entitled to participate in all benefit plans, health insurance, disability, retirement and incentive compensation plans generally available to the Company's executives.

Severance Agreements for Named Executive Officers Other than Mr. Bernstein

The Company has entered into severance agreements with each of the NEOs other than Mr. Bernstein. These agreements provide for certain termination or severance payments to be made by the Company to a NEO in the event of his/her termination of employment as the result of his/her Death, Disability, discharge for Cause or Without Cause, resignation or a termination by the NEO for Good Reason or upon a Change of Control (the terms, "Death," "Disability," "Cause," "Without Cause," "Good Reason" and "Change of Control" each as defined below). If the NEO's employment is terminated either because he/she is discharged without Cause or due to a termination by the NEO for Good Reason, the Company will be required to make a lump sum payment equal to among other things, unpaid salary and bonus, severance and pro rata bonus, each paid in accordance with the terms and conditions of such agreements. These payments will be reduced to the extent that they would otherwise be considered parachute payments within the meaning of Section 280G of the Code.

Cause

The Company has the right to terminate a NEO's employment for "Cause", which is defined to mean the NEO 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 NEO's incapacity due to physical or mental illness or death) his/her material duties hereunder, which breach is demonstrably willful and deliberate on NEO'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 90 days thereafter) in which NEO 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; or (F) committed a felony or misdemeanor involving moral turpitude, deceit, dishonesty or fraud.

Death

A NEO's employment will terminate upon his/her death ("Death").

Disability

The Company has the right to terminate a NEO's employment due to "Disability" in the event that there is a reasonable determination by the Company that the NEO has become physically or mentally incapable of performing his/her duties under the agreement and such Disability has disabled the NEO for a cumulative period of 180 days within a twelve-month period.

Good Reason

A NEO has the right to terminate his employment for "Good Reason," which is defined to mean: (A) upon the occurrence of any material breach of this Agreement by the Company; (B) without NEO's consent, a material, adverse alteration in the nature of the NEO's duties, responsibilities or authority, or in the 18-month period following a Change of Control only, upon the determination by the NEO (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 NEO's consent, upon a reduction in the NEO's base salary or a reduction of 10% or greater in NEO's other compensation and employee benefits (which includes a 10% or greater reduction in target cash and equity bonus, or a 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 NEO's office requiring the NEO 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 NEO to travel away from the NEO's office in the course of discharging the NEO's responsibilities or duties under the agreement at least 20% more than was required of the NEO in any of the three full years immediately prior to the Change of Control, without, in either case, the NEO's prior written consent. Any notice under the agreement by the NEO must be made within 90 days after the NEO first knows or has reason to know about the occurrence of the event alleged to be Good Reason.

Without Cause

The Company has the right to terminate a NEO's employment without Cause.

Upon a Change of Control and Termination

The NEOs may be entitled to benefits upon a Change of Control and termination of their employment as discussed below.

"Change of Control" has the meaning as set forth in the employment agreement or severance agreements, as applicable.

SPECIFIC CIRCUMSTANCES THAT WOULD TRIGGER PAYMENTS UNDER THE EMPLOYMENT AND SEVERANCE AGREEMENTS AND POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL

The specific circumstances that would trigger payments and amount of compensation that would be paid by the Company under Mr. Bernstein's employment agreement and the other NEOs' severance agreements are as follows:

Compensation upon Termination of Employment by the Company for Cause or Voluntarily By the NEO

In the event the Company terminates a NEO's employment for Cause, or a NEO voluntarily terminates his employment without Good Reason, the Company will pay that NEO any unpaid annual base salary at the rate then in effect accrued through and including the date of termination and any accrued vacation pay. In addition, in such event, the NEO will be entitled to exercise any options which, as of the date of termination, have vested and are exercisable in accordance with the terms of the applicable option grant agreement or plan. All options, LTIP Units, other share-based or other incentive awards, and any grants under the Long-Term Incentive Alignment Program ("FIAP") which have not vested on the date of termination will automatically terminate and be forfeited.

Compensation under Mr. Bernstein's Employment Agreement upon Termination of Employment upon Death, Disability, Without Cause or for Good Reason or Change of Control and Termination of Employment

In the event of termination by the Company of Mr. Bernstein's employment as a result of his Death, Disability, Without Cause or by Mr. Bernstein for Good Reason, subject to the execution of a release of claims by Mr. Bernstein (other than in the case of Death), the Company is obligated to pay or provide to Mr. Bernstein, his estate or personal representative, the following: (i) any unpaid accrued salary through and including the date of termination; plus (ii) an amount equal to three times his current salary; (iii) an additional amount equal to three times the average of the cash value of the bonuses (whether awarded as cash incentive bonuses or in Restricted Share Units or Restricted LTIP Units, the value of the latter to be calculated as of the date of the award) awarded to Mr. Bernstein for each of the last two years immediately preceding the year in which Mr. Bernstein's employment is terminated; (iv) a further amount computed at an annualized rate equal to the average of the cash incentive bonuses awarded to Mr. Bernstein for each of the last two years, pro-rated for the year of termination; (v) reimbursement of expenses incurred prior to date of termination; (vi) all incentive compensation payments whether share based or otherwise that are subject to a vesting schedule including Restricted Share Units, Restricted LTIP Units and options shall immediately vest as of the date of the termination; and (vii) continuation of health coverage for two years with the exception of termination upon Death. Following a Change of Control together with either a termination Without Cause or by Mr. Bernstein for Good Reason within 12 months thereafter, the Company will be obligated to make the same payments described above. Mr. Bernstein is not entitled to any additional Change of Control benefit.

Compensation under the Severance Agreements upon Termination of Employment upon Death, Disability, Without Cause or By Other Named Executive Officers for Good Reason or Change of Control and Termination of Employment

In the event of termination by the Company of the employment of a NEO as a result of the NEO's Death or Disability, the Company is obligated to pay or provide such NEO, the following: (i) any unpaid accrued salary through and including the date of termination, (ii) an amount equal to one times the current annual base salary; (iii) an additional amount equal to one times the average cash bonus (whether electively taken as cash or equity) awarded for each of the last two years immediately preceding the year in which the NEO's employment is terminated; (iv) a pro-rata portion of such NEO's bonus (based upon the average of the last two years' bonuses); (v) reimbursement of expenses incurred prior to date of termination; and (vi) COBRA health continuation for one year. All share options and other share, LTIP, FIAP or incentive-based awards that are scheduled to vest solely on the NEO's continued employment through each applicable vesting date will immediately vest as of the date of the termination; and all awards subject to performance-based vesting will remain outstanding until the conclusion of the applicable performance period as set forth in the respective award grant agreement.

In the event of termination by the Company of the employment of a NEO without Cause or by the NEO for Good Reason not in connection with a Change of Control, the Company is obligated to pay or provide to the NEO the full benefits described above. In addition, a NEO will be entitled to receive an amount equal to one times the current annual base salary and the average cash bonus (whether electively taken as cash or equity) awarded for each of the last two years immediately preceding the year in which the NEO's employment is terminated. All share options and other share, LTIP, FIAP or incentive-based awards that are scheduled to vest solely on the NEO's continued employment through each applicable vesting date will immediately vest as of the date of the termination; and all awards subject to performance-based vesting will continue to be governed by the applicable award agreement.

Following a Change of Control together with either Termination Without Cause or for Good Reason, the Company is obligated to pay or provide to the NEO the full benefits described above under Termination without Cause or for Good Reason not in connection with a Change of Control. In addition, the NEO will be entitled to receive an amount equal to 0.75 times the current annual base salary and the average of the cash value of the bonuses (whether electively taken as cash or equity) awarded for each of the last two years immediately preceding the year in which the NEO's employment is terminated; and continued medical benefits of said NEO for an additional six months. All share options and other share, LTIP, FIAP or incentive-based awards that are scheduled to vest solely on the NEO's continued employment through each applicable vesting date will immediately vest as of the date of the consummation of a Change of Control; and all awards subject to performance-based vesting will continue to be governed by the applicable award agreement.

Acceleration of Vesting and Forfeiture of Awards under Share Incentive Plans

In addition to the termination payments discussed above, the Share Incentive Plans provide for accelerated vesting of awards in certain circumstances involving a Change of Control of the Company. These plans also provide for forfeiture of awards in certain circumstances, such as in the event of a termination for cause.

POTENTIAL PAYMENTS TO NAMED EXECUTIVE OFFICERS UPON TERMINATION

The following table estimates the potential payments and benefits to the NEOs upon termination of employment and Change of Control, assuming the event occurred on December 31, 2023. These estimates do not reflect the actual amounts that would be paid to such persons, which would only be known at the time they become eligible for payment and would only be payable if the specified event occurs.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL

Name	Cash Severance ($) (1)	Bonus Severance ($)	Options Awards ($)	Stock Awards ($) (4) (5)	Other Benefits ($) (6)
Kenneth F. Bernstein					
For Cause or Voluntary Resignation	—	—	—	—	—
Death	2,550,000	18,226,391 (2)	—	14,019,552	—
Disability	2,550,000	18,226,391 (2)	—	14,019,552	39,944
Good Reason	2,550,000	18,226,391 (2)	—	14,019,552	39,944
Without Cause	2,550,000	18,226,391 (2)	—	14,019,552	39,944
Change of Control and Termination	2,550,000	18,226,391 (2)	—	14,019,552	39,944
Change of Control	—	— (2)	—	14,019,552	—
John Gottfried					
For Cause or Voluntary Resignation	—	—	—	—	—
Death	494,000	943,009 (3)	—	4,207,369	29,949
Disability	494,000	943,009 (3)	—	4,207,369	29,949
Good Reason	988,000	1,414,514 (3)	—	4,207,369	29,949
Without Cause	988,000	1,414,514 (3)	—	4,207,369	29,949
Change of Control and Termination	1,358,500	1,768,142 (3)	—	4,207,369	44,924
Change of Control	—	— (3)	—	4,207,369	—
Jason Blacksberg					
For Cause or Voluntary Resignation	—	—	—	—	—
Death	473,000	907,605 (3)	—	2,931,676	29,949
Disability	473,000	907,605 (3)	—	2,931,676	29,949
Good Reason	946,000	1,361,408 (3)	—	2,931,676	29,949
Without Cause	946,000	1,361,408 (3)	—	2,931,676	29,949
Change of Control and Termination	1,300,750	1,701,759 (3)	—	2,931,676	44,924
Change of Control	—	— (3)	—	2,931,676	—
Joseph Napolitano					
For Cause or Voluntary Resignation	—	—	—	—	—
Death	390,000	749,307 (3)	—	2,500,264	29,942
Disability	390,000	749,307 (3)	—	2,500,264	29,942
Good Reason	780,000	1,123,961 (3)	—	2,500,264	29,942
Without Cause	780,000	1,123,961 (3)	—	2,500,264	29,942
Change of Control and Termination	1,072,500	1,404,951 (3)	—	2,500,264	44,913
Change of Control	—	— (3)	—	2,500,264	—

Notes:

(1) Reflects three years of severance salary for Mr. Bernstein. For the other NEOs, reflects one year of severance salary in the case of termination as a result of Death or Disability, two years of severance salary in the case of termination by the Company Without Cause or by the NEO for Good Reason not in connection with a Change in Control and 2.75 years of severance salary in the case of a Change of Control together with either termination Without Cause or for Good Reason.

(2) Reflects three years of severance bonuses and a pro-rated cash bonus for Mr. Bernstein.

(3) Reflects one year of severance bonus and a pro-rated cash bonus in the case of termination as a result of Death or Disability, two years of severance bonus and a pro-rated cash bonus in the case of termination by the Company Without Cause or by the NEO for Good Reason not in connection with a Change in Control and 2.75 years of severance bonus and a pro-rated cash bonus in the case of a Change of Control together with either termination Without Cause or for Good Reason.

(4) Reflects the payment upon the immediate vesting of all Restricted Share Units and Restricted LTIP Units with the exception of those subject to performance measurement periods. In the case of Restricted Share Units and Restricted LTIP Units subject to performance measurement periods, they will remain unvested until such time as the measurement period is completed and will be measured at that time. For the purposes of this table, those Restricted Share Units and Restricted LTIP Units have been valued at their target amount.

(5) Restricted Share payments based on the number of shares times $16.99, the closing price of the Company's Common Shares on December 29, 2023.

(6) Represents health coverage.

CEO Compensation Pay Ratio

For 2023, the Company estimated the ratio between the CEO’s total compensation and the median annual total compensation of all employees (except the CEO). In searching for the median employee, base compensation totals in 2023 were considered. The “Median Employee” was identified using the base compensation of all full-time, part-time, and temporary employees employed by the Company on December 31, 2023, then the Median Employee’s compensation was calculated under the Summary Compensation Table rules. The CEO had annual total compensation of $6,123,062 and the Median Employee had annual total compensation of $126,250. Therefore, the CEO’s annual total compensation is estimated as 48 times that of the median of the annual total compensation of all employees. Given the different methodologies that various public companies will use to determine an estimate of their pay ratio, the estimated ratio reported above should not be used as a basis for comparison between companies.

BOARD OF TRUSTEES COMPENSATION

Each Trustee who is not also an officer and full-time employee of the Company or the Operating Partnership receives the following trustee compensation:

Annual cash fee	75,000
Annual equity fee (payable in Restricted Share Units or Restricted LTIP Units)	100,000
Additional Annual Cash Fees:	
Lead Trustee	100,000
Audit Committee Chair	25,000
Other Committee Chair	15,000

The Restricted Share Units or Restricted LTIP Units issued to Trustees in the above table vest over three years with 33% vesting on each of the next three anniversaries of the grant date. Trustees have the option to convert all or part of any cash payment due to them to Common Shares or LTIP Units with a vesting period of one year at a 10% discount to the preceding 20-day average share price from the date of the 2023 Annual Meeting. No dividends are paid currently on Restricted Share Units but instead cumulate and are paid when they vest.

Trustees who are officers and full-time employees of the Company or its subsidiaries receive no separate compensation for service as a

Trustee or Committee member. Additionally, members of the Board of Trustees are reimbursed for travel and lodging expenses associated with attending meetings of the Board and committees of the Board.

Pursuant to the Company's 2006 Deferred Compensation Plan, as amended (the "Deferred Compensation Plan"), Trustees may elect to defer receipt of their annual trustee fees. Each Trustee participating in the Deferred Compensation Plan has an account, which the administrator credits with a number of Common Shares having a fair market value (as of the date of the credit) equal to the amount of the participant's compensation that the Trustee has elected to defer and would otherwise have been paid in cash or other property to the Trustee during the preceding month. The Deferred Compensation Plan generally allows the Trustees to defer receipt of their compensation and, therefore, defer paying tax on that compensation. To defer eligible compensation for any given calendar year, a Trustee must make a written election at least 30 days before the calendar year begins. The Company will credit each Trustee's deferred compensation account with additional Common Shares that (i) have a fair market value, when credited, equal to the product of any per Common Share cash dividend paid during the prior quarter and the number of Common Shares credited to the Trustee's account and (ii) equitably adjust the Trustee's account for any share dividends that would have been paid during the prior month with respect to the Common Shares credited to the Trustee's account on the last day of the prior quarter. A Trustee's account will be paid to the Trustee upon the occurrence of one or more permissible payment triggers elected by the Trustee, which may include a date certain, a change of control of the Company, or his or her separation of service from the Company and will be paid to his or her beneficiaries in the event of his or her death, in each case based on the timeframe for distributions specified in the Trustee's deferral election form. Under certain circumstances, the Board may permit a Trustee to withdraw a limited number of Common Shares from his or her account if the Trustee suffers a Hardship (as defined in the Deferred Compensation Plan).

No Trustees elected to defer compensation for 2023.

See the Trustees Compensation Table below for a summary of the compensation paid to the members of the Board of Trustees during 2023.

TRUSTEE COMPENSATION

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($) (2)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($) (8)	Total ($)
Lee S. Wielansky (1)	125,000	156,265 (3)	—	—	—	31,896	313,161
Douglas Crocker II	90,000	100,457	—	—	—	12,475	202,932
Mark Denien	—	184,162 (4)	—	—	—	9,230	193,392
Kenneth A. McIntyre	75,000	100,457	—	—	—	10,243	185,700
William T. Spitz	—	200,914 (5)	—	—	—	10,937	211,851
Lynn C. Thurber	—	212,073 (6)	—	—	—	11,316	223,389
Hope Woodhouse	101,310	134,884 (7)	—	—	—	—	236,194
C. David Zoba	90,000	100,457	—	—	—	45,261	235,718

Notes:

(1) Mr. Wielansky is the Independent Lead Trustee.

(2) Reflects 7,508 Restricted Share Units or Restricted LTIP Units granted in 2023 to each Trustee, which vest over three years with 33% vesting on each of the next three anniversaries of the grant date. The grant date per share fair value was $13.32.

(3) Mr. Wielansky elected to receive $50,000 of his Lead Trustee Fee of $100,000 in Restricted LTIP Units. These Restricted LTIP Units were issued at a 10% discount and vest over one year.

(4) Mr. Denien elected to receive the cash component of his Annual Retainer of $75,000 in Restricted LTIP Units. These Restricted LTIP Units were issued at a 10% discount and vest over one year.

(5) Mr. Spitz elected to receive the cash component of his Annual Retainer of $75,000 and Chairperson fee of $15,000 in Restricted Share Units. These Restricted Share Units were issued at a 10% discount and vest over one year.

(6) Ms. Thurber elected to receive the cash component of her Annual Retainer of $75,000 and Chairperson fee of $25,000 in Restricted Share Units. These Restricted Share Units were issued at a 10% discount and vest over one year.

(7) Ms. Woodhouse received her pro-rated amount of her 2022 Annual Retainer of $75,000 and Annual Equity Fee of $100,000 in 2023 upon joining the Board.

(8) Reflects cumulative dividends on unvested Restricted Share Units which vested in May 2023 and dividends paid on vested and unvested LTIP Units.

As of December 31, 2023, each independent Trustee had the following outstanding options and Restricted Share Unit or Restricted LTIP Unit awards:

OUTSTANDING TRUSTEE EQUITY AWARDS AT FISCAL YEAR-END

		Option Awards					Stock Awards			
Trustee	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#) (2)	Market Value of Shares or Units of Stock That Have Not Vested ($) (1)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Lee S. Wielansky	5/6/2021	—	—				1,625 (3)	27,609		
	5/5/2022	—	—				3,158 (4)	53,654		
	5/4/2023	—	—				4,171 (5)	70,865		
	5/4/2023	—	—				7,508 (6)	127,561		
Total		—	—				16,462	279,689	—	—
Mark Denien	10/11/2022	—	—				2,880 (6)	48,931		
	5/4/2023	—	—				6,256 (5)	106,289		
	5/4/2023	—	—				7,508 (6)	127,561		
		—	—				16,644	282,781	—	—
Douglas Crocker II	5/6/2021	—	—				1,625 (3)	27,609		
	5/5/2022	—	—				3,158 (4)	53,654		
	5/4/2023	—	—				7,508 (6)	127,561		
Total		—	—				12,291	208,824	—	—
Kenneth A. McIntyre	5/6/2021	—	—				1,625 (3)	27,609		
	5/5/2022	—	—				3,158 (4)	53,654		
	5/4/2023	—	—				7,508 (6)	127,561		
Total		—	—				12,291	208,824		
William T. Spitz	5/6/2021	—	—				1,625 (3)	27,609		
	5/5/2022	—	—				3,158 (4)	53,654		
	5/4/2023	—	—				7,508 (5)	127,561		

	5/4/2023	—	—	7,508 (6)	127,561		
Total		—	—	19,799	336,385	—	—
Lynn Thurber	5/6/2021	—	—	1,625 (3)	27,609		
	5/5/2022	—	—	3,158 (4)	53,654		
	5/4/2023	—	—	8,342 (5)	141,731		
	5/4/2023	—	—	7,508 (6)	127,561		
Total		—	—	20,633	350,555	—	—
Hope Woodhouse	1/10/2023	—	—	1,622 (4)	27,558		
	5/4/2023	—	—	7,508 (6)	127,561		
Total		—	—	9,130	155,119	—	—
C. David Zoba	5/6/2021	—	—	1,625 (3)	27,609		
	5/5/2022	—	—	3,158 (4)	53,654		
	5/4/2023	—	—	7,508 (6)	127,561		
Total		—	—	12,291	208,824	—	—

Notes:

(1) Market value computed by multiplying the closing market price of the Company's Common Shares of $16.99 as of December 29, 2023 by the number of Shares or Units that have not vested.

(2) Represents time-based awards only.

(3) Restricted Share Units and Restricted LTIP Units vest over three years with the last vesting on May 9, 2024.

(4) Restricted Share Units and Restricted LTIP Units vest over three years with the last vesting on May 9, 2025.

(5) Restricted Share Units and Restricted LTIP Units vest on May 9, 2024.

(6) Restricted Share Units and Restricted LTIP Units vest over three years with the last vesting on May 9, 2026.

Pay versus Performance Disclosure

As required by the SEC, the following table is intended to illustrate compensation "actually paid" to our NEOs for each of the fiscal years ended December 31, 2020, 2021, 2022 and 2023, in each case, as compared to (i) our cumulative total shareholder return ("TSR") performance, (ii) our peer group TSR performance, (iii) net income, and (iv) FFO per diluted Share and Common OP Unit ("FFO"), the Company's selected measure. Differences in our Summary Compensation Table amounts and compensation actually paid reflect changes in the fair value of equity awards, both outstanding and vested in each year, which take into account the future performance of the Company and relative performance indices based on Monte Carlo simulations for any market-based awards and a discount for lack of marketability or illiquidity due to post-vesting restrictions.

Year	Summary Compensation Total Table for CEO (1)	Compensation actually paid to CEO (1)	Average Summary Compensation Table Total for non-CEO NEOs (1)	Average Compensation Actually paid to non-CEO NEO (1)	Total Shareholder Return (2)	Peer Group Total Shareholder Return (3)	Net (Loss) Income (in 000's)	FFO per diluted Share and Common OP Unit (4)
2023	$ 6,123,062	$ 9,293,324	$ 1,656,747	$ 2,334,259	$75.85	$117.03	$ (1,749)	$ 1.28
2022	$ 6,154,074	$ (618,494)	$ 1,847,188	$ 334,616	$61.04	$104.46	$ (65,251)	$ 1.02
2021	$ 5,645,279	$ 7,874,922	$ 1,775,072	$ 2,280,743	$88.66	$119.43	$ 26,030	$ 1.26
2020	$ 5,250,726	$ (1,637,075)	$ 1,488,423	$ 100,749	$56.01	$72.36	$ 65,718	$ 1.24

(1) Reflects compensation actually paid to our PEO and the average compensation actually paid to our remaining NEOs for each relevant fiscal year, as determined under SEC rules (and described below), which includes the individuals indicated in the table below for each fiscal year:

Year	PEO	Non-PEO NEOs
2023	Kenneth F. Bernstein	John Gottfried, Joseph Napolitano and Jason Blacksberg
2022	Kenneth F. Bernstein	John Gottfried, Joseph Napolitano and Jason Blacksberg
2021	Kenneth F. Bernstein	Christopher Conlon (Former EVP and COO), John Gottfried, Joseph Napolitano and Jason Blacksberg
2021	Kenneth F. Bernstein	Christopher Conlon (Former EVP and COO), John Gottfried, Joseph Napolitano and Jason Blacksberg

Compensation actually paid to our NEOs represents the "Total" compensation reported in the Summary Compensation Table for the applicable fiscal year, as adjusted as follows:

Adjustments to Determine Compensation "Actually Paid" for PEO		2023		2022		2021		2020
Deduction for Amounts Reported under the "Stock Awards" and "Option Awards" Columns in the Summary Compensation Table for Applicable FY	$	(5,262,874)	$	(5,294,636)	$	(4,936,291)	$	(4,496,888)
Increase based on ASC 718 Fair Value of Awards Granted during Applicable FY that Remain Unvested as of Applicable FY End, determined as of Applicable FY End		6,636,024		2,878,642		6,018,862		2,274,935
Increase/deduction for Awards Granted during Prior FY that were Outstanding and Unvested as of Applicable FY End, determined based on change in ASC 718 Fair Value from Prior FY End to Applicable FY End		1,761,434		(3,973,114)		1,583,604		(4,583,049)
Increase/deduction for Awards Granted during Prior FY that Vested During Applicable FY, determined based on change in ASC 718 Fair Value from Prior FY End to Vesting Date		35,677		68,722		74,897		(37,799)
Deduction of ASC 718 Fair Value of Awards Granted during Prior FY that were Forfeited during Applicable FY, determined as of Prior FY End		0		(452,182)		(511,429)		0
Total Adjustments	$	3,170,262	$	(6,772,568)	$	2,229,643	$	(6,842,801)

Adjustments to Determine Compensation "Actually Paid" for Non-PEOs (Average)		2023		2022		2021		2020
Deduction for Amounts Reported under the "Stock Awards" and "Option Awards" Columns in the Summary Compensation Table for Applicable FY	$	(1,194,228)	$	(1,402,758)	$	(1,331,090)	$	(998,558)
Increase based on ASC 718 Fair Value of Awards Granted during Applicable FY that Remain Unvested as of Applicable FY End, determined as of Applicable FY End		1,481,286		804,115		1,572,975		503,162
Increase/deduction for Awards Granted during Prior FY that were Outstanding and Unvested as of Applicable FY End, determined based on change in ASC 718 Fair Value from Prior FY End to Applicable FY End		378,311		(844,055)		343,662		(888,897)
Increase/deduction for Awards Granted during Prior FY that Vested During Applicable FY, determined based on change in ASC 718 Fair Value from Prior FY End to Vesting Date		12,143		18,236		16,135		(3,381)
Deduction of ASC 718 Fair Value of Awards Granted during Prior FY that were Forfeited during Applicable FY, determined as of Prior FY End		0		(88,110)		(96,011)		0
Total Adjustments	$	677,512	$	(1,512,572)	$	505,671		(1,387,674)

(a) Deductions for Amounts Reported under the "Stock Awards" and "Option Awards" columns in the Summary Compensation Table for each applicable FY is inclusive of Elective LTIP Units under the Company's Bonus Exchange Program

(b) For performance-based LTIP Units, fair value reflects the achievement based on actual performance of the Company and indices through each fiscal year end as well as future performance of the Company and indices calculated through Monte Carlo simulation analyses by an independent 3rd party, multiplied by an illiquidity discount due to their post-vesting restrictions and a discount for book-up risk, where applicable.

(c) For the time-based LTIP units, fair value reflects stock price at the end of each fiscal year multiplied by an illiquidity discount due to their post-vesting restrictions and a discount for book-up risk, where applicable.

The valuation assumptions used to calculate the fair values were updated as of each measurement date and will differ from those disclosed as of the grant date. The methodology used to develop the valuation assumptions as of each applicable measurement date is consistent with those disclosed at the time of grant.

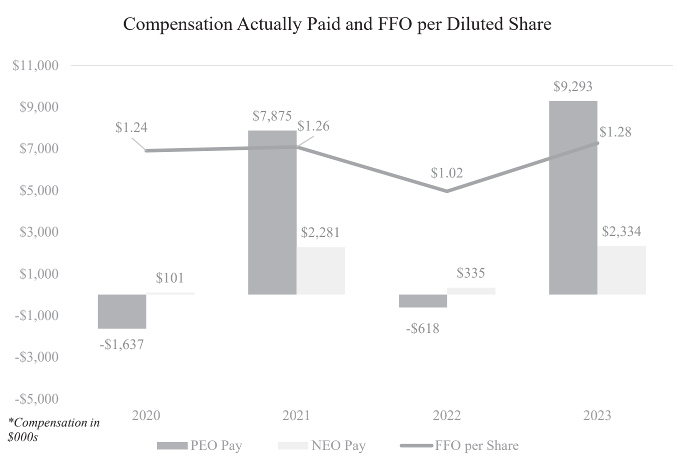
(2) Based on a fixed investment of $100 on December 31, 2019 in the Company's stock assuming reinvestment of dividends on the ex-dividend date.
(3) Based on a fixed investment of $100 on December 31, 2019 in the Nareit Equity Shopping Centers Index, assuming reinvestment of dividends on the ex-dividend date.
(4) FFO per diluted Share and Common OP Unit is a non-GAAP measure. Refer to page 50 of the Company's Form 10-K as filed with the SEC for the fiscal year ended December 31, 2023 for a reconciliation of net income to FFO per Share.

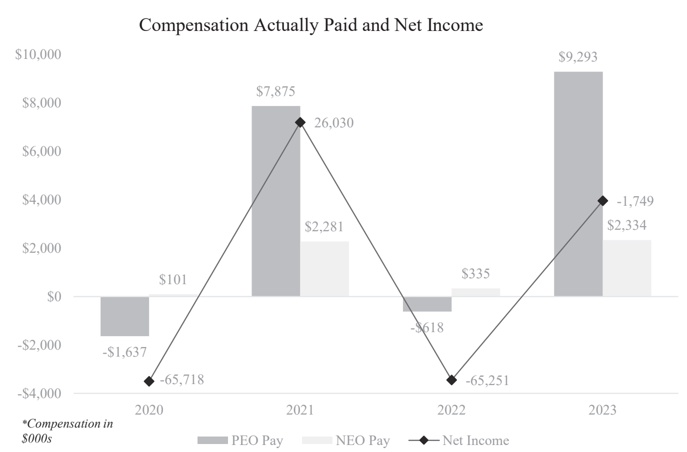
Tabular List of Important Financial Measures

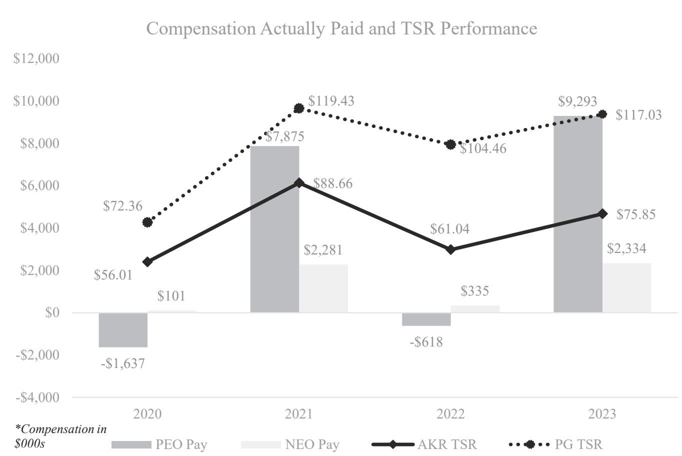
The follow table reflects the financial measures that we have determined represent the most important financial measures used to link compensation actually paid to performance for 2023:

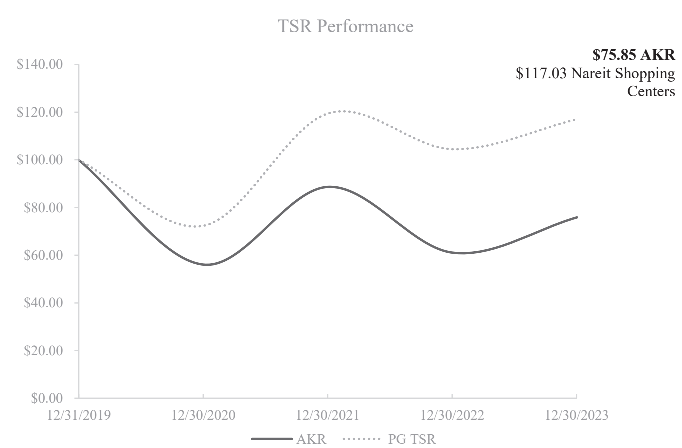
Most Import Financial Measures for 2023
FFO per diluted Share and Common OP Unit
Core Portfolio Occupancy
Leverage – Net Core Debt/EBITDA
Transaction Activity
Relative TSR vs. Nareit Equity Shopping Center Index
Relative TSR vs. Nareit Equity Retail Index

Relationship between Compensation Actually Paid and Financial Measures









ACADIA REALTY TRUST
COMPENSATION COMMITTEE REPORT (1)

Executive Summary

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management, and based on this review and discussion, has recommended to the Board of Trustees that the Compensation Discussion and Analysis be included in the annual report on Form 10-K for Acadia Realty Trust, a Maryland real estate investment trust (the "Company"), and the Company's Proxy Statement. The members of the Compensation Committee for the 2023 fiscal year were Messrs. Spitz and Crocker, and Ms. Thurber.

Compensation Committee
William T. Spitz, Chairperson
Douglas Crocker II
Lynn C. Thurber

Note:

(1) Notwithstanding anything to the contrary set forth in any of the Company's previous or future filings under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, that might incorporate by reference this Proxy Statement or future filings made by the Company under those statutes, the Compensation Committee Report is not deemed filed with the SEC and shall not be deemed incorporated by reference into any of those prior filings or into any future filings made by the Company under those statutes.

AUDIT COMMITTEE INFORMATION

Independent Registered Public Accounting Firm Compensation

Audit Fees

The aggregate fees billed for professional services rendered by Deloitte & Touche LLP for the audit of the Company's consolidated financial statements as included in the Company's Form 10-K, for rendering an opinion on the Company's internal control over financial reporting and for reviews of the consolidated financial statements as included in the Company's Forms 10-Q, were $903,000 and $0 for the years ended December 31, 2023 and 2022, respectively.

There were no fees billed for professional services rendered by Deloitte and Touche LLP for equity transactions for the years ended December 31, 2023 and 2022, respectively.

Audit Related Fees

The aggregate fees billed by the Deloitte & Touche LLP for the year ended December 31, 2023 for professional services rendered that are related to the performance of the audits or reviews of the Company's consolidated financial statements which are not reported above under "Audit Fees" were $283,500. This generally includes fees for stand-alone audits of subsidiaries.

Tax Fees

There were no fees billed for professional services rendered by Deloitte & Touche LLP for tax preparation and compliance for the years ended December 31, 2023 and 2022, respectively.

All Other Fees

There were no other fees billed for products or services provided by Deloitte & Touche LLP other than the services listed in "Audit Fees," "Audit Related Fees" and "Tax Fees," above, for the years ended December 31, 2023 and 2022.

Policy on Pre-Approval of Independent Auditor Services

The Audit Committee is responsible for approving the engagement of Deloitte & Touche LLP to perform audit and non-audit services on behalf of the Company or any of its subsidiaries before Deloitte & Touche LLP provides those services. The Audit Committee has pre-approved services other than the audit of the Company's year-end financial statements as follows: (i) audit services in connection with financial statements of acquired properties prepared in accordance with Section 3-14 of Regulation S-X at a cost not to exceed $100,000 per quarter; (ii) non-audit services in connection with equity issuances at a cost not to exceed $100,000 per quarter; and (iii) other non-audit services in an amount not to exceed $100,000 per annum. Non-audit services in excess of these limits require the approval of the Audit Committee. All fees for audit and non-audit services were approved by the Audit Committee pursuant to its charter or pursuant to the pre-approval policy discussed above.

REPORT OF THE AUDIT COMMITTEE (1)

The Audit Committee presently consists of the following members of the Board of Trustees of Acadia Realty Trust, a Maryland real estate investment trust (the "Company"): Ms. Thurber, Mr. Denien, Mr. McIntyre, and Mr. Spitz, all of whom meet the independence requirements for audit committee members under the listing standards of the NYSE.

The Audit Committee has reviewed and discussed the audited financial statements of the Company for the year ended December 31, 2023 with the Company's management. The Audit Committee has discussed with Deloitte & Touche LLP, the Company's independent auditors, the matters required to be discussed by Public Company Accounting Oversight Board Auditing Standard No. 16 (Communication with Audit Committees).

The Audit Committee has received the written disclosures and the letter from Deloitte & Touche LLP required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence and has discussed with Deloitte & Touche LLP, its independence.

Based on the Audit Committee's review and discussions noted above, the Audit Committee recommended to the Board of Trustees that the Company's audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023 for filing with the Securities and Exchange Commission.

Audit Committee
Lynn C. Thurber, Chairperson
Mark Denien
Kenneth A. McIntyre
William T. Spitz

Note:

(1) Notwithstanding anything to the contrary set forth in any of the Company's previous or future filings under the Securities Act or the Exchange Act that might incorporate by reference this Proxy Statement or future filings made by the Company under those statutes, the Audit Committee Report is not deemed filed with the SEC and shall not be deemed incorporated by reference into any of those prior filings or into any future filings made by the Company under those statutes. The Board of Trustees has previously adopted an Audit Committee Charter that may be found on the Company's website at www.acadiarealty.com. Please note that the information on, or available through, the Company's website is not incorporated by reference in this Proxy Statement.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The Company's authorized capital consists of 200,000,000 Common Shares. As of March 5, 2024, the Company had 102,989,390 Common Shares outstanding, which shares were held by 253 record holders. In addition, as of March 5, 2024, Acadia Realty Limited Partnership had 5,092,936 outstanding common OP Units, which are generally entitled to be exchanged on a one-for-one basis for Common Shares, and 126,572 preferred OP Units.

The Company is not aware of any person or any group within the meaning of Section 13(d)(3) of the Exchange Act that is the beneficial owner of more than 5% of any class of the Company's voting securities other than as set forth in the table below. The Company does not know of any arrangements at present, the operation of which may, at a subsequent date, result in a change in control of the Company.

The following table sets forth, as of March 5, 2024, certain information concerning the holdings of each person known to the Company to be a beneficial owner of more than 5% of the Common Shares at March 5, 2024, all Common Shares beneficially owned by each Trustee, each nominee for Trustee, each Named Executive Officer named in the Summary Compensation Table appearing elsewhere herein and by all Trustees and executive officers as a group. Each of the persons named below has sole voting power and sole investment power with respect to the shares set forth opposite his, her or its name, except as otherwise noted.

Beneficial Owners	**Number of Common Shares Beneficially Owned**		**Percent of Class**
5% Beneficial Owners			
BlackRock, Inc. (1)	18,431,694		17.90
Cohen & Steers, Inc. (2)	15,775,962		15.32
The Vanguard Group, Inc. (3)	15,490,684		15.04
T. Rowe Price Associates, Inc. (4)	8,460,179		8.21
State Street Corporation (5)	6,239,658		6.06
Trustees and Executive Officers (6)			
Kenneth F. Bernstein	2,218,520	(7)	2.15
John Gottfried	128,620	(8)	*
Joseph Napolitano	58,101	(9)	*
Jason Blacksberg	127,485	(10)	*
Reginald Livingston	20,199	(11)	
Douglas Crocker II	77,990	(12)	*
Mark. A Denien	5,036	(13)	*
Kenneth A. McIntyre	6,069	(14)	*
William T. Spitz	69,912	(15)	*
Lynn C. Thurber	56,465	(16)	*
Lee S. Wielansky	104,289	(17)	*
Hope B. Woodhouse	811	(18)	*
C. David Zoba	58,215	(19)	*
All Executive Officers and Trustees as a Group (13 persons)	2,911,513	(20)	2.83

Notes:

* Represents less than 1%.

(1) Other than the information relating to its percentage of ownership of the Company's Common Shares, the beneficial ownership information with respect to BlackRock, Inc. is based solely on a Schedule 13G/A BlackRock, Inc. filed with the SEC on January 19, 2024 (the "BlackRock 13G/A").

The principal business office address of BlackRock, Inc. is 50 Hudson Yards, New York, NY 10001. According to the BlackRock, Inc. 13G/A, the reporting entities ownership of the Company's Common Shares is as follows:

	Number of shares beneficially owned by each reporting person with:			
	Sole Voting Power	Shared Voting Power	Sole Dispositive Power	Shared Dispositive Power
Blackrock, Inc.	17,952,474	—	18,431,694	—

(2) Other than the information relating to its percentage of ownership of the Company's Common Shares, the beneficial ownership information with respect to Cohen & Steers, Inc. ("Cohen & Steers") is based solely on a Schedule 13G/A Cohen & Steers filed with the SEC on February 14, 2024 ("Cohen & Steers 13G/A").

The principal business office address of Cohen & Steers is 1166 Avenue of the Americas, 30th Floor, New York, NY 10036. According to the Cohen & Steers 13G/A, Cohen & Steers ownership of the Company's Common Shares is as follows:

	Number of shares beneficially owned by each reporting person with:			
	Sole Voting Power	Shared Voting Power	Sole Dispositive Power	Shared Dispositive Power
Cohen & Steers, Inc.	13,542,991	—	15,790,037	—

(3) Other than the information relating to its percentage of ownership of the Company's Common Shares, the beneficial ownership information with respect to The Vanguard Group, Inc. ("The Vanguard Group") is based solely on the Schedule 13G/A The Vanguard Group filed with the SEC on February 13, 2024 (the "Vanguard 13G/A").

The principal business office address of The Vanguard Group is 100 Vanguard Blvd. Malvern, PA 19355. According to the Vanguard 13G/A, The Vanguard Group's ownership of the Company's Common Shares is as follows:

	Number of shares beneficially owned by each reporting person with:			
	Sole Voting Power	Shared Voting Power	Sole Dispositive Power	Shared Dispositive Power
The Vanguard Group	—	135,759	15,242,085	248,599

(4) Other than the information relating to its percentage of ownership of the Company's Common Shares, the beneficial ownership information with respect to T. Rowe Price Associates, Inc. ("Price Associates") is based solely on a Schedule 13G/A Price Associates filed with the SEC on February 14, 2024 ("Price Associates 13G/A").

The principal business office address of Price Associates is 100 E. Pratt Street, Baltimore, MD 21202. According to the Price Associates 13G/A, Price Associates ownership of the Company's Common Shares is as follows:

	Number of shares beneficially owned by each reporting person with:			
	Sole Voting Power	Shared Voting Power	Sole Dispositive Power	Shared Dispositive Power
T. Rowe Price Associates, Inc.	4,326,941	—	8,460,179	—

(5) Other than the information relating to its percentage of ownership of the Company's Common Shares, the beneficial ownership

information with respect to State Street Corporation ("State Street") is based solely on a Schedule 13G/A State Street filed with the SEC on January 29, 2024 ("State Street 13G/A").

The principal business office address of State Street is One Congress Street, Boston, MA 02114. According to the State Street 13G/A, State Street ownership of the Company's Common Shares is as follows:

	Number of shares beneficially owned by each reporting person with:			
	Sole Voting Power	Shared Voting Power	Sole Dispositive Power	Shared Dispositive Power
State Street Corporation.	—	5,048,270	—	6,230,658

(6) The principal business office address of each such person is c/o Acadia Realty Trust, 411 Theodore Fremd Avenue, Suite 300, Rye, NY 10580.

(7) The Common Shares beneficially owned by Mr. Bernstein in his individual capacity consist of (i) 143,639 OP Units which are immediately exchangeable into a like number of Common Shares and 1,708,289 LTIP Units and (ii) 366,592 Common Shares. The amount reflected does not include 677,190 Restricted LTIP Units, none of which will vest in the next 60 days.

(8) Represents (i) 118,820 LTIP Units and (ii) 9,800 Common Shares. The amount reflected does not include 185,523 Restricted LTIP Units, none of which will vest in the next 60 days.

(9) Represents (i) 57,983 LTIP Units and (ii) 118 Common Shares. The amount reflected does not include 121,138 Restricted LTIP Units, none of which will vest in the next 60 days.

(10) Represents (i) 127,485 LTIP Units. The amount reflected does not include 144,122 Restricted LTIP Units, none of which will vest in the next 60 days.

(11) Represents (i) 15,877 LTIP Units and (ii) 4,322 Common Shares. The amount reflected does not include 61,404 Restricted LTIP Units, none of which will vest in the next 60 days.

(12) Represents (i) 71,856 Common Shares and (ii) 6,134 LTIP Units. The amount reflected does not include 12,291 Restricted Share Units, 5,707 of which will vest in the next 60 days.

(13) Represents (i) 5,036 LTIP Units. The amount reflected does not include 16,644 Restricted LTIP Units, 10,199 of which will vest in the next 60 days.

(14) Represents (i) 1,242 Common Shares and (ii) 4,827 LTIP Units. The amount reflected does not include 12,291 Restricted LTIP Units, 5,707 of which will vest in the next 60 days.

(15) Represents 69,912 Common Shares. The amount reflected does not include 19,799 Restricted Share Units, 13,215 of which will vest in the next 60 days.

(16) Represents 56,465 Common Shares. The amount reflected does not include 20,633 Restricted Share Units, 14,049 of which will vest in the next 60 days.

(17) Represents 70,611 Common Shares and (ii) 33,678 LTIP Units. The amount reflected does not include 16,462 Restricted LTIP Units, 9,878 of which will vest in the next 60 days.

(18) Represents 811 Common Shares. The amount reflected does not include 9,130 Restricted Share Units, 3,314 of which will vest in the next 60 days.

(19) Represents 3,890 Common Shares and 54,325 LTIP Units. The amount reflected does not include 12,291 Restricted LTIP Units, 5,707 of which will vest in the next 60 days.

(20) See Notes (7) through (19).

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Although the Company does not believe it is a conflict of interest or a related party transaction, the Company notes that it earned property management, construction development, legal and leasing fees from its investments in unconsolidated partnerships totaling $1,541,672 for the year ended December 31, 2023.

Review and Approval of Related Person Transactions.

The Company reviews all relationships and transactions in which the Company and the Company's Trustees and Named Executive Officers or their immediate family members are participants to determine whether such persons have a direct or indirect material interest. The Company's legal and accounting staff is primarily responsible for the development and implementation of processes and controls to obtain information from the Trustees and Named Executive Officers with respect to related person transactions and for then determining, based on the facts and circumstances, whether the Company or a related person has a direct or indirect material interest in the transaction. In addition, pursuant to its Charter, the Audit Committee reviews and approves all related party transactions in which (i) the aggregate amount involved will or may be expected to exceed $100,000 in any calendar year, (ii) the Company is a participant, and (iii) any related party has or will have a direct or indirect interest (other than solely as a result of being a director or a less than 10% beneficial owner of another entity). The Company does not have any written standards for approving related party transactions. However, the Audit Committee only approves a related party transaction if it believes the transaction is in the best interest of the Company and its shareholders.

ANNUAL REPORT TO SHAREHOLDERS

A copy of the Company's Annual Report to Shareholders is being provided to each shareholder of the Company along with this Proxy Statement. **Upon written request of any record or beneficial owner of Common Shares of the Company whose proxy was solicited in connection with the Annual Meeting, the Company will furnish such owner, without charge, a copy of its Annual Report on Form 10-K for the year ended December 31, 2023. A request for a copy of such Annual Report on Form 10-K should be made in writing, addressed to Acadia Realty Trust, 411 Theodore Fremd, Suite 300, Rye, NY 10580, Attention: Corporate Secretary.** Copies of the Annual Report to Shareholders and Annual Report on Form 10-K may be found on the Company's website at www.acadiarealty.com. Please note that the information on, or available through, the Company's website is not incorporated by reference in this Proxy Statement.

OTHER MATTERS

As of the date of this Proxy Statement, the Board of Trustees does not know of any matters to be presented at the Annual Meeting other than those specifically set forth in the Notice of Annual Meeting. If any other matters, however, are properly brought before the Annual Meeting or any postponement or adjournment thereof, proxies will be voted by the proxy holders in their discretion.

DELINQUENT SECTION 16(a) REPORTS

Section 16(a) of the Exchange Act requires the Company's executive officers and Trustees, and persons who own more than 10% of the Company’s Common Shares, to file reports of ownership and changes in ownership with the SEC. Executive officers, Trustees and greater than 10% shareholders are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file. As a practical matter, the Company assists its executive officers and Trustees by monitoring transactions and completing and filing Section 16 reports on their behalf. To our knowledge all Section 16(a) filing requirements applicable to our executive officers, Trustees and greater than 10% shareholders were satisfied on a timely basis, except that the Form 4 filed on June 1, 2023, on behalf of Mr. Crocker, one of our Trustees, was filed four days late.

SUBMISSION OF SHAREHOLDER PROPOSALS

Pursuant to Rule 14a-8 under the Exchange Act, some shareholder proposals may be eligible for inclusion in the Company's 2025 proxy statement and form of proxy. In accordance with Rule 14a-8, these proposals must be received by the Company on or before November 22, 2024. All such proposals must be submitted in writing to the Corporate Secretary of the Company at the following address: Acadia Realty Trust, 411 Theodore Fremd Avenue, Suite 300, Rye, NY 10580, Attention: Corporate Secretary.

In addition, if you desire to bring business (including Trustee nominations) before the Company's 2025 Annual Meeting, other than proposals presented under Rule 14a-8, the Company’s current Bylaws provide that you must provide written notice to the Corporate Secretary at the address noted in the preceding paragraph between October 23, 2024 and November 22, 2024; provided, however, if the date of the 2025 Annual Meeting is advanced or delayed by more than 30 days from May 2, 2025 (the anniversary of the date of the

Annual Meeting), notice by a shareholder must be delivered not earlier than the 150th day prior to the 2025 Annual Meeting and not later than 5:00 p.m., Eastern Time, on the later of the 120th day prior to the 2025 Annual Meeting or the tenth day following the day on which public announcement of the date of 2025 Annual Meeting is first made. You are also advised to review the Company's current Bylaws, which contain additional requirements about advance notice of shareholder proposals and Trustee nominations.

In addition, to comply with the universal proxy rules, shareholders who intend to solicit proxies in support of trustee nominees other than our nominees for the 2025 Annual Meeting must also comply with the additional requirements of Rule 14a-19 under the Exchange Act, including providing a statement that such shareholder intends to solicit the holders of Common Shares representing at least 67% of the voting power of the Company’s Common Shares entitled to vote on the election of trustees in support of trustee nominees other than the Company’s nominees, as required by Rule 14a-19(b) under the Exchange Act.

DELIVERY OF DOCUMENTS TO SHAREHOLDERS SHARING AN ADDRESS

The Company has adopted a procedure called “householding,” which has been approved by the SEC. Under this procedure, the Company is delivering only one copy of its Annual Report and Proxy Statement to multiple shareholders who share the same mailing address and have the same last name, unless the Company has received contrary instructions from an affected shareholder. This procedure reduces the Company's printing costs, mailing costs and fees. Shareholders who participate in householding will continue to receive separate proxy cards.

The Company will deliver promptly, upon written or oral request, a separate copy of the Annual Report and Proxy Statement to any shareholder at a shared address to which a single copy of the Annual Report or the Proxy Statement was delivered. A shareholder who wishes to receive a separate copy of the Proxy Statement and Annual Report, now or in the future, should submit a request in writing to Acadia Realty Trust, 411 Theodore Fremd Avenue, Suite 300, Rye, NY 10580, Attention: Corporate Secretary. You may also call (914) 288-8100 to request a copy of the Proxy Statement and Annual Report. You may also access the Company's Annual Report and Proxy statement at www.acadiarealty.com/proxy. Please note that the information on, or available through, the Company's website is not incorporated by reference in this Proxy Statement.

If you are a shareholder of record and would like to revoke your householding consent and receive multiple copies of the Annual Report or Proxy Statement in the future, or if you currently receive multiple copies of these documents and would like only to receive a single copy, please contact the Company at the address listed in the preceding paragraph.

A number of brokerage firms have instituted householding. If you hold your shares in “street name,” please contact your bank, broker or other holder of record to request information about householding.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain disclosure in this Proxy Statement may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements, which are based on certain assumptions and describe 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) the Company’s success in implementing its business strategy and its 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 the Company may, from time to time, compete, and their effect on the Company’s revenues, earnings and funding sources; (iv) increases in the Company’s borrowing costs as a result of rising inflation, changes in interest rates and other factors, including the discontinuation of the USD London Interbank Offered Rate, which was effected on June 30, 2023; (v) the Company’s ability to pay down, refinance, restructure or extend its indebtedness as it becomes due; (vi) the Company’s investments in joint ventures and unconsolidated entities, including its lack of sole decision-making authority and its reliance on its joint venture partners’ financial condition; (vii) the Company’s ability to obtain the financial results expected from its development and redevelopment projects; (viii) the ability and willingness of the Company’s tenants to renew their leases with the Company upon expiration, the Company’s ability to re-lease its properties on the same or better terms in the event of nonrenewal or in the event the Company exercises its right to replace an existing tenant, and obligations the Company may incur in connection with the replacement of an existing tenant; (ix) the Company’s potential liability for environmental matters; (x) damage to the Company's properties from catastrophic weather and other natural events, and the physical effects of climate change; (xi) the economic, political and social impact of, and uncertainty surrounding, any public health crisis, such as the COVID-19 Pandemic, which adversely affected the Company and its tenants' business, financial condition, results of operations and liquidity; (xii) uninsured losses; (xiii) the Company's ability and willingness to maintain its qualification as a REIT in light of economic, market, legal, tax and other considerations; (xiv) information technology security breaches, including increased cybersecurity risks relating to the use of remote technology; (xv) the loss of key executives; and (xvi) the accuracy of the Company's methodologies and estimates regarding ESG metrics, goals and targets, tenant willingness and ability to collaborate towards reporting ESG metrics and meeting ESG goals and targets, and the impact of governmental regulation on its ESG efforts.

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

By order of the Board of Trustees,

Jason Blacksberg, Secretary
ACADIA REALTY TRUST
411 THEODORE FREMD AVENUE
SUITE 300
RYE, NY 10580

VOTE BY MAIL

Annex A

Reconciliation of GAAP and non-GAAP Financial Metrics

USE OF NON-GAAP FINANCIAL MEASURES

Non-GAAP financial measures such as EBITDA are widely used financial measures in many industries, including the REIT industry, and are presented to assist investors and analysts in analyzing the performance of the Company. They are helpful as they exclude various items included in net income that are not indicative of operating performance, such as gains (or losses) from sales of property and depreciation and amortization and is used in computing various financial ratios as a measure of operational performance. The Company computes EBITDA as the sum of net income before extraordinary items plus interest expense, depreciation, income taxes and amortization, less any gains (losses including impairment charges) on the sale of income producing properties. The Company's method of calculating EBITDA may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs. EBITDA 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 the Company's performance or to cash flows as a measure of liquidity.

Reconciliation of Net Income Attributable to Acadia to Core Portfolio EBITDA (Dollars in thousands)

		For the year ended December 31, 2023
Net income attributable to Acadia	$	19,873
Adjustments:		
Net income attributable to Fund Portfolio		2,818
Core Portfolio depreciation and amortization		83,352
Core Portfolio interest expense		48,305
Core Portfolio amortization of finance costs		2,792
Core Portfolio above/below market interest		(209)
Core Portfolio unrealized holding gains on investment in Albertsons and other		(3,762)
Core Portfolio realized gain (net of noncontrolling interest share)		4,636
Core Portfolio Provision for income taxes		173
Noncontrolling interest of Operating Partnership		1,282
Core Portfolio EBITDA	$	159,260

Reconciliation of Consolidated Debt to Net Core Debt

		As of December 31, 2023
Consolidated Debt	$	1,870,141
Consolidated Cash		(17,481)
Consolidated Net Debt		1,852,660
Consolidated Cash attributable to Fund Portfolio		9,195
Noncontrolling interest share of Core cash		62
Core share of cash in unconsolidated investments		(7,414)
Consolidated debt attributable to Funds		(285,811)
Noncontrolling interest share of consolidated debt		(715,523)
Core share of debt in unconsolidated investments		172,722
Consolidated unamortized premium of debt		(240)
Consolidated unamortized loan costs		11,186
Core Portfolio Net Debt	$	1,036,837

Net Core Debt to EBITDA ratio: 6.5x

[This page intentionally left blank]

ACADIA
REALTY TRUST

Annual Report
on Form 10-K

for the year ended
December 31, 2023

March 22, 2024

Dear Fellow Shareholders:

2023 was another year of significant transition for retail real estate. After near-constant headwinds over the prior five years – the "retail Armageddon," COVID lockdowns, remote work, civil unrest and rising interest rates, last year we saw the beginning of what we believe to be longer-term tailwinds for open air retail generally. The overall open air U.S. shopping center market ended 2023 the way it started with resilient demand outpacing subdued new supply. According to Cushman & Wakefield, the year-end national vacancy rate for shopping centers decreased to 5.3%, the lowest rate since 2007. And for the reasons I will discuss further below, our Street and Urban focused portfolio is particularly well-positioned to benefit from this environment.

Reminder of Who We are and How We are Different

We own and manage a diverse curated portfolio of open-air retail assets. Both our portfolio and our operating model are highly differentiated, and these distinctions have served us well through cycles in terms of growth, opportunistic investing, and sourcing capital.

First, with respect to our portfolio differentiation, we focus on owning in high growth, high barrier-to-entry markets where we use our core competencies and deep tenant relationships to grow and harvest value. This strategy has led to the ownership of our attractive portfolio of street retail assets located in the key, must-have urban corridors desired by both tenants and shoppers. These high-density assets represent 70% of our Core Portfolio. Our street retail assets are clustered in affluent, in-fill submarkets of gateway cities and include a highly concentrated presence on walkable areas such as SoHo in Manhattan, Williamsburg in Brooklyn, Rush & Walton and Armitage in Chicago, Melrose Place in Los Angeles, Henderson Avenue in Dallas and M Street in Georgetown / Washington DC. When compared with other open-air formats, street retail assets have higher embedded contractual growth and typically benefit from higher market rent growth.

Our second area of differentiation is our operating model, which we refer to as a "dual platform" to reflect our Core Portfolio, inclusive of the assets described above, and our Strategic Capital Platform. Within our Strategic Capital Platform, we, along with private institutional partners, invest in assets across the capital stack and our wide range of investments have included taking positions in retailer restructurings. Our Strategic Capital Platform leverages our experience and skill set across retail formats while utilizing third-party capital including discretionary fund vehicles. This dual platform structure allows us to access private capital when it is more advantageous to do so and invest opportunistically to the benefit of both our institutional private capital partners and our public shareholders.

Fundamentals and Macro Backdrop

As we collectively pulled out of COVID, we witnessed a slow return to work in the office, the exploration of hybrid work, and a continued elevation of interest rates to the highest levels in over 20 years. Simultaneously, we experienced a strong rebound in retail fundamentals. Here is why:

1. Resilient consumers drove solid retail sales.
    - Consumer spending has proven to correlate to jobs, and the job market is strong.
    - Inflation continues to force some consumer purchasing trade-offs, but, overall, retail sales were solid and remain well above pre-pandemic levels.

2. Retailers demand physical stores to drive profitability.
   - Retailer demand for space remained strong, and that was the case even before the odds of a recession started declining later in the year. In discussions with our retailers, it is clear that they were not ignoring economic data, but instead they were looking past the potential for headwinds. Why?
     - With few exceptions, most retailers expected volatility and choppiness from consumers, and in general, were more focused on how their top line and bottom line compared to their 2019 pre-COVID performance (where the comps are significantly positive), rather than comparisons of quarter-over-quarter and year-over-year.
     - But retailer demand is not simply correlated to consumer demand. There has been a continued shift in focus and attention from on-line back to bricks-and-mortar.
     - The threat of the so-called "retail Armageddon" has subsided, and retailers recognize that in an omni-channel world, the store is the most profitable channel, causing our retailers to push their physical store demands ahead. This realization that the physical store remains the most profitable channel is a shift we saw as early as 2019. But when COVID hit, an online business was mission critical to maintain brand relevance. And now, retailers are making up for lost time.

   - Tenant categories demanding more space range from luxury retailers, who have doubled down on key streets in mission critical corridors, to the discounters. There are many examples across the spectrum. Among luxury retailers: Cartier, Celine and Balenciaga (Kering) opened stores in Chicago's Gold Coast; Ferrari and Cartier are new entrants to SoHo; and Dion Lee is a new entrant in the Miami Design District, where Bottega Veneta (Kering), Brunello Cucinelli, and Saint Laurent (Kering) all expanded stores. And there is plenty of activity outside of luxury: Frame Denim, with only 14 stores in the U.S. currently, expects to have 25 by the end of 2025; Alo Yoga is planning to more than double its store fleet, Blue Mercury has committed to adding 30 new stores, and Bloomingdales plans to add 15 new stores; Target will be adding 300 new stores and plans to remodel 2,000; highly successful off-price chains Ross Stores, T.J. Maxx and Burlington collectively anticipate adding more than 300 stores; and Walmart has committed to 150 new namesake stores and 30 new Sam's Clubs.

3. Demand for quality space exceeded supply, leading to net effective rental growth.
   - As stronger sales fueled higher demand for quality retail stores, we also saw the following trends:
     - Migration of brands out of department stores into their own brick and mortar locations to control the customer experience;
     - Relocation out of underperforming enclosed malls; and
     - Lack of new development.
   - All of this has amounted to the healthiest supply/demand dynamic for open-air storefronts in over a decade, translating to net effective rental growth for the vast majority of our portfolio.
   - High-growth markets like SoHo, Armitage Avenue and the Gold Coast of Chicago, M Street in Georgetown and Melrose Place in Los Angeles, have seen double-digit rent growth over the last two years.
   - The scarcity of space should also continue to accelerate the rebound of traditionally high-growth markets that have been slower to recover, like Madison Avenue in the 70s in Manhattan, North Michigan Avenue in Chicago, and eventually San Francisco.

4. But, there were still headwinds for retail real estate investors:
    - Masking the significant recovery and resilience, interest rates rose 500 bps over the last 24 months, and investors stepped to the sidelines, unwilling to accept negative leverage for most asset classes, including retail.
    - A wide bid-ask spread made it difficult to be a seller of assets, and it was almost as frustrating on the buy side.
    - We navigated headwinds by being patient on acquisitions and disciplined in our dispositions.

Our Anticipated Multi-Year Above-Trend Growth is Here, Driven by Street Retail

Our existing Core Portfolio is projected to deliver attractive, multi-year internal NOI growth over the next several years. The headwinds from our long-discussed tenant move-outs are finally behind us. Yet even while working through this anticipated tenant churn, we have delivered same property NOI growth averaging 6.5% over the past eleven quarters.

Our Street Portfolio is still in the early stages of recovery, and, thus has upside. This above-average internal growth will be driven by a combination of occupancy gains, lease structure and market rent improvements:

1. Occupancy Gains. All occupancy gains are not created equal. While overall we are about 95% leased in the entire portfolio, within that our much higher dollar rent and value street and urban portfolio is only 89% occupied and 91.5% leased. Based on continued leasing momentum and the early stages of the rebound in our street and urban markets, we are well positioned for multi-year occupancy growth for this portion of our portfolio.

2. Lease Structure. Street leases typically have higher annual contractual rent bumps than other retail formats – our street portfolio currently has average annual lease bumps of about 3% which is approximately 100-150 bps higher than what is typical for other open air lease formats. This structure results in internal growth over 10 years in a street lease of about 30% (versus approximately 14% for a typical suburban lease).

3. Market Rent Growth. Looking forward, while scarcity of space and strong tenant demand is true throughout the majority of our portfolio, both urban and suburban, the greatest market rent rebound is now occurring in our street and urban corridors, where after several challenging years, prospective tenants are showing up. And given the recovery in sales performance in those corridors, we are once again seeing competition among desirable retailers for the best locations.

We remain on track to deliver $30 million to $40 million of incremental NOI, or 20% to 30% above 2023, to our Core Portfolio over the next several years. And we have very high visibility on more than half of that growth right now in our Street Portfolio where we see $18 million to $20 million of growth comprised of:

- $6 million in our Signed Not Open pipeline,
- $6 million from contractual rent steps,
- $3 million to $4 million from mark-to-market on lease expirations, and
- $3 million to $4 million from lease-up of vacancy.

2023 Recap and 2024 Outlook: Top Line Growth is Translating into Bottom Line Earnings

2023 was a very successful year for Acadia operationally, and the Company is well positioned for 2024 and beyond. For the full year 2023:

- Same property NOI was 5.8%, which compared favorably to our shopping center peers.
- Cash rent spreads on comparable new leases were 44%, driven primarily by Street assets.
- We finished the year with a signed not open pipeline in our Core Operating portfolio of $7.0 million or 4.9% of our Core NOI, which, again, compares favorably to our shopping center peers.

In terms of our 2024 outlook, we are expecting the growth in our NOI to continue hitting bottom line earnings. We are expecting Core same-store NOI growth of 5% to 6%, resulting in overall FFO growth of about 5%, or about 7.5% FFO growth if gains/promotes are excluded from both periods.

Balance Sheet – Positioned for Growth

We have a conservative balance sheet with no material scheduled unsecured Core debt maturities until 2026. Our current weighted average interest rate in our Core is 4.6% and substantially all of that debt is fixed through 2026. Thus, our earnings are well protected against the rise in interest rates which sets us up for strong bottom-line earnings growth as we execute on our internal growth for the next several years.

In January, we raised $113 million in an equity offering to better position our balance sheet for growth and in the near-term repay high interest rate debt. As of the end of 2023, our Core debt-to-EBITDA was about 6x after factoring in that equity offering, and our expectation is getting our Core debt-to-EBITDA back in the 5's, which is readily achievable with the expected NOI growth embedded in our portfolio.

Strategic Capital Platform

During 2023, within Fund V, we invested $190 million in three high quality regional power centers, two of which featured grocery anchors. Despite the dislocation in the debt markets, through the depth of our lending relationships, we successfully sourced mortgages on all three assets at an average loan-to-cost of about 63%.

This 2023 investment activity completed the initial capital commitment for Fund V, and here are our reflections on the execution so far for this fund:

- Fund V's thesis centered around the (at the time) contrarian focus on high yielding assets in secondary markets, that when purchased at an 8% cap rate and levered at 4% could generate mid-teens cash-on-cash yields.
- We see these assets performing stronger now than pre-COVID with an average occupancy rate of 96%. We see market rents up 10-15% in certain centers as retailer demand for locations with strong fundamentals continues to grow. And the bottom line is that we have surpassed our mid-teens cash-on-cash yield targets and expect to continue clipping double digit cash-on-cash yields after refinancing upcoming debt maturities.

City Point in Brooklyn NY (Fund II) remains our most exciting and significant asset within our Funds. We anticipate an incremental $0.04 to $0.06 of FFO accretion (3.5% - 5.0%) from the stabilization and potential ownership consolidation at City Point.

- Over the past year, several significant issues that we have been living with – and leasing with – have come to constructive conclusions:
    - Abolitionist Park, right across from our key ground floor street retail, is complete and open to the public.

    - Our neighbor, which is the tallest residential tower in New York outside of Manhattan, is open and residents are starting to move in. The scaffolding is coming down, and we are no longer leasing into a construction zone.
    - Live Nation will be opening its 2,000-seat theater directly across the street from City Point, which will undoubtedly increase foot traffic.
- City Point is currently 74% occupied and 84% leased and we are very optimistic about the future direction of leasing momentum and rents:
    - The retail space on our upper floors and concourse level are spoken for with best-in-class anchors, including Target, Primark, Alamo Drafthouse and Trader Joe's.
    - 2023 featured a wave of leasing on the ground floor, and we successfully anchored both ends of the Prince Street corridor with Fogo de Chão on the north and Sephora to the south.
    - Most important for the short run, we have strategically held back the best space opposite the park to capture what we anticipate will be premium rents.
    - In the long run, we think this is only the beginning of the story at City Point where we expect positive mark-to-market opportunities for years to come.

We expect that our activity within our Strategic Capital Platform will likely have different vehicles for different strategies as opposed to a 'one size fits all fund'. Nevertheless, we will rely on many of the same types of institutional partners that we have been utilizing in the Funds. Our experienced and cycle-tested management team has a proven track record of raising, managing and profitably deploying institutional third-party capital. We have built deep trust-based relationships from a wide variety of investors, whether it be institutional investors, family offices or high-net-worth individuals. Our long-standing successful history of managing capital in the private markets has greatly benefitted our investors and public shareholders and we consider this to be a core competency of Acadia.

External Growth

This is an exciting time for Acadia, and the prospect of overlaying our solid internal growth, which we have been delivering now for two years, with external growth, has the team energized. The team sees light at the end of tunnel with respect to the potential to commence deploying capital in this phase of the cycle for the following reasons:

- Capital Markets, both debt and equity, are becoming more supportive of transactions in general, giving us better visibility on locking-in blended cost of capital on potential deployments. Additionally, with more liquidity in the debt markets, sellers also have more visibility on where borrowing rates are for potential buyers and are becoming more realistic on pricing. These are positive steps towards narrowing what is still a wide bid-ask spread.
- As it relates in particular to street retail, we believe we have an advantage in underwriting given our knowledge of the depth of retailer demand for these unique markets and of the degree to which market rents have moved dramatically in select cases, allowing us to project overall growth appropriately.

The investment opportunity set has expanded considerably, and we are starting to see attractive entry points.

Here is how we are currently viewing investment opportunities:

- **Street Retail:** We believe the current landscape in street retail presents a large disconnect between very strong fundamentals yet weakness in the capital markets. Why? The combined effects of COVID and increased interest rates (which disproportionately impacted lower cap rate assets) have decreased the potential buying pool for these assets. However, the street retail fundamentals (i.e., increasing tenant sales, decreasing vacancy in most corridors, and strong rent growth) are better than pre-COVID – a fact not widely known amongst general commercial real estate investors. We believe that street retail can be acquired at cap rates right on top of grocery-anchored centers despite a long-term history of trading 150-200 bps inside and of about 2x the growth rate. This disconnect presents interesting opportunities for a company like ours with the experience and relationships to be a consolidator in this fragmented asset class.

- **Power Centers:** The strategy that worked very well for most of Fund V – buying out-of-favor but well-located power centers with 300-400 bps of positive leverage – will no longer deliver low-to-mid-teens cash-on-cash returns due to increased interest rates. But strong fundamentals in the power center space (i.e., high tenant demand, historically low supply, and pricing below replacement cost) still present an attractive investment opportunity where we can deliver core plus returns on stabilized centers or value-add returns where we can execute a business plan encompassing some combination of lease-up, repositioning and/or redevelopment. We found some of these opportunities in Fund V and are continuing to do so.

- **Special Situations with Retail-Dominant Component:** With the volatility of the financing markets, retail real estate owners are facing refinancing pressures from their lenders. This should present opportunities to deploy preferred equity/mezz capital with equity-like returns at a safer position in the capital stack. We are also seeing an increasing number of non-performing loans secured by retail assets or mixed-use assets where retail is the predominant value driver. We are confident we can deliver outsized returns in these investments as it speaks to our core competencies.

Corporate Governance, Environmental Sustainability & Social Responsibility

We strive to conduct our business in a socially responsible manner that balances consideration of environmental and social issues with creating long-term value for our Company and our shareholders. Our Nominating and Corporate Governance Committee oversees our environmental, social and governance ("ESG") efforts. As tasked in its charter, our Nominating and Corporate Governance is responsible for periodically reviewing our Company's ESG strategy, practices and policies, and receives updates from management regarding our ESG activities. The Nominating and Corporate Governance Committee reports to our Board on our ESG strategy, practices and policies for further discussion and evaluation by the Board, as needed and appropriate. We are proud to share some of our most notable recent ESG developments and accomplishments:

- <u>Corporate Governance</u>
    - Our Board of Trustees is committed to ongoing Board refreshment and seeks to maintain a diverse Board primarily comprised of independent Trustees who represent a mix of varied experience, backgrounds, tenure and skills to ensure a broad range of perspectives is represented. In 2021, our Nominating and Corporate Governance Committee formally committed in its charter to seek to include candidates with a diversity of race, ethnicity and gender in the pool from which it selects Trustee candidates.
    - Since 2021, we have added three independent Trustees to the Board, two of whom represent gender or racial and/or ethnic diversity. Currently two of our seven independent Trustees standing for election represent gender diversity and one independent Trustee represents racial and/or ethnic diversity.
    - Received the 2023 NAREIT Investor CARE Award for the 6th consecutive year.

- Environmental Sustainability
    - Completed energy efficiency upgrades to LED lighting and smart lighting controls, and water conservation upgrades to smart irrigation controls, at substantially all properties with landlord-controlled exterior common areas.
    - Named a Green Lease Leader Gold for 2022-2024 by the Institute for Market Transformation/the U.S. Dept of Energy's Better Building Alliance.
    - Outstanding Achievement in Land Use Award by the Green Business Partnership awarded to the Company's headquarters.
    - We have established a Greenhouse Gas (GHG) reduction goal and demonstrated that we are on-track to accomplish a 20% reduction by end of 2024 (with a 2019 baseline).

- Social Responsibility
    - I signed the CEO Action Pledge for Inclusion and Diversity in 2020.
      Diversity, equity and inclusion are fundamental values of our business, and I believe that our potential for success is maximized by having a diverse workforce that is reflective of our society and the communities we serve. We are focused on fostering a professional environment that fully embraces individuals with varied backgrounds, cultures, races, identities, ages, perspectives, beliefs, and values.
    - We were named a Great Place to Work® in 2024 for a fifth consecutive year.
    - Our current goals are to:
        - Enhance employee satisfaction, engagement and wellness through annual program assessment, and promote employee advancement.
        - Promote employee belonging and inclusivity through company initiatives and programs.
        - Diversify our workforce by striving to diversify our summer internship program, which provides an opportunity for full-time employment.
        - Increase the diversity of the vendors and contractors engaged in the operation of our properties.
    - Watching our team members advance is, by far, the best part of my job. As a testament to the strength and depth of our senior and junior management team, we had eleven promotions earlier this year spanning several departments and functional disciplines. We had one promotion to Executive Vice President, two to Vice President, two to Director, two to more senior property management positions (Senior Regional PM and Regional PM), one to manger and three to administrative and operational positions. I would like to highlight three promotions in particular:
        - Reggie Livingston has been promoted to Executive Vice President, Chief Investment Officer and will continue to drive the Company's external growth by developing investment strategies and leading the sourcing, underwriting and execution of new investments.
        - Samantha Stapleton has been promoted to Vice President, Asset Management. In her role, Ms. Stapleton will be responsible for developing and executing Acadia's long-term asset management strategy, with a focus on identifying and implementing value creation solutions that optimize portfolio performance. Notably, Ms. Stapleton initially joined the Company as an intern in 2013.
        - Christina Lamendola has been promoted to Vice President, Strategic Lease Management. Ms. Lamendola will continue to oversee her team while taking on the responsibilities of implementing the Company's tenant payment portal, negotiating deals with in-place tenants, as well as enhancing the Company's billing and collection strategies.

At this time, I want to extend my appreciation to our entire team of approximately 115 people and our Board, who have all worked hard this past year on behalf of all our company's stakeholders.

In Conclusion

To sum up, as we look to 2024 and beyond: the retail leasing momentum we saw last year is continuing; the positive shift in retailer sentiment and retailer activity feels more secular than cyclical and thus more long-lasting than just a rebound; and investor interest in retail is growing. Going forward, we will remain disciplined in our investments and capital recycling and look forward to capitalizing on renewing investor interest in retail.

I along with the team are committed to working hard on the fundamentals that we control, and I am optimistic that the broader public markets will better recognize our embedded growth and value.

Thank you for your continued support, and healthy regards,

Kenneth F. Bernstein
President & CEO
March 2024

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 2023

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)
(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 if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

YES ☒ **NO** ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

YES ☐ **NO** ☒

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 check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of June 30, 2023, the last business day of the registrant's most recently completed second fiscal quarter was approximately $1,371.3 million, based on a price of $14.39 per share, the average sales price for the registrant's common shares of beneficial interest on the New York Stock Exchange on that date.

The number of shares of the registrant's common shares of beneficial interest outstanding on February 13, 2024 was 102,577,713

DOCUMENTS INCORPORATED BY REFERENCE

Part III incorporates by reference information from certain portions of the definitive proxy statement of Acadia Realty Trust for the 2024 annual meeting of shareholders to be filed with the Securities and Exchange Commission (the "SEC") within 120 days after the end of the fiscal year, or April 29, 2024, covered by this Annual Report on Form 10-K for the year ended December 31, 2023 (the "Report").

ACADIA REALTY TRUST AND SUBSIDIARIES
FORM 10-K
INDEX

SPECIAL NOTE REGARDING CERTAIN REFERENCES

All references to "Notes" throughout the document refer to the footnotes to the consolidated financial statements of the registrant referenced in Part II, Item 8. Financial Statements.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in 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; (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 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") 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" set forth under the headings Item 1A. Risk Factors and Item 7. 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.

SUMMARY RISK FACTORS

Set forth below is a summary of the risks described under Item 1A. Risk Factors in the Report on Form 10-K:

Risks related to our business, properties and tenants

- There are risks relating to investments in real estate that could adversely affect our financial condition, cash flows, results of operations, and ability to satisfy our debt service obligations and make distributions to our shareholders.
- We rely on revenues derived from tenants, in particular our key tenants, and a decrease in those revenues could adversely affect our ability to make distributions to our shareholders.
- Anchor tenants and co-tenancy are crucial to the success of retail properties and vacated anchor space directly and indirectly affects our rental revenues.
- The bankruptcy of, or a downturn in the business of, any of our major tenants or a significant number of our smaller tenants may adversely affect our financial condition, cash flows, results of operations and property values.
- We may not be able to renew current leases or the terms of re-letting (including the cost of concessions to tenants) may be less favorable to us than current lease terms.
- Our business is significantly influenced by demand for retail space generally, and a decrease in such demand may have a greater adverse effect on our business than if we owned a more diversified real estate portfolio.
- E-commerce can have an impact on our business because it may cause a downturn in the business of our current tenants and affect future leases.
- Many of our real estate costs are fixed, even if income from our properties decreases, which would cause a decrease in net income.
- Our ability to change our portfolio is limited because real estate investments are illiquid.
- We could be adversely affected by conditions in the markets where our properties are geographically concentrated.
- Our development and construction activities could affect our operating results.
- Developments and acquisitions may fail to perform as expected, which could adversely affect our results of operations.
- We may not be able to recover our investments in marketable securities or other investments, which may result in significant losses to us.
- Our real estate assets may be subject to impairment charges.
- If a third-party vendor fails to provide agreed upon services, we may suffer losses.
- Actual or perceived threats associated with epidemics, pandemics or other public health crises, including the COVID-19 Pandemic, have had and could continue to have a material adverse effect on our and our tenants' businesses, financial condition, results of operations, cash flow, liquidity, and ability to access the capital markets and satisfy debt service obligations.

Risks related to our liquidity and indebtedness

- 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.
- Our inability to raise capital or to carry out our growth strategy could adversely affect our financial condition, cash flows and results of operations.
- Our structured financing portfolio is subject to specific risks relating to the structure and terms of the instruments and the underlying collateral.

Risks related to litigation, environmental matters and government regulation

- We are exposed to possible liability relating to environmental matters.
- Uninsured losses or a loss in excess of insured limits could adversely affect our financial condition, cash flows and results of operations.
- We may from time to time be subject to litigation that could negatively impact our financial condition, cash flows, results of operations and the trading price of our Common Shares.

•Compliance with the Americans with Disabilities Act and fire, safety and other regulations may require us to make unplanned expenditures that could adversely affect our financial condition, cash flows and results of operations.

Risks related to our management and structure

•The loss of key management members could have an adverse effect on our business, financial condition, and results of operations.

•We have pursued and may in the future continue to pursue extensive growth opportunities, including investing in new markets, which may result in significant demands on our operational, administrative, and financial resources.

•Our Board may change our investment policy or objectives without shareholder approval.

•Concentration of ownership by certain investors may allow these investors to exert influence over the business and affairs of our Company.

•Restrictions on a potential change of control could prevent changes that would be beneficial to our shareholders.

•Certain provisions of Maryland law may limit the ability of a third party to acquire control of our Company.

•Our rights and shareholders' rights to take action against trustees and officers are limited, which could limit recourse in the event of actions not in the best interests of shareholders.

•We operate through a partnership structure, which could have an adverse effect on our ability to manage our assets.

•Our joint venture investments carry additional risks not present in our direct investments.

Risks related to our REIT status

•There can be no assurance we have qualified or will remain qualified as a REIT for federal income tax purposes.

•Legislative or regulatory tax changes could have an adverse effect on our status as a REIT for federal income tax purposes.

•We may be required to borrow funds or sell assets to satisfy the REIT distribution requirements.

•Dividends payable by REITs generally do not qualify for reduced tax rates.

•Complying with REIT requirements may cause us to forego otherwise attractive opportunities or liquidate otherwise attractive investments.

•We have limits on ownership of our shares of beneficial interest.

•Distribution requirements imposed by law limit our operating flexibility.

General risk factors

•The economic environment may cause us to lose tenants and may impair our ability to borrow money to purchase properties, refinance existing debt or finance our current development projects.

•Political and economic uncertainty could have an adverse effect on our business.

•Inflation may adversely affect our financial condition, cash flows and results of operations.

•Competition may adversely affect our ability to purchase properties and to attract and retain tenants.

•Changes in market conditions could have an adverse effect on our share price and our ability to access the public equity markets.

•Outages, computer viruses and similar events could disrupt our operations.

•Increased Information Technology ("IT") security threats and more sophisticated computer crime could pose a risk to our systems, networks, and services.

•Use of social media may adversely impact our reputation and business.

•Climate change and natural disasters could adversely affect our properties and business.

•Future terrorist attacks or civil unrest could harm the demand for, and the value of, our properties.

•Increased scrutiny by and changing expectations from investors, tenants, employees, and other stakeholders regarding our ESG practices and reporting could cause us to incur additional costs and adversely impact our reputation, tenant and employee acquisition and retention, and access to capital.

PART I

ITEM 1. BUSINESS.

GENERAL

Acadia Realty Trust (the “Trust”) was formed on March 4, 1993 as a Maryland real estate investment trust (“REIT”). All references to “Acadia,” “we,” “us,” “our” and “Company” refer to the Trust and its consolidated subsidiaries. We are a fully integrated REIT focused on the ownership, acquisition, development, and management of high-quality retail properties located primarily in high-barrier-to-entry, supply-constrained, densely populated metropolitan areas in the United States. We currently own or have an ownership interest in these properties through our Core Portfolio (as defined below). We generate additional growth through our Funds (as defined below) in which we co-invest with high-quality institutional investors.

All of our assets are held by, and all of our operations are conducted through, Acadia Realty Limited Partnership (the “Operating Partnership”) and entities in which the Operating Partnership owns an interest. As of December 31, 2023, the Trust controlled approximately 95% of the Operating Partnership as the sole general partner. As the general partner, the Trust 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,” respectively, and collectively, “OP Units”) and employees who have been awarded restricted Common OP Units as long-term incentive compensation (“LTIP Units”). Limited partners holding Common OP and LTIP Units are generally entitled to exchange their units on a one-for-one basis for our 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.”

BUSINESS OBJECTIVES AND STRATEGIES

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. We focus on the following fundamentals to achieve this objective:

- Own and operate a portfolio of high-quality retail properties located primarily in high-barrier-to-entry, densely populated metropolitan areas (“Core Portfolio”). Our goal is to create value through accretive development and re-tenanting activities within our existing portfolio and grow this platform through the acquisition of high-quality assets that have the long-term potential to outperform the asset class.
- Generate additional growth through our Funds (as defined below) in which we co-invest with high-quality institutional investors. Our Fund strategy focuses on opportunistic yet disciplined acquisitions with high inherent opportunity for the creation of additional value. We execute on this opportunity and realize value through the sale of these assets. In connection with this strategy, we focus on:
    - value-add investments in street retail properties, located in established and “next-generation” submarkets, with re-tenanting or repositioning opportunities,
    - opportunistic acquisitions of well-located real estate anchored by distressed retailers, and
    - other opportunistic acquisitions, which vary based on market conditions and may include high-yield acquisitions and purchases of distressed debt.
- Some of these Core Portfolio and Fund investments historically have also included, and may in the future include joint ventures with private equity investors for the purpose of making 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.

Investment Strategy — Generate External Growth through our Dual Platforms: Core Portfolio and Funds

The objective that acquisitions be accretive on a long-term basis based on our cost of capital, as well as increase the overall Core Portfolio quality and value, is a key strategic consideration to the growth of our Core Portfolio. As such, we constantly evaluate the blended cost of equity and debt and adjust the amount of acquisition activity to align the level of investment activity with capital flows.

Given the growing importance of technology and e-commerce, many of our retail tenants are appropriately focused on omni-channel sales and how to best utilize e-commerce initiatives to drive sales at their stores. Considering these initiatives, we have found retailers are becoming more selective as to the location, size and format of their next-generation stores and are focused on dense, high-traffic retail corridors, where they can utilize smaller and more productive formats closer to their shopping population. Accordingly, our focus for Core Portfolio and Fund acquisitions is on those properties which we believe will not only remain relevant to our tenants but become even more so in the future.

In addition to our Core Portfolio investments in real estate assets, we have also capitalized on our expertise in the acquisition, development, leasing, and management of retail real estate by establishing discretionary opportunity funds. Our Fund platform is an investment vehicle where the Operating Partnership invests, along with outside institutional investors, including, but not limited to, endowments, foundations, pension funds and investment management companies, in primarily opportunistic and value-add retail real estate. To date, we have launched five funds ("Funds"); Acadia Strategic Opportunity Fund, LP ("Fund I," which was liquidated in 2015), 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 our "current fund"). The investment period for our current fund was completed in August 2023. Thus, as of December 31, we have closed on all new investments in our Funds, and any remaining obligations to our Funds are related to existing investments. Due to our level of control, we consolidate these Funds for financial reporting purposes. Fund I and Fund II have also included investments in operating companies through Acadia Mervyn Investors I, LLC ("Mervyns I," which was liquidated in 2018), Acadia Mervyn Investors II, LLC ("Mervyns II") and, in certain instances, directly through Fund II, all on a non-recourse basis. These investments comprise, and are referred to as, the Company's Retailer Controlled Property Venture ("RCP Venture").

The Operating Partnership is the sole general partner or managing member of the Funds and Mervyns II and earns priority distributions or fees for asset management, property management, construction, development, leasing, and legal services. Cash flows from the Funds and the RCP Venture 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 flows are distributed 20% to the Operating Partnership ("Promote") and 80% to the partners or members (including the Operating Partnership).

See Note 1 to Consolidated Financial Statements for a detailed discussion of the Funds.

Capital Strategy — Balance Sheet Focus and Access to Capital

Our primary capital objective is to maintain a strong and flexible balance sheet through conservative financial practices, including moderate use of leverage within our Core Portfolio, while ensuring access to sufficient capital to fund future growth. We intend to continue financing acquisitions and property development and redevelopment with sources of capital determined by management to be the most appropriate based on, among other factors, availability in current capital markets, pricing, and other commercial and financial terms. Such sources of capital may include the issuance of public equity, unsecured debt, mortgage and construction loans, and other capital alternatives including strategic capital and the issuance of OP Units. We manage our interest rate risk through the use of fixed-rate debt and, where we use variable-rate debt, through the use of certain derivative instruments, including Secured Overnight Financing Rate ("SOFR") swap agreements and interest rate caps as discussed further in Item 7A. Quantitative and Qualitative Disclosures about Market Risk of this Report.

We maintain a share repurchase program that authorizes management, at its discretion, to repurchase up to $200.0 million of outstanding Common Shares. The program may be discontinued or extended at any time. We did not repurchase any shares during the years ended December 31, 2023, 2022 or 2021. As of December 31, 2023, management may repurchase up to approximately $122.5 million of Common Shares under the program. See Note 10.

We also maintain an at-the-market equity issuance program (the "ATM Program") 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 the ATM Program, we have been able to effectively "match-fund" a portion of the required capital for our Core Portfolio and 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 intend to continue to 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, the repayment of outstanding indebtedness and for other general corporate purposes. During the year ended December 31, 2023, we did not issue any Common Shares under our ATM Program. During the year ended December 31, 2022, we issued 5,525,419 Common Shares under our ATM Program for gross proceeds of $123.9 million. During the year ended December 31, 2021, we issued 2,889,371 Common Shares under our ATM Program for gross proceeds of $64.9 million. See Note 10.

In January 2024, we 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 (Note 17).

Operating Strategy — Experienced Management Team with Proven Track Record

Our senior management team has decades of experience in the real estate industry. We have capitalized on our expertise in the acquisition, development/redevelopment, leasing, and management of retail real estate by creating value through property development/redevelopment, re-tenanting and establishing joint ventures, such as the Funds, in which we earn, in addition to a return on our equity interest, promotes, priority distributions and fees.

Operating functions such as leasing, property management, construction, finance and legal are generally provided by our personnel, providing for a vertically integrated operating platform.

INVESTING ACTIVITIES

See Item 2. Properties for a description of the properties in our Core and Fund portfolios. See Significant Developments under Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations for a detailed discussion of our consolidated and unconsolidated acquisitions, dispositions and financing activity for the year ended December 31, 2023.

Core Portfolio

Our Core Portfolio consists primarily of high-quality street retail and urban assets, as well as suburban properties located in high-barrier-to-entry, trade areas.

As we typically hold our Core Portfolio properties for long-term investment, we review our portfolio and implement programs to renovate and re-tenant targeted properties to enhance their market position. This in turn is expected to strengthen the competitive position of our leasing department to attract and retain quality tenants, increasing cash flow, and consequently, property values. From time to time, we also identify certain properties for disposition and redeploy the capital for acquisitions and for the repositioning of existing properties with greater potential for capital appreciation.

Funds

Our Fund investments, which are discretionary and consolidated, consist of suburban shopping centers and urban retail assets structured as wholly-owned by our Funds or through jointly-owned investments with the Funds.

Structured Finance Program

We also make investments in first mortgages and other notes receivable collateralized by real estate, (which we refer to as our Structured Finance Program or SF) either directly or through entities having an ownership interest therein.

Development and Redevelopment Activities

As part of our investing strategy, we invest in real estate assets that may require significant development. In addition, certain assets may require redevelopment to meet the demand of changing markets. As of December 31, 2023, there were two Core Portfolio and one Fund development projects, and eight Core Portfolio and one Fund redevelopment projects. During the year ended December 31, 2023, we placed three Core Portfolio properties into redevelopment and one Fund Portfolio property into service. See Item 2. Properties—Development Activities and Note 2.

GOVERNMENT REGULATIONS AND ENVIRONMENTAL LAWS

We are subject to federal, state and local laws and regulations, including environmental laws and regulations. As of the date of this Report, we do not expect the cost of compliance with such laws and regulations to have a material impact on our capital expenditures, earnings, or competitive position. See Item 1A. Risk Factors — Risks Related to Litigation, Environmental Matters and Governmental Regulation.

We may be liable for the costs of removal or remediation of certain hazardous or toxic substances at our property sites, as well as certain other potential costs relating to hazardous or toxic substances (including government fines and penalties and damages for injuries to persons and adjacent property). These laws may impose liability without regard to whether we knew of, or were responsible for, the presence or disposal of those substances. This liability may be imposed on us in connection with the activities of an operator of, or tenant at our properties. The cost of any required remediation, removal, fines or personal or property damages and our liability therefore could exceed the value of the property and/or our aggregate assets. In addition, the presence of such substances, or the failure to properly dispose of or remove such substances, may adversely impact our ability to sell or rent an affected property or to borrow using that property as collateral, which, in turn, would reduce our revenues and ability to make distributions.

Our existing properties, as well as properties we may acquire, as commercial facilities, are required to comply with the Americans with Disabilities Act of 1990, as amended (the "ADA"). See Item 1A. Risk Factors — Compliance with the Americans with Disabilities Act and fire, safety and other regulations may require us to make unplanned expenditures that could adversely affect our financial condition, cash flows and results of operations.

In addition, we may become subject to new compliance requirements and/or new costs or taxes associated with natural resource or energy usage and related emissions (such as a carbon tax), which could increase our operating costs. Compliance with new laws or regulations related to climate change may require us to make improvements to our existing properties or pay additional taxes and fees assessed on us or our properties. See Item 1A. Risk Factors — Climate change, natural disasters or health crises could adversely affect our properties and business.

CORPORATE HEADQUARTERS

Our executive office is located at 411 Theodore Fremd Avenue, Suite 300, Rye, New York 10580, and our telephone number is (914) 288-8100.

HUMAN CAPITAL

We recognize that our ability to achieve the high standards we set for our company can best be accomplished by curating a diverse team of top talent. We are committed to fostering an energized and motivated workforce through programs and benefits that promote employee satisfaction, advancement, equity, and inclusion.

As of December 31, 2023, we had 117 employees, of whom 95 were located at our executive office and 22 were located at regional property management offices. During 2023, our total turnover rate was approximately 11%. None of our employees are covered by collective bargaining agreements and management believes that its relationship with employees is good.

Diversity, Equity, and Inclusion

Diversity, equity, and inclusion (“DEI”) are fundamental values of our business. We believe that our potential for success is maximized by having a diverse workforce that is reflective of our society and the communities we serve.

As of December 31, 2023, women represent 49% of our employees, 36% of our management-level positions and 25% of the independent trustees on our board of trustees (the "Board"), and racially and ethnically diverse individuals represent 25% of our employees, 24% of our management-level positions, and 13% of the independent trustees on our Board.

Our DEI Program is focused on fostering a professional environment that fully embraces individuals with varied backgrounds, cultures, races, identities, ages, perspectives, beliefs, and values. Through education and awareness – including annual employee training on DEI topics such as unconscious bias and allyship – we are working to maintain a corporate culture that is characterized by respect, acceptance, and inclusivity. We believe that we have an individual and institutional responsibility to observe, promote and protect DEI principles. As part of our commitment to promoting DEI principles, we signed the CEO Action for Diversity & Inclusion pledge in 2020, and since that year, our DEI Steering Committee has actively worked to establish goals and initiatives for our DEI program.

Employee Engagement

We have been recognized as a Great Place to Work® based on employee satisfaction surveys for four consecutive years. We analyze the survey results to identify opportunity areas for enhancing employee satisfaction and engagement.

Training and Development

We continually invest in the training and development of our people. Education opportunities are offered within our organization and through attendance at industry conferences, seminars, and company offered resources, like LinkedIn Learning.

To promote career advancement, leadership training opportunities are available to managers and high-potential employees who are identified as possible successors for senior-level roles.

We believe that mentorship within our organization supports employee development while building a sense of inclusion and increasing employee engagement and satisfaction. Our senior management team focuses on succession planning for senior leadership and business unit lead roles and presents a succession plan to our Board annually.

Our summer internship program offers hands-on experience to students looking to specialize in the retail real estate industry and offers our company a fresh perspective. We are committed to building our own talent pipeline and are thrilled that many of our interns return to Acadia to work with us as full-time employees. We seek to consider a diverse pool of candidates for our internship program through partnerships with external organizations.

Health and Wellness

All of our employees are eligible to participate in our Wellness at Acadia Program, which is focused on education, awareness, and fitness classes, and is coordinated by our Wellness Team, comprised of members across our company with an active interest in wellness programming. Our Wellness at Acadia Program advocates for, and provides resources regarding, nutrition, exercise, mental health, and workplace ergonomics.

We offer a comprehensive benefits package to all eligible employees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”)

Achievements and Initiatives

We seek to drive financial performance while engaging in environmentally and socially responsible business practices grounded in sound corporate governance. Our ESG program is overseen by the Board’s Nominating and Corporate Governance Committee (“NCG Committee”). The NCG Committee periodically reviews our ESG strategy, practices and policies, receives regular updates from management regarding our ESG activities and reports to the full Board for further discussion and evaluation as needed and appropriate. Day-to-day management of our ESG program, including developing and guiding the implementation of our ESG initiatives, is performed by our full-time dedicated Director of ESG and our internal ESG Committee, comprised of senior leaders and representatives from various departments. The ESG Committee meets regularly, at least quarterly, and provides periodic updates on our ESG program to our Chief Executive Officer and the Board.

We maintain an Enterprise Risk Management (“ERM”) plan to identify and formulate responses to the most critical risks to operations, including those related to climate change and environmental impact. ERM planning serves as an additional forum for the integration of ESG considerations into our business operations.

In addition to a dedicated team of professionals, we have established ESG policies and procedures that inform and guide our ESG approach and drive our ESG goals forward, including a firm-wide ESG Policy and a Tenant Sustainability Guide. We continue to align our reporting with the Task Force on Climate-Related Financial Disclosures (“TCFD”), the Sustainability Accounting Standards Board (“SASB”), and Global Reporting Initiative (“GRI”) frameworks. We seek to align our ESG strategy and goals with certain United Nations Sustainable Development Goals ("UN SDGs"), such as goals to combat climate change and to promote the sustainability of our communities.

Below are some highlights of our ESG program. Additional information is available in our Proxy and Corporate Responsibility Report. Such information is not incorporated by reference into, and is not part of this Report.

Environmental

We are committed to understanding the environmental impact of our operations and promoting environmental sustainability while maintaining high standards for our company and our stakeholders.

We are building the resiliency of our portfolio to the physical and transition risks of climate change. For standing investments, we analyze climate-related physical and transition risks and we consider any identified risks as part of our ERM budgeting, and capital improvements processes. Climate-related physical and transition risks are also assessed as part of the due diligence process for acquisitions. Understanding climate-related risks to our portfolio enables us to implement mitigation measures, including increased insurance coverage and physical enhancements, such as waterproofing systems, as necessary. In addition, we established a GHG emissions reduction goal for scope 1 and 2 emissions in our portfolio in an effort to reduce our exposure to, and our contribution to, the negative impacts of climate change. See also Item 1A. Risk Factors — Climate change and natural disasters could adversely affect our properties and business.

We prioritize energy efficiency to try to reduce the amount of GHG emissions generated by our properties. Our energy efficiency strategy seeks to reduce energy consumption through a variety of measures, including LED lighting, and smart lighting controls upgrades in our parking areas, and smart thermostat installations in our vacant tenant spaces.

Our energy efficiency strategy is complemented by our renewable energy strategy which seeks to incorporate the use of electricity sourced from renewable energy projects, such as solar and wind, for the landlord-controlled common areas of our properties. We engage in renewable energy projects through leasing roof and parking lot space at our properties for solar panel arrays and electric vehicle charging stations.

Our water management program focuses on monitoring and reducing common area water consumption, while encouraging water management practices by our tenants. We leverage technology to track and analyze water consumption at our properties to identify and decrease excessive use. A majority of our properties benefit from the use of a landscape design focused on drought-resistant, native, pollinator-friendly plantings that save water. For substantially all of our properties with landlord-controlled irrigation, we have installed smart irrigation systems with features like rain sensors, to ensure the irrigation is turned on only when necessary. In addition, we use submeters at certain of our properties to give our retail tenants visibility into their water consumption and a financial incentive to decrease their consumption.

We include a green clause into our standard form of retail leases to align tenant and landlord interests in promoting the sustainability of our properties, which provides for, among other requirements, cooperation on environmental and social initiatives, and upgrades. We are proud to be named a Green Lease Leader by the Institute for Market Transformation/the U.S. Department of Energy's Better Buildings Alliance and achieved gold status for using green leases to engage our tenants in making our properties more sustainable.

Our sustainable practices extend to our corporate offices where we have adopted energy reduction, waste management and water conservation initiatives. These initiatives include, for example, installing LED lighting and automatic occupancy sensors for lighting and equipment, recycling programs, implementing electronic communication systems for tenant billing, and using low-flow faucets. Our corporate headquarters is easily accessible by public transit due to the close proximity to two train stations, helping to reduce air pollution and greenhouse gas emissions from employee travel. As a result of sustainability efforts made at our corporate headquarters, we were awarded the Outstanding Achievement in Land Use Award by the Green Business Partnership in 2019.

Social

DEI are fundamental values of our business. For additional details regarding our DEI Program, as well as employee engagement, employee training and development, and employee health and wellness initiatives, see Item 1. Business - Human Capital.

Our company supports employee volunteerism and philanthropy. We engage with local charitable and volunteer organizations to connect with those in need and provide support to our communities.

We value the importance of community engagement through the facilitation of events at our properties. We partner with local communities and non-profit organizations to host community events and fundraisers throughout our portfolio.

The health and well-being of our tenants and their employees and customers are important to us. Our property managers conduct regular inspections, repairs and improvements to maintain safe and secure shopping centers and enhance the retail experience.

We strive to respect and promote human rights in accordance with the UN Guiding Principles on Business and Human Rights. We support freedom of association as proclaimed in the Universal Declaration of Human Rights.

Governance

We are dedicated to maintaining a high standard for corporate governance predicated on integrity, ethics, diversity, and transparency. All of our Board members stand for re-election every year. We seek to maintain a diverse Board primarily comprised of independent trustees who represent a mix of varied experience, backgrounds, tenure, and skills to ensure a broad range of perspectives is represented. In 2021, our NCG Committee formally committed in its charter to seek to include candidates with a diversity of race, ethnicity, and gender in the pool from which it selects trustee candidates. The Committee annually reviews the composition of the Board and recommends measures to seek to achieve the appropriate balance of knowledge, experience, skills, expertise, and diversity of backgrounds on the Board to enable the Company to execute its strategic plan and achieve its objectives. As of December 31, 2023, two of our eight independent trustees are female and one independent trustee represents racial and ethnic diversity.

Additionally, we regularly monitor developments in the area of corporate governance and seek to enhance our corporate governance structure based upon a review of new developments and recommended best practices, considering investor feedback. We believe that sound corporate governance strengthens the accountability of our Board and management and promotes the long-term interests of our shareholders. Governance highlights include: opt-out of the Board self-classification provisions of Subtitle 8; no shareholder rights plan; annual election of trustees; majority voting standard for trustees in uncontested elections with a resignation policy if an incumbent trustee fails to receive the required vote for re-election; independent and diverse Board with a lead independent trustee; regular succession planning; risk oversight by the full Board and committees; claw-back, anti-hedging and anti-pledging policies; annual Say-on-Pay vote; and shareholders' ability to call a special meeting.

Our Corporate Governance Guidelines and associated policies mandate an elevated level of excellence from our company, the Board and management. Through transparency, alignment of interests, and removal of potential conflicts of interests, we ensure that our decisions and actions advance the interests of our shareholders, employees, and other stakeholders.

COMPANY WEBSITE

All of our filings with the Securities and Exchange Commission (the "SEC"), including our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, and any amendments to such reports, are available at no cost on the Investors page of our website at www.acadiarealty.com, as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the SEC. These filings can also be accessed through the SEC's website at www.sec.gov. Alternatively, we will provide paper copies of our filings, including this Report, at no cost upon request addressed to Investor Relations at Acadia Realty Trust, 411 Theodore Fremd Avenue, Suite 300, Rye, NY 10580, phone number (914) 288-8100 or email investorrelations@acadiarealty.com.

We use, and intend to use, the Investors page of our website as a means of disclosing material nonpublic information and of complying with our disclosure obligations under Regulation FD, including, without limitation, through the posting of investor presentations that may include material nonpublic information. Accordingly, investors should monitor the Investors page, in addition to following our press releases, SEC filings, public conference calls, presentations and webcasts.

The information contained on, or that may be accessed through, our website is not incorporated by reference into, and is not a part of, this Report.

CODE OF ETHICS AND WHISTLEBLOWER POLICIES

Our Board adopted a Code of Business Conduct and Ethics applicable to all employees, as well as a "Whistleblower Policy." Copies of these documents are available in the Investors – Corporate Governance page of our website at www.acadiarealty.com. We will disclose future amendments to, or waivers from (with respect to our executive officers and trustees), our Code of Business Conduct and Ethics on our website within four business days following the date of such amendment or waiver. The information contained on, or that may be accessed through, our website is not incorporated by reference into, and is not a part of, this Report.

ITEM 1A. RISK FACTORS.

Set forth below are the risk factors that we believe are material to our investors. You should carefully consider these risk factors, together with all of the other information included in this Report, including our consolidated financial statements and related notes thereto, before you decide whether to make an investment in our securities. The occurrence of any of the following risks could adversely affect our financial condition, cash flows, results of operations, and ability to satisfy our debt service obligations and to make distributions to our shareholders. In such case, the trading price of our Common Shares could decline, and you may lose all or a significant part of your investment. This section includes or refers to certain forward-looking statements. See "Special Note Regarding Forward-Looking Statements".

The following risk factors are not exhaustive. Other sections of this Report may include additional factors that could adversely affect our financial condition, cash flows, results of operations, and ability to satisfy our debt service obligations and to make distributions to our shareholders. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time, and it is not possible for us to predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may affect our business. Investors should also refer to our quarterly reports on Form 10-Q and current reports on Form 8-K for future periods for material updates to these risk factors.

RISKS RELATED TO OUR BUSINESS, OUR PROPERTIES AND OUR TENANTS

There are risks relating to investments in real estate that could adversely affect our financial condition, cash flows, results of operations, and ability to satisfy our debt service obligations and make distributions to our shareholders.

Real property investments are subject to multiple risks. Real estate values are affected by several factors, including changes in the general economic climate, local conditions (such as an oversupply of space or a reduction in demand), the quality and philosophy of management, competition from other available space, and the ability to provide adequate maintenance and insurance and to control variable operating costs. Retail properties, in particular, may be affected by changing perceptions of retailers or shoppers regarding the convenience and attractiveness of the property and by the overall climate for the retail industry. Real estate values are also affected by such factors as government regulations, interest rate levels, the availability of financing and potential liability under, and changes in, environmental, zoning, tax, and other laws. A significant portion of our income is derived from rental income from real property. Our income and cash flow would be adversely affected if we were unable to rent our vacant space to viable tenants on economically favorable terms or at all. In the event of default by a tenant, we may experience delays in enforcing, as well as incur substantial costs to enforce, our rights as a landlord. In addition, certain significant expenditures associated with each equity investment (such as mortgage payments, real estate taxes and maintenance costs) are generally not reduced even though there may be a reduction in income from the investment.

We rely on revenues derived from tenants, in particular our key tenants, and a decrease in those revenues could adversely affect our ability to make distributions to our shareholders.

Revenue from our properties depends primarily on the ability of our tenants to pay the full amount of rent and other charges due under their leases on a timely basis. We derive significant revenues from a concentration of 20 key tenants, which occupy space at more than one property and collectively account for approximately 17.8% of our consolidated revenue. We could be adversely affected in the event of the bankruptcy or insolvency of, or a downturn in the business of, any of our key tenants, or in the event that any such tenant does not renew its leases as they expire or renews such leases at lower rental rates. See Item 2. Properties—Major Tenants for quantified information with respect to the percentage of our minimum rents received from major tenants.

Anchor tenants and co-tenancy are crucial to the success of retail properties and vacated anchor space directly and indirectly affects our rental revenues.

Certain of our properties are supported by "anchor" tenants. Anchor tenants pay a significant portion of total rents at a property and contribute to the success of other tenants by drawing large numbers of customers to a property. Vacated anchor space not only directly reduces rental revenues, but, if not re-tenanted with a tenant with comparable consumer attraction, could adversely affect the rest of the property primarily through the loss of customer drawing power. This can also occur through the exercise of the right that most anchors have to vacate and prevent re-tenanting by paying rent for the balance of the lease term, also known as "going dark", such as the case of the departure of a "shadow" anchor tenant that is owned by another landlord. In addition, in the event that certain anchor tenants cease to occupy a property, such an action results in a significant number of other tenants having the contractual right to terminate their leases, or pay a reduced rent based on a percentage of the tenant's sales, at the affected property, which could adversely affect the future income from such property, also known as "co-tenancy." Although it may not directly reduce our rental revenues, and there are no contractual co-tenancy conditions, vacant retail space adjacent to, or even on the same block as our street and urban properties may similarly affect shopper traffic and re-tenanting activities at our properties. See Item 2. Properties—Major Tenants.

The bankruptcy of, or a downturn in the business of, any of our major tenants or a significant number of our smaller tenants may adversely affect our financial condition, cash flows, results of operations and property values.

The bankruptcy of, or a downturn in the business of, any of our major tenants causing them to reject their leases, or to not renew their leases as they expire, or renew at lower rental rates, may adversely affect our cash flows and property values. Furthermore, the impact of vacated anchor space and the potential reduction in customer traffic may adversely impact the balance of tenants at a shopping center.

Historically and from time to time, certain of our tenants experienced financial difficulties and filed for bankruptcy protection, typically under Chapter 11 of the United States Bankruptcy Code. Pursuant to bankruptcy law, tenants have the right to reject some or all of their leases. In the event a tenant exercises this right, the landlord generally has the right to file a claim for lost rent equal to the greater of either one year's rent (including tenant expense reimbursements) for remaining terms greater than one year, or 15% of the rent remaining under the balance of the lease term, but not to exceed three years rent. Actual amounts to be received in satisfaction of those claims will be subject to the tenant's final bankruptcy plan and the availability of funds to pay its creditors. There can be no assurance that our major tenants will not declare bankruptcy, in which case we may be unable to recoup past and future rent in full, and to re-lease a terminated or rejected space on comparable terms or at all.

We may not be able to renew current leases or the terms of re-letting (including the cost of concessions to tenants) may be less favorable to us than current lease terms.

Upon the expiration of current leases for space located in our properties, we may not be able to re-let all or a portion of that space, or the terms of re-letting (including the cost of concessions to tenants) may be less favorable to us than current lease terms. If we are unable to re-let promptly all or a substantial portion of the space located in our properties or if the rental rates we receive upon re-letting are significantly lower than current rates, our net income and ability to make expected distributions to our shareholders will be adversely affected due to the resulting reduction in revenues. There can be no assurance that we will be able to retain tenants in any of our properties upon the expiration of their leases. See Item 2. Properties—Lease Expirations for additional information regarding the scheduled lease expirations in our portfolio. In addition, current inflation levels are greater than the contractual rent increases we obtain from our tenant base. As a result, the Company could feel pricing pressure on rents that it is able to charge to new or renewing tenants, such that future rents and rent spreads could be negatively impacted.

Our business is significantly influenced by demand for retail space generally, and a decrease in such demand may have a greater adverse effect on our business than if we owned a more diversified real estate portfolio.

A decrease in the demand for retail space may have a greater adverse effect on our business and financial condition than if we owned a more diversified real estate portfolio. The market for retail space has been, and could continue to be, adversely affected by weakness in the national, regional, and local economies, the adverse financial condition of some large retailing companies and bankruptcy incidence, the ongoing consolidation in the retail sector, the excess amount of retail space in a number of markets and increasing consumer purchases through the Internet. To the extent that any of these conditions occur, they are likely to negatively affect market rents for retail space and could adversely affect our financial condition, cash flows, results of operations, the trading price of our Common Shares and our ability to satisfy our debt service obligations and to pay distributions to our shareholders.

E-commerce can have an impact on our business because it may cause a downturn in the business of our current tenants and affect future leases.

The use of the Internet by retail consumers continues to gain in popularity and the migration toward e-commerce is expected to continue. The increase in Internet sales could result in a downturn in the business of our current tenants in their "brick and mortar" locations, adversely impacting their ability to satisfy their rent obligations, and could affect the way future tenants lease space.

While we devote considerable effort and resources to analyze and respond to tenant trends, preferences, and consumer spending patterns, we cannot predict with certainty what future tenants will want, what future retail spaces will look like and how much revenue will be generated at traditional "bricks and mortar" locations. If we are unable to anticipate and respond promptly to trends in the market because of, among others, the illiquid nature of real estate our occupancy levels and financial results could suffer. See the Risk Factor entitled, "Our ability to change our portfolio is limited because real estate investments are illiquid" below.

Many of our real estate costs are fixed, even if income from our properties decreases, which would cause a decrease in net income.

Our financial results depend primarily on leasing space at our properties to tenants on terms favorable to us. Costs associated with real estate investment, such as real estate taxes, insurance, and maintenance costs, generally are not reduced even when a property is not fully occupied, rental rates decrease, or other circumstances cause a reduction in income from the property. As a result, cash flow from the operations of our properties may be reduced if a tenant does not pay its rent or we are unable to fully lease our properties on favorable terms. Additionally, properties that we develop or redevelop may not produce any significant revenue immediately, and the cash flow from existing operations may be insufficient to pay the operating expenses and debt service associated with such projects until they are fully occupied.

Our ability to change our portfolio is limited because real estate investments are illiquid.

Equity investments in real estate are relatively illiquid and, therefore, our ability to change our portfolio promptly in response to changed conditions is limited, which could adversely affect our financial condition, cash flows, and ability to satisfy our debt service obligations and to make distributions to our shareholders. In addition, the Internal Revenue Code of 1986, as amended (the "Code"), contains restrictions on a REIT's ability to dispose of properties that are not applicable to other types of real estate companies. Our Board may establish investment criteria or limitations as it deems appropriate, but it currently does not limit the number of properties in which we may seek to invest or on the concentration of investments in any one geographic region. As discussed under the heading "Our Board may change our investment policy or objectives without shareholder approval" below, we could change our investment, disposition and financing policies and objectives without a vote of our shareholders, but such change may be delayed or more difficult to implement due to the illiquidity of real estate.

We could be adversely affected by conditions in the markets where our properties are geographically concentrated.

Our performance depends on the economic conditions in markets where our properties are geographically concentrated. We have significant exposure to the greater New York and Chicago metropolitan regions, from which we derive 42.8% and 18.3% of the annual base rents within our Core Portfolio, respectively. In addition, our Funds derive 31.8%, 22.4% and 26.0% of their annual base rents in the New York metropolitan, Southeast, and Northeast regions of the United States, respectively. Our operating results could be adversely affected if market conditions, such as an oversupply of space or a reduction in demand for real estate, occur in these areas.

Our development and construction activities could affect our operating results.

We intend to continue selective development and construction of retail properties. See Item 1. Business — Investing Activities– Funds–Development Activities.

As opportunities arise, we may delay construction until sufficient pre-leasing is reached, and financing is in place. Our development and construction activities include, among others, the risks that:

- we may abandon development opportunities after expending resources to determine feasibility;
- construction costs of a project may exceed our original estimates;
- occupancy rates and rents at a newly completed property may not be sufficient to make the property profitable;
- financing for development of a property may not be available to us on favorable terms or at all;
- we may not complete construction and lease-up on schedule, resulting in increased debt service expense and construction costs, including labor and material costs; and
- we may not be able to obtain or may experience delays in obtaining necessary zoning and land use approvals as well as building, occupancy and other required governmental permits and authorizations.

In addition, the entitlement and development of real estate entails extensive approval processes, sometimes involving multiple regulatory jurisdictions. It is common for a project to require multiple approvals, permits and consents from U.S. federal, state and local governing and regulatory bodies. Compliance with these and other regulations and standards is time intensive and costly and may require additional long range infrastructure review and approvals which can add to project cost. In addition, development of properties containing delineated wetlands may require one or more permits from the U.S. federal government and/or state and local governmental agencies. Any of these issues can materially affect the cost, timing and economic viability of our development and redevelopment projects.

At times, we may also be required to use unionized construction workers or to pay the prevailing wage in a jurisdiction to unionized workers, which could increase a project's costs and the risk of a strike, thereby affecting construction timelines.

Additionally, the time frame required for development, construction and lease-up of these properties means that we may not realize a significant cash return for several years. If any of the above events occur, the development and construction of properties may hinder our growth and could have an adverse effect on our financial condition, cash flows and results of operations. In addition, new development and construction activities, regardless of whether or not they are ultimately successful, typically require substantial time and attention from management.

Developments and acquisitions may fail to perform as expected, which could adversely affect our results of operations.

Our investment strategy includes the development and acquisition of retail properties in supply constrained markets in densely populated areas with high average household incomes and significant barriers to entry. The acquisition of such properties is highly competitive. Additionally, the development and acquisition of such properties entails risks that include the following, any of which could adversely affect our financial condition, cash flows, results of operations, and our ability to meet our debt obligations and make distributions to shareholders:

- The property may fail to achieve the returns we have projected, either temporarily or for extended periods;
- We may not be able to identify suitable properties to acquire or may be unable to complete the acquisition of the properties we identify;
- We may not be able to integrate an acquisition into our existing operations successfully;
- Properties we redevelop or acquire may fail to achieve the occupancy or rental rates we project or within the time frames we project which may result in the properties' failure to achieve the returns we projected;
- Our pre-acquisition evaluation of the physical condition of each new investment may not detect certain defects or identify necessary repairs until after the property is acquired, which could significantly increase our total acquisition costs or decrease cash flow from the property; and
- Our investigation of a property or building prior to our acquisition, and any representations we may receive from the seller of such building or property, may fail to reveal various liabilities, which could reduce the cash flow from the property or increase our acquisition cost.

Historically, Fund I, Mervyns I and Fund III have provided Promote income. There can be no assurance that our joint ventures will continue to operate profitably and thus provide additional Promote income in the future. These factors could limit the return that we receive from such investments or cause our cash flows to be lower than our estimates. In addition, a partner or co-venturer may not have access to sufficient capital to satisfy its funding obligations to the joint venture.

We may not be able to recover our investments in marketable securities or other investments, which may result in significant losses to us.

Our investments in marketable securities are subject to specific risks relating to the particular issuer of the securities, including the financial condition and business outlook of the issuer, which may result in significant losses to us. Marketable securities are generally unsecured and may also be subordinated to other obligations of the issuer. As a result, investments in marketable securities are subject to risks of substantial market price volatility, resulting from changes in prevailing interest rates and the possibility that earnings of the issuer may be insufficient to meet its debt service and distribution obligations. These risks may adversely affect the value of outstanding marketable securities and the ability of the issuers to make distribution payments.

See "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 8 for additional discussion regarding the shares held by the Company of Albertsons Companies, Inc. ("Albertsons").

The economic performance and value of our other investments, which we do not control and are in retail operations, are subject to risks associated with owning and operating retail businesses, as outlined in our other risk factors provided herein. A decline in the value of our other investments may require us to recognize an other-than-temporary impairment ("OTTI") against such assets. When the fair value of an investment is determined to be less than its amortized cost at the balance sheet date, we assess whether the decline is temporary or other-than-temporary. If we intend to sell an impaired asset, or it is more likely than not that we will be required to sell the impaired asset before any anticipated recovery, then we must recognize an OTTI through charges to earnings equal to the entire difference between the asset's amortized cost and its fair value at the balance sheet date. When an OTTI is recognized through earnings, a new cost basis is established for the asset, and the new cost basis may not be adjusted through earnings for subsequent recoveries in fair value.

Our real estate assets may be subject to impairment charges.

We periodically assess whether there are any indicators that the value of our real estate assets and other investments may be impaired. A property's value is considered to be impaired only if the estimated aggregate future undiscounted property cash flows are less than the carrying value of the property. In our estimate of cash flows, we consider factors such as trends and prospects and the effects of demand and competition on expected future operating income. If we are evaluating the potential sale of an asset or redevelopment alternatives, the undiscounted future cash flows consider the most likely course of action as of the balance sheet date based on current plans, intended holding periods and available market information. We are required to make subjective assessments as to whether there are impairments in the value of our real estate assets and other investments. Impairment charges have an immediate direct impact on our earnings. There can be no assurance that we will not take additional charges in the future related to the impairment of our assets. Any future impairment could have a material adverse effect on our operating results in the period in which the charge is taken.

If a third-party vendor fails to provide agreed upon services, we may suffer losses.

We are dependent and rely on third party vendors, including Cloud providers, for redundancy of our network, system data, security, and data integrity. If a vendor fails to provide services as agreed, suffers outages, business interruptions, financial difficulties, or bankruptcy, we may experience service interruption, delays, or loss of information. Cloud computing is dependent upon having access to an Internet connection in order to retrieve data. If a natural disaster, blackout, or other unforeseen event were to occur that disrupted the ability to obtain an Internet connection, we may experience a slowdown or delay in our operations. We conduct due diligence on all services providers, contractually specify privacy and data security responsibilities, and restrict access, use and disclosure of personal information.

Actual or perceived threats associated with epidemics, pandemics or other public health crises, including the COVID-19 Pandemic, have had and could continue to have a material adverse effect on our and our tenants' businesses, financial condition, results of operations, cash flow, liquidity, and ability to access the capital markets and satisfy debt service obligations.

Epidemics, pandemics, or other public health crises, including the COVID-19 Pandemic, that impact economic and market conditions, particularly in the markets where our properties are located, and preventative measures taken to alleviate their impact, may have a material adverse effect on our and our tenants' businesses, financial condition, results of operations, liquidity, and ability to access capital markets and satisfy debt service obligations.

Our retail tenants depend on in-person interactions with their customers to generate unit-level profitability, and an epidemic, pandemic or other public health crisis may decrease customer willingness to frequent, and "shelter-in-place" or "stay-at-home" orders or recommendations may prevent customers from frequenting our tenants' businesses, which may result in their inability to maintain profitability and make timely rental payments to us under their leases. Such restrictions may also affect customer behavior longer term by, among other things, creating a preference for e-commerce, discussed further in our risk factors above.

RISKS RELATED TO OUR LIQUIDITY AND INDEBTEDNESS

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.

Although we have historically used moderate levels of leverage, we have incurred, and expect to continue to incur, indebtedness to support our activities. As of December 31, 2023, our outstanding indebtedness was $1,881.1 million, of which $426.4 million was variable-rate indebtedness.

None of our Declaration of Trust, our Bylaws or any policy statement formally adopted by our Board limits either the total amount of indebtedness or the specified percentage of indebtedness that we may incur. Accordingly, we could become more highly leveraged, resulting in increased debt service requirements and a higher risk of default on our debt obligations. This in turn could adversely affect our financial condition, cash flows and ability to make distributions to our shareholders.

Although approximately 77.3% of our outstanding debt has fixed or effectively fixed interest rates, we also borrow funds at variable interest rates. We are exposed to risks related to a potential rising interest rate environment for our current or any future variable interest rate debt, which could cause our borrowing costs to rise and may limit our ability to refinance debt. Interest expense on our variable-rate debt as of December 31, 2023 would increase by approximately $4.3 million annually for a 100-basis-point increase in interest rates. This exposure would increase if we sought additional variable-rate financing based on pricing and other commercial and financial terms. We enter into interest rate hedging transactions, including interest rate swap and cap agreements, with counterparties, generally, the same lenders who made the loan in question. There can be no guarantee that the future financial condition of these counterparties will enable them to fulfill their obligations under these agreements.

As a result of LIBOR being discontinued, our LIBOR-based borrowings and hedges were converted to the Secured Overnight Financing Rate (“SOFR”). The discontinuation of LIBOR did not affect our ability to borrow or maintain already outstanding borrowings. Higher average interest rates resulted in higher interest expense and payments under our debt agreements.

Our inability to raise capital or to carry out our growth strategy could adversely affect our financial condition, cash flows and results of operations.

Our earnings growth strategy is based on the acquisition and development of additional properties, including acquisitions of core properties through our Operating Partnership and our high return investment programs through our Fund platform. The consummation of any future acquisitions will be subject to satisfactory completion of our extensive valuation analysis and due diligence review and to the negotiation of definitive documentation. We cannot be sure that we will be able to implement our strategy because we may have difficulty finding new properties, obtaining necessary entitlements, negotiating with new or existing tenants or securing acceptable financing.

Acquisitions of additional properties entail the risk that investments will fail to perform in accordance with expectations, including operating and leasing expectations. In the context of our business plan, “development” generally means an expansion or renovation of an existing property. Development is subject to numerous risks, including risks of construction delays, cost overruns or uncontrollable events that may increase project costs, new project commencement risks such as the receipt of zoning, occupancy and other required governmental approvals and permits, and incurring development costs in connection with projects that are not pursued to completion.

Historically, a component of our growth strategy has been through private-equity type investments made through our RCP Venture, which have included investments in operating retailers. The inability of such retailers to operate profitably would have an adverse impact on income realized from these investments. Through our investments in joint ventures, we have also invested in operating businesses that have operational risk in addition to the risks associated with real estate investments, including human capital issues, adequate supply of product and material, and merchandising issues.

Furthermore, if we were unable to obtain sufficient investor capital commitments in order to initiate future Funds, or other sources of strategic capital, our current growth strategy would be adversely impacted. Because the Operating Partnership is the sole general partner or managing member of our Funds and earns promote distributions or fees for asset management, property management, construction, development, leasing, and legal services, such a situation would also adversely impact the amount of or ability to earn such promotes or fees.

Our structured financing portfolio is subject to specific risks relating to the structure and terms of the instruments and the underlying collateral.

We invest in notes receivables and preferred equity investments that are collateralized by the underlying real estate, a direct interest or the borrower’s ownership interest in the entities that own the properties and/or by the borrower’s personal guarantee. The underlying assets are sometimes subordinate in payment and collateral to more senior loans. The ability of a borrower or entity to make payments on these investments may be subject to the senior lender and/or the performance of the underlying real estate. In the event of a default by the borrower or entity on its senior loan, our investment will only be satisfied after the senior loan and we may not be able to recover the full value of the investment. In the event of a bankruptcy of an entity in which we have a preferred equity interest, or in which the borrower has pledged its interest, the assets of the entity may not be sufficient to satisfy our investment.

RISKS RELATED TO LITIGATION, ENVIRONMENTAL MATTERS AND GOVERNMENTAL REGULATION

We are exposed to possible liability relating to environmental matters.

Under various federal, state and local environmental laws, statutes, ordinances, rules, and regulations, as an owner of real property, we may be liable for the costs of removal or remediation of certain hazardous or toxic substances at, on, in or under our property, as well as certain other potential costs relating to hazardous or toxic substances (including government fines and penalties and damages for injuries to persons and adjacent property). These laws may impose liability without regard to whether we knew of, or were responsible for, the presence or disposal of those substances. This liability may be imposed on us in connection with the activities of an operator of, or tenant at, the property. The cost of any required remediation, removal, fines or personal or property damages and our liability therefore could exceed the value of the property and/or our aggregate assets. In addition, the presence of those substances, or the failure to properly dispose of or remove those substances, may adversely affect our ability to sell or rent that property or to borrow using that property as collateral, which, in turn, could reduce our revenues and affect our ability to make distributions.

A property can also be adversely affected either through physical contamination or by virtue of an adverse effect upon value attributable to the migration of hazardous or toxic substances, or other contaminants that have or may have emanated from other properties. Although our tenants are primarily responsible for any environmental damages and claims related to the leased premises, in the event of the bankruptcy or inability of any of our tenants to satisfy any obligations with respect to the property leased to that tenant, we may be required to satisfy such obligations. In addition, we may be held directly liable for any such damages or claims irrespective of the provisions of any lease.

From time to time, in connection with the conduct of our business, and prior to the acquisition of any property from a third party or as required by our financing sources, we authorize the preparation of Phase I environmental reports and, when necessary, Phase II environmental reports, with respect to our properties. Based upon these environmental reports and our ongoing review of our properties, we are currently not aware of any environmental condition with respect to any of our properties that we believe would be reasonably likely to have a material adverse effect on us. There can be no assurance, however, that the environmental reports will reveal all environmental conditions at our properties or that the following will not expose us to material liability in the future:

- The discovery of previously unknown environmental conditions;
- Changes in law;
- Activities of tenants; and
- Activities relating to properties in the vicinity of our properties.

Changes in laws increasing the potential liability for environmental conditions existing on properties or increasing the restrictions on discharges or other conditions may result in significant unanticipated expenditures or may otherwise adversely affect the operations of our tenants, which could adversely affect our financial condition, cash flows and results of operations.

Uninsured losses or a loss in excess of insured limits could adversely affect our financial condition, cash flows and results of operations.

We carry comprehensive general liability, all-risk property, extended coverage, loss of rent insurance, and environmental liability on our properties, with policy specifications and insured limits customarily carried for similar properties. However, with respect to those properties where the leases do not provide for abatement of rent under any circumstances, we maintain a minimum of twelve months loss of rent insurance. In addition, there are certain types of losses, such as losses resulting from wars, terrorism or acts of God that generally are not insured because they are either uninsurable or not economically insurable. Should an uninsured loss or a loss in excess of insured limits occur, we could lose capital invested in a property, as well as the anticipated future revenues from a property, while remaining obligated for any mortgage indebtedness or other financial obligations related to the property. Any loss of these types could adversely affect our financial condition, cash flows and results of operations.

We may from time to time be subject to litigation that could negatively impact our financial condition, cash flows, results of operations and the trading price of our Common Shares.

We may from time to time be a defendant in lawsuits and regulatory proceedings relating to our business. Such litigation and proceedings may result in defense costs, settlements, fines, or judgments against us, some of which may not be covered by insurance. Due to the inherent uncertainties of litigation and regulatory proceedings, we cannot accurately predict the ultimate outcome of any such litigation or proceedings. An unfavorable outcome may result in our having to pay significant fines, judgments, or settlements, which, if uninsured, or if exceeding insurance coverage, could adversely impact our financial condition, cash flows, results of operations and the trading price of our Common Shares. Additionally, certain proceedings or the resolution of certain proceedings may affect the availability or cost of some of our insurance coverage and expose us to increased risks that would be uninsured. See Item 3. Legal Proceedings and the Notes to Consolidated Financial Statements as updated by our subsequent filings with the SEC, for pending litigation, if any.

Compliance with the Americans with Disabilities Act and fire, safety and other regulations may require us to make unplanned expenditures that could adversely affect our financial condition, cash flows and results of operations.

All of our properties are required to comply with the Americans with Disabilities Act, as amended (the "ADA"). The ADA has separate compliance requirements for "public accommodations" and "commercial facilities," but generally requires that buildings be made accessible to people with disabilities. Compliance with the ADA requirements could require removal of access barriers, and non-compliance could result in imposition of fines by the U.S. government or an award of damages to private litigants, or both. While the tenants to whom we lease properties are obligated by law to comply with applicable ADA provisions, and are typically obligated to cover costs of compliance, if required changes involve greater expenditures than anticipated, or if the changes must be made on a more accelerated basis than anticipated, the ability of these tenants to cover costs could be adversely affected. As a result of the foregoing or if a tenant is not obligated to cover the cost of compliance, we could be required to expend funds to comply with the provisions of the ADA, which could adversely affect our financial condition, cash flows and results of operations. In addition, we are required to operate our properties in compliance with fire and safety regulations, building codes and other land use regulations, as they may be adopted by governmental agencies and bodies and become applicable to the properties. We may be required to make substantial capital expenditures to comply with those requirements, and these expenditures could also adversely affect our financial condition, cash flows and results of operations.

RISKS RELATED TO OUR MANAGEMENT AND STRUCTURE

The loss of key management members could have an adverse effect on our business, financial condition, and results of operations.

Our success depends on the contribution of key management members. The loss of the services of Kenneth F. Bernstein, President and Chief Executive Officer, or other key executive-level employees could have a material adverse effect on our business, financial condition, and results of operations. Management continues to strengthen our team and we have CEO succession planning in place, as well as an emergency transition plan, but there can be no assurance that such planning will be capable of implementation or that our efforts will be successful. We have obtained key-man life insurance for Mr. Bernstein. In addition, we have entered into an employment agreement with Mr. Bernstein and into severance agreements with other senior executives; however, Mr. Bernstein and such executives may terminate their employment with us at will.

We have pursued and may in the future continue to pursue extensive growth opportunities, including investing in new markets, which may result in significant demands on our operational, administrative, and financial resources.

We have pursued and may pursue growth opportunities, some of which have been, and in the future may be, in locations in which we have not historically invested. This expansion places significant demands on our operational, administrative, and financial resources. The continued growth of our real estate portfolio can be expected to continue to place a significant strain on our resources. Our future performance will depend in part on our ability to successfully attract and retain qualified management personnel to manage the growth and operations of our business. In addition, the acquired properties may fail to operate at expected levels due to the numerous factors that may affect the value of real estate. There can be no assurance that we will have sufficient resources to identify and manage the newly acquired properties.

Our Board may change our investment policy or objectives without shareholder approval.

Our Board may determine to change our investment and financing policies or objectives, our growth strategy and our debt, capitalization, distribution, acquisition, disposition, and operating policies. Our Board may establish investment criteria or limitations as it deems appropriate, but currently does not limit the number of properties in which we may seek to invest or the concentration of investments in any one geographic region. Although our Board has no present intention to revise or amend our strategies and policies, it may do so at any time without a vote by our shareholders. Accordingly, the results of decisions made by our Board as implemented by management may or may not serve the interests of all of our shareholders and could adversely affect our financial condition, cash flows, results of operations, and ability to satisfy our debt service obligations and to make distributions to our shareholders.

Concentration of ownership by certain investors may allow these investors to exert influence over the business and affairs of our Company.

As of December 31, 2023, four institutional shareholders own 5% or more individually, and 54.7% in the aggregate, of our Common Shares. While this ownership concentration does not jeopardize our qualification as a REIT for U.S. federal income tax purposes (due to certain “look-through provisions” of the Code), a significant concentration of ownership may allow an investor or a group of investors to exert a greater influence over our management and affairs and may have the effect of delaying, deferring, or preventing a change in control of us. Additionally, our Board may, in its sole discretion, waive or modify the 9.8% Common Shares ownership limit in our Declaration of Trust with respect to one or more persons if it is satisfied that ownership in excess of the limit will not jeopardize our qualification as a REIT for U.S. federal income tax purposes. From time to time, we have entered into waivers with certain institutional investors, subject to certain representations from such investors, including that the Common Shares held by the investors will be held in the ordinary course of business and not with the purpose or effect of changing or influencing control of us.

Restrictions on a potential change of control could prevent changes that would be beneficial to our shareholders.

Our Board is authorized by our Declaration of Trust to establish and issue one or more series of preferred shares of beneficial interest without shareholder approval. We have not established any series of preferred shares other than the Series A and Series C Preferred OP Units in the Operating Partnership. However, the establishment and issuance of a class or series of preferred shares could make a change of control of us that could be in the best interests of the shareholders more difficult. In addition, we have entered into an employment agreement with our Chief Executive Officer and severance agreements with certain of our executives, which provide that, upon the occurrence of a change in control of us and either the termination of their employment without “cause” or their resignation for “good reason” (each, as defined in the respective agreement), such executive officers would be entitled to certain termination or severance payments made by us (which may include a lump sum payment equal to defined percentages of annual salary and prior years’ average bonuses, paid in accordance with the terms and conditions of the respective agreement), which could deter a change of control of us that could be in the best interests of our shareholders generally.

Certain provisions of Maryland law may limit the ability of a third party to acquire control of our Company.

Under the provisions of the Maryland General Corporation Law (the “MGCL”) applicable to REITs, certain business combinations, including certain mergers, consolidations, share exchanges and asset transfers and certain issuances and reclassifications of equity securities, between a Maryland REIT and any person who beneficially owns 10% or more of the voting power of the REIT’s outstanding voting shares of beneficial interest or an affiliate or an associate, as defined in the MGCL, of the REIT who, at any time within the two-year period immediately prior to the date in question, was the beneficial owner of 10% or more of the voting power of the then-outstanding shares of beneficial interest of the REIT (an “interested shareholder”) or an affiliate of the interested shareholder, are prohibited for five years after the most recent date on which the interested shareholder becomes an interested shareholder. After that five-year period, any such business combination must be recommended by the board of trustees of the REIT and approved by the affirmative vote of at least (i) 80% of the votes entitled to be cast by holders of outstanding voting shares of beneficial interest of the REIT and (ii) two-thirds of the votes entitled to be cast by holders of voting shares of beneficial interest of the REIT other than shares held by the interested shareholder with whom, or with whose affiliate, the business combination is to be effected or held by an affiliate or associate of the interested shareholder, unless, among other conditions, the REIT’s common shareholders receive a minimum price, as defined in the MGCL, for their shares and the consideration is received in cash or in the same form as previously paid by the interested shareholder for its common shares.

These provisions of the MGCL do not apply, however, to business combinations that are approved or exempted by the board of trustees of the REIT before the interested shareholder becomes an interested shareholder. A person is not an interested shareholder if the board of trustees approved in advance the transaction by which the person otherwise would have become an interested shareholder. In approving a transaction, the board of trustees may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by the board. We have not elected to opt out of the business combination statute.

The MGCL also provides that holders of “control shares” of a Maryland REIT (defined as voting shares that, when aggregated with all other shares owned by the acquirer or in respect of which the acquirer is entitled to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquirer to exercise one of three increasing ranges of voting power in electing trustees) acquired in a “control share acquisition” (defined as the direct or indirect acquisition of ownership or control of “control shares”) have no voting rights except to the extent approved by the affirmative vote of holders of at least two-thirds of all the votes entitled to be cast on the matter, excluding shares owned by the acquirer, by officers or by employees who are also trustees of the REIT. Our Bylaws contain a provision exempting from the control share acquisition statute any and all acquisitions by any person of our shares of beneficial interest. Our Bylaws can be amended by our Board by majority vote or by our shareholders, pursuant to a binding proposal properly submitted for consideration at a meeting of shareholders, by the affirmative vote of a majority of all votes entitled to be cast on the matter, and there can be no assurance that this provision will not be amended or eliminated at any time in the future.

Additionally, Title 3, Subtitle 8 of the MGCL ("Subtitle 8") permits our Board, without shareholder approval and regardless of what is currently provided in our Declaration of Trust or Bylaws, to elect to be subject to certain provisions relating to corporate governance that may have the effect of delaying, deferring or preventing a transaction or a change of control of our Company that might involve a premium to the market price of our Common Shares or otherwise be in the best interests of our shareholders. We are subject to some of these provisions (for example, a two-thirds vote requirement for removing a trustee) by provisions of our Declaration of Trust and Bylaws unrelated to Subtitle 8. However, pursuant to the Articles Supplementary filed with the State Department of Assessments and Taxation of Maryland on November 9, 2017, which are referenced in Part IV Item 15. Exhibits and Financial Statement Schedules hereto, the Board approved a resolution to opt out of Section 3-803 of Subtitle 8 that allows the Board, without shareholder approval, to elect to classify into three classes with staggered three-year terms. The Articles Supplementary prohibit the Company, without the affirmative vote of a majority of the votes cast on the matter by shareholders entitled to vote generally in the election of trustees, from classifying the Board under Subtitle 8.

Becoming subject to, or the potential to become subject to, these provisions of the MGCL could inhibit, delay, or prevent a transaction or a change of control of our Company that might involve a premium price for our shareholders or otherwise be in our or their best interests. In addition, the provisions of our Declaration of Trust on removal of trustees and the provisions of our Bylaws regarding advance notice of shareholder nominations of trustees and other business proposals and restricting shareholder action outside of a shareholders meeting unless such action is taken by unanimous written consent could have a similar effect.

Our rights and shareholders' rights to take action against trustees and officers are limited, which could limit recourse in the event of actions not in the best interests of shareholders.

As permitted by Maryland law, our Declaration of Trust eliminates the liability of our trustees and officers to the Company and its shareholders for money damages, except for liability resulting from:

- actual receipt of an improper benefit or profit in money, property, or services; or
- a final judgment based upon a finding of active and deliberate dishonesty by the trustee or officer that was material to the cause of action adjudicated.

In addition, our Declaration of Trust authorizes, and our Bylaws obligate, us to indemnify each present or former trustee or officer, to the maximum extent permitted by Maryland law, who is made a party to any proceeding because of his or her service to our Company in those or certain other capacities. As part of these indemnification obligations, we may be obligated to fund the defense costs incurred by our trustees and officers.

We operate through a partnership structure, which could have an adverse effect on our ability to manage our assets.

Our primary property-owning vehicle is the Operating Partnership, of which we are the general partner. Our acquisition of properties through the Operating Partnership in exchange for interests in the Operating Partnership may permit certain tax deferral advantages to limited partners who contribute properties to the Operating Partnership. Since properties contributed to the Operating Partnership may have unrealized gains attributable to the differences between the fair market value and adjusted tax basis in such properties prior to contribution, the sale of such properties could cause adverse tax consequences to the limited partners who contributed such properties. Although we, as the general partner of the Operating Partnership, generally have no obligation to consider the tax consequences of our actions to any limited partner, we own several properties subject to material contractual restrictions for varying periods of time designed to minimize the adverse tax consequences to the limited partners who contributed such properties. Such restrictions may result in significantly reduced flexibility to manage some of our assets.

Our joint venture investments carry additional risks not present in our direct investments.

Partnership or joint venture investments (that may include, among others, tenancy-in common and other similar investments) may involve risks not otherwise present for investments made solely by us, including the possibility that our partner or co-venturer might become bankrupt, and that our partner or co-venturer may take action contrary to our instructions, requests, policies, or objectives, including with respect to maintaining our qualification as a REIT. Actions by, or disputes with, joint venture partners might result in subjecting properties owned by the joint venture to additional risks. Other risks of joint venture investments include impasses on decisions, such as a sale, because neither we nor a joint venture partner may have full control over the joint venture. Also, there is no limitation under our organizational documents as to the amount of our funds that may be invested in joint ventures.

Additionally, our partners or co-venturers may engage in malfeasance in spite of our efforts to perform a high level of due diligence on them, which may jeopardize an investment and/or subject us to reputational risk. Such acts may or may not be covered by insurance.

Any disputes that may arise between joint venture partners and us may result in potentially costly litigation or arbitration that would prevent our officers and/or trustees from focusing their time and effort on our business. In addition, we may, in certain circumstances, be liable for the actions of our third-party joint venture partners.

RISKS RELATED TO OUR REIT STATUS

There can be no assurance we have qualified or will remain qualified as a REIT for federal income tax purposes.

We believe that we have consistently met the requirements for qualification as a REIT for federal income tax purposes beginning with our taxable year ended December 31, 1993, and we intend to continue to meet these requirements in the future. However, qualification as a REIT involves the application of highly technical and complex provisions of the Code, for which there may be only limited judicial or administrative interpretations. No assurance can be given that we have qualified or will remain qualified as a REIT. The Code provisions and income tax regulations applicable to REITs differ significantly from those applicable to other entities. The determination of various factual matters and circumstances not entirely within our control can potentially affect our ability to continue to qualify as a REIT. In addition, no assurance can be given that future legislation, regulations, administrative interpretations, or court decisions will not significantly change the requirements for qualification as a REIT or adversely affect the Federal income tax consequences of such qualification. Under current law, if we fail to qualify as a REIT, we would not be allowed a deduction for dividends paid to shareholders in computing our net taxable income. In addition, our income would be subject to U.S. federal income tax, including any applicable alternative minimum tax, on our taxable income at the regular corporate rates and we could be subject to the one-percent excise tax on share repurchases imposed by the 2022 Inflation Reduction Act. Also, we could be disqualified from treatment as a REIT for the four taxable years following the year during which qualification was lost. Cash available for distribution to our shareholders would be significantly reduced for each year in which we do not qualify as a REIT. In that event, we would not be required to continue to make distributions. Although we currently intend to continue to qualify as a REIT, it is possible that future economic, market, legal, tax or other considerations may cause us, without the consent of our shareholders, to revoke the REIT election or to otherwise take action that would result in disqualification.

Legislative or regulatory tax changes could have an adverse effect on our status as a REIT for Federal income tax purposes.

There are a number of issues associated with an investment in a REIT that are related to the Federal income tax laws, including, but not limited to, the consequences of our failing to continue to qualify as a REIT. At any time, the Federal income tax laws governing REITs, or the administrative interpretations of those laws may be amended or modified. Any new laws or interpretations may take effect retroactively and could adversely affect us or our shareholders.

We may be required to borrow funds or sell assets to satisfy the REIT distribution requirements.

Our cash flows may be insufficient to fund distributions required to maintain our qualification as a REIT as a result of differences in timing between the actual receipt of income and the recognition of income for U.S. Federal income tax purposes, or as a result of our inability to currently deduct certain expenditures that we must currently pay, such as capital expenditures, payments of compensation for which Section 162(m) of the Code denies a deduction, any business interest expense that is disallowed under Section 163 (j) of the Code (unless we elect to be an "electing real property trade or business"), and the creation of reserves or required amortization payments. We have historically satisfied these distribution requirements by making cash distributions to our shareholders, a REIT is permitted to satisfy these requirements by making distributions of cash or other property, including, in limited circumstances, its own stock. Assuming we continue to satisfy these distribution requirements with cash, we may need to borrow funds on a short term basis or sell assets, to meet the REIT distribution requirements and avoid the payment of income and excise taxes even if the then prevailing market conditions are not favorable for these borrowings or sales. These cash needs could result from differences in timing between the actual receipt of cash and inclusion of income for U.S. federal income tax purposes, or the effect of non-deductible capital expenditures, the creation of cash reserves or required debt or amortization payments. These sources, however, may not be available on favorable terms or at all. Our access to third-party sources of capital depends on a number of factors, including the market's perception of our growth potential, our current debt levels, the market price of our common stock, and our current and potential future earnings. Such actions could adversely affect our cash flow and results of operations.

Dividends payable by REITs generally do not qualify for reduced tax rates.

Certain qualified dividends paid by corporations to individuals, trusts and estates that are U.S. shareholders are taxed at capital gain rates, which are lower than ordinary income rates. Dividends of current and accumulated earnings and profits payable by REITs, however, are taxed at ordinary income rates as opposed to the capital gain rates. Pursuant to section 199A of the Code, from 2018 through 2025, certain REIT shareholders will be permitted to deduct 20% of ordinary REIT dividends received. Dividends payable by REITs in excess of these earnings and profits generally are treated as a non-taxable reduction of the shareholders' basis in the shares to the extent thereof and thereafter as taxable gain. The more favorable rates applicable to regular corporate dividends could cause investors who are individuals, trusts, and estates to perceive investments in REITs, including us, to be relatively less attractive than investments in the stock of non-REIT corporations that pay dividends, which may negatively impact the trading prices of our securities.

Complying with REIT requirements may cause us to forego otherwise attractive opportunities or liquidate otherwise attractive investments.

To qualify to be taxed as a REIT for U.S. federal income tax purposes, we must continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts we distribute to our shareholders and the ownership of our Common Shares. In order to meet these tests, we may be required to forego investments we might otherwise make and refrain from engaging in certain activities. Thus, compliance with the REIT requirements may hinder our performance.

In addition, if we fail to comply with certain asset ownership tests at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification. As a result, we may be required to liquidate otherwise attractive investments.

We have limits on ownership of our shares of beneficial interest.

For us to qualify as a REIT for federal income tax purposes, among other requirements, not more than 50% of the value of our shares of beneficial interest may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) at any time during the last half of each taxable year, and such shares of beneficial interest must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter taxable year (in each case, other than the first such year). Our Declaration of Trust includes certain restrictions regarding transfers of our shares of beneficial interest and ownership limits that are intended to assist us in satisfying these limitations, among other purposes. These restrictions and limits may not be adequate in all cases, however, to prevent the transfer of our shares of beneficial interest in violation of the ownership limitations. The ownership limits contained in our Declaration of Trust may have the effect of delaying, deferring, or preventing a change of control of us.

Actual or constructive ownership of our shares of beneficial interest in excess of the share ownership limits contained in our Declaration of Trust would cause the violative transfer or ownership to be null and void from the beginning and subject to purchase by us at a price equal to the fair market value of such shares (determined in accordance with the rules set forth in our Declaration of Trust). As a result, if a violative transfer were made, the recipient of the shares would not acquire any economic or voting rights attributable to the transferred shares. Additionally, the constructive ownership rules for these limits are complex and groups of related individuals or entities may be deemed a single owner and consequently in violation of the share ownership limits.

Distribution requirements imposed by law limit our operating flexibility.

To maintain our status as a REIT for Federal income tax purposes, we are generally required to distribute to our shareholders at least 90% of our taxable income for each calendar year. Our taxable income is determined without regard to any deduction for dividends paid and by excluding net capital gains. To the extent that we satisfy the distribution requirement, but distribute less than 100% of our taxable income, we will be subject to Federal corporate income tax on our undistributed net taxable income. In addition, we will incur a 4% nondeductible excise tax on the amount, if any, by which our distributions in any year are less than the sum of (i) 85% of our ordinary income for that year; (ii) 95% of our capital gain net income for that year; and (iii) 100% of our undistributed taxable income from prior years. We intend to continue to make distributions to our shareholders to comply with the distribution requirements of the Code and to minimize exposure to Federal income and excise taxes. Differences in timing between the receipt of income and the payment of expenses in determining our income as well as required debt amortization payments and the capitalization of certain expenses could require us to borrow funds on a short-term basis to meet the distribution requirements that are necessary to achieve the tax benefits associated with qualifying as a REIT. The distribution requirements also severely limit our ability to retain earnings to acquire and improve properties or retire outstanding debt.

GENERAL RISK FACTORS

The economic environment may cause us to lose tenants and may impair our ability to borrow money to purchase properties, refinance existing debt or finance our current development projects.

Our operations and performance depend on general economic conditions, including consumer health. The U.S. economy has historically experienced financial downturns from time to time, including a decline in consumer spending, credit tightening and high unemployment.

Certain sectors of the U. S. economy have experienced weakness over the past several years. General economic factors that are beyond our control, including, but not limited to, economic recessions, decreases in consumer confidence, reductions in consumer credit availability, increasing consumer debt levels, rising energy costs, higher tax rates, continued business layoffs, downsizing and industry slowdowns, and/or rising inflation, could have a negative impact on the business of our retail tenants. In turn, this could have a material adverse effect on our business because current or prospective tenants may, among other things, (i) have difficulty paying their rent obligations as they struggle to sell goods and services to consumers, (ii) be unwilling to enter into or renew leases with us on favorable terms or at all, (iii) seek to terminate their existing leases with us or request rental concessions on such leases, or (iv) be forced to curtail operations or declare bankruptcy. There can be no assurance that an economic recovery will occur or continue.

While we currently believe we have adequate sources of liquidity, there can be no assurance that, in the event of a financial downturn, we will be able to obtain secured or unsecured loan facilities to meet our needs, including to purchase additional properties, to complete current development projects, or to successfully refinance our properties as loans become due. To the extent that the availability of credit is limited, it would also adversely impact our notes receivable, as counterparties may not be able to obtain the financing required to repay the loans upon maturity.

Political and economic uncertainty could have an adverse effect on our business.

The year ended December 31, 2023 was impacted by significant volatility in global markets, largely driven by rising inflation and interest rates, slowing economic growth (including continued fallout from the COVID-19 Pandemic), geopolitical uncertainty (including as a result of the armed conflict between Russia and Ukraine, and recent escalation in the conflict between the State of Israel and Hamas, and potentially other countries in the Middle East and North Africa), supply-chain disruptions and instability in the banking sector following multiple bank failures. We cannot predict how current political and economic uncertainty will affect our critical tenants, joint venture partners, lenders, financial institutions, and general economic conditions, including the health and confidence of the consumer and the volatility of the stock market.

Political and economic uncertainty poses a risk to us in that it may cause consumers to postpone discretionary spending in response to tighter credit, reduced consumer confidence and other macroeconomic factors affecting consumer spending behavior, resulting in a downturn in the business of our tenants. In the event current political and economic uncertainty results in further financial turmoil affecting the banking system and financial markets generally or significant financial service institution failures, there could be new or incremental tightening in the credit markets, low liquidity, and extreme volatility in fixed income, credit, currency, and equity markets. Each of these factors could adversely affect our financial condition, cash flows and results of operations.

Inflation may adversely affect our financial condition, cash flows and results of operations.

Rising inflation could have a pronounced negative impact on our mortgage and debt interest, development and redevelopment costs, and general and administrative expenses, as such costs and expenses could increase at a rate higher than our rents.

In recent periods, central banks have responded to rapidly rising inflation by tightening monetary policies, which could create headwinds to economic growth. The rate hikes enacted by the Federal Reserve have had a significant impact on interest rate indexes, such as SOFR and the Prime Rate. See "Risks Related to Our Liquidity and Indebtedness". 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. While these provisions are designed to partially mitigate the impact of inflation, current inflation levels are greater than the contractual rent increases we are able obtain from our tenant base. Increased inflation could also have an adverse effect on consumer spending, which could impact our tenants' sales and, in turn, our average rents, and in some cases, our percentage rents, where applicable. In addition, renewals of leases or future leases may not be negotiated on current terms, in which event we may recover a smaller percentage of our operating expenses.

Competition may adversely affect our ability to purchase properties and to attract and retain tenants.

There are numerous commercial developers, real estate companies, financial institutions, and other investors with greater financial resources than we have that compete with us in seeking properties for acquisition and tenants who will lease space in our properties. Our competitors include other REITs, financial institutions, private funds, insurance companies, pension funds, private companies, family offices, sovereign wealth funds and individuals. This competition may result in a higher cost for properties than we wish to pay. In addition, retailers at our properties (both in our Core Portfolio and in the portfolios of the Funds) face increasing competition from outlet malls, discount shopping clubs, e-commerce, direct mail, and telemarketing, which could (i) reduce rents payable to us and (ii) reduce our ability to attract and retain tenants at our properties leading to increased vacancy rates at our properties.

Changes in market conditions could have an adverse effect on our share price and our ability to access the public equity markets.

The market price of our Common Shares may fluctuate significantly in response to many factors, including:

- actual or anticipated variations in our operating results, funds from operations, cash flows or liquidity;
- changes in our earnings estimates or those of analysts;
- changes in our dividend policy;
- impairment charges affecting the carrying value of one or more of our properties or other assets;
- publication of research reports about us, the retail industry, or the real estate industry generally;
- increases in market interest rates that lead purchasers of our securities to seek higher dividend or interest rate yields;
- changes in market valuations of similar companies;
- adverse market reaction to the amount of our outstanding debt at any time, the amount of our maturing debt in the near and medium term and our ability to refinance such debt and the terms thereof or our plans to incur additional debt in the future;
- additions or departures of key management personnel;
- actions by institutional security holders;
- proposed or adopted regulatory or legislative changes or developments;
- speculation in the press or investment community;
- the occurrence of any of the other risk factors included in, or incorporated by reference in, this Report; and
- general market and economic conditions.

Many of the factors listed above are beyond our control. Those factors may cause the market price of our Common Shares to decline significantly, regardless of our financial performance, condition, and prospects. We cannot provide any assurance that the market price of our Common Shares will not fall in the future, and it may be difficult for holders to sell such securities at prices they find attractive, or at all. A decline in our share price, as a result of this or other market factors, could unfavorably impact our ability to raise additional equity in the public markets.

Outages, computer viruses and similar events could disrupt our operations.

We rely on information technology networks and systems, some of which are owned and operated by third parties, to process, transmit and store electronic information. Any of these systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, terrorist or cyber-attacks and similar events. Despite the implementation of network security measures, our systems and those of third parties on which we rely may also be vulnerable to computer viruses and similar disruptions. If we or the third parties on whom we rely are unable to prevent such outages and breaches, our operations could be disrupted.

Increased Information Technology ("IT") security threats and more sophisticated computer crime could pose a risk to our systems, networks, and services.

Cyber incidents can result from deliberate attacks or unintentional events. There have been an increased number of significant cyber-attacks targeted at the retail, insurance, financial and banking industries that include, but are not limited to, gaining unauthorized access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as by causing denial-of-service attacks on websites. Cyber-attacks by third parties or insiders utilize techniques that range from highly sophisticated efforts to electronically circumvent network security or overwhelm a website to more traditional intelligence gathering, and social engineering aimed at obtaining information necessary to gain access.

Increased global IT security threats are more sophisticated and targeted computer crimes pose a risk to the security of our systems and networks and the confidentiality, availability and integrity of our data. The open nature of interconnected technologies may allow for a network or Web outage or a privacy breach that reveals sensitive data or transmission of harmful/malicious code to business partners and clients. Because the techniques used to obtain unauthorized access, disable, or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time, we may be unable to anticipate these techniques or implement adequate preventive measures.

Cyber-attacks may result in substantial financial and reputational cost, including but are not limited to:

- Compromising of confidential information;
- Manipulation and destruction of data;
- Loss of trade secrets;
- System downtimes and operational disruptions;
- Remediation costs that may include liability for stolen assets or information and repairing system damage, as well as incentives offered to customers, tenants, or other business partners in an effort to maintain business relationships;
- Loss of revenues resulting from unauthorized use of proprietary information;
- Cost to deploy additional protection strategies, training employees and engaging third party experts and consultants;
- Reputational damage adversely affecting investor and tenant confidence; and
- Costly litigation.

The control environment for cybersecurity is an ever-changing risk landscape across the entire attack surface which includes risks from on-premises, cloud infrastructure, software as a service and mobile applications. While we attempt to mitigate these risks by employing a number of cybersecurity measures, along with purchasing cybersecurity insurance coverage, our insurance coverage may be insufficient in the event of an incident and our systems, networks, and services remain potentially vulnerable to advanced threats.

Use of social media may adversely impact our reputation and business.

There has been a significant increase in the use of social media platforms, including weblogs, social media websites and other forms of Internet-based communications, which allow individuals access to a broad audience, including our significant business constituents. The availability of information through these platforms is virtually immediate as is its impact and may be posted at any time without affording us an opportunity to redress or correct it timely. This information may be adverse to our interests, may be inaccurate and may harm our reputation, brand image, goodwill, performance, prospects, or business. Furthermore, these platforms increase the risk of unauthorized disclosure of material non-public Company information.

Climate change and natural disasters could adversely affect our properties and business.

Some of our current or future properties could be subject to natural disasters and may be impacted by climate change. To the extent climate change causes adverse changes in weather patterns, rising sea levels or extreme temperatures, our properties in certain markets may be adversely affected. Specifically, properties located in coastal regions, including Florida, Virginia, Georgia, New York, and Massachusetts could be affected by any future increases in sea levels or in the frequency or severity of hurricanes and storms, whether caused by climate change or other factors. Additionally, we own properties in California, which in recent years has experienced intense drought and wildfires and has had earthquake activity.

Climate change could have a variety of direct or indirect adverse effects on our properties and business, including:

- Property damage to our retail properties;
- Indirect financial and operational impacts from disruptions to the operations of major tenants located in our retail properties from severe weather, such as hurricanes, floods, wildfires or other natural disasters;
- Increased insurance premiums and deductibles, or a decrease in or unavailability of coverage, for properties in areas subject to severe weather, such as hurricanes, floods, wildfires or other natural disasters;
- Increased insurance claims and liabilities;
- Increases in energy costs impacting operational returns;
- Changes in the availability or quality of water or other natural resources on which the tenant’s business depends;
- Decreased consumer demand for products or services resulting from physical changes associated with climate change (e.g., warmer temperatures or decreasing shoreline could reduce demand for residential and commercial properties previously viewed as desirable);
- Incorrect long-term valuation of an equity investment due to changing conditions not previously anticipated at the time of the investment; and

•Economic disruptions arising from the above.

Moreover, compliance with new laws or regulations related to climate change, including compliance with “green” building codes, may require us to make improvements to our existing properties or pay additional taxes and fees assessed on us or our properties. Although we strive to identify, analyze, and respond to the risk and opportunities that climate change presents, at this time there can be no assurance that climate change will not have an adverse effect on us.

Future terrorist attacks or civil unrest could harm the demand for, and the value of, our properties.

Over the past several years, a number of highly publicized terrorist acts and shootings have occurred at domestic and international retail properties. Future terrorist attacks, civil unrest and other acts of terrorism or war could harm the demand for, and the value of, our properties. Terrorist attacks could directly impact the value of our properties through damage, destruction, loss or increased security costs, and the availability of insurance for such acts may be limited or may be subject to substantial cost increases. To the extent that our tenants are impacted by future attacks, their ability to continue to honor obligations under their existing leases could be adversely affected. A decrease in retail demand could make it difficult for us to renew or re-lease our properties at lease rates equal to or above historical rates. These acts might erode business and consumer confidence and spending and might result in increased volatility in national and international financial markets and economies. Any one of these events might decrease demand for real estate, decrease or delay the occupancy of our properties, and limit our access to capital or increase our cost of raising capital.

Increased scrutiny by and changing expectations from investors, tenants, employees, and other stakeholders regarding our ESG practices and reporting could cause us to incur additional costs and adversely impact our reputation, tenant and employee acquisition and retention, and access to capital.

Companies across all industries are facing increasing scrutiny related to their ESG practices and disclosure. Investors, tenants, employees, and other stakeholders have begun to focus increasingly on ESG practices and to place heightened importance on the environmental and social cost of their investments, business decisions and consumer choices. For example, an increasing number of investment funds focus on positive ESG practices and sustainability scores when making an investment decision. Additionally, certain institutional investors have demonstrated increased activism with respect to their existing investments, including by urging companies to take certain actions in areas of perceived ESG significance.

Investors, particularly institutional investors, use or may use third-party benchmarks and scores to assess our ESG practices against our peers and if we are perceived as lagging, such investors may decide to not invest in our Common Shares or to divest from their current investment, and we may face reputational challenges. Alternatively, such investors may decide to actively engage with us to improve ESG disclosure or performance, and may also make voting decisions on this basis. Given increased investor focus and demand, public disclosure regarding ESG practices is becoming more broadly expected. Any disclosure we make may include our policies and practices on a variety of ESG matters, including corporate governance, environmental compliance, human capital management, and workforce inclusion and diversity. It is possible that stakeholders may not be satisfied with our ESG practices, reporting and goals, or with our speed of adoption. If our ESG practices and disclosures do not meet investor, tenant, employee or other stakeholder expectations, which continue to evolve, our reputation and tenant and employee retention, and access to capital may be negatively impacted.

In 2022, the SEC proposed extensive rules aimed at enhancing and standardizing climate-related disclosures in an effort to foster greater consistency, comparability and reliability of climate-related information among public issuers. The proposal, if adopted, would require public issuers to include prescribed climate-related information in their registration statements and annual reports, including information regarding greenhouse gas emissions and climate-related risks and opportunities and related financial impacts, governance and strategy. Additionally, we may become subject to new compliance requirements and/or new costs or taxes associated with natural resource or energy usage and related emissions (such as a “carbon tax”), which could increase our operating costs.

We could incur additional costs relating to implementing, monitoring and reporting various ESG practices and initiatives, as well as complying with applicable law, which could place a strain on our personnel, systems and resources. Our failure, or perceived failure, to meet the goals and objectives we set in any ESG disclosure within the timelines announced or at all, or the expectations of our various stakeholders could negatively impact our reputation, tenant and employee retention, and access to capital.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 1C. CYBERSECURITY.

Governance

Cybersecurity is an integral part of the Board's risk analysis and discussions with management. At least annually, the full Board is updated on the Company's cybersecurity risks and risk mitigation strategy by our Vice President of Information Technology, who is responsible for management of our Information Technology program. The Board also receives ad hoc updates, as needed, about material changes to the Company's cybersecurity program and/or the cybersecurity landscape, including briefings on major legislative and regulatory developments, from our Vice President of Information Technology and representatives from Legal and/or Risk Management, as applicable.

Our Vice President of Information Technology and Director of Risk Management regularly evaluate the Company's cybersecurity risk profile and lead the development of strategies to mitigate risks and address cybersecurity issues that may arise, in consultation with members of our senior management team. Our Vice President of Information Technology and Director of Risk Management each have approximately 25 years of experience in their respective fields, and our Vice President of Information Technology holds certifications in cybersecurity from accredited information technology certification providers.

We have formal policies and procedures that address cybersecurity incident response and disaster recovery from interference with our critical applications. Our Cybersecurity Incident Response Plan provides a documented framework for responding to cybersecurity incidents in coordination across multiple departments. In the event of such an incident, our Cybersecurity Incident Response Team ("CIRT"), which is comprised of our Vice President of Information Technology, Director of Risk Management and representatives from Risk Management, Legal and Financial Reporting, would respond to such incident in accordance with our Cybersecurity Incident Response Plan. Any cybersecurity incident that meets certain criteria will be communicated by the CIRT to senior management and the Board in a timely manner, and will be evaluated by our Executive Management Team, comprised of certain executives, to assess the impact of the incident on the Company, considering qualitative and quantitative factors. In conducting this assessment and responding to an incident, the CIRT and Executive Management Team may utilize the services of third-party consultants.

Cybersecurity user awareness training is mandatory for all new hires and for existing employees on an annual basis to help protect our employees and the Company against cybersecurity threats. This annual training is customized to address specific cybersecurity challenges and scenarios that we may face within the real estate investment industry. Novel cybersecurity threats to the Company that are identified by our Information Technology team are communicated to all employees by email, as needed, in an effort to promote awareness and protect the Company from cyber attacks.

Risk Management and Strategy

We maintain an Enterprise Risk Management ("ERM") program to identify and respond to the most critical risks to our business, including cybersecurity risks. Risks and vulnerabilities from our increased reliance on information technology systems are assessed at least annually as part of our ERM program. In response to such assessments, controls are embedded into our processes and technology by our Vice President of Information Technology and Director of Risk Management to seek to mitigate risks to our systems and processes from cybersecurity incidents. We continuously evaluate if we have adequate controls in place utilizing a risk-based approach that aligns with the National Institute of Standards and Technology Cybersecurity Framework.

Our daily operations are monitored by a dedicated information technology team. We conduct monitoring of our computer networks, and have implemented systems and processes intended to secure our information technology systems and prevent unauthorized access to or loss of sensitive data, including through the use of encryption and authentication technologies. We assess the adequacy of our cybersecurity measures through annual penetration testing of our computer networks by external consultants, and we have performed tabletop simulations and drills at both a technical and management level around scenarios involving the loss of critical information and technology systems.

We maintain a risk-based approach to evaluating and overseeing cybersecurity risks presented by our third-party vendors. Third-party vendors that meet certain criteria, such as owning and operating any information technology networks and systems on which the Company relies, are evaluated to assess their performance across several domains, including data security and operations management. We seek to maintain effective communication with our third-party vendors to facilitate timely notification of cybersecurity incidents that might impact the Company.

Although risks from cybersecurity threats have to date not materially affected, and we do not believe they are reasonably likely to materially affect, us, our business strategy, results of operations or financial condition, like other companies in our industry, we could, from time to time, experience threats and security incidents related to our and our third-party vendors' information systems. For more information, please see Item 1A. Risk Factors - Increased Information Technology ("IT") security threats and more sophisticated computer crime could pose a risk to our systems, networks, and services.

ITEM 2. PROPERTIES.

Retail Properties

The discussion and tables in this Item 2. include wholly-owned and partially-owned properties held through our Core Portfolio and our Funds. We define our Core Portfolio as those properties either 100% owned by, or partially owned through joint venture interests by the Operating Partnership or subsidiaries thereof, not including those properties owned through our Funds.

As of December 31, 2023, our Core Portfolio consisted of 139 operating properties totaling approximately 5.4 million square feet (or 5.0 million at our pro-rata share) of gross leasable area (“GLA”) excluding two properties in development and eight properties under redevelopment. The Core Portfolio properties are located in 12 states and the District of Columbia and primarily consist of street retail and dense suburban shopping centers. These properties are diverse in size, ranging from approximately 1,000 to 800,000 square feet and as of December 31, 2023, were 92.8% occupied and 94.8% leased (or 93.0% occupied and 95.0% leased at our pro-rata share), excluding properties under development or redevelopment.

As of December 31, 2023, we owned and operated 50 properties totaling approximately 9.0 million square feet in total (or 2.0 million square feet at our pro-rata share) of GLA in our Funds, excluding one property under development and one property under redevelopment. In addition to shopping centers, the Funds have invested in mixed-use properties, which generally include retail activities. The Fund properties are located in 19 states and the District of Columbia and, as of December 31, 2023, were 91.4% occupied and 93.3% leased (or 89.6% occupied and 92.4% leased at our pro-rata share), excluding the properties under development.

Within our Core Portfolio and Funds, we had more than 1,200 retail leases as of December 31, 2023. A significant portion of our rental revenues are from national retailers and consist of rents received under long-term leases. These leases generally provide for the monthly payment of fixed minimum rent and the tenants' pro-rata share of the real estate taxes, insurance, utilities, and common area maintenance of the shopping centers. An insignificant portion of our leases also provide for the payment of rent based on a percentage of a tenant's gross sales in excess of a stipulated annual amount, either in addition to, or in place of, minimum rents, which we refer to as percentage rents. Minimum rents and expense reimbursements accounted for substantially all of our total revenues for the year ended December 31, 2023.

Five of our Core Portfolio properties and four of our Fund properties are subject to long-term ground leases in which a third party owns and has leased the underlying land to us. We pay rent for the use of the land and are responsible for all costs and expenses associated with the building and improvements at all of these locations.

No individual property or tenant contributed in excess of 10% of our total revenues for the years ended December 31, 2023, 2022 or 2021. See Note 7 for information on the mortgage debt pertaining to our properties.

The following table sets forth more specific information with respect to each of our Core operating properties at December 31, 2023:

Property [(a)]	Key Tenants	Year Acquired	Acadia's Interest	Gross Leasable Area (GLA)	In Place Occupancy	Leased Occupancy	Annualized Base Rent (ABR)	ABR/ Per Square Foot
STREET AND URBAN RETAIL								
Chicago Metro								
Rush and Walton Streets Collection (6 properties)	Lululemon, Reformation, Sprinkle, St. Laurent	2011 2012	100.0 %	40,384	78.3 %	78.3 %	$ 6,608,610	$ 208.90
Clark Street and W. Diversey Collection (4 properties)	Starbucks, TJ Maxx, J Crew Factory, Trader Joe's	2011 2012	100.0 %	53,099	78.2 %	79.9 %	1,798,496	43.29
Halsted and Armitage Collection (13 properties)	Serena and Lily, Bonobos, Allbirds, Warby Parker, Marine Layer, Kiehl's	2011 2012 2019 2020	100.0 %	53,220	100.0 %	100.0 %	2,766,615	51.98
North Lincoln Park Chicago Collection (6 properties)	Champion, Carhartt	2011 2014	100.0 %	49,921	67.9 %	67.9 %	1,132,561	33.39
State and Washington	Nordstrom Rack, Uniqlo	2016	100.0 %	65,401	100.0 %	100.0 %	2,749,189	42.04
151 N. State Street	Walgreens	2016	100.0 %	27,385	100.0 %	100.0 %	1,573,000	57.44
North and Kingsbury	Old Navy, Backcountry	2016	100.0 %	41,791	100.0 %	100.0 %	1,931,746	46.22
Concord and Milwaukee	—	2016	100.0 %	13,147	100.0 %	100.0 %	469,100	35.68
California and Armitage	—	2016	100.0 %	18,275	70.5 %	70.5 %	696,715	54.04
Roosevelt Galleria	Petco, Vitamin Shoppe, Dollar Tree	2015	100.0 %	37,995	89.7 %	89.7 %	880,649	25.84
Sullivan Center	Target	2016	100.0 %	176,181	78.9 %	82.2 %	5,251,599	37.79
				576,799	85.6 %	86.8 %	25,858,278	52.35
New York Metro								
Soho Collection (12 properties) [(b)]	Zimmermann, Faherty, Watches of Switzerland, ALC, Stone Island, Frame, Theory, Bang & Olufsen	2011 2014 2019 2020 2022	100.0 %	36,094	74.4 %	100.0 %	9,974,725	371.55
5-7 East 17th Street	—	2008	100.0 %	8,658	0.0 %	100.0 %	—	—
200 West 54th Street	—	2007	100.0 %	5,862	100.0 %	100.0 %	1,603,613	273.56
61 Main Street	Splendid	2014	100.0 %	3,470	100.0 %	100.0 %	322,294	92.88
181 Main Street	TD Bank	2012	100.0 %	11,514	100.0 %	100.0 %	1,085,445	94.27
4401 White Plains Road	Walgreens	2011	100.0 %	12,964	100.0 %	100.0 %	625,000	48.21
Bartow Avenue	—	2005	100.0 %	14,824	100.0 %	100.0 %	481,687	32.49
239 Greenwich Avenue	Watches of Switzerland	1998	75.0 %	16,621	100.0 %	100.0 %	1,847,097	111.13
252-256 Greenwich Avenue	Veronica Beard, The RealReal, Blue Mercury	2014	100.0 %	7,986	100.0 %	100.0 %	1,037,059	129.86
2914 Third Avenue	Planet Fitness	2006	100.0 %	40,603	100.0 %	100.0 %	1,107,063	27.27
868 Broadway	Dr. Martens	2013	100.0 %	2,031	100.0 %	100.0 %	859,826	423.35
313-315 Bowery [(c)]	John Varvatos	2013	100.0 %	6,600	100.0 %	100.0 %	527,076	79.86
120 West Broadway	Citizens Bank, Citi Bank	2013	100.0 %	13,838	100.0 %	100.0 %	2,438,595	176.22
2520 Flatbush Avenue	Bob's Disc. Furniture, Capital One	2014	100.0 %	29,114	100.0 %	100.0 %	1,285,105	44.14
Williamsburg Collection [(d)]	Sephora, SweetGreen, Levain Bakery	2022	100.0 %	50,842	95.3 %	95.3 %	5,264,882	108.70
991 Madison Avenue [(c)]	Vera Wang, Gabriela Hearst	2016	100.0 %	7,512	100.0 %	100.0 %	3,572,528	475.58
Shops at Grand	Stop & Shop (Ahold), Starbucks	2014	100.0 %	99,837	100.0 %	100.0 %	3,553,548	35.59

Property [a]	Key Tenants	Year Acquired	Acadia's Interest	Gross Leasable Area (GLA)	In Place Occupancy	Leased Occupancy	Annualized Base Rent (ABR)	ABR/ Per Square Foot
Gotham Plaza [f]	Bank of America, Footlocker, Apple Bank	2016	49.0 %	25,922	91.6 %	91.6 %	2,016,748	84.98
				394,292	94.3 %	98.8 %	37,602,290	101.14
Los Angeles Metro								
8833 Beverly Blvd	Luxury Living	2022	97.0 %	9,757	100.0 %	100.0 %	1,311,046	134.37
Melrose Place Collection	The Row, Chloe, Oscar de la Renta	2019	100.0 %	14,000	100.0 %	100.0 %	3,083,482	220.25
				23,757	100.0 %	100.0 %	4,394,528	184.98
District of Columbia Metro								
1739-53 & 1801-03 Connecticut Avenue	TD Bank	2012	100.0 %	20,669	60.9 %	60.9 %	780,099	61.95
14th Street Collection (3 properties)	Verizon	2021	100.0 %	19,461	62.3 %	62.3 %	1,037,040	85.54
Rhode Island Place Shopping Center	Ross Dress for Less	2012	100.0 %	57,667	93.5 %	93.5 %	1,883,023	34.92
M Street and Wisconsin Corridor (27 Properties) [f][g]	Lululemon, Duxiana, Rag and Bone, Reformation, Glossier, Showfields, Alo Yoga	2011 2016 2019	24.4 %	254,942	91.3 %	94.1 %	16,719,810	71.83
				352,739	88.3 %	90.3 %	20,419,972	65.58
Boston Metro								
165 Newbury Street	Starbucks	2016	100.0 %	1,050	100.0 %	100.0 %	312,576	297.69
				1,050	100.0 %	100.0 %	312,576	297.69
Dallas Metro								
Henderson Avenue Portfolio (14 properties)	Sprouts Market, Warby Parker, Tecovas	2022	100.0 %	121,386	89.2 %	94.4 %	4,444,837	41.07
Total Street and Urban Retail				**1,470,023**	**89.1 %**	**91.7 %**	**$ 93,032,480**	**$ 71.01**
Acadia Share Total Street and Urban Retail				**1,266,059**	**88.9 %**	**91.4 %**	**$ 80,170,479**	**$ 71.26**
SUBURBAN PROPERTIES								
New Jersey								
Elmwood Park Shopping Center	Walgreens, Lidl, Chase Bank, City MD	1998	100.0 %	143,969	96.9 %	96.9 %	$ 3,670,835	$ 26.32
Marketplace of Absecon	Walgreens, Dollar Tree	1998	100.0 %	104,556	89.1 %	89.1 %	1,573,106	16.88
New York								
Village Commons Shopping Center	Citibank, Ace Hardware	1998	100.0 %	87,128	91.1 %	93.1 %	2,736,099	34.48
Branch Plaza [e]	LA Fitness, The Fresh Market	1998	100.0 %	123,345	98.8 %	98.8 %	3,551,081	29.13
Amboy Center [e]	Stop & Shop (Ahold)	2005	100.0 %	63,372	92.1 %	92.1 %	2,047,298	35.07
Crossroads Shopping Center [f]	HomeGoods, PetSmart, BJ's Wholesale Club	1998	49.0 %	311,528	87.5 %	90.7 %	8,567,491	31.41
New Loudon Center	Price Chopper, Marshalls	1993	100.0 %	258,701	95.2 %	95.2 %	2,251,770	9.15
28 Jericho Turnpike	Kohl's	2012	100.0 %	96,363	100.0 %	100.0 %	1,996,500	20.72
Bedford Green	Shop Rite, CVS	2014	100.0 %	90,589	73.9 %	73.9 %	2,280,620	34.06
Connecticut								
Town Line Plaza [h]	Wal-Mart, Stop & Shop (Ahold)	1998	100.0 %	206,346	97.2 %	98.5 %	1,811,142	17.53
Massachusetts								
Methuen Shopping Center	Wal-Mart, Market Basket	1998	100.0 %	130,021	100.0 %	100.0 %	1,467,751	11.29

Property (a)	Key Tenants	Year Acquired	Acadia's Interest	Gross Leasable Area (GLA)	In Place Occupancy	Leased Occupancy	Annualized Base Rent (ABR)	ABR/ Per Square Foot
Crescent Plaza	Home Depot, Shaw's	1993	100.0 %	218,002	98.9 %	98.9 %	2,111,087	9.80
201 Needham Street	Michael's	2014	100.0 %	20,409	100.0 %	100.0 %	711,662	34.87
163 Highland Avenue	Staples, Petco	2015	100.0 %	40,505	100.0 %	100.0 %	1,490,575	36.80
Vermont								
The Gateway Shopping Center	Shaw's (Supervalu), Starbucks	1999	100.0 %	102,854	96.7 %	96.7 %	2,190,988	22.03
Illinois								
Hobson West Plaza	Garden Fresh Markets	1998	100.0 %	98,962	97.7 %	97.7 %	1,426,291	14.76
Indiana								
Merrillville Plaza	Dollar Tree, TJ Maxx, DD's Discount (Ross)	1998	100.0 %	235,926	88.9 %	91.1 %	2,950,134	14.06
Michigan								
Bloomfield Town Square	HomeGoods, TJ Maxx, Dick's Sporting Goods, Burlington	1998	100.0 %	234,951	99.4 %	99.4 %	4,305,998	18.44
Delaware								
Town Center and Other (1 property)	Lowes, Dick's Sporting Goods, Target	2003	100.0 %	704,421	89.5 %	96.7 %	10,692,084	16.96
Market Square Shopping Center	Trader Joe's, TJ Maxx	2003	100.0 %	102,047	98.1 %	98.1 %	3,288,210	32.83
Naamans Road (e)	Jared Jewelers, American Red Cross	2006	100.0 %	19,850	63.9 %	63.9 %	705,101	55.60
Pennsylvania								
Mark Plaza (e)	Kmart	1993	100.0 %	106,856	100.0 %	100.0 %	246,274	2.30
Plaza 422	Home Depot	1993	100.0 %	156,279	100.0 %	100.0 %	956,954	6.12
Chestnut Hill	—	2006	100.0 %	36,492	100.0 %	100.0 %	986,067	27.02
Abington Towne Center (i)	Target, TJ Maxx	1998	100.0 %	216,871	100.0 %	100.0 %	1,312,228	22.15
Total Suburban Properties				**3,910,343**	**94.1 %**	**95.9 %**	**$ 65,327,344**	**$ 19.07**
Acadia Share Total Suburban Properties				**3,751,464**	**94.4 %**	**96.2 %**	**$ 60,957,924**	**$ 18.55**
Total Core Properties				**5,380,366**	**92.8 %**	**94.8 %**	**$ 158,359,825**	**$ 33.44**
Acadia Share Total Core Properties				**5,017,522**	**93.0 %**	**95.0 %**	**$ 141,128,403**	**$ 31.99**

a)Excludes properties under development or redevelopment, see "Development and Redevelopment Activities" section below. The above occupancy and rent amounts do not include space that is currently leased, but for which rent payment has not yet commenced as of December 31, 2023 (other than under "Leased Occupancy). Residential and office GLA are excluded.

b)Includes one property owned by the Company on land subject to a ground lease.

c)Represents the annual base rent paid to the Company pursuant to a master lease and does not reflect the rent paid by the retail tenants at the property.

d)The Company's stated legal ownership is 49.99%. However, given the preferences embedded in its interests, the Company did not attribute any value to the 50.01% non-controlling interest holders.

e)Property is owned by the Company on land subject to a ground lease.

f)Property or properties are unconsolidated.

g)Excludes 94,000 square feet of office GLA.

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

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

The following table sets forth more specific information with respect to each of our Fund properties at December 31, 2023:

Property [(a)]	Key Tenants	Year Acquired	Acadia's Interest	Gross Leasable Area (GLA)	In Place Occupancy	Leased Occupancy	Annualized Base Rent (ABR)	ABR/Per Square Foot
Fund II Portfolio Detail								
New York								
City Point [(b)©]	Primark, Target, Basis Schools, Alamo Drafthouse, Trader Joe's	2007	58.1 %	535,817	74.0 %	83.9 %	$ 16,782,168	$ 42.31
Total - Fund II				535,817	74.0 %	83.9 %	$ 16,782,168	$ 42.31
Fund III Portfolio Detail								
New York								
640 Broadway	—	2012	24.5 %	4,637	91.6 %	91.6 %	$ 1,113,528	$ 262.19
Total - Fund III				4,637	91.6 %	91.6 %	$ 1,113,528	$ 262.19
Fund IV Portfolio Detail								
New York								
801 Madison Avenue	—	2015	23.1 %	2,522	— %	— %	$ —	$ —
210 Bowery	—	2012	23.1 %	2,538	— %	— %	—	—
27 East 61st Street	—	2014	23.1 %	4,177	— %	— %	—	—
17 East 71st Street	The Row	2014	23.1 %	8,432	100.0 %	100.0 %	2,055,281	243.75
1035 Third Avenue [(d)]	—	2015	23.1 %	7,634	100.0 %	100.0 %	1,203,962	157.71
New Jersey								
Paramus Plaza [(e)]	Marshalls, Hobby Lobby, Skechers	2013	11.6 %	153,494	100.0 %	100.0 %	3,262,289	21.25
Massachusetts								
Restaurants at Fort Point	—	2016	23.1 %	15,711	100.0 %	100.0 %	1,072,232	68.25
Rhode Island								
650 Bald Hill Road [(e)]	Dick's Sporting Goods, Burlington	2015	20.8 %	160,448	85.3 %	85.3 %	2,061,926	15.06
Delaware								
Eden Square [(e)]	Giant Food, LA Fitness	2014	20.8 %	229,171	91.1 %	96.5 %	3,357,465	16.09
Georgia								
Broughton Street Portfolio (13 properties)	H&M, Lululemon, Kendra Scott, Starbucks	2014	23.1 %	94,713	89.1 %	92.6 %	3,090,918	36.61
California								
Union and Fillmore Collection (3 properties)	Eileen Fisher, Bonobos	2015	20.8 %	7,183	77.5 %	77.5 %	654,290	117.57
Total - Fund IV				686,023	90.5 %	92.8 %	$ 16,758,363	$ 26.99
Fund V Portfolio Detail								
New Mexico								
Plaza Santa Fe [(e)]	TJ Maxx, Best Buy, Ross Dress for Less	2017	20.1 %	224,152	95.1 %	95.7 %	$ 4,058,309	$ 19.03
Texas								
Wood Ridge Plaza [(e)]	Kirkland's, Office Depot	2022	18.1 %	213,120	90.1 %	90.1 %	4,377,879	22.80
La Frontera Village [(e)]	Kohl's, Hobby Lobby, Burlington, Marshalls	2022	18.1 %	534,430	88.5 %	89.0 %	6,609,207	13.98
Michigan								
New Towne Center	Kohl's, Jo-Ann's, DSW	2017	20.1 %	190,530	100.0 %	100.0 %	2,363,758	12.41
Fairlane Green	TJ Maxx, Michaels, Burlington	2017	20.1 %	270,187	98.7 %	100.0 %	5,194,785	19.49
Maryland								
Frederick County (2 properties) [(e)]	Kohl's, Best Buy, Ross Dress for Less	2019	18.1 %	530,816	93.7 %	94.8 %	7,696,127	15.47
Connecticut								
Tri-City Plaza [(e)]	TJ Maxx, HomeGoods, ShopRite	2019	18.1 %	302,738	90.0 %	92.0 %	3,913,671	14.36
New Jersey								
Midstate	ShopRite, Best Buy, DSW, PetSmart	2021	20.1 %	388,616	86.5 %	94.2 %	6,456,914	19.21
New York								
Shoppes at South Hills [(e)]	ShopRite, At Home, Ashley Furniture	2022	18.1 %	512,218	67.0 %	74.3 %	3,990,900	11.64
Mohawk Commons [(e)]	Lowe's, Target	2023	18.1 %	399,338	98.3 %	98.3 %	5,550,595	14.15
Pennsylvania								

Property [(a)]	Key Tenants	Year Acquired	Acadia's Interest	Gross Leasable Area (GLA)	In Place Occupancy	Leased Occupancy	Annualized Base Rent (ABR)	ABR/Per Square Foot
Monroe Marketplace	Kohl's, Dick's Sporting Goods, Giant Food	2021	20.1 %	370,533	100.0 %	100.0 %	4,250,625	11.47
Rhode Island								
Lincoln Commons	Stop and Shop, Marshalls, HomeGoods	2019	20.1 %	461,995	88.0 %	90.8 %	5,570,789	13.70
Vermont								
Maple Tree Place [(f)]	Shaw's, Dick's Sporting Goods, Best Buy, Old Navy	2023	20.1 %	394,368	84.6 %	84.6 %	6,567,224	19.68
Virginia								
Landstown Commons	Best Buy, Burlington, Ross Dress for Less	2019	20.1 %	380,199	96.8 %	97.2 %	7,528,566	20.46
Florida								
Palm Coast Landing	TJ Maxx, PetSmart, Ross Dress for Less	2019	20.1 %	171,799	96.9 %	96.9 %	3,495,105	21.00
Cypress Creek [(c)]	Hobby Lobby, Total Wine, HomeGoods	2023	20.1 %	239,656	98.5 %	98.5 %	4,919,868	20.83
North Carolina								
Hickory Ridge	Kohl's, Best Buy, Dick's Sporting Goods	2017	20.1 %	380,565	99.3 %	99.3 %	4,742,374	12.55
Alabama								
Trussville Promenade	Wal-Mart, Regal Cinemas	2018	20.1 %	463,681	95.8 %	96.8 %	4,279,904	9.63
Georgia								
Canton Marketplace	Dick's Sporting Goods, TJ Maxx, Best Buy	2021	20.1 %	351,988	96.1 %	96.6 %	5,971,975	17.65
Hiram Pavilion	Kohl's, HomeGoods	2018	20.1 %	362,675	99.4 %	100.0 %	4,666,300	12.94
California								
Elk Grove Commons	Kohl's, HomeGoods	2018	20.1 %	242,078	100.0 %	100.0 %	5,312,115	21.94
Utah								
Family Center at Riverdale [(e)]	Target, Home Goods, Best Buy, Sierra Trading (TJX)	2019	18.0 %	372,475	97.9 %	97.9 %	4,010,821	11.00
Total - Fund V				7,758,157	92.6 %	94.0 %	$ 111,527,808	$ 15.52
TOTAL FUND PROPERTIES				**8,984,634**	**91.4 %**	**93.3 %**	**$ 146,181,867**	**$ 17.81**
Acadia Share of Total Fund Properties				**1,945,468**	**89.6 %**	**92.4 %**	**$ 35,065,352**	**$ 20.13**

a)Excludes properties under development or redevelopment, see "Development and Redevelopment Activities" section below. The above occupancy and rent amounts do not include space which is currently leased, other than "leased occupancy," but for which rent payment has not yet commenced. Residential and office GLA are excluded.

b)In place occupancy excludes short-term percentage rent.

c)Property is owned by the Company on land subject to a ground lease.

d)Property also includes 12,371 square feet of 2nd floor office space and a 29,760 square-foot parking garage (131 spaces).

e)Property or properties are unconsolidated.

f)Property also includes 18,493 square feet of office space.

Major Tenants

No individual retail tenant accounted for more than 5.2% of total Core Portfolio and Fund base rents for the year ended December 31, 2023 or occupied more than 7.4% of total Core Portfolio and Fund leased GLA as of December 31, 2023. The following table sets forth certain information for our 20 largest retail tenants by base rent for leases in place as of December 31, 2023. The amounts below include our pro-rata share of GLA and annualized base rent for the Operating Partnership's partial ownership interest in properties including the Funds (GLA and Annualized Base Rent in thousands):

Retail Tenant	Number of Stores in Portfolio [(a)]	Total GLA	Annualized Base Rent [(a)]	Percentage of Total Represented by Retail Tenant: Total Portfolio GLA	Percentage of Total Represented by Retail Tenant: Annualized Base Rent
Target	5	512	$ 9,233	7.4 %	5.2 %
TJX Companies [(b)]	31	367	4,330	5.2 %	2.5 %
Royal Ahold [(c)]	6	198	4,209	2.8 %	2.4 %
PetSmart, Inc.	14	115	3,485	1.7 %	2.0 %
Trader Joe's	5	54	3,356	0.8 %	1.9 %
Verizon	8	30	3,064	0.4 %	1.7 %
Walgreens	5	71	2,962	1.0 %	1.7 %
Kohl's	8	211	2,859	3.0 %	1.6 %
ALO Yoga	3	25	2,852	0.4 %	1.6 %
Lululemon	5	11	2,719	0.2 %	1.5 %
Lowe's	2	164	2,648	2.4 %	1.5 %
Fast Retailing [(d)]	2	32	2,450	0.5 %	1.4 %
Dicks Sporting Goods, Inc.	7	152	2,284	2.2 %	1.3 %
Ulta Beauty	16	58	2,199	0.8 %	1.2 %
Supervalu Inc. [(e)]	3	136	2,198	2.0 %	1.2 %
Bob's Discount Furniture	3	75	2,043	1.1 %	1.2 %
H&M	2	60	2,032	0.9 %	1.2 %
Gap	11	66	1,801	0.9 %	1.0 %
Wakefern Food Corporation [(f)]	4	80	1,743	1.1 %	1.0 %
Watches of Switzerland	2	14	1,705	0.2 %	1.0 %
Total	142	2,431	$ 60,172	35.0 %	34.1 %

a)Does not include tenants that operate at only one Company location
b)TJ Maxx (13 locations), HomeGoods (9 locations), Marshalls (7 locations), HomeSense (2 locations)
c)Stop and Shop (4 locations), Giant (2 locations)
d)Uniqlo (1 location), Theory (1 location)
e)Shaw's (3 locations)
f)ShopRite (4 locations)

Lease Expirations

The following tables show scheduled lease expirations on a pro-rata basis for retail tenants in place as of December 31, 2023, assuming that none of the tenants will exercise renewal options (GLA and Annualized Base Rent in thousands):

Core Portfolio

		GLA		Annualized Base Rent (a, b)	
Leases Maturing in	**Number of Leases**	**Square Feet**	**Percentage of Total**	**Current Annual Rent**	**Percentage of Total**
Month to Month	—	—	0.0 %	$ —	0.0 %
2024	79	828	18.8 %	$ 17,730	12.6 %
2025	68	585	13.3 %	$ 21,064	14.9 %
2026	78	626	14.2 %	$ 18,470	13.1 %
2027	57	332	7.5 %	$ 12,140	8.6 %
2028	68	827	18.7 %	$ 23,880	16.9 %
2029	31	175	4.0 %	$ 6,430	4.6 %
2030	20	96	2.2 %	$ 5,449	3.9 %
2031	24	176	4.0 %	$ 6,565	4.7 %
2032	45	216	4.9 %	$ 10,342	7.3 %
2033	44	217	4.9 %	$ 8,688	6.2 %
Thereafter	20	334	7.6 %	$ 10,370	7.3 %
Total	534	4,412	100.0 %	$ 141,128	100.0 %

Funds

		GLA		Annualized Base Rent (a, b)	
Leases Maturing in	**Number of Leases**	**Square Feet**	**Percentage of Total**	**Current Annual Rent**	**Percentage of Total**
Month to Month	3	2	0.1 %	$ 29	0.1 %
2024	112	217	12.5 %	3,539	10.1 %
2025	103	251	14.4 %	4,060	11.6 %
2026	104	138	7.9 %	2,769	7.9 %
2027	101	224	12.9 %	4,070	11.6 %
2028	98	172	9.9 %	3,524	10.1 %
2029	46	111	6.3 %	1,722	4.9 %
2030	36	82	4.7 %	1,251	3.6 %
2031	40	89	5.1 %	1,536	4.4 %
2032	47	185	10.6 %	3,119	8.9 %
2033	39	99	5.7 %	2,559	7.3 %
Thereafter	24	172	9.9 %	6,887	19.6 %
Total	753	1,742	100.0 %	$ 35,065	100.0 %

a)Base rents do not include percentage rents, additional rents for property expense reimbursements, or contractual rent escalations.

b)No single market, except as discussed below under Geographic Concentrations, represents a material amount of rent exposure to the Company. Given the diversity of our markets, properties and characteristics of the individual spaces, the Company cannot make any general representations relating to the expiring rents and the rates at which these spaces may be re-leased.

Geographic Concentrations

The following table summarizes our operating retail properties by region, excluding redevelopment properties, as of December 31, 2023. The amounts below include our pro-rata share of GLA and annualized base rent for the Operating Partnership's partial ownership interest in properties, including the Funds (GLA and Annualized Base Rent in thousands):

Region	GLA [(a)]	% Occupied [(b)]	Annualized Base Rent [(b)]	Annualized Base Rent per Occupied Square Foot	Percentage of Total Represented by Region: GLA	Percentage of Total Represented by Region: Annualized Base Rent
Core Portfolio:						
New York Metro [(c)]	1,498	92.9 %	$ 60,417	$ 43.44	29.9 %	42.8 %
Chicago Metro	577	85.6 %	25,858	52.35	11.5 %	18.3 %
Mid-Atlantic	1,343	93.8 %	18,187	16.36	26.8 %	12.9 %
New England	719	98.4 %	10,096	16.50	14.3 %	7.2 %
Washington D.C. Metro	166	85.8 %	9,088	63.62	3.3 %	6.4 %
Midwest	570	94.8 %	8,682	16.08	11.4 %	6.2 %
Los Angeles Metro	23	100.0 %	4,355	185.61	0.4 %	3.1 %
Dallas Metro	121	89.2 %	4,445	41.07	2.4 %	3.1 %
Total Core Operating Properties	5,017	93.0 %	$ 141,128	$ 31.99	100.0 %	100.0 %
Fund Portfolio:						
New York Metro	336	75.3 %	$ 11,153	$ 44.10	17.3 %	31.8 %
Northeast	678	87.9 %	9,095	15.28	34.7 %	26.0 %
Southeast	494	97.1 %	7,871	16.39	25.4 %	22.4 %
Southwest	180	90.5 %	2,803	17.18	9.2 %	8.0 %
West	116	98.8 %	1,789	15.66	6.0 %	5.1 %
Midwest	93	99.2 %	1,519	16.54	4.8 %	4.3 %
Mid-Atlantic	48	91.1 %	700	16.09	2.5 %	2.0 %
San Francisco Metro	1	77.5 %	136	117.57	0.1 %	0.4 %
Total Fund Operating Properties	1,946	89.6 %	$ 35,066	$ 20.13	100.0 %	100.0 %

a)Property GLA includes a total of 255,000 square feet, which is not owned by us. This square footage has been excluded for calculating annualized base rent per square foot.
b)The above occupancy and rent amounts do not include space that is currently leased, but for which payment of rent had not yet commenced as of December 31, 2023.
c)New York Metro includes the tri-state and surrounding states.

Development and Redevelopment Activities

As part of our strategy, we invest in retail real estate assets that may require significant development. As of December 31, 2023, we had the following development or redevelopment projects in various stages of the development process (dollars in millions):

					Acadia's Pro-rata Share				
Property	AKR Pro-rata share	Location	Estimated Stabilization	Est. Sq ft Upon Completion	Costs prior to development / redevelopment	Incurred costs since development / redevelopment	Total Costs to Date	Estimated Future Range	Estimated Total Range
CORE									
Development:									
Henderson - Development 1 & 2	100.0%	Dallas, TX	TBD	160,000	$ 9.6	$ 6.4	$ 16.0	TBD - TBD	TBD - TBD
Major Redevelopment:									
City Center	100.0%	San Francisco, CA	2024	241,000	155.0	51.8	206.8	3.2 - 6.2	210.0 - 213.0
555 9th Street	100.0%	San Francisco, CA	TBD	149,000	141.7	5.1	146.8	19.9 - 29.9	166.7 - 176.7
651-671 West Diversey	100.0%	Chicago, IL	TBD	46,000	29.1	0.4	29.5	TBD - TBD	TBD - TBD
Route 6 Mall	100.0%	Honesdale, PA	TBD	TBD	14.8	4.5	19.3	1.5 - 4.5	20.8 - 23.8
Mad River	100.0%	Dayton, OH	TBD	TBD	14.3	0.4	14.7	1.5 - 1.9	16.2 - 16.6
840 N. Michigan Avenue	91.9%	Chicago, IL	TBD	87,000	152.3	—	152.3	TBD - TBD	TBD - TBD
664 N. Michigan Avenue	100.0%	Chicago, IL	TBD	18,000	87.2	—	87.2	TBD - TBD	TBD - TBD
Brandywine Holdings	100.0%	Wilmington, DE	TBD	96,000	24.0	0.1	24.1	TBD - TBD	TBD - TBD
Total Core Redevelopment					$ 618.4	$ 62.3	$ 680.7	$ 26.1 $ 42.5	$ 413.7 $ 430.1
Total Core Development and Redevelopment					$ 628.0	$ 68.7	$ 696.7	$ 26.1 $ 42.5	$ 413.7 $ 430.1
FUNDS									
Development:									
FUND III									
Broad Hollow Commons	24.5%	Farmingdale, NY	TBD	TBD	$ 3.0	$ 3.9	$ 6.9	TBD - TBD	TBD - TBD
Major Redevelopment:									
FUND IV									
717 N. Michigan Avenue	23.1%	Chicago, IL	TBD	TBD	26.9	0.8	27.7	TBD - TBD	TBD - TBD
Total Funds Development and Major Redevelopment					$ 29.9	$ 4.7	$ 34.6	$ — $ —	$ — $ —
Total Core and Funds Development and Major Redevelopment					$ 657.9	$ 73.4	$ 731.3	$ 26.1 $ 42.5	$ 413.7 $ 430.1

ITEM 3. 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 currently expect, when any 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 4. MINE SAFETY DISCLOSURES.

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Market Information, Dividends and Holders of Record of our Common Shares

At February 13, 2024, there were 247 holders of record of our Common Shares, which are traded on the New York Stock Exchange under the symbol "AKR." Our quarterly dividends are discussed in Note 10 and the characterization of such dividends for federal income tax purposes is discussed in Note 14.

Securities Authorized for Issuance Under Equity Compensation Plans

Our 2020 Share Incentive Plan (the "2020 Plan") which was approved by our shareholders at the 2020 annual shareholders' meeting, and Amended and Restated 2020 Share Incentive Plan (the "Amended and Restated 2020 Plan") which was approved by our shareholders at the 2023 annual shareholders' meeting, authorizes us to issue options, restricted shares, LTIP Units and other securities (collectively, the "Awards") to, among others, the Company's officers, trustees, and employees up to a total of 3,883,564 Common Shares (on a converted basis). See Note 13 for a discussion of the 2020 Plan and the Amended and Restated 2020 Plan.

The following table provides information related to the 2020 Plan and the Amended and Restated 2020 Plan as of December 31, 2023:

	Equity Compensation Plan Information		
	(a)	(b)	(c)
	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	—	$ —	3,804,345
Equity compensation plans not approved by security holders	—	—	—
Total	—	$ —	3,804,345

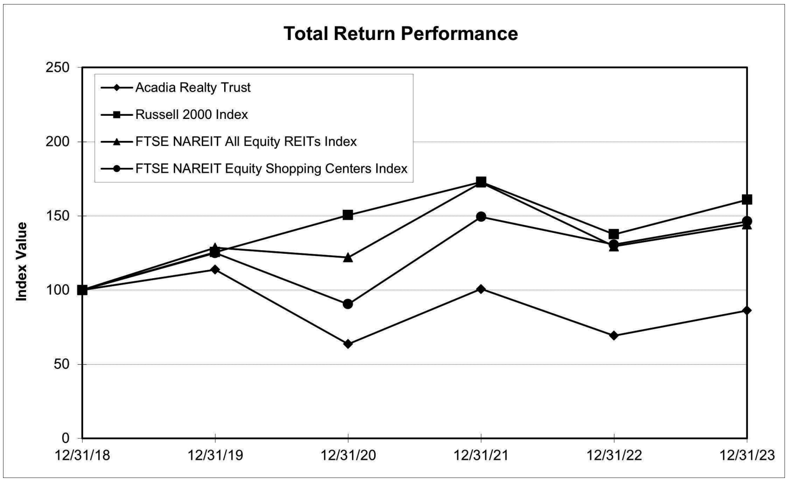
Remaining Common Shares available under the 2020 Plan and the Amended and Restated 2020 Plan are as follows:

Outstanding Common Shares as of December 31, 2023	95,361,676
Outstanding OP Units as of December 31, 2023	5,346,042
Total Outstanding Common Shares and OP Units	100,707,718

Common Shares and OP Units pursuant to the 2020 Plan and Amended and Restated 2020 Plan	5,929,953
Less: Issuance of Restricted Shares and LTIP Units Granted	(2,125,608)
Number of Common Shares remaining available	3,804,345

Share Price Performance

The following performance graph compares the cumulative total shareholder return for our Common Shares for the five-year period commencing December 31, 2018, through December 31, 2023, with the cumulative total return on the Russell 2000 Index ("Russell 2000"), the FTSE NAREIT All Equity REITs Index (the "All Equity REITs") and the FTSE NAREIT Equity Shopping Centers Index (the "Equity Shopping Centers") (previously SNL REIT Shopping Center Index which was discontinued) over the same period. Total return values for the Russell 2000, the All Equity REITs, the Equity Shopping Centers and the Common Shares were calculated based upon cumulative total return assuming the investment of $100.00 in each of the Russell 2000, the All Equity REITs, the Equity Shopping Centers and our Common Shares on December 31, 2018, and assuming reinvestment of dividends. The shareholder return as set forth in the table below is not necessarily indicative of future performance. The information in this section is not "soliciting material," is not deemed "filed" with the SEC and is not to be incorporated by reference into any of our filings under the Securities Act or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language contained in such filing.



Source: S&P Global Market Intelligence

	At December 31,					
Index	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Acadia Realty Trust	$ 100.00	$ 113.78	$ 63.61	$ 100.74	$ 69.32	$ 86.21
Russell 2000 Index	100.00	125.53	150.58	172.90	137.56	160.85
FTSE NAREIT All Equity REITs Index	100.00	128.66	122.07	172.49	129.45	144.16
FTSE NAREIT Equity Shopping Centers Index	100.00	125.03	90.47	149.32	130.60	146.32

Recent Sales of Unregistered Securities; Use of Proceeds from Registered Securities

None.

Issuer Purchases of Equity Securities

The Company maintains a share repurchase program which authorizes management, at its discretion, to repurchase up to $200.0 million of its outstanding Common Shares. The program may be discontinued or extended at any time. The Company did not repurchase any shares during the years ended December 31, 2023, 2022 or 2021. As of December 31, 2023, management may repurchase up to approximately $122.5 million of the Company's outstanding Common Shares under this program.

ITEM 6. [RESERVED]

Not applicable.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

OVERVIEW

As of December 31, 2023, there were 201 properties, which we own or have an ownership interest in, within 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. See Item 2. Properties for a summary of our wholly-owned and partially-owned retail properties and their physical occupancies at December 31, 2023.

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. 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 value through accretive development and re-tenanting activities coupled with the acquisition of high-quality assets that have the long-term potential to outperform the asset class as part of our Core asset recycling and acquisition initiative.
- Generate additional external growth through an opportunistic yet disciplined acquisition program. We target transactions with high inherent opportunity for the creation of additional value through:
    - value-add investments in street retail properties, located in established and "next generation" submarkets, with re-tenanting or repositioning opportunities,
    - opportunistic acquisitions of well-located real-estate anchored by distressed retailers, and
    - other opportunistic acquisitions which 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 making 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.

Inflation and Economic Condition Considerations

The economy continues to face several issues including geopolitical conditions and instability, the Gaza-Israel conflict, the war in Ukraine, the fallout from the COVID-19 Pandemic, supply-chain disruptions, and the recessionary outlook of the current financial markets, which has increased volatility in the market and has caused a surge in interest rates in a period of high inflation. While we have not experienced any material negative impacts at this time, we are actively managing our business to respond to the ongoing economic and social impact from such events. 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 real estate taxes, insurance, utilities, and common area maintenance of the shopping centers, 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 greater than the contractual rent increases we obtain from our tenant base. As a result, the Company could feel pricing pressure on rents that it is able to charge to new or renewing tenants, such that future rents and rent spreads could be negatively impacted. While interest rate increases enacted by the Federal Reserve have had a significant impact on interest rate indexes such as SOFR and the Prime Rate, as of December 31, 2023, approximately 77.3%, or 86.7% at our pro-rata share, of our outstanding debt is fixed or effectively fixed interest rate, with the remaining 22.7%, or 13.3% at our pro-rata share, indexed to SOFR or Prime plus an applicable margin per the loan agreement. We were also counterparty to 36 interest rate swap agreements and four interest rate cap agreements, all of which qualify for and are designated as hedging instruments. This helps to alleviate the impact of rising interest rates on our operations. The Company continues to monitor economic, financial, and social conditions and will assess its asset portfolio for any impairment indicators. See Item 1A. Risk Factors.

SIGNIFICANT DEVELOPMENTS DURING THE YEAR ENDED DECEMBER 31, 2023 AND SUBSEQUENT EVENTS

Investments

During the year ended December 31, 2023, Fund V acquired two consolidated properties and one unconsolidated property totaling $189.3 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 for $20.2 million, which purchased a shopping center, Mohawk Commons, located in Schenectady, New York, for $62.1 million, inclusive of transaction costs. In addition, the Mohawk Commons venture entered into a $39.7 million mortgage loan.

- 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 November 27, 2023, Fund V acquired a shopping center, Maple Tree Place, located in Williston, Vermont, for $77.8 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). During the year ended December 31, 2023, we sold 200,000 shares of Albertsons, generating net proceeds of $4.6 million. As of December 31, 2023, we still held 1.4 million shares of Albertsons which had a fair value of $33.3 million. In January 2024, we sold an additional 175,000 shares of Albertsons, generating net proceeds of $4.0 million (Note 17).

Financing Activity

During the year ended December 31, 2023, we effected the following financing activities (Note 7, Note 4):

- entered into a new Fund mortgage of $32.2 million;
- modified and extended five Fund mortgages totaling $150.8 million (excluding principal reductions of $2.7 million);
- refinanced four Fund mortgages totaling $111.4 million;
- repaid a Fund mortgage totaling $5.8 million at maturity;
- modified the Fund IV bridge loan with an outstanding balance of $36.2 million (excluding principal reductions of $3.0 million);
- modified and extended five mortgages at unconsolidated properties totaling $271.6 million and restructured a $73.5 million mortgage at an unconsolidated property;
- through Fund V, entered into a new mortgage at an unconsolidated property for $39.7 million, refinanced a $31.8 million unconsolidated mortgage loan;
- through Fund V, modified its subscription line and extended the maturity date to February 28, 2024; and
- made principal payments of $7.7 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 was 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 of foreclosure and derecognized the mortgage loan as it had no continuing obligations. The Company had previously impaired the asset, and recorded an impairment charge of $3.7 million, or $0.9 million at the Company’s share, related to the change in estimated value and holding period of the asset for the year ended December 31, 2023 (Note 8).

In January 2024, through Fund V, made a $3.8 million principal payment on a mortgage loan (Note 17).

Structured Financing Investments

During the year ended December 31, 2023, we originated a Core Portfolio note for $1.4 million collateralized by our venture's partner's interest in 840 N. Michigan Avenue. We also funded $5.3 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.

Common Share Issuances

In January 2024, we 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 (Note 17). We intend to use the net proceeds from the offering for general corporate purposes, which may include, without limitation, the repayment of outstanding indebtedness, funding future acquisitions, working capital and other general corporate purposes.

During the year ended December 31, 2023, we did not sell any shares under our ATM program.

Inflation

The year ended December 31, 2023 was 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. 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. The rate hikes enacted by the Federal Reserve have had a significant impact on interest rate indexes such as 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. Most of our leases require tenants to pay their share of operating expenses, including real estate taxes, insurance, utilities, and common area maintenance of the shopping centers. These provisions are designed to partially mitigate the impact of inflation. 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.

Tenant Bankruptcy

On April 23, 2023, Bed Bath and Beyond, Inc. ("Bed Bath and Beyond") filed for 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 future tenants at these two Fund locations. As a result of the bankruptcy filing, during the year ended December 31, 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 Consolidated Financial Statements for an overview of our three reportable segments.

Comparison of Results for the Year Ended December 31, 2023 to the Year Ended December 31, 2022

The results of operations by reportable segment for the year ended December 31, 2023 compared to the year ended December 31, 2022 are summarized in the table below (in millions, totals may not add due to rounding):

	Year Ended December 31, 2023				Year Ended December 31, 2022				Increase (Decrease)			
	Core	Funds	SF	Total	Core	Funds	SF	Total	Core	Funds	SF	Total
Total revenues	$ 203.5	$ 135.1	$ —	$ 338.7	$ 202.5	$ 123.7	$ —	$ 326.3	$ 1.0	$ 11.4	$ —	$ 12.4
Depreciation and amortization expenses	(76.6)	(59.3)	—	(136.0)	(75.6)	(60.3)	—	(135.9)	1.0	(1.0)	—	0.1
General and administrative expenses	—	—	—	(41.5)	—	—	—	(44.1)	—	—	—	(2.6)
Property operating expenses, other operating and real estate taxes	(64.4)	(44.1)	—	(108.5)	(60.3)	(41.6)	—	(101.9)	4.1	2.5	—	6.6
Impairment charges	—	(3.7)	—	(3.7)	—	(33.3)	—	(33.3)	—	(29.6)	—	(29.6)
Gain on disposition of properties	—	—	—	—	7.2	49.9	—	57.2	(7.2)	(49.9)	—	(57.2)
Operating income	62.5	28.0	—	49.1	73.9	38.4	—	68.2	(11.4)	(10.4)	—	(19.1)
Equity in earnings (losses) of unconsolidated affiliates	2.7	(10.4)	—	(7.7)	(45.9)	13.0	—	(32.9)	48.6	(23.4)	—	25.2
Interest income	—	—	20.0	20.0	—	—	14.6	14.6	—	—	5.4	5.4
Realized and unrealized holding gains (losses) on investments and other	5.8	25.0	(0.3)	30.4	1.2	(35.6)	(0.6)	(35.0)	4.6	60.6	0.3	65.4
Interest expense	(44.5)	(48.7)	—	(93.3)	(37.9)	(42.3)	—	(80.2)	6.6	6.4	—	13.1
Income tax provision	—	—	—	(0.3)	—	—	—	—	—	—	—	(0.3)
Net income (loss)	26.5	(6.1)	19.7	(1.7)	(8.8)	(26.4)	14.0	(65.3)	35.3	20.3	5.7	63.6
Net loss attributable to redeemable noncontrolling interests	—	8.2	—	8.2	—	5.5	—	5.5	—	(2.7)	—	(2.7)
Net (income) loss attributable to noncontrolling interests	(1.9)	15.3	—	13.4	1.0	23.3	—	24.3	2.9	8.0	—	10.9
Net income (loss) attributable to Acadia	$ 24.6	$ 17.4	$ 19.7	$ 19.9	$ (7.8)	$ 2.4	$ 14.0	$ (35.4)	$ 32.4	$ 15.0	$ 5.7	$ 55.3

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 $32.4 million for the year ended December 31, 2023 compared to the prior year as a result of the changes further described below.

Revenues for our Core Portfolio increased $1.0 million for the year ended December 31, 2023 compared to the prior year primarily due to (i) a $7.8 million acceleration of a below market lease for a bankrupt tenant, (ii) $6.0 million from lease up within the Core Portfolio, and (iii) a $2.8 million increase from Core Portfolio property acquisitions in 2022 (Note 2). These increases were offset by (i) $7.2 million from vacating tenants, (ii) $3.2 million from additional termination income received in 2022, (iii) a $3.2 million increase associated with revenues deemed uncollectible in 2023, and (iv) $1.2 million from Core property dispositions in 2022.

Depreciation and amortization for our Core Portfolio increased $1.0 million for the year ended December 31, 2023 compared to the prior year primarily due to Core Portfolio acquisitions in 2022.

Property operating expenses, other operating and real estate taxes for our Core Portfolio increased $4.1 million for the year ended December 31, 2023 compared to the prior year primarily due to an increase in non-recurring repairs and maintenance, utility and insurance costs in 2023.

The gain on disposition of properties for our Core Portfolio of $7.2 million for the year ended December 31, 2022 primarily relates to the sale of 330-340 River Street (Note 2).

Equity in (losses) earnings of unconsolidated affiliates for our Core Portfolio increased $48.6 million for the year ended December 31, 2023 compared to the prior year primarily due to the Company's $50.8 million proportionate share of an impairment charge at 840 N. Michigan Avenue in 2022 (Note 4).

Interest expense for our Core Portfolio increased $6.6 million for the year ended December 31, 2023 compared to the prior year primarily due to (i) $6.1 million from higher average outstanding borrowings in 2023, and (ii) $1.8 million from higher average interest rates in 2023. These increases were partially offset by $1.1 million from higher capitalized interest in 2023.

Realized and unrealized holding gains (losses) on investments and other for our Core Portfolio includes (i) a $5.2 million mark-to-market adjustment on the Investment in Albertsons in 2023, and (ii) 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, of which 1.4 million shares are included in the Core portfolio following the sale of 200,000 shares in 2023 (Note 4, Note 8).

Net loss attributable to noncontrolling interests for our Core Portfolio increased $2.9 million for the year ended December 31, 2023 compared to the prior year 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 $15.0 million for the year ended December 31, 2023 compared to the prior year as a result of the changes described below.

Revenues for the Funds increased $11.4 million for the year ended December 31, 2023 compared to the prior year primarily due to (i) $9.0 million from new tenant lease up in 2022 and 2023, (ii) $4.3 million from Fund property acquisitions in 2023, and (iii) $2.0 million from settlement income related to a tenant. These increases were offset by (i) $4.1 million from Fund property dispositions in 2022 (Note 2).

Depreciation and amortization for the Funds decreased $1.0 million for the year ended December 31, 2023 compared to the prior year primarily due to Fund property dispositions in 2022 (Note 2).

Impairment charges for the Funds decreased $29.6 million for the year ended December 31, 2023 compared to the prior year (Note 8). Impairment charges totaled $3.7 million during 2023 for the Funds related to 146 Geary Street in Fund IV. Impairment charges totaled $33.3 million during 2022 for the Funds related to 146 Geary Street and 717 N. Michigan Avenue in Fund IV.

Property operating expenses, other operating and real estate taxes for the Funds increased $2.5 million for the year ended December 31, 2023 compared to the prior year primarily due to an increase in non-recurring repairs and maintenance, utility and insurance costs in 2023.

Gain on disposition of properties for the Funds decreased $49.9 million for the year ended December 31, 2023 compared to the prior year due to the sales of Cortlandt Crossing at Fund III, Lincoln Place, Mayfair, Dauphin and Wake Forest Crossing in Fund IV (Note 2).

Equity in (losses) earnings of unconsolidated affiliates for the Funds decreased $23.4 million for the year ended December 31, 2023 compared to the prior year due to new unconsolidated Fund acquisitions in 2022 and 2023 (Note 4) and the $12.8 million gain on sale of Promenade at Manassas in 2022.

Interest expense for the Funds increased $6.4 million for the year ended December 31, 2023 compared to the prior year primarily due to $17.3 million from higher average interest rates in 2023 offset by $9.0 million from lower average outstanding borrowings in 2023 and $1.9 million from higher capitalized interest in 2023.

Realized and unrealized holding gains (losses) on investments and other for the Funds increased $60.6 million for the year ended December 31, 2023 compared to the prior year primarily due to (i) a $28.2 million increase in dividend income from Albertsons in 2023 and (ii) a $38.9 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).

Net loss attributable to redeemable noncontrolling interests for the Funds increased $2.7 million for the year ended December 31, 2023 compared to the prior year due to the City Point Loan in 2022 (Note 10).

Net loss attributable to noncontrolling interests for the Funds increased $8.0 million for the year ended December 31, 2023 compared to the prior year 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 $9.5 million for the years ended December 31, 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 $5.4 million for the year ended December 31, 2023 compared to the prior year period primarily due to the City Point Loan in 2022 (Note 10).

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 expense decreased $2.6 for the year ended December 31, 2023 compared to the prior year due to $2.0 million related to acquisition costs (Note 2).

Discussions of 2021 items and comparisons between the year ended December 31, 2022 and 2021, respectively, that are not included in this Report can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

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 Core 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 (loss) - Core Portfolio follows (in thousands):

	Year Ended December 31,		
	2023	**2022**	**2021**
Consolidated operating income	$ 49,076	$ 68,230	$ 30,656
Add back:			
General and administrative	41,470	44,066	40,125
Depreciation and amortization	135,984	135,917	123,439
Impairment charges	3,686	33,311	9,925
Less:			
Above/below-market rent, straight-line rent and other adjustments [a]	(20,617)	(20,869)	(19,862)
Gain on disposition of properties	—	(57,161)	(10,521)
Consolidated NOI	209,599	203,494	173,762
Redeemable noncontrolling interest in consolidated NOI	(4,420)	(1,892)	—
Noncontrolling interest in consolidated NOI	(59,597)	(58,277)	(48,795)
Less: Operating Partnership's interest in Fund NOI included above	(19,816)	(14,476)	(11,608)
Add: Operating Partnership's share of unconsolidated joint ventures NOI [b]	14,249	14,381	13,279
NOI - Core Portfolio	$ 140,015	$ 143,230	$ 126,638

a)Includes straight-line rent reserves. See Note 1 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 period presented, but excludes those properties which 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 thousands):

	Year Ended December 31, 2023	2022
Core Portfolio NOI	$ 140,015	$ 143,230
Less properties excluded from Same-Property NOI	(26,147)	(35,557)
Same-Property NOI	$ 113,868	$ 107,673
Percent change from prior year period	5.8 %	
Components of Same-Property NOI:		
Same-Property Revenues	$ 165,933	$ 158,415
Same-Property Operating Expenses	(52,065)	(50,742)
Same-Property NOI	$ 113,868	$ 107,673

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 period 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.

	Year Ended December 31, 2023	
Core Portfolio New and Renewal Leases	**Cash Basis**	**Straight-Line Basis**
Number of new and renewal leases executed	65	65
GLA commencing	436,322	436,322
New base rent	$ 36.42	$ 38.11
Expiring base rent	$ 30.49	$ 29.72
Percent growth in base rent	19.5 %	28.2 %
Average cost per square foot [(a)]	$ 16.11	$ 16.11
Weighted average lease term (years)	6.7	6.7

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

Funds from Operations

We consider funds from operations ("FFO") as defined by the National Association of Real Estate Investment Trusts ("NAREIT") to be meaningful non-GAAP measure of operating performance for an equity REIT due to its widespread acceptance and use within the REIT and analyst communities. FFO is presented to assist investors in analyzing 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 generally accepted accounting principles ("GAAP") and is not indicative of cash available to fund all cash needs, including distributions. It should not be considered as an alternative to net income for the purpose of evaluating 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 attributable to Acadia to FFO follows (dollars in thousands, except per share amounts):

	Year Ended December 31,		
	2023	2022	2021
Net income (loss) attributable to Acadia shareholders	$ 19,873	$ (35,445)	$ 23,548
Depreciation of real estate and amortization of leasing costs (net of noncontrolling interests' share)	109,732	104,910	93,388
Impairment charges (net of noncontrolling interests' share) [(a)]	852	58,481	2,294
Gain on disposition of properties (net of noncontrolling interests' share)	—	(22,137)	(4,163)
Income (loss) attributable to Common OP Unit holders	1,282	(1,800)	1,584
Distributions - Preferred OP Units	492	492	492
Funds from operations attributable to Common Shareholders and Common OP Unit holders	$ 132,231	$ 104,501	$ 117,143
Less: Impact of City Point share conversion [(b)]	—	(906)	—
Funds from operations attributable to Common Shareholders and Common OP Unit holders - Diluted	$ 132,231	$ 103,595	$ 117,143
Funds From Operations per Share - Diluted			
Basic weighted-average shares outstanding, GAAP earnings	95,283,752	94,575,251	87,653,818
Weighted-average OP Units outstanding	7,179,974	6,299,222	5,115,319
Basic weighted-average shares and OP Units outstanding, FFO	102,463,726	100,874,473	92,769,137
Assumed conversion of Preferred OP Units to Common Shares	463,898	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	102,927,624	101,338,371	93,233,760
Diluted Funds from operations, per Common Share and Common OP Unit [(c)]	$ 1.28	$ 1.02	$ 1.26

a)Represents the Company's total share of impairment charges from consolidated assets (Note 8) and allocated impairment charges from investments in and advances to unconsolidated affiliates (Note 4).

b)The adjustment represents the impact of assumed conversion of dilutive convertible securities issued in connection with the City Point Loan in August 2022 that enabled the holder to convert its interest into the Company's Common Shares. The instrument was subsequently modified in the third quarter of 2022 to provide for a cash-only settlement option (Note 10).

c)Diluted Funds from operations, per Common Share and Common OP Unit decreased for the year ended December 31, 2022 as compared to the prior year primarily related to the mark-to-market adjustment on our investment in Albertsons.

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 currently distribute at least 90% of our taxable income to our shareholders. During the year ended December 31, 2023, we paid dividends and distributions on our Common Shares, Common OP Units and Preferred OP Units totaling $68.6 million.

Investments

During the year ended December 31, 2023, Fund V acquired two consolidated properties and one unconsolidated property totaling $189.3 million, inclusive of transaction costs (Note 2, Note 4).

Structured Financing Investments

During the year ended December 31, 2023, we funded $5.3 million of a $12.8 million construction loan commitment to an unconsolidated venture (Note 4). We originated a new $1.4 million Core Portfolio loan and, 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 year ended December 31, 2023, we made capital contributions aggregating $15.5 million to Funds IV and V, and $1.3 million to Fund II for City Point.

At December 31, 2023, our share of the remaining capital commitments to our Funds aggregated $29.3 million as follows:

- $0.5 million to Fund III. Fund III was launched in May 2007 with total committed capital of $450.0 million of which our share was $89.6 million. During 2015, we acquired an additional interest, which had an original capital commitment of $20.9 million.

- $6.2 million to Fund IV. Fund IV was launched in May 2012 with total committed capital of $530.0 million of which our share was $122.5 million.

- $22.6 million to Fund V. Fund V was launched in August 2016 with total committed capital of $520.0 million of which our share is $104.5 million.

Development Activities

During the year ended December 31, 2023, capitalized costs associated with development activities totaled $14.9 million (Note 2). At December 31, 2023, we had a total of twelve consolidated projects under development or redevelopment, for which the estimated total cost to complete these projects through 2025 was $26.1 million to $42.5 million. Substantially all remaining development and redevelopment costs are discretionary, which 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 Item 1A. Risk Factors.

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):

	December 31, 2023	December 31, 2022
Total Debt - Fixed and Effectively Fixed Rate	$ 1,454,707	$ 1,440,773
Total Debt - Variable Rate	426,380	364,641
	1,881,087	1,805,414
Net unamortized debt issuance costs	(11,186)	(12,697)
Unamortized premium	240	343
Total Indebtedness	$ 1,870,141	$ 1,793,060

As of December 31, 2023, our consolidated indebtedness aggregated $1,881.1 million, excluding unamortized premium of $0.2 million and unamortized loan costs of $11.2 million, and were 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 January 2024 to April 2035, without regard to available extension options. Taking into consideration $1,249.8 million of notional principal under variable to fixed-rate swap agreements currently in effect, $1,454.7 million of the portfolio debt, or 77.3%, was fixed at a 4.71% weighted-average interest rate and $426.4 million, or 22.7% was floating at a 7.77% weighted average interest rate as of December 31, 2023. Our variable-rate debt includes $151.4 million of debt subject to interest rate caps.

Without regard to available extension options, at December 31, 2023 there is $327.6 million of debt maturing in 2024 at a weighted-average interest rate of 4.95%; there is $5.6 million of scheduled principal amortization due in 2024; and our share of scheduled 2024 principal payments and maturities on our unconsolidated debt was $69.1 million. In addition, $680.8 million of our total consolidated debt and $10.2 million of our pro-rata share of unconsolidated debt will come due in 2025. As it relates to the aforementioned maturing debt in 2024 and 2025, we have options to extend consolidated debt aggregating $0.0 million and $535.4 million at December 31, 2023, respectively; however, there can be no assurance that we will be able to successfully execute any or all of its available extension options. As it relates to the remaining maturing debt in 2024 and 2025, 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 at 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.

Share Repurchase Program

We maintain a share repurchase program under which $122.5 million remains available as of December 31, 2023 (Note 10). The Company did not repurchase any of its Common Shares under this program during the year ended December 31, 2023.

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) investments of strategic capital (v) future sales of existing properties, (vi) repayments of structured financing investments, and (vii) cash on hand and future cash flow from operating activities. Our cash on hand in our consolidated subsidiaries at December 31, 2023 totaled $17.5 million. Our remaining sources of liquidity are described further below.

Common Share Issuances

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 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 intend to continue to 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 sell any shares under our ATM Program for the year ended December 31, 2023.

In January 2024, we 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 (Note 17). We intend to use the net proceeds from the Offering for general corporate purposes, which may include, without limitation, the repayment of outstanding indebtedness, funding future acquisitions, working capital and other general corporate purpose activities.

Fund Capital

During the year ended December 31, 2023, Funds IV and V called for capital contributions of $74.8 million, of which our aggregate share was $15.5 million. At December 31, 2023, unfunded capital commitments from noncontrolling interests within our Funds II, III, IV and V were zero, $1.4 million, $20.4 million, and $90.0 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 year ended December 31, 2023, we sold 200,000 shares of Albertsons, generating net proceeds of $4.6 million. At December 31, 2023, we held 1.4 million shares which had a fair value of $33.3 million (Note 4, Note 8). In addition, during the year ended December 31, 2023, we recognized dividend income of $29.1 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 $12.0 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).

During the year ended December 31, 2023, Fund V refinanced 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 loan that have not been recognized) that previously matured and has not been repaid (Note 3).

Financing and Debt

As of December 31, 2023, we had $106.1 million of additional capacity under existing consolidated Core and Fund revolving debt facilities. In addition, at that date within our Core and Fund portfolios, we had 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.

HISTORICAL CASH FLOW

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022

The following table compares the historical cash flow for the year ended December 31, 2023 with the cash flow for the year ended December 31, 2022 (in millions, totals may not add due to rounding):

	Year Ended December 31, 2023	Year Ended December 31, 2022	Variance
Net cash provided by operating activities	$ 155.8	$ 133.2	$ 22.6
Net cash used in investing activities	(208.5)	(124.2)	(84.3)
Net cash provided by (used in) financing activities	45.9	(4.4)	50.3
Changes in cash, cash equivalents and restricted cash	$ (6.9)	$ 4.7	$ (11.6)

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 $22.6 million more cash for the year ended December 31, 2023 as compared to the year ended December 31, 2022, 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 $84.3 million more cash for the year ended December 31, 2023 as compared to the year ended December 31, 2022, primarily due to (i) $224.6 million less cash received from the disposition of properties, (ii) $33.3 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) $18.5 million more cash used in development, construction, and property improvements. These sources of cash were primarily offset by (i) $117.9 million less cash used for the acquisition of properties, and (ii) $101.0 million less cash used in our investments in and advances to unconsolidated affiliates.

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 provided $50.3 million more cash during the year ended December 31, 2023 as compared to the year ended December 31, 2022, primarily from (i) $145.4 million more cash received in proceeds from debt, (ii) $48.3 million less cash used for distributions to noncontrolling interests, (iii) $24.3 million less cash used for the acquisition of noncontrolling interests, and (iv) $5.3 million from lower financing costs. These decreases were offset by (i) $119.5 million less cash provided by the sale of Common Shares, (ii) $49.5 million less cash provided by contributions from noncontrolling interests, and (iii) $4.0 million more cash used in dividends paid to Common shareholders.

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 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		December 31, 2023	
Investment	Ownership Percentage	Pro-rata Share of Mortgage Debt	Effective Interest Rate (a)	Maturity Date
Gotham	49.0 %	$ 8.5	8.36 %	Mar 2024
Eden Square	20.8 %	5.0	7.60 %	Sep 2024
Crossroads	49.0 %	29.1	3.94 %	Oct 2024
Tri City Plaza(c)	18.1 %	6.9	3.04 %	Oct 2024
Frederick Crossing(c)	18.1 %	4.3	3.27 %	Dec 2024
Paramus Plaza(b)	11.6 %	3.2	7.69 %	Dec 2024
Frederick County Square(c)	18.1 %	4.2	5.49 %	Jan 2025
650 Bald Hill	20.8 %	3.2	3.75 %	Jun 2026
Renaissance(b)	20.0 %	30.4	7.15 %	Nov 2026
840 N. Michigan	91.9 %	50.0	6.50 %	Dec 2026
3104 M Street(b)	20.0 %	0.8	8.50 %	Jan 2027
Wood Ridge Plaza	18.1 %	6.1	7.20 %	Mar 2027
La Frontera	18.1 %	10.0	6.11 %	Jun 2027
Riverdale	18.0 %	6.9	7.28 %	Nov 2027
Georgetown	50.0 %	7.2	4.72 %	Dec 2027
Mohawk Commons	18.1 %	7.2	5.80 %	Mar 2028
Shoppes at South Hills(c)	18.1 %	5.8	5.95 %	Mar 2028
Total		$ 188.8		

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

CRITICAL ACCOUNTING ESTIMATES

Management's discussion and analysis of financial condition and results of operations is based upon our Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, referred to as "GAAP". The preparation of these 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 the following critical accounting policies affect the significant judgments and estimates used by us in the preparation of our Consolidated Financial Statements.

Real Estate and Investments in and Advances to Unconsolidated Affiliates – Impairment of Properties

On a periodic basis, we assess whether there are any indicators that the value of real estate assets, including any related right-of-use ("ROU"), intangible assets, undeveloped land and construction in progress, may be impaired. A property's value is impaired only if the estimate of the aggregate future cash flows (undiscounted and without interest charges) to be generated by the property are less than the carrying value of the property. The determination of undiscounted cash flows requires significant estimates by management. In management's estimate of cash flows, it considers factors such as expected future sale of an asset or development alternatives, capitalization rates and the undiscounted future cash flows analysis, which is probability-weighted based upon management's best estimate of the likelihood of the alternative courses of action. Expected future cash flows and recoverability conclusions could be materially impacted by changes in items such as future leasing activity, occupancy, property operating costs, market pricing, our view or strategy relative to a tenant's business or industry, the manner in which a property is used and the expected hold period of an asset. Subsequent changes in estimated undiscounted cash flows arising from changes in anticipated actions could affect the determination of whether an impairment exists and whether the effects could have a material impact on the Company's net income. To the extent an impairment has occurred, the loss will be measured as the excess of the carrying amount of the property over the fair value of the property.

The Company is required to make subjective assessments as to whether there are impairments in the value of its real estate properties and other investments. These assessments have a direct impact on the Company's estimates of the projected future cash flows, anticipated holding periods or market conditions change, its evaluation of the impairment charges may be different, and such differences could be material to the Company's consolidated financial statements. Plans to hold properties over longer periods decrease the likelihood of recording impairment losses.

During 2023 and 2022, the Company recognized impairment charges on properties of $3.7 million and $33.3 million, respectively. See Note 8 for a discussion of impairments recognized during the periods presented.

Our investments in unconsolidated joint ventures are reviewed for indicators of impairment on a quarterly basis and we record impairment charges when events or circumstances change indicating that a decline in the fair values below the carrying amounts has occurred and such decline is other-than-temporary. This evaluation of the investments in unconsolidated joint ventures is dependent on a number of factors, including the performance of each investment and market conditions. We will record an impairment charge if we determine that a decline in the fair value below the carrying amount of an investment in an unconsolidated joint venture is other-than-temporary. The fair value is calculated using discounted cash flows which is subjective and considers assumptions regarding future occupancy, future rental rates, future capital requirements, debt interest rates and availability, discount rates and capitalization rates that could differ materially from actual results in future periods.

Revenue Recognition and Receivables – Estimating Collectability

We assess the collectability of our accounts receivable related to tenant revenues under ASC *Topic 842 "Leases"* ("ASC 842"). Management exercises judgment in assessing collectability and will look to both quantitative and qualitative factors. Such factors include tenants' current credit status, either from third parties or using an internal risk assessment, payment history, amount of outstanding receivables, tenant sales performance, potential liquidity and current economic and sector specific trends. Changes in our assessments of collectability are recognized as adjustments to rental revenue in accordance with ASC 842. These assessments are inherently sensitive as they are based on the judgment of management and information available at the time of evaluation. We routinely reassess the quantitative and qualitative factors used to derive these estimates and believe the methods and assumptions noted above to be reasonable in evaluating collectability.

Billed tenant receivables, and receivables arising from the straight-lining of rents, are written-off when management deems the collectability of substantially all future lease payments from a specific lease is not probable, at which point, the Company will begin recognizing revenue from such leases prospectively on a cash basis, based on actual amounts received. If the Company subsequently determines that it is probable it will collect substantially all of the lessee's remaining lease payments under the lease term, the Company will reinstate the receivables balance, including those arising from the straight-lining of rents, adjusting for the amount related to the period when the lease was accounted for on a cash basis.

Rental revenue for the years ended December 31, 2023, 2022 and 2021 are reported net of our collectability related adjustments of $(1.3) million, $1.5 million, and $1.9 million, respectively (Note 11).

Real Estate – Estimates Related to Valuing Acquired Assets and Liabilities

Upon acquisitions of real estate, we assess the fair value of acquired tangible and intangible assets (including land, buildings, tenant improvements, "above-" and "below-market" leases, leasing and assumed financing origination costs, acquired in-place leases, other identified intangible assets and assumed liabilities) in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") *Topic 805 "Business Combinations"* and ASC *Topic 350 "Intangibles – Goodwill and Other,"* and allocate the purchase price to the acquired assets and assumed liabilities, including land and buildings as if vacant.

We assess fair value based on estimated cash flow projections utilizing appropriate discount and capitalization rates and available market information. Estimates of future cash flows are based on a number of factors including historical operating results, known trends, and market/economic conditions. Based on these estimates, we allocate the purchase price to the applicable assets and liabilities based on their relative fair values at date of acquisition. In allocating the purchase price to identified intangible assets and liabilities of an acquired property, the value of above-market and below-market leases is estimated based on the present value of the difference between the contractual amounts, including fixed rate below-market renewal options, to be paid pursuant to the in-place leases and our estimate of the market lease rates and other lease provisions for comparable leases measured over a period equal to the estimated remaining term of the lease. Tenant related intangibles and improvements are amortized on a straight-line basis over the related lease term, including any renewal options. We amortize identified intangibles that have finite lives over the period they are expected to contribute directly or indirectly to the future cash flows of the property or business acquired. We consider qualitative and quantitative factors in evaluating the likelihood of a tenant exercising a below market renewal option and include such renewal options in the calculation of in-place leases. If the value of below-market lease intangibles includes renewal option periods, we include such renewal periods in the amortization period utilized. If a lease terminates prior to its stated expiration, all unamortized amounts relating to that lease are written off.

During the year ended December 31, 2023, we completed two asset acquisitions, and the purchase price of each was allocated based on the relative fair values of the assets acquired and liabilities assumed (Note 2).

Investments in and Advances to Unconsolidated Affiliates – Consolidation

We account for our investments in and advances to unconsolidated affiliates under the equity method of accounting in cases where we exercise significant influence over, but do not control, these entities and are not considered to be the primary beneficiary. We consolidate those joint ventures that we control or which are variable interest entities (each, a "VIE") and where we are considered to be the primary beneficiary. In all these joint ventures, the rights of the joint venture partner are both protective as well as participating. Unless we are determined to be the primary beneficiary in a VIE, these participating rights preclude us from consolidating these VIE entities. Determining control of the entities can be subjective in assessing which activities of the joint venture most significantly impact the economic performance and whether the rights of the joint venture partner are protective or participating. In making this determination, any new or amended joint venture agreement is assessed by the Company for the activities that most significantly impact the joint venture's economic performance based on the business purpose and design of the venture. We assess the rights that are conveyed to us in the agreement and evaluate whether we are provided with participating or protective rights over the activities that most significantly impact the entity's economic performance. We also assess the rights of our joint venture partner. Such participating rights include, among other things, the right to approve/amend the annual budget, leasing of the property to a significant tenant, and approval of financing. If our joint venture partner has substantive participating rights and we are determined not to be the primary beneficiary, we do not consolidate the entity. The assets and liabilities of the consolidated VIEs are described in Note 16.

Recently Issued Accounting Pronouncements

Reference is made to Note 1 for information about recently issued and recently adopted accounting pronouncements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Information as of December 31, 2023

Our primary market risk exposure is to changes in interest rates related to our mortgage and other debt. See Note 7 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 December 31, 2023, we had total mortgage and other notes payable of $1,881.1 million, excluding the unamortized premium of $0.2 million and unamortized debt issuance costs of $11.2 million, of which $1,454.7 million, or 77.3% was fixed-rate, inclusive of debt with rates fixed through the use of derivative financial instruments, and $426.4 million, or 22.7%, was variable-rate based upon LIBOR rates plus certain spreads. As of December 31, 2023, we were party to 36 interest rate swap and four interest rate cap agreements to hedge our exposure to changes in interest rates with respect to $1,249.8 million and $151.4 million of LIBOR or SOFR-based 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 — 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.

The following table sets forth information as of December 31, 2023 concerning our long-term debt obligations, including principal cash flows by scheduled maturity and weighted average interest rates of maturing amounts (dollars in millions):

Core Consolidated Mortgage and Other Debt

Year	Scheduled Amortization	Maturities	Total	Weighted-Average Interest Rate
2024	$ 1.8	$ 7.3	$ 9.1	4.7%
2025	2.0	273.3	275.3	4.7%
2026	2.4	400.0	402.4	4.7%
2027	2.3	200.1	202.4	4.6%
2028	1.8	67.9	69.7	4.5%
Thereafter	2.5	93.7	96.2	5.6%
	$ 12.8	$ 1,042.3	$ 1,055.1	

Fund Consolidated Mortgage and Other Debt

Year	Scheduled Amortization	Maturities	Total	Weighted-Average Interest Rate
2024	$ 3.8	$ 320.3	$ 324.1	5.0%
2025	0.5	405.0	405.5	7.3%
2026	0.2	34.5	34.7	6.6%
2027	0.4	—	0.4	—%
2028	0.2	61.1	61.3	6.0%
Thereafter	—	—	—	—%
	$ 5.1	$ 820.9	$ 826.0	

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

Year	Scheduled Amortization	Maturities	Total	Weighted-Average Interest Rate
2024	$ 13.0	$ 56.1	$ 69.1	5.0%
2025	6.0	4.2	10.2	5.5%
2026	6.0	61.0	67.0	6.7%
2027	0.6	29.6	30.2	6.3%
2028	—	12.3	12.3	5.9%
Thereafter	—	—	—	—%
	$ 25.6	$ 163.2	$ 188.8	

Without regard to available extension options, in 2024, $333.2 million of our total consolidated debt and $69.1 million of our pro-rata share of unconsolidated outstanding debt will become due. In addition, $680.8 million of our total consolidated debt and $10.2 million of our pro-rata share of unconsolidated debt will become due in 2025. As it relates to the maturing debt in 2024 and 2025, we have options to extend consolidated debt aggregating $0.0 million and $535.4 million, respectively; however, there can be no assurance that the Company will be able to 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 rate, our interest expense would increase by approximately $10.8 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 $5.6 million. Interest expense on our consolidated variable-rate debt of $426.4 million, net of variable to fixed-rate swap agreements currently in effect, as of December 31, 2023, would increase $4.3 million if interest rates increased by 100 basis points. After giving effect to noncontrolling interests, our share of this increase would be $1.7 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 December 31, 2023, the fair value of our total consolidated outstanding debt would decrease by approximately $6.9 million if interest rates increase by 1%. Conversely, if interest rates decrease by 1%, the fair value of our total outstanding debt would increase by approximately $6.6 million.

As of December 31, 2023, and 2022, we had consolidated notes receivable of $124.9 million and $123.9 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 December 31, 2023, the fair value of our total outstanding notes receivable would decrease by approximately $0.6 million if interest rates increase by 1%. Conversely, if interest rates decrease by 1%, the fair value of our total outstanding notes receivable would increase by approximately $0.6 million.

Summarized Information as of December 31, 2022

As of December 31, 2022, we had total mortgage and other notes payable of $1,805.4 million, excluding the unamortized premium of $0.3 million and unamortized debt issuance costs of $12.7 million, of which $1,440.8 million, or 79.8% was fixed-rate, inclusive of debt with rates fixed through the use of derivative financial instruments, and $364.6 million, or 20.2%, was variable-rate based upon LIBOR, SOFR or Prime rates plus certain spreads. As of December 31, 2022, 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 and $103.8 million of variable-rate debt, respectively.

Interest expense on our variable-rate debt of $364.6 million as of December 31, 2022, would have increased $3.6 million if corresponding rate indices increased by 100 basis points. Based on our outstanding debt balances as of December 31, 2022, the fair value of our total outstanding debt would have decreased by approximately $5.4 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 $6.5 million.

Changes in Market Risk Exposures from December 31, 2022 to December 31, 2023

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

ITEM 8. FINANCIAL STATEMENTS.

ACADIA REALTY TRUST AND SUBSIDIARIES

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Trustees of Acadia Realty Trust

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Acadia Realty Trust and subsidiaries (the "Company") as of December 31, 2023, the related consolidated statements of operations, comprehensive income (loss), changes in shareholders' equity, and cash flows, for the year ended December 31, 2023, and the related notes, and the schedules listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, and the results of its operations and its cash flows for the year ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 16, 2024, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Operating real estate, net — Impairment — Refer to Notes 1, 2 and 8 to the financial statements

Critical Audit Matter Description

The Company reviews its real estate assets for impairment periodically or when there is an event or a change in circumstances that indicates the carrying amount may not be recoverable. The Company's evaluation of the recoverability of real estate assets involves the comparison of undiscounted future cash flows expected to be generated by each real estate asset over the Company's estimated holding period to the respective carrying amount. The cash flow analysis considers factors such as expected future operating income, trends, and prospects, as well as the effects of demand, competition, and other factors. If the Company is evaluating the potential sale of an asset, the undiscounted future cash flows analysis is probability-weighted based upon management's best estimate of the likelihood of the alternative courses of action for that particular asset as of the balance sheet date. If an impairment is indicated, an impairment loss is recognized equal to the excess of the carrying amount of the asset over its estimated fair value.

The determination of anticipated undiscounted cash flows is inherently subjective, requiring significant estimates and assumptions to be made by management such as future market rental rates and capitalization rates.

We identified the impairment of certain real estate assets as a critical audit matter because of the significant estimates and assumptions management makes related to future market rental rates and capitalization rates. This required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists, when performing audit procedures to evaluate the reasonableness of management's undiscounted future cash flows analysis.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the undiscounted future cash flows analysis included the following, among others:

- We tested the effectiveness of controls over management's evaluation of the recoverability of real estate assets, including those over future market rental rates and capitalization rates.
- We evaluated the reasonableness of future market rental rates and capitalization rates used by management through comparison to independent market data, focusing on geographical location and property type. In addition, we developed ranges of independent estimates of future market rental rates and capitalization rates and compared those to the amounts used by management.
- We involved our fair value specialists in (1) evaluating the reasonableness of the valuation methodology; (2) providing comparable market transaction details to evaluate the future market rental rates and capitalization rates assumptions; and (3) evaluating the mathematical accuracy of the undiscounted future cash flows analysis.
- We evaluated whether the assumptions used by management were consistent with evidence obtained in other areas of the audit.

/s/ Deloitte & Touche LLP

New York, New York
February 16, 2024

We have served as the Company's auditor since 2023.

Report of Independent Registered Public Accounting Firm

Shareholders and Board of Trustees
Acadia Realty Trust
Rye, New York

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheet of Acadia Realty Trust (the “Company”) as of December 31, 2022, the related consolidated statements of operations, comprehensive income (loss), changes in shareholders’ equity, and cash flows for each of the two years in the period ended December 31, 2022, and the related notes and financial statement schedules listed in the accompanying index (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2022, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.
Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ BDO USA, LLP

We have served as the Company's auditor from 2005 to 2022.

New York, New York
March 1, 2023

ACADIA REALTY TRUST AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(dollars in thousands, except share and per share data)	December 31, 2023	December 31, 2022
ASSETS		
Investments in real estate, at cost		
Operating real estate, net	$ 3,517,281	$ 3,343,265
Real estate under development	94,799	184,602
Net investments in real estate	3,612,080	3,527,867
Notes receivable, net ($1,279 and $898 of allowance for credit losses as of December 31, 2023 and December 31, 2022, respectively)	124,949	123,903
Investments in and advances to unconsolidated affiliates	197,240	291,156
Other assets, net	208,460	229,591
Right-of-use assets - operating leases, net	29,286	37,281
Cash and cash equivalents	17,481	17,158
Restricted cash	7,813	15,063
Marketable securities	33,284	—
Rents receivable, net	49,504	49,506
Assets of properties held for sale	11,057	11,057
Total assets [(a)]	$ 4,291,154	$ 4,302,582
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY		
Liabilities:		
Mortgage and other notes payable, net	$ 930,127	$ 928,639
Unsecured notes payable, net	726,727	696,134
Unsecured line of credit	213,287	168,287
Accounts payable and other liabilities	229,375	196,491
Lease liability - operating leases	31,580	35,271
Dividends and distributions payable	18,520	18,395
Distributions in excess of income from, and investments in, unconsolidated affiliates	7,982	10,505
Total liabilities [(a)]	2,157,598	2,053,722
Commitments and contingencies (Note 9)		
Redeemable noncontrolling interests (Note 10)	50,339	67,664
Equity:		
Acadia Shareholders' Equity		
Common shares, $0.001 par value per share, authorized 200,000,000 shares, issued and outstanding 95,361,676 and 95,120,773 shares, respectively	95	95
Additional paid-in capital	1,953,521	1,945,322
Accumulated other comprehensive income	32,442	46,817
Distributions in excess of accumulated earnings	(349,141)	(300,402)
Total Acadia shareholders’ equity	1,636,917	1,691,832
Noncontrolling interests	446,300	489,364
Total equity	2,083,217	2,181,196
Total liabilities, redeemable noncontrolling interests, and equity	$ 4,291,154	$ 4,302,582

(a)Represents the consolidated assets and liabilities of Acadia Realty Limited Partnership (the "Operating Partnership"), which is a consolidated variable interest entity ("VIE") (Note 16). The Consolidated Balance Sheets include the following amounts related to our consolidated VIEs that are consolidated by the Operating Partnership: $1,679.8 million and $1,466.4 million of Operating real estate, net; $28.9 million and $129.9 million of Real estate under development; $92.8 million and $210.9 million of Investments in and advances to unconsolidated affiliates; $101.7 million and $98.7 million of Other assets, net; $2.1 million and $2.5 million of Right-of-use assets - operating leases, net; $10.8 million and $13.3 million of Cash and cash equivalents; $7.0 million and $15.0 million of Restricted cash; $21.4 million and $17.9 million of Rents receivable, net; $764.6 million and $761.2 million of Mortgage and other notes payable, net; $80.5 million and $51.2 million of Unsecured notes payable, net; $127.2 million and $95.4 million of Accounts payable and other liabilities; $2.2 million and $2.7 million of Lease liability- operating leases as of December 31, 2023 and 2022, respectively.

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

ACADIA REALTY TRUST AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31,		
(in thousands except per share amounts)	**2023**	**2022**	**2021**
Revenues			
Rental	$ 333,044	$ 317,814	$ 285,898
Other	5,648	8,476	6,599
Total revenues	338,692	326,290	292,497
Expenses			
Depreciation and amortization	135,984	135,917	123,439
General and administrative	41,470	44,066	40,125
Real estate taxes	46,650	44,932	45,357
Property operating	61,826	56,995	53,516
Impairment charges	3,686	33,311	9,925
Total expenses	289,616	315,221	272,362
Gain on disposition of properties	—	57,161	10,521
Operating income	49,076	68,230	30,656
Equity in (losses) earnings of unconsolidated affiliates	(7,677)	(32,907)	5,330
Interest income	19,993	14,641	9,065
Realized and unrealized holding gains (losses) on investments and other	30,413	(34,994)	49,120
Interest expense	(93,253)	(80,209)	(68,048)
(Loss) income from continuing operations before income taxes	(1,448)	(65,239)	26,123
Income tax provision	(301)	(12)	(93)
Net (loss) income	(1,749)	(65,251)	26,030
Net loss attributable to redeemable noncontrolling interests	8,239	5,536	—
Net loss (income) attributable to noncontrolling interests	13,383	24,270	(2,482)
Net income (loss) attributable to Acadia shareholders	$ 19,873	$ (35,445)	$ 23,548
Basic earnings (loss) per share	$ 0.20	$ (0.38)	$ 0.26
Diluted earnings (loss) per share	$ 0.20	$ (0.40)	$ 0.26
Weighted average shares for basic earnings (loss) per share	95,284	94,575	87,654
Weighted average shares for diluted earnings (loss) per share	95,284	94,643	87,654

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

ACADIA REALTY TRUST AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(in thousands)	**Year Ended December 31, 2023**	**2022**	**2021**
Net (loss) income	$ (1,749)	$ (65,251)	$ 26,030
Other comprehensive (loss) income:			
Unrealized gain on valuation of swap agreements	10,963	96,858	30,500
Reclassification of realized interest on swap agreements	(33,647)	8,232	21,407
Other comprehensive (loss) income	(22,684)	105,090	51,907
Comprehensive (loss) income	(24,433)	39,839	77,937
Comprehensive loss attributable to redeemable noncontrolling interests	8,239	5,536	—
Comprehensive loss (income) attributable to noncontrolling interests	21,692	2,211	(15,712)
Comprehensive income attributable to Acadia shareholders	$ 5,498	$ 47,586	$ 62,225

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

ACADIA REALTY TRUST AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
Years Ended December 31, 2023, 2022, and 2021

	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**	**Noncontrollin g 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	151	—	2,521	—	—	2,521	(2,521)	—	—
Dividends/distributions declared ($0.72 per Common Share/OP Unit)	—	—	—	—	(68,612)	(68,612)	(5,352)	(73,964)	—
City Point Loan Advances	—	—	—	—	—	—	—	—	(796)
City Point Loan accrued interest, net	—	—	—	—	—	—	—	—	(9,350)
Employee and trustee stock compensation, net	90	—	1,689	—	—	1,689	11,064	12,753	—
Noncontrolling interest distributions	—	—	—	—	—	—	(80,186)	(80,186)	(50)
Noncontrolling interest contributions	—	—	—	—	—	—	59,612	59,612	1,110
Comprehensive income (loss)	—	—	—	(14,375)	19,873	5,498	(21,692)	(16,194)	(8,239)
Reallocation of noncontrolling interests	—	—	3,989	—	—	3,989	(3,989)	—	—
Balance at December 31, 2023	**95,362**	**$ 95**	**$ 1,953,521**	**$ 32,442**	**$ (349,141)**	**$ 1,636,917**	**$ 446,300**	**$ 2,083,217**	**$ 50,339**
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	235	—	3,945	—	—	3,945	(3,945)	—	—
Dividends/distributions declared ($0.72 per Common Share/OP Unit)	—	—	—	—	(68,312)	(68,312)	(5,094)	(73,406)	—
Acquisition of noncontrolling interest	—	—	67,475	—	—	67,475	(91,811)	(24,336)	—
City Point Loan Advances	—	—	—	—	—	—	—	—	(65,391)
City Point Loan accrued interest, net	—	—	—	—	—	—	—	—	(3,923)
Employee and trustee stock compensation, net	57	—	1,122	—	—	1,122	10,000	11,122	—
Noncontrolling interest distributions	—	—	—	—	—	—	(79,838)	(79,838)	—
Noncontrolling interest contributions	—	—	—	—	—	—	109,428	109,428	65,945
Comprehensive income (loss)	—	—	—	83,031	(35,445)	47,586	(2,211)	45,375	(5,536)
Reclassification of redeemable noncontrolling interests	—	—	—	—	—	—	(76,569)	(76,569)	76,569
Reallocation of noncontrolling interests	—	—	(1,082)	—	—	(1,082)	1,082	—	—
Balance at December 31, 2022	**95,121**	**$ 95**	**$ 1,945,322**	**$ 46,817**	**$ (300,402)**	**$ 1,691,832**	**$ 489,364**	**$ 2,181,196**	**$ 67,664**
Balance at January 1, 2021	**86,269**	**$ 86**	**$ 1,683,165**	**$ (74,891)**	**$ (167,321)**	**$ 1,441,039**	**$ 609,165**	**$ 2,050,204**	**$ —**
Conversion of OP Units to Common Shares by limited partners of the Operating Partnership	90	—	1,431	—	—	1,431	(1,431)	—	—
Cancellation of OP Units	—	—	—	—	—	—	(568)	(568)	—
Issuance of Common Shares	2,889	3	63,873	—	—	63,876	—	63,876	—
Dividends/distributions declared ($0.60 per Common Share/OP Unit)	—	—	—	—	(52,872)	(52,872)	(4,185)	(57,057)	—
Employee and trustee stock compensation, net	56	—	1,146	—	—	1,146	11,284	12,430	—
Noncontrolling interest distributions	—	—	—	—	—	—	(27,051)	(27,051)	—
Noncontrolling interest contributions	—	—	—	—	—	—	30,164	30,164	—
Comprehensive income	—	—	—	38,677	23,548	62,225	15,712	77,937	—
Reallocation of noncontrolling interests	—	—	4,768	—	—	4,768	(4,768)	—	—
Balance at December 31, 2021	**89,304**	**$ 89**	**$ 1,754,383**	**$ (36,214)**	**$ (196,645)**	**$ 1,521,613**	**$ 628,322**	**$ 2,149,935**	**$ —**

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

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	Year Ended December 31, 2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss) income	$ (1,749)	$ (65,251)	$ 26,030
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation and amortization	135,984	135,917	123,439
Gain on disposition of properties and other investments	—	(58,634)	(10,521)
Net unrealized holding (gains) losses on investments	(1,634)	37,751	(51,925)
Stock compensation expense	12,753	11,122	12,430
Straight-line rents	(1,392)	(8,669)	(6,726)
Equity in losses (earnings) of unconsolidated affiliates	7,677	32,907	(5,330)
Distributions of operating income from unconsolidated affiliates	3,844	24,179	3,828
Adjustments to straight-line rent reserves	—	(292)	2,682
Amortization of financing costs	6,481	5,639	4,396
Non-cash lease expense	3,596	3,462	3,721
Adjustments to allowance for credit loss	(1,241)	(102)	(2,796)
Acceleration of below market lease	(8,057)	—	—
Impairment charges	3,686	33,311	9,925
Termination of ground lease	—	—	(3,615)
Other, net	(5,818)	(7,675)	(5,304)
Changes in assets and liabilities:			
Rents receivable	2,538	1,586	7,384
Other liabilities	15,492	(2,959)	7,856
Accounts payable and accrued expenses	2,045	(2,141)	572
Prepaid expenses and other assets	(14,756)	(3,452)	(7,427)
Lease liability - operating leases	(3,691)	(3,488)	(3,636)
Net cash provided by operating activities	**155,758**	**133,211**	**104,983**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of real estate	(126,545)	(242,633)	(161,846)
Proceeds from the disposition of properties and other investments, net	—	224,558	63,901
Investments in and advances to unconsolidated affiliates	(53,736)	(154,695)	(14,835)
Development, construction and property improvement costs	(69,540)	(51,046)	(40,671)
Refund (deposits) for properties under purchase contract	1,080	(729)	—
Deposits for properties under sale contract	1,515	2,000	—
Change in control of previously unconsolidated affiliate	—	3,592	—
Return of capital from unconsolidated affiliates	44,486	77,774	17,722
Payment of deferred leasing costs	(9,007)	(7,997)	(4,914)
Acquisition of investment interests	—	(4,527)	—
Proceeds from sale of marketable securities	4,636	—	—
Proceeds from repayment of notes receivable	—	29,530	—
Issuance of notes receivable	(1,426)	—	(57,895)
Net cash used in investing activities	**(208,537)**	**(124,173)**	**(198,538)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from unsecured debt	283,989	850,120	323,200
Principal payments on unsecured debt	(209,599)	(656,556)	(206,781)
Proceeds from the sale of Common Shares	—	119,485	63,876
Capital contributions from noncontrolling interests	59,926	109,428	30,164
Principal payments on mortgage and other notes	(112,283)	(447,998)	(98,602)
Distributions to noncontrolling interests	(36,389)	(84,723)	(30,410)
Dividends paid to Common Shareholders	(68,568)	(64,586)	(39,476)
Proceeds received from mortgage and other notes	132,902	204,138	56,847
Payment of deferred financing and other costs	(4,026)	(9,348)	(7,436)
Acquisition of noncontrolling interest	—	(24,336)	—
Payments of finance lease obligations	(100)	—	(63)
Net cash provided by (used in) financing activities	**45,852**	**(4,376)**	**91,319**
Changes in cash, cash equivalents and restricted cash	(6,927)	4,662	(2,236)
Cash and cash equivalents of $17,158, $17,746 and $18,699 and restricted cash of $15,063, $9,813 and $11,096, respectively, beginning of year	32,221	27,559	29,795
Cash and cash equivalents of $17,481, $17,158 and $17,746 and restricted cash of $7,813, $15,063 and $9,813, respectively, end of year	$ 25,294	$ 32,221	$ 27,559

ACADIA REALTY TRUST AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS - Continued

(in thousands)	Year Ended December 31, 2023	2022	2021
Supplemental disclosure of cash flow information			
Cash paid during the period for interest, net of capitalized interest of $7,206 and $4,166 and $3,421 respectively (a)	$ 119,550	$ 65,109	$ 44,663
Cash paid for income taxes, net of (refunds)	$ 301	$ 11	$ 147
Supplemental disclosure of non-cash investing and financing activities			
Distribution declared and payable	$ 18,372	$ 18,368	$ 14,314
Assumption of accounts payable and accrued expenses through acquisition of real estate	$ 645	$ 4,062	$ 1,319
Right-of-use assets, operating leases exchanged for operating lease liabilities	$ —	$ —	$ 412
Disposition of 146 Geary Street upon deed-in-lieu of foreclosure	$ 19,338	$ —	$ —
Extinguishment of the obligations under the mortgage loan for 146 Geary Street upon deed-in-lieu of foreclosure	$ (19,338)	$ -	$ -
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	$ 9,350	$ 3,923	$ —
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	$ —
Acquisition of real estate through assumption of debt	$ —	$ —	$ 31,801
Settlement of note receivable through cancellation of OP Units	$ —	$ —	$ 479
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	$ —

(a)Interest paid for the year ended December 31, 2023, 2022 and 2021 excludes the cash flows from net settlements on interest rate swap contracts, which was a net receipt of cash of $28.7 million, a net payment of $8.3 million, and a net receipt of $29.9 million, respectively.

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

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 ("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 December 31, 2023 and 2022, the 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 December 31, 2023, 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 investment period for our current fund was completed in August 2023. At December 31, we have closed on all new investments in our Funds, and any remaining obligations to our Funds are related to existing investments. 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 Company consolidates the Funds as it has (i) the power to direct the activities that most significantly impact the Funds' economic performance, (ii) is obligated to absorb the Funds' losses and (iii) has the right to receive benefits from the Funds that could potentially be significant.

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, Mervyns II, 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 December 31, 2023 [(a)]	Unfunded Commitment [(a)]	Equity Interest Held By Operating Partnership [(b)]	Preferred Return	Total Distributions as of December 31, 2023 [(a)]
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
Fund IV	5/2012	23.12 %	503.4	26.6	23.12 %	6 %	221.4
Fund V	8/2016	20.10 %	407.4	112.6	20.10 %	6 %	105.8

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

b)Amount represents the current economic ownership at December 31, 2023, which could differ from the stated legal ownership based upon the cumulative preferred returns of the respective Fund.

c)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). The Company's ownership in Mervyns II is 40.0%.

Basis of Presentation

Principles of Consolidation

The 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 and does not consolidate, 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 Equity in (losses) earnings of unconsolidated affiliates in the Consolidated Statement of Operations.

Use of Estimates

Generally accepted accounting principles ("GAAP") requires the Company's management to make estimates and assumptions that affect the amounts reported in the 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.

Segments

We review operating and financial data for each property on an individual basis; therefore, each of our individual properties is a separate operating segment. We define our reportable segments to be aligned with our method of internal reporting and the way our chief operating decision maker makes key operating decisions, evaluates financial results, allocates resources and manages our business. Accordingly, we aggregate our operating segments into three reportable operating segments: Core Portfolio, Funds and Structured Financing, based on the economic characteristics and nature of our assets and services.

Reclassifications

Certain prior year amounts with regard to general reserves for leases and rental revenue have been reclassified to conform to the current year presentation. These reclassifications had no effect on the reported results of operations. Financial Statement Schedule II was also removed to conform to the current year presentation in the footnotes to the consolidated financial statements.

Summary of Significant Accounting Policies

Real Estate

Land, buildings, and personal property are carried at cost less accumulated depreciation. Improvements and significant renovations that extend the useful life of the properties are capitalized, while replacements, maintenance, and repairs that do not improve or extend the lives of the respective assets are expensed as incurred. Real estate under development includes costs for significant property expansion and development. 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.

Depreciation is computed on the straight-line basis over estimated useful lives of the assets as follows:

Buildings and improvements	Useful lives of 40 years for buildings and 15 years for improvements
Furniture and fixtures	Useful lives, ranging from five years to 10 years
Tenant improvements	Shorter of economic life or lease terms

If the Company funds tenant improvements and the improvements are deemed to be owned by the Company, revenue recognition will commence when the improvements are substantially completed, and possession or control of the space is turned over to the tenant. If the Company determines that the tenant allowances are lease incentives, the Company commences revenue recognition when possession or control of the space is turned over to the tenant for tenant work to begin. The lease incentive is recorded as a deferred expense and amortized as a reduction of revenue on a straight-line basis over the respective lease term.

Purchase Accounting – Upon acquisitions of real estate, the Company assesses the fair value of acquired assets and assumed liabilities (including land, buildings and improvements, and identified intangibles such as above- and below-market leases and acquired in-place leases) in accordance with ASC Topic 805, *"Business Combinations"* and ASC Topic 350 *"Intangibles – Goodwill and Other,"* and allocates the acquisition price based on their relative fair values. When acquisitions of properties do not meet the criteria for business combinations, they are accounted for as asset acquisitions; therefore, no goodwill is recorded, and acquisition costs are capitalized.

The Company assesses the fair value of its tangible assets acquired and liabilities assumed based on estimated cash flow projections that utilize appropriate discount and capitalization rates and available market information at the measurement period. Estimates of future cash flows are based on a number of factors including the historical operating results, known trends, and market/economic conditions that may affect the property.

In determining the value of above- and below-market leases, the Company estimates the present value difference between contractual rent obligations and estimated market rate of leases at the time of the transaction. To the extent there were fixed-rate options at below-market rental rates, the Company included these periods along with the current term below-market rent in arriving at the fair value of the acquired leases. The discounted difference between contract and market rents is being amortized to rental revenue over the remaining applicable lease term, inclusive of any option periods.

In determining the value of acquired in-place leases, the Company considers market conditions at the time of the transaction and values the costs to execute similar leases during the expected lease-up period from vacancy to existing occupancy, including carrying costs. The value assigned to in-place leases and tenant relationships is amortized to depreciation and amortization expense over the estimated remaining term of the leases. If a lease were to be terminated prior to its scheduled expiration, all unamortized costs (e.g., lease intangibles) relating to that lease would be written off.

The Company estimates the value of any assumption of mortgage debt based on market conditions at the time of acquisitions including prevailing interest rates, terms, and ability to obtain financing for a similar asset. Mortgage debt discounts or premiums are included in the carrying value of the debt and amortized into interest expense over the remaining term of the related debt instrument.

Real Estate Under Development – The Company capitalizes certain costs related to the development of real estate. Interest and real estate taxes incurred during the period of the construction, expansion or development of real estate are capitalized and depreciated over the estimated useful life of the building. The Company will cease the capitalization of these costs when construction activities are substantially completed and the property is available for occupancy by tenants, but no later than one year from the completion of major construction activity, at which time the project is placed in service and depreciation commences. If the Company suspends substantially all activities related to the development of a qualifying asset, the Company will cease capitalization of interest and taxes until activities are resumed.

Real Estate Impairment – The Company reviews its real estate, real estate under development and right-of-use assets for impairment periodically or when there is an event or a change in circumstances that indicates that the carrying amount may not be recoverable. In cases where the Company does not expect to recover its carrying amounts on properties held for use, the Company reduces its carrying amounts to fair value. The determination of anticipated undiscounted cash flows considers the most likely expected course of action at the balance sheet date based on current plans, intended holding periods and available market information. If the Company is evaluating the potential sale of an asset, the undiscounted future cash flows analysis is probability-weighted based upon management's best estimate of the likelihood of the alternative courses of action as of the balance sheet date. Such cash flow projections consider factors such as expected future operating income, trends, and prospects, as well as the effects of demand, competition, and other factors. If an impairment is indicated, an impairment loss is recognized based on the excess of the carrying amount of the asset over its estimated fair value based on third-party appraisals, broker selling estimates, sale agreements under negotiation, and/or final selling prices, when available. The determination of anticipated undiscounted cash flows is inherently subjective, requiring significant estimates to be made by management such as market rental rates and capitalization rates, and considers the most likely expected course of action at the balance sheet date based on current plans and available market information. See Note 8 for information about impairment charges recorded during the periods presented.

Dispositions of Real Estate – The Company recognizes property sales in accordance with ASC Topic 610-20, *Other Income—Gains and Losses from the Derecognition of Nonfinancial Assets*. Sales of real estate include the sale of investments in real estate properties and real estate joint ventures. Gains on the sale of investment in real estate are recognized, and the related real estate derecognized, when the Company has satisfied its performance obligations by transferring control of the property. Typically, the timing of payment and satisfaction of performance obligations occur simultaneously on the disposition date.

Real Estate Held for Sale – The Company generally considers assets to be held for sale when certain criteria have been met, and management believes it is probable that the disposition will occur within one year. Properties are held for sale for a period longer than one year if events or circumstances out of the Company's control occur that delay the sale and while management continues to be committed to the plan of sale and is performing actions necessary to respond to the conditions causing the delay the properties held for sale remain salable in their current condition. Assets that are classified as held for sale are recorded at the lower of their carrying amount or fair value, less cost to sell, and depreciation and amortization are no longer recognized. Held for sale properties are evaluated quarterly to ensure that properties continue to meet the held for sale criteria. If properties are required to be reclassified from held for sale to held for use due to changes to a plan of sale, they are recorded at the lower of fair value or the carrying amount before the property was classified as held for sale, adjusted for any depreciation and amortization expense that would have been recognized had the property been continuously classified as held and used. Properties that do not meet the held for sale criteria are accounted for as operating properties.

Notes Receivable

Notes receivable include certain loans that are held for investment and are collateralized by real estate-related investments and may be subordinate to other senior loans. Notes receivable are reported net of an allowance for current expected credit losses ("CECL") and are recorded at stated principal amounts or at initial investment less accretive yield for loans purchased at a discount, which is accreted over the life of the note. The Company defers loan origination and commitment fees, net of origination costs, and amortizes them over the term of the related loan. Changes in cash flows from previous estimates are included in future interest income on a prospective basis and a new effective interest rate is computed based on the current cost basis of the instrument and remaining cash flows. 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 monitors the credit quality of its notes 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. Given the small number of notes outstanding, the Company believes the characteristics of its notes are not sufficiently similar to allow an evaluation as a group for CECL allowance. As such, all of the Company's notes are evaluated individually for this purpose. The Company evaluates the collectability of both principal and interest based upon an assessment of the underlying collateral value to determine whether the note is impaired. Allowance for CECL represents management's estimate of future losses based on national historical economic loss rates for similar obligations, management's estimate of future economic impacts and factors specific to the borrower. 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.

Pursuant to ASC 326, certain of the Company's loans are considered "collateral dependent" in that settlement of the amount is likely to be achieved by obtaining access to the collateral (e.g., notes in default). The same valuation techniques are used to value the collateral for such collateral dependent instruments as those used to determine the fair value of real estate investments for impairment purposes.

Interest income on performing notes is accrued as earned. The Company assesses the probability of a borrower's ability to repay the loan similar to the factors noted above. We consider a loan to be past due when amounts contractually due have not been paid. Loans are placed on a non-accrual status at the earlier of the date at which payments become 90 days past due or when, in the opinion of management, a full recovery of interest income becomes doubtful. Interest income recognition is resumed on any loan that is on non-accrual status when such loan becomes contractually current and performance is demonstrated to be resumed.

Allowance for Credit Losses

The Company's estimated allowance for CECL related to its Structured Financing segment (including unfunded commitments and guarantees) has been computed for its amortized cost basis in the portfolio, including accrued interest (Note 5), factoring in the Company's historical results and 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. If the Company has determined that a loan or a portion of a loan is uncollectible, it will write-off the loan through an adjustment to its CECL allowance based on the net present value of expected future cash flows or the fair value of the collateral less costs to sell, if repayment is expected from the sale of the collateral. The write-offs are recorded in the period in which the loan balance is deemed uncollectible based on management's judgment. The Company records the CECL allowance related to its City Point Loan (Note 10) as a reduction to redeemable noncontrolling interest.

Investments in and Advances to Unconsolidated Joint Ventures

Some of the Company’s unconsolidated joint ventures obtain non-recourse third-party financing on their property investments, contractually limiting the Company’s exposure to losses. The Company recognizes income for distributions in excess of its investment where there is no recourse to the Company and no intention or obligation to contribute additional capital. For investments in which there is recourse to the Company or an obligation or intention to contribute additional capital exists, distributions in excess of the investment are recorded as a liability.

When characterizing distributions from unconsolidated investees within the Company's consolidated statements of cash flows, all distributions received are first applied as returns on investment to the extent there are cumulative earnings related to the respective investment and are classified as cash inflows from operating activities. If cumulative distributions are in excess of cumulative earnings, distributions are considered return of investment. In such cases, the distribution is classified as cash inflows from investing activities.

To the extent that the Company’s carrying basis in an unconsolidated affiliate is different from the basis reflected at the joint venture level, the basis difference is amortized over the life of the related assets and included in the Company’s share of equity in earnings (losses) of unconsolidated affiliates.

The Company periodically reviews its investments in unconsolidated joint ventures for other-than-temporary losses in investment value. A decline in the value of our other investments may require us to recognize an other-than-temporary impairment (“OTTI”) against such assets. When the fair value of an investment is determined to be less than its amortized cost at the balance sheet date, we assess whether the decline is temporary or other-than-temporary. If we intend to sell an impaired asset, or it is more likely than not that we will be required to sell the impaired asset before any anticipated recovery, then we must recognize an OTTI through charges to earnings equal to the entire difference between the asset’s amortized cost and its fair value at the balance sheet date. When an OTTI is recognized through earnings, a new cost basis is established for the asset, and the new cost basis may not be adjusted through earnings for subsequent recoveries in fair value.

Fair Value Measurements

The Company follows the guidance in the FASB ASC Topic 820, *Fair Value Measurements and Disclosures* ("Topic 820"), to determine the fair value of financial and non-financial instruments. In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as considering counterparty credit risk. 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:

Level 1 - 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 - 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;

Level 3 - 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. For significant Level 3 items, the Company has also provided the unobservable inputs.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed the limits insured by the Federal Deposit Insurance Corporation.

Restricted Cash

Restricted cash consists principally of cash held for real estate taxes, construction costs, property maintenance, insurance, minimum occupancy, and property operating income requirements at specific properties as required by certain loan agreements.

Marketable Equity Securities

The Company classifies its marketable equity securities as available-for-sale in accordance with the FASB's Investments-Debt 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 Realized and unrealized holding gains on investments and other on the Company's Consolidated Statements of Operations.

Deferred Costs

External fees and costs paid in the successful negotiation of leases are deferred and amortized on a straight-line basis over the terms of the respective leases. External fees and costs incurred in connection with obtaining financing are deferred and amortized as a component of interest expense over the term of the related debt obligation on a straight-line basis, which approximates the effective interest method.

Derivative Instruments and Hedging Activities

The Company measures derivative instruments at fair value and records them as assets or liabilities, depending on its rights or obligations under the applicable derivative contract. Derivatives that are not designated as hedges must be adjusted to fair value through earnings. For a derivative designated and that qualified as a cash flow hedge, the effective portion of the change in fair value of the derivative is recognized in Accumulated other comprehensive income on the Consolidated Balance Sheets until the hedged item is recognized in earnings. The ineffective portion of a derivative's change in fair value is immediately recognized in earnings. The Company accounts for its share of cash flow hedges from non-consolidated entities as part of Investment in and advances to unconsolidated affiliates and Accumulated other comprehensive income on the Consolidated Balance Sheets.

Although the Company's derivative contracts are subject to master netting arrangements, which serve as credit mitigants to both the Company and its counterparties under certain situations, the Company does not net its derivative fair values or any existing rights or obligations to cash collateral on the Consolidated Balance Sheets. The Company does not use derivatives for trading or speculative purposes. The Company will discontinue hedge accounting on a prospective basis with changes in the estimated fair value reflected in earnings when (i) it is determined that the derivative is no longer effective in offsetting cash flows of a hedged item (including forecasted transactions), (ii) it is no longer probable that the forecasted transaction will occur, or (iii) it is determined that designating the derivative as an interest rate swap is no longer appropriate. For the periods presented, all of the Company's derivatives qualified and were designated as cash flow hedges, and none of its derivatives were deemed ineffective.

Noncontrolling Interests

Noncontrolling interests represent the portion of equity that the Company does not own in those entities it consolidates. Noncontrolling interests also include amounts related to Common and Preferred OP Units issued to unrelated third parties in connection with certain property acquisitions. The Company identifies its noncontrolling interests separately within the equity section on the Company's Consolidated Balance Sheets. Redeemable noncontrolling interests that are redeemable at the option of the holder are classified outside of shareholders' equity in accordance with Accounting Standards Codification ("ASC") 480, *Distinguishing Liabilities from Equity* on the Company's Consolidated Balance Sheets as temporary equity under the caption, Redeemable noncontrolling interests, and are measured at their redemption values at the end of each period. If the redemption value is greater than the carrying value, an adjustment is recorded in Additional paid-in capital to record the noncontrolling at its redemption value. The amounts of consolidated net earnings attributable to the Company and to the noncontrolling interests are presented separately on the Company's Consolidated Statements of Operations.

Variable Interest Entities

The Company consolidates a VIE in which it is considered the primary beneficiary. The primary beneficiary is the entity that has (i) the power to direct the activities that most significantly impact the entity's economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could be significant to the VIE. The Company assesses the accounting treatment and determines whether it is the primary beneficiary of a VIE at the time it becomes involved with a VIE and reconsiders that conclusion on an ongoing basis when certain events occur. In determining whether the Company is the primary beneficiary, it evaluates its control rights as well as economic interests in the entity held either directly or indirectly by the Company. Each entity is assessed on an individual basis to determine the rights provided to each party and whether those rights are protective or participating. For all VIEs, the Company reviews such agreements in order to determine which party has the power to direct the activities that most significantly impact the entity's economic performance.

For those entities evaluated under the voting interest model, the Company consolidates the entity if it has a controlling financial interest. The Company has a controlling financial interest in a voting interest entity ("VOE") if it owns a majority voting interest in the entity. Investments in entities for which the Company has the ability to exercise significant influence over the entity, but does not have financial or operating control through its voting interest and entities which are VIEs but where the Company is not the primary beneficiary, are accounted for using the equity method of accounting.

Revenue Recognition

Rental Revenue - The Company recognizes rental revenue from fixed and variable lease payments, as designated within tenant operating leases in accordance with ASC Topic 842, *Leases* ("ASC 842"), as further described below, as Rental revenue on the Consolidated Statement of Operations. We evaluate the collectability of amounts due from tenants and disputed enforceable charges on a lease-by-lease basis, which result from the inability of tenants to make required payments under their operating lease agreements. We recognize changes in the collectability assessment of these operating leases as adjustments to rental revenue in accordance with ASC 842.

Other Revenue - The Company recognizes other categories of revenue such as parking and storage, as well as management, leasing, legal, development and construction fees charged to our unconsolidated affiliates.

Leases

Pursuant to ASC 842, the Company does not separate the non-lease components, such as common area maintenance, from its leases. In addition, the Company accounts for those taxes that it pays on behalf of the tenant as reimbursable costs and does not account for those taxes paid directly by the tenant. Minimum rents from tenants are recognized using the straight-line method over the non-cancelable lease term of the respective leases, unless another systematic and rational basis is more representative of the pattern in which benefit is expected to be derived from the use of the underlying asset. At December 31, 2023 and 2022, unbilled rents receivable relating to the straight-lining of rents of $49.3 million and $48.1 million, respectively, are included in Rents receivable, net on the accompanying Consolidated Balance Sheets. The Company manages the risk associated with the residual value of its leased properties by including contract clauses that make tenants responsible for surrendering the space in good condition upon lease termination, holding a diversified portfolio, and other activities. The Company does not have residual value guarantees on specific properties.

Contractual rent increases of renewal options are often fixed at the initial lease agreement. In addition to fixed base rents, variable rental revenue is derived from certain leases that are dependent on percentage rents based upon the level of sales achieved by the tenant. Percentage rent is recognized in the period when the tenants' sales breakpoint is met. In addition, variable rental revenue is derived from leases through reimbursement to the Company by our tenants for real estate taxes, insurance, and other property operating expenses. These reimbursements are recognized as revenue in the period the related expenses are incurred.

Right-of-use ("ROU") assets are recorded for properties the Company leases from third parties, and represent our right to use an underlying asset for the lease term, and the corresponding lease liabilities represent our obligation to make lease payments arising from these leases. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. The initial measurement of a ROU asset may differ from the initial measurement of the lease liability due to initial direct costs, prepaid lease payments and lease incentives. Our leases often offer renewal options, which we assess against relevant economic factors to determine whether the Company is reasonably certain of exercising or not exercising the option. Lease payments associated with renewal periods, for which the Company has determined are reasonably certain of being exercised, are included in the measurement of the corresponding lease liability and the ROU asset.

For finance leases and operating leases, the discount rate applied to measure each ROU asset and lease liability is based on the incremental borrowing rate of the lease due to the rate implicit in the lease not being readily determinable. The Company initially considers the general economic environment and factors in various financing and asset specific secured borrowings so that the overall incremental borrowing rate is appropriate to the intended use of the lease. Certain expenses derived from these leases are variable and are not included in the measurement of the corresponding lease liability and ROU asset, but are recognized in the period in which the obligation for those payments is incurred. These variable lease payments consist of payments for real estate taxes and common area maintenance, which is dependent on projects and activities at each individual property under ground or building lease.

Right-of-use assets – finance leases are included in Operating real estate (Note 2) on the Consolidated Balance Sheets. Lease liabilities – finance leases are included in Accounts payable and other liabilities on the Consolidated Balance Sheets (Note 5). Operating lease cost comprises amortization of ROU assets for operating properties (related to ground rents) or amortization of ROU assets for office and corporate assets and is included in Property operating expense or General and administrative expense, respectively, on the Consolidated Statements of Operations.

Finance lease cost comprises amortization of ROU 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 on the Consolidated Statements of Operations.

Accounts Receivable

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. The Company estimates the collectability of its accrued rent and accounts receivable balances related to lease revenue. The Company estimates the collectability of the accounts receivable related to billed rents, straight-line rents, recoveries from tenants, and other revenue taking into consideration the Company's historical write-off experience, tenant creditworthiness, current economic trends, and remaining lease terms. Rents receivable at December 31, 2023 and 2022 are shown net of a general allowance of $4.1 million and $5.4 million, respectively. Rental income for the years ended December 31, 2023, 2022 and 2021 are reported net of adjustments of $(1.3) million, $1.5 million, and $1.9 million, respectively, to allowance for uncollectible accounts.

Stock-Based Compensation

Stock-based compensation expense for all equity-classified stock-based compensation awards is based on the grant date fair value estimated in accordance with current accounting guidance for share-based payments. The Company recognizes these compensation costs for only those shares or units expected to vest on a straight-line or graded-vesting basis, as appropriate, over the requisite service period of the award. The Company records forfeitures during the period in which they occur by reversing all previously recorded stock compensation expense associated with the forfeited shares. Dividends declared on awards issued are recorded as cumulative distributions in excess of retained earnings on the Consolidated Balance Sheets. Accumulated dividends related to forfeited awards are reversed through compensation expense in the period the forfeiture occurs. The Company includes stock-based compensation within general and administrative expense on the Consolidated Statements of Operations.

Income Taxes

The Company has made an election to be taxed, and believes it qualifies, as a REIT under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code"). To maintain REIT status for federal income tax purposes, the Company is generally required to distribute at least 90% of its REIT taxable income to its shareholders as well as comply with certain other income, asset and organizational requirements as defined in the Code. Accordingly, the Company is generally not subject to federal corporate income tax to the extent that it distributes 100% of its REIT taxable income each year.

The Company is permitted to participate in certain activities and still maintain its qualification as a REIT, so long as these activities are conducted in entities that elect to be treated as taxable subsidiaries under the Code. As such, the Company is subject to federal and state income taxes on the income from these activities.

Although it may qualify for REIT status for federal income tax purposes, the Company is subject to state or local income or franchise taxes in certain jurisdictions in which some of its properties are located. In addition, taxable income from non-REIT activities managed through the Company's Taxable REIT Subsidiary ("TRS") is fully subject to federal, state and local income taxes.

The Company accounts for TRS income taxes under the liability method as required by ASC Topic 740, "*Income Taxes*." Under the liability method, deferred income taxes are recognized for the temporary differences between the GAAP basis and tax basis of the TRS income, assets, and liabilities.

The Company records net deferred tax assets to the extent it believes it is more likely than not that these assets will be realized. In 2023 and 2022, the Company recorded valuation allowances to reduce deferred tax assets when it determined that an uncertainty existed regarding their realization, which increased the provision for income taxes. In making such determination, the Company considered all available positive and negative evidence, including forecasts of future taxable income, the reversal of other existing temporary differences, available net operating loss carryforwards, tax planning strategies and recent results of operations. Several of these considerations require assumptions and significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates that the Company is utilizing to manage its business. To the extent facts and circumstances change in the future, further adjustments to the valuation allowances may be required.

Recent Accounting Pronouncements

In January 2021, the FASB issued Accounting Standards Update ("ASU") 2021-01, "*Reference Rate Reform (Topic 848): Scope"*, which modifies ASC 848, *Reference Rate Reform* ("ASC 848"), which was intended to provide relief related to "contracts and transactions that reference LIBOR or a reference rate was discontinued effective June 30, 2023 as a result of reference rate reform." ASU 2021-01 expands the scope of ASC 848 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 2020-04, "*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 as a result of the discounting transition. The Company has elected the optional practical expedients under ASU 2020-04 and 2021-01, which allows entities to account for the modification as if the modification was not substantial, and the assessments of effectiveness for future LIBOR-indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding derivatives. Application of hedge accounting expedients preserved the presentation of derivatives consistent with past presentation. As a result, the implementation of this guidance did not have an effect on the Company's 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 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.

In August 2023, the FASB issued 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.

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 consolidated financial statements.

2. Real Estate

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

	December 31, 2023	December 31, 2022
Land	$ 872,228	$ 817,802
Buildings and improvements	3,128,650	2,987,594
Tenant improvements	257,955	216,899
Construction in progress	23,250	21,027
Right-of-use assets - finance leases (Note 11)	58,637	25,086
Total	4,340,720	4,068,408
Less: Accumulated depreciation and amortization	(823,439)	(725,143)
Operating real estate, net	3,517,281	3,343,265
Real estate under development	94,799	184,602
Net investments in real estate	$ 3,612,080	$ 3,527,867

Acquisitions and Foreclosure

During the years ended December 31, 2023 and 2022, the Company acquired (through purchase, investment, or foreclosure) the following retail properties and other real estate investments (dollars in thousands):

Property and Location	Percent Acquired	Date of Acquisition		Purchase Price
Fund V 2023 Acquisitions				
Cypress Creek - Tampa, FL	100%	July 3, 2023	$	49,374
Maple Tree Place - Williston, VT	100%	November 27, 2023		77,816
Total Fund V 2023 Acquisitions			**$**	**127,190**
2022 Acquisitions and Foreclosure				
Core				
121 Spring Street - New York, NY	100%	Jan 12, 2022	$	39,637
Williamsburg Collection - Brooklyn, NY [(a)]	(a)	Feb 18, 2022		97,750
8833 Beverly Boulevard - West Hollywood, CA	100%	Mar 2, 2022		24,117
Henderson Avenue Portfolio - Dallas, TX [(b)]	100%	Apr 18, 2022		85,192
Subtotal Core				246,696
Fund III				
640 Broadway - New York, NY (Foreclosure) [(c)]	100%	Jan 26, 2022		59,207
Subtotal Fund III				59,207
Total 2022 Acquisitions and Foreclosure			**$**	**305,903**

a)The Company invested $2.8 million in its 49.99% equity interest and, through a separate lending subsidiary, provided a $64.1 million first mortgage loan and a $30.9 million mezzanine loan to subsidiaries of the venture (such equity and loans have been eliminated in consolidation). Pursuant to the entity's operating agreement, the venture partner has a one-time right to put its 50.01% interest in the entity (the "Williamsburg NCI", which is further described in Note 10) to the Company for fair value at a future date. Given the preferred rate of return embedded in its equity interests and the accruing debt senior to the equity, the Company did not attribute any initial redemption value to the Williamsburg NCI and recognized a bargain purchase gain of $1.2 million, which is included in Realized and unrealized holding (losses) gains on investments and other on the Consolidated Statements of Operations.

b)The Henderson Avenue Portfolio comprises 14 operating retail assets, one residential building and two development and redevelopment sites. One of the development sites was sold in October 2022.

c)The entity was previously accounted for as an equity method investment until an affiliate of Fund III acquired the venture partner's interest in a foreclosure action. Fund III now indirectly owns 100% of the entity and consolidates it.

For the years ended December 31, 2023 and 2022, the Company capitalized $1.0 million and $1.2 million of acquisition costs in connection with the Fund V 2023 Acquisitions and the 2022 Acquisitions and Foreclosure, respectively. In addition, during the year ended December 31, 2022, the Company expensed $2.0 million of acquisition costs (including a $1.5 million acquisition fee paid to an affiliate of a joint venture partner). Acquisition costs that were expensed are included in General and administrative expenses on the Consolidated Statements of Operations.

Purchase Price Allocations

The purchase prices for the 2023 Acquisitions and 2022 Acquisitions and Foreclosure were allocated to the acquired assets and assumed liabilities based on their estimated relative fair values at the dates of acquisition. The following table summarizes the allocation of the purchase price of properties acquired during the years ended December 31, 2023 and 2022 (in thousands):

	Land	Buildings and improvements	Intangible assets	Right-of-use asset	Lease liability	Intangible liabilities	Other assets, net	Net assets acquired
Property Name								
Cypress Creek	$ —	$ 39,637	$ 10,949	$ 25,313	$ (22,075)	$ (4,450)	$ —	$ 49,374
Maple Tree Place	17,597	49,404	18,209	—	—	(7,395)	—	77,816
2023 Total	$ 17,597	$ 89,041	$ 29,158	$ 25,313	$ (22,075)	$ (11,845)	$ —	$ 127,190
121 Spring Street	$ 5,380	$ 31,707	$ 2,550	$ —	$ —	$ —	$ —	$ 39,637
Williamsburg Collection	31,500	60,700	16,401	—	—	(9,688)	—	98,913
8833 Beverly Boulevard	14,423	8,299	1,395	—	—	—	—	24,117
Henderson Avenue Portfolio	40,764	40,865	7,611	—	—	(4,048)	—	85,192
640 Broadway [(a)]	27,831	27,291	1,059	—	(661)	(390)	4,077	59,207
2022 Total	$ 119,898	$ 168,862	$ 29,016	$ —	$ (661)	$ (14,126)	$ 4,077	$ 307,066

a)The Company assumed a $36.0 million mortgage with the consolidation of 640 Broadway during the year ended December 31, 2022 (Note 7).

The Company determines the fair value of the individual components of 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 and 2022, respectively, are as follows:

	2023		2022	
	Low	High	Low	High
Exit Capitalization Rate	7.00 %	8.50 %	4.25 %	7.25 %
Annual net rental rate per square foot on acquired buildings	$ 4.00	$ 47.00	$ 20.00	$ 825.00
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.

Dispositions

During the years ended December 31, 2023 and 2022, the Company disposed of the following properties and other real estate investments (in thousands):

Property and Location	Owner	Sale Date	Sale Price	Gain (Loss) on Sale
2023 Dispositions [(a)]				
None				
2022 Dispositions				
NE Grocer Portfolio (Selected Assets) - Pennsylvania	Fund IV	Jan 26, 2022 Mar 4, 2022	$ 45,350	$ 13,784
New Towne (Parcel) - Canton, MI	Fund V	Feb 1, 2022	2,231	1,776
Cortlandt Crossing - Westchester County, NY	Fund III	Feb 9, 2022	65,533	13,255
Lincoln Place - Fairview Heights, IL	Fund IV	May 25, 2022	40,670	12,216
Wake Forest Crossing - Wake Forest, NC	Fund IV	Aug 24, 2022	38,919	8,885
Henderson Avenue (Parcel) - Dallas, TX	Core	Oct 7, 2022	3,050	(194)
330-340 River Street - Cambridge, MA	Core	Dec 13, 2022	26,400	7,439
Total 2022 Dispositions			**$ 222,153**	**$ 57,161**

a)Does not include the 146 Geary Street property, which had a carrying value of $19.4 million, and was transferred to the Company's lender through deed-in-lieu of foreclosure, extinguishing the obligations under the $20.1 million mortgage loan and accrued interest in default (Note 7).

Properties Held for Sale

At December 31, 2023 and 2022, the Company had one Core property under contract for sale with assets totaling $11.1 million, which was probable of disposition within one-year. This property was classified as "held for sale" on the Company's Consolidated Balance Sheets. Assets of property held for sale consisted of the following:

	December 31, 2023	December 31, 2022
Assets		
Buildings and improvements	$ 12,562	$ 12,562
Land	3,380	3,380
Tenant improvements	1,010	1,010
Less: Accumulated depreciation and amortization	(5,895)	(5,895)
	$ 11,057	$ 11,057

Real Estate Under Development

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

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

	January 1, 2023		Year Ended December 31, 2023			December 31, 2023	
	Number of Properties	Carrying Value	Transfers In	Capitalized Costs	Transfers Out	Number of Properties	Carrying Value
Core	2	$ 54,817	$ —	$ 11,266	$ —	2	66,083
Fund II	—	34,072	—	633	34,705	—	—
Fund III	1	25,798	—	2,958	40	1	28,716
Fund IV	1	69,915	—	—	69,915	—	—
Total	4	$ 184,602	$ —	$ 14,857	$ 104,660	3	$ 94,799

	January 1, 2022		Year Ended December 31, 2022			December 31, 2022	
	Number of Properties	Carrying Value	Transfers In	Capitalized Costs	Transfers Out	Number of Properties	Carrying Value
Core	—	$ 42,517	$ 9,610	$ 2,690	$ —	2	$ 54,817
Fund II [(a)]	—	35,125	—	503	1,556	—	34,072
Fund III	1	24,296	—	1,502	—	1	25,798
Fund IV [(b)]	1	101,835	—	215	32,135	1	69,915
Total	2	$ 203,773	$ 9,610	$ 4,910	$ 33,691	4	$ 184,602

(a)Transfers out include $1.6 million related to a portion of one Fund II property that was transferred out of development.
(b)Transfers out include $13.4 million related to a portion of one Fund IV property that was transferred out of development and an impairment charge totaling $18.7 million on one Fund IV development property (Note 8).

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 December 31, 2023, development projects included: portions of the Henderson 1 & 2 Portfolio, in Core, and Broad Hollow Commons in Fund III. During the year ended December 31, 2023, the Company:

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

At December 31, 2022, development projects included: portions of the Henderson 1 & 2 Portfolio in Core, Broad Hollow Commons in Fund III and a portion of 717 N. Michigan Avenue at Fund IV. During the year ended December 31, 2022, the Company:

- placed the building and improvements of two Core properties in the Henderson Portfolio into development in the second quarter;
- placed a portion of the building and improvements of one Fund II property, City Point, into service in the fourth quarter; and
- placed a portion of the building and improvements of one Fund IV property, 717 N. Michigan Avenue, into service in the first quarter.

3. Notes Receivable, Net

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	December 31, 2023	December 31, 2022	Number	December 31, 2023 Maturity Date	Interest Rate
Core Portfolio [(a)]	$ 126,228	$ 124,801	6	Apr 2020 - Dec 2027	4.65% - 10.00%
Allowance for credit losses	(1,279)	(898)			
Notes receivable, net	$ 124,949	$ 123,903	6		

(a)Includes one note receivable from an OP Unit holder, with a balance of $6.0 million at December 31, 2023 and 2022.

Changes in the Company's CECL allowance were as follows (dollars in thousands):

	Year Ended December 31,		
	2023	2022	2021
CECL Allowance beginning of period	$ 898	$ 5,752	$ 1,218
Provision of loan losses	381	(272)	4,534
Write-offs	—	(4,582)	—
Total - CECL Allowance	$ 1,279	$ 898	$ 5,752

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 practical expedient for four of its notes with a total amortized cost of $121.1 million, inclusive of accrued interest of $18.6 million, for which an allowance for CECL has been recorded aggregating $1.3 million at December 31, 2023. For two notes in this portfolio, aggregating $27.9 million, inclusive of accrued interest of $4.1 million at December 31, 2023, the Company has elected to apply the practical expedient in accordance with ASC 326 and did not establish an allowance for CECL because (i) these notes are collateral-dependent notes, 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 December 31, 2023, the Company determined that the estimated fair value of the collateral at the expected realization date for these notes was sufficient to cover the carrying value of its investments in these notes receivable.

Default

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

During the year ended December 31, 2023, the Company:

- originated a Core Portfolio note for $1.4 million with a stated interest rate of 6.5% and a maturity date of September 30, 2024, collateralized by the venture partner's interest in 840 N. Michigan Avenue (Note 4).

During the year ended December 31, 2022, the Company:

- through Fund III obtained the remaining venture partner's interest in an entity that held a property, which was collateral for a note with a balance of $5.3 million, accrued interest of $4.7 million, less a CECL reserve of $4.6 million (exclusive of default interest and other amounts due on the loan that have not been recognized), via a foreclosure auction in January 2022. The entity was previously accounted for as an equity method investment until Fund III acquired the venture partner's interest. Fund III now owns 100% of the entity and consolidates it;
- received full payment on a $16.0 million Core Portfolio note during the second quarter, and full payment on a $13.5 million Core Portfolio note and partial payment of $5.7 million of accrued interest on a Core Portfolio note during the third quarter;
- extended the maturity date of one Core Portfolio note of $54.0 million from January 13, 2023 to January 9, 2024; and
- decreased its allowance for CECL by $4.9 million, of which approximately $4.6 million was attributable to the aforementioned Fund III foreclosure.

4. Investments in and Advances to Unconsolidated Affiliates

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

Portfolio	Property	Ownership Interest December 31, 2023	December 31, 2023	December 31, 2022
Core:	Renaissance Portfolio	20%	$ 30,745	$ 28,755
	Gotham Plaza	49%	30,772	30,112
	Georgetown Portfolio [a]	50%	4,230	4,048
	1238 Wisconsin Avenue [a, b]	80%	19,719	14,502
	840 N. Michigan Avenue [d]	91.85%	15,761	—
			101,227	77,417
Mervyns II:	KLA/ABS [c]	36.7%	—	85,403
Fund IV:	Fund IV Other Portfolio	90%	5,221	7,914
	650 Bald Hill Road	90%	9,486	10,203
	Paramus Plaza	50%	70	936
			14,777	19,053
Fund V:	Family Center at Riverdale [d]	89.42%	2,552	4,995
	Tri-City Plaza	90%	6,452	8,422
	Frederick County Acquisitions	90%	11,345	12,240
	Wood Ridge Plaza	90%	10,313	12,751
	La Frontera Village	90%	17,483	20,803
	Shoppes at South Hills [e]	90%	11,707	44,677
	Mohawk Commons	90%	16,434	775
			76,286	104,663
Various:	Due from (to) Related Parties		396	305
	Other [f]		4,554	4,315
	Investments in and advances to unconsolidated affiliates		**$ 197,240**	**$ 291,156**
Core:	Crossroads [g]	49%	$ 7,982	$ 8,832
	840 N. Michigan Avenue [d, g]	91.85%	—	1,673
	Distributions in excess of income from, and investments in, unconsolidated affiliates		**$ 7,982**	**$ 10,505**

a)Represents a VIE for which the Company is not the primary beneficiary (Note 16).
b)Includes the amounts advanced against a $12.8 million construction commitment from the Company to the venture that holds an investment in 1238 Wisconsin. As of December 31, 2023 and 2022 the note receivable from a related party had a balance of $12.8 million and $7.5 million, respectively, net of an allowance for CECL of $0.1 million, and $0.1 million, respectively. 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, 2024. The Company recognized Interest income of $0.2 million for the year ended December 31, 2023, related to this note receivable. The note originated in 2022 and the Company recognized less than $0.1 million of Interest income for the year ended December 31, 2022.
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 its 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)Includes a $31.7 million bridge loan at December 31, 2022, 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, as further described below.
f)Includes cost-method investment in Fifth Wall and other investments.
g)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 year ended December 31, 2023, the Company:

- funded $5.3 million of a $12.8 million construction loan commitment to the 1238 Wisconsin venture. The total outstanding balance of the loan was $12.8 million;
- modified a property mortgage with an outstanding balance of $160.0 million with a new loan of $152.0 million and extended the maturity date at Georgetown Renaissance. The Company contributed an additional $1.4 million in equity to cover the venture partner's share of the required paydown;
- through Fund IV, modified a property mortgage with an outstanding balance of $21.9 million with a new loan of $24.1 million at Eden Square;
- through Fund V, modified a property mortgage with an outstanding balance of $33.5 million to extend the maturity date at Wood Ridge Plaza;
- through Fund V, acquired a 90% interest in a venture for $20.2 million, which purchased Mohawk Commons, a shopping center located in Schenectady, New York for $62.1 million, inclusive of transaction costs. In addition, 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; and
- 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 $11.4 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 Consolidated Balance Sheets (Note 8).

In December 2023, an unconsolidated venture that holds an interest in a property on North Michigan Avenue modified its $73.5 million nonrecourse mortgage loan. As part of the modification, the principal balance was reduced by $18.5 million and required a principal paydown of $17.5 million, the interest rate increased from 4.4% to 6.5%, and the maturity date was extended from February 2025 to December 2026. In addition, the venture, upon a sale or secured refinancing prior to maturity (or early prepayment) at an amount that exceeds $55.0 million (as adjusted pursuant to the modification agreement), may be subject to additional contingent payments of up to $17.5 million ("Contingent Payment"), which amortizes on a straight-line basis over the remaining term of the loan. The modification was accounted for as a troubled debt restructuring pursuant to ASC 470, resulting in an initial gain of approximately $0.4 million, which was recognized within Equity in (losses) earnings of unconsolidated affiliates on the Company's Consolidated Statements of Operations, and represented the excess of the original principal balance of the mortgage (prior to modification), over the maximum total future cash payments under the new terms. Thus, all future cash payments under the terms of the payable, including the Contingent Payment, shall be accounted for as a reduction of the carrying amount of the mortgage, and no interest expense shall be recognized for any period between the modification and the revised maturity of the mortgage. As the Contingent Payment amortizes (and no transaction arises that requires a payment as described above) the additional gain will be recognized within equity in earnings in the Company's consolidated financial statements. No amortization of the Contingent Payment occurred in 2023. As part of the modification, the Operating Partnership provided a recourse guarantee equivalent to 50% of the unpaid outstanding principal balance of the mortgage.

In December 2023, the Company acquired an additional 3.42% interest in the North Michigan Avenue venture, increasing its ownership from 88.43% to 91.85% and provided a loan of $1.4 million to the remaining venture partners for their share of the required paydown (Note 3).

During the year ended December 31, 2022, the Company:

- funded $7.5 million of a $12.8 million construction loan commitment to the 1238 Wisconsin venture. The total outstanding balance of the loan was $7.5 million;
- recorded our proportionate share of an impairment charge of $50.8 million in the 840 N. Michigan Avenue venture during the third quarter, which is included in Equity in (losses) earnings of unconsolidated affiliates in the Consolidated Statements of Operations;

- through Fund III, sold its investment in Self Storage Management for $6.0 million and recognized its proportionate gain of $1.5 million during the first quarter, which is included in Realized and unrealized holding (losses) gains on investments and other in the Consolidated Statements of Operations;
- through Fund IV, recognized its proportionate gain from the venture's sale of Promenade at Manassas for $46.0 million and repayment of $27.3 million of mortgage debt. Fund IV recognized a gain of $12.8 million, of which the Company's share was $3.0 million;
- through Fund V, acquired a 90% interest in a venture for $15.9 million, which acquired Shoppes at South Hills, a shopping center located in Poughkeepsie, New York for $47.6 million. In addition, Fund V made a bridge loan to the venture for $31.7 million during the third quarter;
- through Fund V, acquired a 90% interest in a venture for $26.5 million, which acquired La Frontera Village, a shopping center located in Round Rock, Texas for $81.4 million. In addition, Fund V made a bridge loan to the venture for $52.0 million during the first quarter, which was repaid during the second quarter. During the second quarter, the venture entered into a $57.0 million mortgage loan, of which $55.5 million was funded at closing;
- through Fund V, acquired a 90% interest in a venture for $15.3 million, which acquired Wood Ridge Plaza, a shopping center located in Houston, Texas for $49.3 million during the first quarter. In addition, on March 21, 2022 the Wood Ridge Plaza venture entered into a $36.6 million mortgage loan, of which $32.3 million was funded at closing;
- funded $0.2 million of its capital commitment to its Fifth Wall investment during the second and third quarter; and
- received cash dividends totaling $1.9 million at Mervyns II related to distributions from its Investment in Albertsons and recorded a net unrealized holding loss of $38.9 million reflecting the change in fair value of its Investment in Albertsons (Note 8).

Fees from Unconsolidated Affiliates

The Company earned property management, construction, development, legal and leasing fees from its investments in unconsolidated partnerships totaling $0.4 million and $0.4 million and $0.6 million for the years ended December 31, 2023, 2022 and 2021, respectively, which is included in other revenues in the Consolidated Statements of Operations.

In addition, the Company's joint ventures paid certain unaffiliated partners of its joint ventures, $4.5 million and $2.7 million and $2.2 million for the years ended December 31, 2023, 2022 and 2021, respectively, for leasing commissions, development, management, construction, and overhead fees.

Summarized Financial Information of Unconsolidated Affiliates

The following combined and condensed Balance Sheets and Statements of Operations, in each period, summarized the financial information of the Company's investments in unconsolidated affiliates that were held as of December 31, 2023, and accordingly exclude the results of any investments disposed of or consolidated prior to that date (in thousands):

	December 31, 2023	December 31, 2022
Combined and Condensed Balance Sheets		
Assets:		
Rental property, net	$ 723,411	$ 650,997
Real estate under development	—	17,359
Other assets	125,699	127,070
Total assets	$ 849,110	$ 795,426
Liabilities and partners' equity:		
Mortgage notes payable	$ 662,552	$ 609,923
Other liabilities	100,270	96,532
Partners' equity	86,288	88,971
Total liabilities and partners' equity	$ 849,110	$ 795,426
Company's share of accumulated equity	$ 128,690	$ 131,878
Basis differential	51,824	52,813
Deferred fees, net of portion related to the Company's interest	3,794	5,937
Amounts receivable to/payable by the Company	396	305
Investments in and advances to unconsolidated affiliates, net of Company's share of distributions in excess of income from and investments in unconsolidated affiliates	184,704	190,933
Investments carried at fair value or cost	4,554	89,718
Company's share of distributions in excess of income from and investments in unconsolidated affiliates	7,982	10,505
Investments in and advances to unconsolidated affiliates	$ 197,240	$ 291,156

	Year Ended December 31, 2023	2022	2021
Combined and Condensed Statements of Operations			
Total revenues	$ 108,425	$ 96,080	$ 80,823
Operating and other expenses	(35,488)	(29,858)	(28,572)
Interest expense	(40,864)	(26,807)	(21,228)
Depreciation and amortization	(42,212)	(34,596)	(30,518)
Gain (loss) on extinguishment of debt [a]	368	(7)	(35)
Impairment of Investment [b]	—	(57,423)	—
Gain on disposition of properties [c]	—	12,983	3,206
Net (losses) earnings attributable to unconsolidated affiliates	$ (9,771)	$ (39,628)	$ 3,676
Company's share of equity in net losses of unconsolidated affiliates	$ (6,688)	$ (31,907)	$ 6,023
Basis differential amortization	(989)	(1,000)	(693)
Company's equity in (losses) earnings of unconsolidated affiliates	$ (7,677)	$ (32,907)	$ 5,330

a)Includes the gain on debt extinguishment related to the restructuring at 840 N. Michigan Avenue for the year ended December 31, 2023.
b)Includes the impairment charge related to 840 N. Michigan Avenue for the year ended December 31, 2022.
c)Includes the gain on the sale of Promenade at Manassas on October 13, 2022, and two land parcels by the Family Center at Riverdale on January 4, 2021.

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)	December 31, 2023	December 31, 2022
Other Assets, Net:		
Lease intangibles, net (Note 6)	$ 100,594	$ 102,374
Derivative financial instruments (Note 8)	28,989	54,902
Deferred charges, net [a]	31,074	28,478
Accrued interest receivable (Note 3)	25,553	18,082
Prepaid expenses	15,204	15,872
Due from seller	2,631	3,036
Income taxes receivable	1,141	1,876
Deposits	575	1,624
Corporate assets, net	924	1,287
Other receivables	1,775	2,060
	$ 208,460	$ 229,591
(a) Deferred Charges, Net:		
Deferred leasing and other costs [a]	$ 73,908	$ 63,920
Deferred financing costs related to line of credit	9,829	9,494
	83,737	73,414
Accumulated amortization	(52,663)	(44,936)
Deferred charges, net	$ 31,074	$ 28,478
Accounts Payable and Other Liabilities:		
Lease intangibles, net (Note 6)	$ 73,994	$ 78,416
Accounts payable and accrued expenses	61,425	59,922
Deferred income	34,386	34,503
Tenant security deposits, escrow and other	17,939	16,582
Lease liability - finance leases (Note 11)	32,739	7,022
Derivative financial instruments (Note 8)	8,892	46
	$ 229,375	$ 196,491

(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 December 31, 2023, deferred leasing and other costs include direct and incremental capitalized internal leasing commissions incurred in connection with executed lease agreements of $2.2 million, which are amortized on a straight-line basis over the terms of the related leases.

6. Lease Intangibles

Intangible assets and liabilities are included in Other assets and Accounts payable and other liabilities (Note 5) on the Consolidated Balance Sheets and summarized as follows (in thousands):

	December 31, 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	$ 327,484	$ (234,808)	$ 92,676	$ 301,556	$ (205,951)	$ 95,605
Above-market rent	27,294	(19,376)	7,918	24,064	(17,295)	6,769
	$ 354,778	$ (254,184)	$ 100,594	$ 325,620	$ (223,246)	$ 102,374
Amortizable Intangible Liabilities						
Below-market rent	$ (188,098)	$ 114,393	$ (73,705)	$ (176,253)	$ 98,182	$ (78,071)
Above-market ground lease	(671)	382	(289)	(671)	326	(345)
	$ (188,769)	$ 114,775	$ (73,994)	$ (176,924)	$ 98,508	$ (78,416)

During the year ended December 31, 2023, the Company:

- acquired in-place lease intangibles of $25.9 million, above-market rent of $3.2 million, and below-market rent of $11.8 million with weighted-average useful lives of 5.7, 7.1, and 21.1 years, respectively (Note 2);
- recorded accelerated amortization related to in-place lease intangible assets of $3.2 million and below-market rent of $8.8 million, of which the Company's share was $2.8 million and $8.4 million, respectively, related to notification of tenant non-renewals and early tenant lease terminations.

During the year ended December 31, 2022, the Company:

- acquired in-place lease intangible assets of $28.2 million, above-market rent of $0.8 million, and below-market rent of $14.1 million with weighted-average useful lives of 6.4, 6.9, and 11.4 years, respectively (Note 2);
- derecognized in-place lease intangible assets of $1.5 million and below-market rent of $2.1 million, of which the Company's share was $0.5 million and $0.5 million, respectively, related to disposed properties (Note 2); and
- recorded accelerated amortization related to in-place lease intangible assets of $0.2 million and below-market rent of $5.5 million, of which the Company's share was $0.1 million and $5.4 million, respectively, related to notification of tenant non-renewals and early tenant lease terminations.

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, on the Consolidated Statements of Operations. Amortization of above-market ground leases are recorded as a reduction to rent expense on the Consolidated Statements of Operations.

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

Years Ending December 31,	Net Increase in Rental Revenues	Increase to Amortization Expense	Reduction of Property Operating Expense
2024	$ 5,157	$ (23,596)	$ 58
2025	4,752	(17,912)	58
2026	4,522	(14,435)	58
2027	4,452	(11,159)	58
2028	4,536	(7,299)	57

7. Debt

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

	Interest Rate at			Carrying Value at	
	December 31, 2023	December 31, 2022	Maturity Date at December 31, 2023	December 31, 2023	December 31, 2022
Mortgages Payable					
Core	3.99% - 5.89%	3.88% - 5.89%	Feb 2024 - Apr 2035	$ 191,830	$ 193,838
Fund II [a]	SOFR+2.61%	SOFR+2.61%	Aug 2025	137,485	133,655
Fund III	SOFR+3.75%	SOFR+3.35%	Oct 2025	33,000	35,970
Fund IV [b]	SOFR+2.25% - SOFR+3.33%	LIBOR+2.25% - LIBOR+3.65%	Mar 2025 - Jun 2028	115,925	146,230
Fund V	SOFR + 1.61% - SOFR + 2.80%	LIBOR + 1.85% - SOFR + 2.76%	Feb 2024 - Jun 2028	458,960	426,224
Net unamortized debt issuance costs				(7,313)	(7,621)
Unamortized premium				240	343
Total Mortgages Payable				**$ 930,127**	**$ 928,639**
Unsecured Notes Payable					
Core Term Loans [c]	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%	Jan 2024	80,600	51,210
Net unamortized debt issuance costs				(3,873)	(5,076)
Total Unsecured Notes Payable				**$ 726,727**	**$ 696,134**
Unsecured Line of Credit					
Revolving credit facility [c]	SOFR+1.45%	SOFR+1.50%	Jun 2025	**$ 213,287**	**$ 168,287**
Total Debt [d][e]				$ 1,881,087	$ 1,805,414
Net unamortized debt issuance costs				(11,186)	(12,697)
Unamortized premium				240	343
Total Indebtedness				**$ 1,870,141**	**$ 1,793,060**

a)The Company has a total commitment of $198.0 million on the Fund II mortgage.
b)Includes the outstanding balance on the Fund IV secured bridge facility of $36.2 million at December 31, 2023 and $39.2 million at December 31, 2022. The Operating Partnership has guaranteed up to $22.5 million of the Fund IV secured bridge facility (Note 9).
c)The Company has entered into various swap agreements to effectively fix its interest costs on a portion of its Revolver and term loans at December 31, 2023 and 2022 (Note 8).
d)Includes $1,249.8 million and $1,264.0 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%.
e)Includes $151.4 million and $103.8 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% to 5.50%.

Unsecured Debt

Credit 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. 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 Trust and certain subsidiaries of the Trust (Note 9).

Revolving Credit Facility

At December 31, 2023, 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 $213.3 million and $86.7 million, respectively, at December 31, 2023, reflecting no letters of credit outstanding. The outstanding balance and total available credit of the Revolver was $168.3 million and $131.7 million, respectively, at December 31, 2022, reflecting no letters of credit outstanding.

Core Term Loans

At December 31, 2023, the Term Loan bears interest at SOFR + 1.60% and matures on June 29, 2026. The outstanding balance of the Term Loan was $400.0 million at each of December 31, 2023 and December 31, 2022.

On April 6, 2022, the Operating Partnership entered into 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, matures on April 6, 2027, and is guaranteed by the Trust and certain subsidiaries of the Trust (Note 9). The proceeds of the $175.0 Million Term Loan were used to pay down the Revolver. At December 31, 2023, the $175.0 Million Term Loan bears interest at SOFR + 1.60%. The outstanding balance of the $175.0 Million Term Loan was $175.0 million at each of December 31, 2023 and 2022.

On July 29, 2022, the Operating Partnership entered into the $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, matures on July 29, 2029, and is guaranteed by the Trust and certain subsidiaries of the Trust. At December 31, 2023, the $75.0 Million Term Loan bears interest at SOFR + 2.05%. The proceeds of the $75.0 Million Term Loan were used to pay down the Revolver. The outstanding balance of the $75.0 Million Term Loan was $75.0 million at each of December 31, 2023 and 2022.

Fund V Subscription Facility

Fund V has a $100.0 million subscription line collateralized by Fund V's unfunded capital commitments, and, to the extent of the Company's capital commitments, is guaranteed by the Operating Partnership. In January 2024, Fund V modified its subscription line and extended the maturity date to February 28, 2024. The outstanding balance and total available credit of the Fund V subscription line was $80.6 million and $19.4 million, respectively at December 31, 2023, reflecting outstanding letters of credit of $2.0 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.

Mortgages and Other Notes Payable

During the year ended December 31, 2023, the Company (amounts represent balances at the time of transactions):

- entered into a new Fund mortgage for $32.2 million;
- modified and extended five Fund mortgages totaling $150.8 million (excluding principal reductions of $2.7 million);
- refinanced four Fund mortgages totaling $111.4 million;
- repaid a Fund mortgage totaling $5.8 million at maturity;
- modified the Fund IV bridge loan with an outstanding balance of $36.2 million (excluding principal reductions of $3.0 million) and extended the maturity date to March 31, 2025; and
- made scheduled principal payments totaling $7.7 million.

During the year ended December 31, 2022, the Company (amounts represent balances at the time of transactions):

- entered into a new Fund mortgage for $42.4 million;
- refinanced a Core loan in the third quarter with an outstanding balance of $25.4 million with a new loan of $26.0 million at an interest rate of 4.0% maturing July 10, 2027;
- modified and extended ten Fund mortgages totaling $280.6 million (excluding principal reductions and an interest reserve of $4.6 million and $4.2 million, respectively);
- refinanced Fund II mortgage debt and unsecured note of City Point Phase II in the third quarter with an aggregate outstanding balance of $257.9 million and $40.0 million, respectively, with a single $198.0 million mortgage loan, with initial proceeds of approximately $132.3 million and a loan from the Company to other Fund II Investors (Note 10). The mortgage has a three-year initial term and bears interest at SOFR + 2.61%. The mortgage is collateralized by the real estate assets of City Point, of which $50.0 million is guaranteed by the Operating Partnership;
- modified the Fund IV bridge loan with an outstanding balance of $42.2 million (excluding principal reductions of $8.6 million) and changed the rate to SOFR plus 2.56% and extended the maturity date to December 29, 2023;

- repaid one Core mortgage of $12.3 million;
- repaid six Fund mortgages in the aggregate amount of $97.6 million in connection with the sale of properties (Note 2); repaid one Fund mortgage in the amount of $22.7 million; and
- made principal payments of $7.5 million and repaid $17.0 million on the Fund IV secured bridge facility.

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

At December 31, 2023 and 2022, the Company's mortgages were collateralized by 33 and 31 properties each period, respectively, as well as 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. At December 31, 2023, a Fund V mortgage of $29.2 million, or $5.9 million at the Company's share, had not met its debt service coverage ratio requirements. As this is not an event of default, the debt maturity was not accelerated. The Company made a principal payment of $3.9 million in January 2024, to cure this event. Also at December 31, 2023, three Fund V mortgages totaling $127.1 million, or $25.5 million at the Company's share, did not meet their liquidity requirement. In February 2024, Fund V obtained a new mortgage loan and paid down the Fund V subscription line to cure this event.

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 was 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 of foreclosure, extinguishing the obligation under the mortgage loan. The Company reduced interest expense by $0.7 million upon derecognition of the loan for the additional interest expense previously recorded. The Company had previously impaired the asset, and recorded an impairment charge of $3.7 million, or $0.9 million at the Company's share, related to the change in estimated value and holding period of the asset for the year ended December 31, 2023 (Note 8).

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 December 31, 2023 are as follows (in thousands):

Maturities		
2024	$	333,174
2025		680,834
2026		437,087
2027		202,826
2028		130,959
Thereafter		96,207
		1,881,087
Unamortized premium		240
Net unamortized debt issuance costs		(11,186)
Total indebtedness	$	1,870,141

The table above does not reflect available extension options (subject to customary conditions) on debt balances as of December 31, 2023. The Company has debt balances of $535.4 million contractually due in 2025 and $25.1 million contractually due in 2027, all for which the Company has available options to extend by up to 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.

8. Financial Instruments and Fair Value Measurements

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.

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 was included in Marketable securities and Investments in and advances to unconsolidated affiliates on the Consolidated Balance Sheets at December 31, 2023 and 2022, respectively.

Derivative Financial Instruments — The Company has derivative assets, which are included in Other assets, net on the 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.

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):

	December 31, 2023			December 31, 2022		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Assets						
Marketable equity securities	$ 33,284	$ —	$ —	$ 85,403	$ —	$ —
Derivative financial instruments	—	28,989	—	—	54,902	—
Liabilities						
Derivative financial instruments	—	(8,892)	—	—	(46)	—

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 year ended December 31, 2023 or 2022.

Marketable Equity Securities

During the year ended December 31, 2023, the Company sold 200,000 shares of Albertsons, generating net proceeds of $4.6 million. As of December 31, 2023, the Company still held 1.4 million shares of Albertsons which had a fair value of $33.3 million. In January 2024, the Company sold an additional 175,000 shares of Albertsons, generating net proceeds of $4.0 million (Note 17). At December 31, 2022, the shares of Albertsons were held by Mervyns II (Note 4).

During the year ended December 31, 2023 and 2022, the Company recognized dividend income from marketable securities of $29.1 million and $1.8 million, of which the Company's share was $12.0 million and $0.6 million, respectively, and is included in Realized and unrealized holding gains on investments and other on the Company's Consolidated Statements of Operations.

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

	Year Ended December 31,		
	2023	**2022**	**2021**
Realized gain on marketable securities	$ 4,636	$ —	$ —
Less: previously recognized unrealized gains on marketable securities sold during the period	(4,636)	—	—
Unrealized gains (losses) on marketable securities still held at the end of the period and through the disposition date on marketable securities sold during the period	1,634	(38,913)	51,925
Gain on marketable securities, net	$ 1,634	$ (38,913)	$ 51,925

Items Measured at Fair Value on a Nonrecurring Basis

Impairment Charges

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 these properties falls within Level 3 of the fair value reporting hierarchy.

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 redemption value to the carrying value. See Note 10 for further discussion regarding these interests.

Derivative Financial Instruments

The Company had the following interest rate swaps and caps for the periods presented (dollars in thousands):

Derivative Instrument	Aggregate Notional Amount	Effective Date	Maturity Date	Strike Rate Low		Strike Rate High	Balance Sheet Location	Fair Value December 31, 2023	Fair Value December 31, 2022
Core									
Interest Rate Swaps	$ 225,000	Dec 2022 - Oct 2023	Jul 2027 - Dec 2029	3.61%		4.69%	Accounts payable and other liabilities	$ (8,807)	$ (46)
Interest Rate Swaps	631,000	May 2022 - May 2023	Mar 2025 - Jul 2030	1.98%	—	3.36%	Other assets, net	22,675	40,884
	$ 856,000							$ 13,868	$ 40,838
Fund II									
Interest Rate Swap	$ 50,000	Jan 2023	Dec 2029	3.23%	—	3.23%	Other assets, net	$ 634	$ 1,108
Fund III									
Interest Rate Cap	$ 33,000	Sep 2023	Oct 2025	5.50%	—	5.50%	Other assets, net	$ 26	$ 232
Fund IV									
Interest Rate Cap	$ 54,500	Dec 2023	Dec 2025	6.00%	—	6.00%	Other assets, net	$ 29	$ 1,093
Fund V									
Interest Rate Swaps	$ 315,409	Apr 2022 - Jul 2023	Mar 2024- May 2026	1.14%	—	4.34%	Other assets, net	$ 5,523	$ 11,585
Interest Rate Caps	72,447	Jan 2023 - Aug 2023	Jan 2024 - Sep 2025	3.64%	—	5.00%	Other assets, net	102	—
Interest Rate Swaps	28,480	Jun 2023	Jun 2025	4.54%	—	4.54%	Accounts payable and other liabilities	(85)	—
	$ 416,336							$ 5,540	$ 11,585
Total asset derivatives								$ 28,989	$ 54,902
Total liability derivatives								$ (8,892)	$ (46)

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 $23.2 million included in Accumulated other comprehensive income related to derivatives will be reclassified as a reduction to interest expense within the next twelve months.

During the year ended December 31, 2023, the Company terminated six interest rate swaps with forward effective dates with an aggregate notional value of $175.0 million for cash proceeds of $16.0 million. The net derivative gain associated with the discontinued cash flow hedge continues to be reporting in Accumulated other comprehensive income as the forecasted transaction is expected to occur within the originally specified time period. Such amounts will be reclassified from Accumulated other comprehensive income into earnings as an increase in interest income over the period during which the hedged forecasted transaction affects earnings.

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):

		December 31, 2023		December 31, 2022	
	Level	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Notes Receivable [(a)]	3	$ 124,949	$ 124,789	$ 123,903	$ 122,716
City Point Loan [(a)]	3	66,741	66,017	65,945	65,856
Mortgages Payable [(a)]	3	937,200	921,563	935,917	906,348
Investment in non-traded equity securities [(b)]	3	4,398	4,702	4,160	5,593
Unsecured notes payable and Unsecured line of credit [(c)]	2	943,887	937,153	869,497	868,399

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 4.90% to 14.25% for the Company's notes receivable and City Point Loan, and 5.83% to 9.27% for the Company's mortgage and other notes payable, depending on the attributes of the specific loans.

b)Represents 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 available. In 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 December 31, 2023 and 2022.

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 has guaranteed $72.5 million of principal payment guarantees on various property mortgage loans and the Fund IV secured bridge facility (Note 7, Note 15). At December 31, 2023 and 2022, the Company had Core and Fund letters of credit outstanding of $2.0 million and $7.0 million, respectively (Note 7). 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 December 31, 2023, $0.2 million related to the guarantee was recorded as a liability in the Company's condensed consolidated financial 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 $15.8 million and $39.1 million, of which the Company's share is $12.5 million and $37.5 million as of December 31, 2023 and December 31, 2022, respectively. The Company has committed client-related obligations for tenant improvements based on executed leases aggregating approximately $25.7 million and $30.4 million, of which the Company's share is $14.6 million and $15.8 million, as of December 31, 2023 and 2022, respectively. The timing and amounts of payments for tenant-related obligations are uncertain and may only be due upon satisfactory performance of certain conditions.

Gain Contingency

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 on August 2, 2023, and the $3.3 million 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, though this dismissal remained subject to appeal through January 2024. The Company has not recorded any amount in its consolidated financial statements related to this gain contingency as of December 31, 2023.

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 addition to the ATM Program and share repurchase activity discussed below, the Company completed the following transactions during the year ended December 31, 2023:

- The Company withheld 3,251 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 $9.2 million in connection with Restricted Shares and restricted Common OP Units ("Restricted Units") (Note 13).

In addition to the ATM Program and share repurchase activity discussed below, the Company completed the following transactions during the year ended December 31, 2022:

- The Company withheld 3,235 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 $7.4 million in connection with Restricted Shares and Units (Note 13).

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 (Note 17).

ATM Program

The Company has an at-the-market equity issuance program ("ATM Program") that provides the Company 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 had approximately $222.3 million of availability under the ATM program at December 31, 2023 .The Company has not issued any shares on a forward basis during the years ended December 31, 2023 and 2022. During the year ended December 31, 2023 the Company did not sell any Common Shares under its ATM program. During the year ended December 31, 2022, the Company sold 5,525,419 Common Shares under its ATM Program for gross proceeds of $123.9 million, or $119.5 million net of issuance costs, at a weighted-average gross price per share of $22.43, of which 4,281,576 shares were sold under the previous ATM Program for gross proceeds of $96.3 million, or $92.5 million net of issuance costs. During the year ended December 31, 2021, the Company sold 2,889,371 Common Shares under its previous ATM Program for gross proceeds of $64.9 million, or $63.9 million net of issuance costs, at a weighted-average gross price per share of $22.46.

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 years ended December 31, 2023, 2022 and 2021. Under the share repurchase program $122.5 million remains available at December 31, 2023.

Dividends and Distributions

The following table sets forth the distributions declared and/or paid during the periods presented:

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
November 2, 2023	$	0.18	December 29, 2023	January 12, 2024

Noncontrolling Interests

The following tables summarize the change in the noncontrolling interests for the years ended December 31, 2023, 2022 and 2021 (dollars in thousands):

	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**
Conversion of 151,257 Common OP Units to Common Shares by limited partners of the Operating Partnership	(2,521)	—	(2,521)	—
Distributions declared of $0.72 per Common OP Unit and distributions on Preferred OP Units	(5,352)	—	(5,352)	—
City Point Loan	—	—	—	(796)
City Point Loan accrued interest	—	—	—	(9,350)
Employee and trustee stock compensation, net	11,064	—	11,064	—
Noncontrolling interest distributions	—	(80,186)	(80,186)	(50)
Noncontrolling interest contributions	—	59,612	59,612	1,110
Net income (loss) for the year ended December 31, 2023	1,785	(15,168)	(13,383)	(8,239)
Other comprehensive (loss) income - unrealized gain on valuation of swap agreements	(613)	6,015	5,402	—
Reclassification of realized interest expense on swap agreements	(210)	(13,501)	(13,711)	—
Reallocation of noncontrolling interests [(d)]	(3,989)	—	(3,989)	—
Balance at December 31, 2023	**$ 99,718**	**$ 346,582**	**$ 446,300**	**$ 50,339**
Balance at January 1, 2022	**$ 94,120**	**$ 534,202**	**$ 628,322**	**$ —**
Conversion of 234,473 Common OP Units to Common Shares by limited partners of the Operating Partnership	(3,945)	—	(3,945)	—
Distributions declared of $0.72 per Common OP Unit and distributions on Preferred OP Units	(5,094)	—	(5,094)	—
Acquisition of noncontrolling interest [(e)]	—	(91,811)	(91,811)	—
City Point Loan	—	—	—	(65,391)
City Point Loan accrued interest	—	—	—	(3,923)
Employee and trustee stock compensation, net	10,000	—	10,000	—
Noncontrolling interest distributions	—	(79,838)	(79,838)	—
Noncontrolling interest contributions	—	109,428	109,428	65,945
Net loss for the year ended December 31, 2022	(1,308)	(22,962)	(24,270)	(5,536)
Other comprehensive income - unrealized gain on valuation of swap agreements	4,641	15,567	20,208	—
Reclassification of realized interest expense on swap agreements	58	1,793	1,851	—
Reclassification of redeemable noncontrolling interests[(f)]	—	(76,569)	(76,569)	76,569
Reallocation of noncontrolling interests [(d)]	1,082	—	1,082	—
Balance at December 31, 2022	**$ 99,554**	**$ 389,810**	**$ 489,364**	**$ 67,664**

	Noncontrolling Interests in Operating Partnership [a]	Noncontrolling Interests in Partially-Owned Affiliates [b]	Total	Redeemable Noncontrolling Interests [c]
Balance at January 1, 2021	**$ 89,431**	**$ 519,734**	**$ 609,165**	**$ —**
Conversion of 89,765 Common OP Units to Common Shares by limited partners of the Operating Partnership	(1,431)	—	(1,431)	—
Cancellation of OP units[g]	(568)	—	(568)	—
Distributions declared of $0.60 per Common OP Unit	(4,185)	—	(4,185)	—
Employee and trustee stock compensation, net	11,284	—	11,284	—
Noncontrolling interest distributions	—	(27,051)	(27,051)	—
Noncontrolling interest contributions	—	30,164	30,164	—
Net income for the year ended December 31, 2021	2,075	407	2,482	—
Other comprehensive loss - unrealized loss on valuation of swap agreements	2,072	3,918	5,990	—
Reclassification of realized interest expense on swap agreements	210	7,030	7,240	—
Reallocation of noncontrolling interests [d]	(4,768)	—	(4,768)	—
Balance at December 31, 2021	**$ 94,120**	**$ 534,202**	**$ 628,322**	**$ —**

(a)Noncontrolling interests in the Operating Partnership are comprised of (i) the limited partners' 2,855,574, 3,062,108, and 3,076,849 Common OP Units at December 31, 2023, 2022 and 2021, respectively; (ii) 188 Series A Preferred OP Units at December 31, 2023, 2022 and 2021; (iii) 126,384 Series C Preferred OP Units at December 31, 2023 and 2022, and 126,593 at December 31, 2021; and (iv) 4,247,054, 3,512,414, and 3,371,296 LTIP units at December 31, 2023, 2022 and 2021, 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 involving 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.
(g)The Company exchanged 21,109 OP Units in settlement of a note receivable in the amount of $0.5 million on July 12, 2021.

Redeemable Noncontrolling Interests

Williamsburg Portfolio

In connection with the Williamsburg Portfolio acquisition in February 2022 (Note 2), the Company evaluated the Williamsburg Noncontrolling Interest ("Williamsburg NCI"), which represents the venture partner's one-time right to put its 50.01% interest in the property to the Company for redemption at fair value at a future date. 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. The Company is required to periodically evaluate the NCI and adjust it to redemption value. At December 31, 2023 and 2022, the Company determined that the fair value of the Williamsburg NCI was zero. The Company determined that its valuation was classified within Level 3 of the fair value hierarchy. The estimated fair market value of this noncontrolling interest was based upon a discounted cash flow model, for which a capitalization rate of 5.25% and discount rate of 7.25% were utilized in the model based upon unobservable rates that the Company believes to be within a reasonable range of current market rates.

City Point Loan

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, 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 and accrued interest, net of a $0.7 million and $0.5 million allowance for CECL as of December 31, 2023 and 2022, respectively, 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 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 City Point NCI interest and recognize an increase in the carrying value if the redemption value exceeds the then current carrying value. At December 31, 2023, the Company determined that the carrying value exceeded the maximum Redemption Value and no adjustment was required. The Company determined that its valuation was classified within Level 3 of the fair value hierarchy. The estimated fair market value of this noncontrolling interest was based upon a discounted cash flow model, for which a capitalization rate of 5.25% and discount rate of 6.25% were utilized in the model based upon unobservable rates that the Company believes to be within a reasonable range of current market rates.

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, subject to certain criteria, either party may elect a buy-out right, where either the Company may purchase its partner’s interest or its 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 on the Company’s Consolidated Balance Sheets. 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. At December 31, 2023, the Company determined that the carrying value exceeded the maximum redemption value and no adjustment was required. The Company determined that its valuation was classified within Level 3 of the fair value hierarchy. The estimated fair market value of this noncontrolling interest was based upon a discounted cash flow model, for which a capitalization rate of 6.0% and discount rate of 9.0% were utilized in the model based upon unobservable rates that the Company believes to be within a reasonable range of current market rates.

Preferred OP Units

In 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. Through December 31, 2023, 15,209 Series C Preferred OP Units were converted into 52,613 Common OP Units and then into Common Shares. 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.

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 (9.00% 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 December 31, 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.

11. Leases

As Lessor

The Company has approximately 1,000 leases in the leasing of shopping centers and other retail properties that are either owned or, with respect to certain shopping centers, 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 properties is leased to tenants pursuant to agreements that generally provide for terms ranging from one month to sixty years and for additional rents based on certain operating expenses as well as tenants' sales volumes.

The components of rental revenue are as follows (in thousands):

	Year Ended December 31,		
	2023	2022	2021
Fixed lease revenue	$ 269,648	$ 258,472	$ 227,608
Variable lease revenue	63,396	59,342	58,290
Total rental revenue	$ 333,044	$ 317,814	$ 285,898

The scheduled future minimum 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) as of December 31, 2023, are summarized as follows (in thousands):

	Minimum Rental Revenues [(a)]
2024	$ 249,135
2025	233,786
2026	208,935
2027	184,039
2028	153,941
Thereafter	668,128
	1,697,964
Interest	—
Total	$ 1,697,964

(a)Amount represents contractual lease maturities at December 31, 2023, including any extension options that management determined were reasonably certain of exercise, and excluding any amounts related to reimbursements of operating expenses.

During the years ended December 31, 2023, 2022 and 2021, no single tenant or property collectively comprised more than 10% of the Company's Total revenues.

During the year ended December 31, 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 Rental revenue on the Consolidated Statements of Operations.

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 form terms ranging from eight months to 98 years.

The scheduled future minimum 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 December 31, 2023, are summarized as follows (in thousands):

	Minimum Rental Payments	
	Operating Leases [(a)]	Finance Leases [(a)]
2024	$ 5,414	$ 3,925
2025	5,329	1,780
2026	5,173	1,264
2027	4,373	1,264
2028	4,157	1,310
Thereafter	15,911	154,018
	40,357	163,561
Interest	(8,777)	(130,822)
Total	$ 31,580	$ 32,739

(a)Minimum rental payments include $8.8 million of interest related to operating leases and $130.8 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):

	Year Ended December 31,		
	2023	2022	2021
Lease Cost			
Finance lease cost:			
Amortization of right-of-use assets	$ 1,244	$ 903	$ 903
Interest on lease liabilities	1,239	410	388
Subtotal	2,483	1,313	1,291
Operating lease cost	5,291	5,338	7,184
Variable lease cost	228	80	84
Total lease cost	$ 8,002	$ 6,731	$ 8,559
Cash Paid			
Payments of operating lease obligations - operating activities	$ 5,386	$ 5,364	$ 7,223
Payments of interest on finance lease obligations - operating activities	1,239	410	388
Payments of finance lease obligations - financing activities	100	—	63

	As of December 31,	
	2023	2022
Other Information		
Weighted-average remaining lease term - finance leases (years)	58.3	31.9
Weighted-average remaining lease term - operating leases (years)	9.7	13.5
Weighted-average discount rate - finance leases	6.5%	6.3%
Weighted-average discount rate - operating leases	5.1%	5.1%

During the year ended December 31, 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.

During the year ended December 31, 2022, there were no new leases entered or modified where the Company acted as lessee.

12. Segment Reporting

The Company has three reportable segments: Core Portfolio, Funds and Structured Financing. The Company's Core Portfolio segment 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 segment 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 (Note 3) which are held within the Core Portfolio or the Funds. Fees earned by the Company as the general partner or managing member of the Funds are eliminated in the Company's 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):

	As of or for the Year Ended December 31, 2023				
	Core Portfolio	Funds	Structured Financing	Unallocated	Total
Total revenues	$ 203,545	$ 135,147	$ —	$ —	$ 338,692
Depreciation and amortization expenses	(76,642)	(59,342)	—	—	(135,984)
General and administrative expenses	—	—	—	(41,470)	(41,470)
Property operating expenses, other operating and real estate taxes	(64,382)	(44,094)	—	—	(108,476)
Impairment charges	—	(3,686)	—	—	(3,686)
Operating income	62,521	28,025	—	(41,470)	49,076
Equity in earnings (losses) of unconsolidated affiliates	2,734	(10,411)	—	—	(7,677)
Interest income	—	—	19,993	—	19,993
Realized and unrealized holding gains (losses) on investments and other	5,756	24,995	(338)	—	30,413
Interest expense	(44,521)	(48,732)	—	—	(93,253)
Income tax provision	—	—	—	(301)	(301)
Net income (loss)	26,490	(6,123)	19,655	(41,771)	(1,749)
Net loss attributable to redeemable noncontrolling interests	—	8,239	—	—	8,239
Net (income) loss attributable to noncontrolling interests	(1,937)	15,320	—	—	13,383
Net income (loss) attributable to Acadia shareholders	$ 24,553	$ 17,436	$ 19,655	$ (41,771)	$ 19,873
Real estate at cost [(a)]	$ 2,646,831	$ 1,788,688	$ —	$ —	$ 4,435,519
Total assets [(a)]	$ 2,566,450	$ 1,599,755	$ 124,949	$ —	$ 4,291,154
Cash paid for acquisition of real estate	$ —	$ 126,545	$ —	$ —	$ 126,545
Cash paid for development, construction and property improvement costs	$ 44,428	$ 25,112	$ —	$ —	$ 69,540

	As of or for the Year Ended December 31, 2022				
	Core Portfolio	Funds	Structured Financing	Unallocated	Total
Total revenues	$ 202,547	$ 123,743	$ —	$ —	$ 326,290
Depreciation and amortization expenses	(75,614)	(60,303)	—	—	(135,917)
General and administrative expenses	—	—	—	(44,066)	(44,066)
Property operating expenses, other operating and real estate taxes	(60,306)	(41,621)	—	—	(101,927)
Impairment charges	—	(33,311)	—	—	(33,311)
Gain on disposition of properties	7,245	49,916	—	—	57,161
Operating income (loss)	73,872	38,424	—	(44,066)	68,230
Equity in (losses) earnings of unconsolidated affiliates	(45,919)	13,012	—	—	(32,907)
Interest income	—	—	14,641	—	14,641
Realized and unrealized holding gains (losses) on investments and other	1,163	(35,559)	(598)	—	(34,994)
Interest expense	(37,892)	(42,317)	—	—	(80,209)
Income tax provision	—	—	—	(12)	(12)
Net (loss) income	(8,776)	(26,440)	14,043	(44,078)	(65,251)
Net loss attributable to redeemable noncontrolling interests	—	5,536	—	—	5,536
Net loss attributable to noncontrolling interests	1,000	23,270	—	—	24,270
Net (loss) income attributable to Acadia	$ (7,776)	$ 2,366	$ 14,043	$ (44,078)	$ (35,445)
Real estate at cost [(a)]	$ 2,597,394	$ 1,655,616	$ —	$ —	$ 4,253,010
Total assets [(a)]	$ 2,599,268	$ 1,579,411	$ 123,903	$ —	$ 4,302,582
Cash paid for acquisition of real estate	$ 242,633	$ —	$ —	$ —	$ 242,633
Cash paid for development, construction and property improvement costs	$ 32,406	$ 18,640	$ —	$ —	$ 51,046

	As of or for the Year Ended December 31, 2021				
	Core Portfolio	Funds	Structured Financing	Unallocated	Total
Total revenues	$ 181,332	$ 111,165	$ —	$ —	$ 292,497
Depreciation and amortization expenses	(69,103)	(54,336)	—	—	(123,439)
General and administrative expenses	—	—	—	(40,125)	(40,125)
Property operating expenses, other operating and real estate taxes	(56,957)	(41,916)	—	—	(98,873)
Impairment charges	—	(9,925)	—	—	(9,925)
Gain on disposition of properties	4,612	5,909	—	—	10,521
Operating income (loss)	59,884	10,897	—	(40,125)	30,656
Equity in earnings of unconsolidated affiliates	353	4,977	—	—	5,330
Interest income	—	—	9,065	—	9,065
Realized and unrealized holding gains (losses) on investments and other	—	53,654	(4,534)	—	49,120
Interest expense	(29,454)	(38,594)	—	—	(68,048)
Income tax provision	—	—	—	(93)	(93)
Net income (loss)	30,783	30,934	4,531	(40,218)	26,030
Net income attributable to noncontrolling interests	(2,276)	(206)	—	—	(2,482)
Net income (loss) attributable to Acadia	$ 28,507	$ 30,728	$ 4,531	$ (40,218)	$ 23,548
Real estate at cost [(a)]	$ 2,356,645	$ 1,714,962	$ —	$ —	$ 4,071,607
Total assets [(a)]	$ 2,212,877	$ 1,894,983	$ 153,886	$ —	$ 4,261,746
Cash paid for acquisition of real estate and leasehold interest	$ 26,176	$ 135,670	$ —	$ —	$ 161,846
Cash paid for development, construction and property improvement costs	$ 13,625	$ 27,046	$ —	$ —	$ 40,671

a)Total assets for the Funds segment include $555.8 million, $569.1 million, and $583.4 million related to Fund II's City Point property at December 31, 2023, 2022,and 2021, respectively.

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. 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 December 31, 2023 a total of 3,804,345 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 at January 1, 2023	**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 at December 31, 2023	**113,909**	**$ 14.41**	**1,798,659**	**$ 16.03**
Unvested at January 1, 2022	**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**
Unvested at January 1, 2021	**89,911**	**$ 15.42**	**1,122,889**	**$ 24.38**
Granted	43,078	19.94	666,967	19.48
Vested	(43,084)	16.85	(283,024)	26.66
Forfeited	(159)	36.22	(91,637)	36.22
Unvested at December 31, 2021	**89,746**	**$ 16.87**	**1,415,195**	**$ 20.85**

The weighted-average grant date fair value for Restricted Shares and LTIP Units granted for the years ended December 31, 2023, 2022 and 2021 were $14.93, $21.04 and $19.51, respectively. As of December 31, 2023, there was $16.7 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 1.5 years. The total fair value of Restricted Shares that vested for each of the years ended December 31, 2023, 2022 and 2021, was $0.8 million. The total fair value of LTIP Units that vested (LTIP units vest primarily during the first quarter) during the years ended December 31, 2023, 2022 and 2021, was $7.2 million, $7.1 million and $7.5 million, respectively.

Restricted Shares and LTIP Units - Employees

During the year ended December 31, 2023, the Company issued 22,314 Restricted Share Units and 739,734 LTIP Units to employees of the Company pursuant to the Amended and Restated 2020 Plan. Certain of these equity awards were granted in performance-based Restricted Share Units or LTIP Units with market conditions as described below ("Performance Shares"). 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 attainment of 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 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, with the remaining 40% of shares vesting ratably over the next two years.

For valuation of the 2023, 2022 and 2021 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%, 49.0% and 48.0%) and risk-free interest rates of (4.3%, 1.7% and 0.2%) for 2023, 2022 and 2021, respectively. The total value of the 2023, 2022 and 2021 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 million, $13.1 million and $12.6 million for the years ended December 31, 2023, 2022 and 2021, respectively. Total long-term incentive compensation expense, including the expense related to the Amended and Restated 2020 Plan, was $9.2 million, $7.4 million, and $9.4 million for the years ended December 31, 2023, 2022, and 2021, respectively and is recorded in General and administrative on the Consolidated Statements of 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 2023, the Company issued 45,882 Restricted Shares and 40,459 LTIP Units to Trustees of the Company in connection with Trustee fees. Vesting with respect to 15,850 of the Restricted Shares and 10,427 of the LTIP Units will be on the first anniversary of the date of issuance, and 30,032 of the Restricted Shares and 30,032 of the LTIP Units vest over three years with 33% vesting on each of the next three anniversaries of the issuance date. Additionally, during the year ended December 31, 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 $1.9 million, $1.7 million and $1.6 million for the years ended December 31, 2023, 2022 and 2021, respectively, and is recorded in General and administrative on the Consolidated Statements of 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% 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 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 at December 31, 2023 or 2022.

The Company recognized $0.2 million and $0.4 million compensation expense related to the Program for the years ended December 31, 2023 and 2022, related to Funds III and V. No compensation expense was recognized for the year ended 2021 related to the Program.

Other Plans

On a combined basis, the Company incurred a total of $0.5 million, $0.4 million, and $0.4 million of compensation expense related to the following employee benefit plans for the years ended December 31, 2023, 2022 and 2021, 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 13,177 and 9,747 Common Shares were purchased by employees under the Purchase Plan for the years ended December 31, 2023 and 2022, respectively.

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, for the year ended December 31, 2023.

14. Federal Income Taxes

The Company has elected to qualify as a REIT in accordance with Sections 856 through 860 of the Code and intends at all times to qualify as a REIT under the Code. To qualify as a REIT, the Company must meet a number of organizational and operational requirements, including a requirement that it currently distribute at least 90% of its annual REIT taxable income to its shareholders. As a REIT, the Company generally will not be subject to corporate federal income tax, provided that distributions to its shareholders equal at least the amount of its REIT taxable income as defined under the Code. As the Company distributed sufficient taxable income for the years ended December 31, 2023, 2022 and 2021, no U.S. federal income or excise taxes were incurred. If the Company fails to qualify as a REIT in any taxable year, it will be subject to federal income taxes at the regular corporate rates (including any applicable alternative minimum tax) and may not be able to qualify as a REIT for the four subsequent taxable years. Even though the Company qualifies for taxation as a REIT, the Company is subject to certain state and local taxes on its income and property and federal income and excise taxes on any undistributed taxable income. In addition, taxable income from non-REIT activities managed through the Company's TRS's is subject to federal, state and local income taxes. No more than 20% of the value of our total assets may consist of the securities of one or more TRS.

In the normal course of business, the Company or one or more of its subsidiaries is subject to examination by federal, state and local jurisdictions, in which it operates, where applicable. The Company expects to recognize interest and penalties related to uncertain tax positions, if any, as income tax expense. For the three years ended December 31, 2023, the Company recognized no material adjustments regarding its tax accounting treatment for uncertain tax provisions. As of December 31, 2023, the tax years that remain subject to examination by the major tax jurisdictions under applicable statutes of limitations are generally the year 2020 and forward.

Reconciliation of Net Income to Taxable Income

Reconciliation of GAAP net income attributable to Acadia to taxable income (loss) is as follows:

(in thousands)	Year Ended December 31, 2023	2022	2021
Net income (loss) attributable to Acadia	$ 19,873	$ (35,445)	$ 23,548
Deferred rental and other (loss) income [(a)]	351	(1,854)	3,209
Book/tax difference - depreciation and amortization [(a)]	22,353	28,337	24,756
Straight-line rent and above- and below-market rent adjustments [(a)]	(12,484)	(11,917)	(8,588)
Book/tax differences - equity-based compensation	7,519	5,952	7,663
Joint venture equity in earnings, net and other investments [(a)]	33,522	22,493	3,962
Impairment charges and reserves	524	54,822	2,657
Acquisition costs [(a)]	9	2,048	22
Gain (loss) on disposition of properties and investments	1,800	(14,960)	(2,170)
Book adjustment marketable securities	(4,813)	—	—
Book/tax differences - miscellaneous	2,355	5,638	(1,203)
Taxable income	$ 71,009	$ 55,114	$ 53,856
Dividends/Distributions declared [(b)]	$ 68,612	$ 68,312	$ 52,872

a)Adjustments from certain subsidiaries and affiliates, which are consolidated for financial reporting but not for tax reporting, are included in the reconciliation item “Joint venture equity in earnings, net.”

b)The entire fourth quarter 2023 dividend of $17.2 million (paid in January 2024) was attributed to 2024. Any additional distributions required for REIT qualification may be made through October 15, 2024. The entire fourth quarter 2022 dividend of $17.1 million (paid in January 2023) was attributed to 2023. The entire fourth quarter 2021 dividend of $14.4 million (paid in January 2022) was attributed to 2021 (Note 10).

Characterization of Distributions

The Company has determined that the cash distributed to the shareholders for the periods presented is characterized as follows for federal income tax purposes:

	Year Ended December 31, 2023		2022		2021	
	Per Share	%	Per Share	%	Per Share	%
Ordinary income - Section 199A	$ 0.583	81 %	$ 0.650	90 %	$ 0.550	92 %
Qualified dividend	0.115	16 %	0.010	1 %	0.010	1 %
Capital gain	0.022	3 %	0.060	9 %	0.040	7 %
Total [(a)]	$ 0.720	100 %	$ 0.720	100 %	$ 0.600	100 %

a)The fourth quarter 2023 regular dividend was $0.18 per Common Share, all of which is allocable to 2024. The fourth quarter 2022 regular dividend was $0.18 per Common Share, all of which is allocable to 2023. The fourth quarter 2021 regular dividend was $0.15 per Common Share, all of which is allocable to 2021.

Taxable REIT Subsidiaries

Income taxes have been provided for using the liability method as required by ASC Topic 740, *"Income Taxes."* The Company's TRS income (loss) and provision for income taxes associated with the TRS for the periods presented are summarized as follows (in thousands):

	Year Ended December 31, 2023	2022	2021
TRS loss before income taxes	$ (3,768)	$ (3,178)	$ (4,240)
Provision for income taxes:			
Federal	—	—	—
State and local	—	—	—
TRS net loss before noncontrolling interests	(3,768)	(3,178)	(4,240)
Noncontrolling interests	—	—	9
TRS net loss	$ (3,768)	$ (3,178)	$ (4,231)

The income tax provision for the Company differs from the amount computed by applying the statutory Federal income tax rate to income (loss) before income taxes as follows. Amounts are not adjusted for temporary book/tax differences (in thousands):

	Year Ended December 31, 2023	2022	2021
Federal tax benefit at statutory tax rate	$ (791)	$ (667)	$ (890)
TRS state and local taxes, net of Federal benefit	(238)	(201)	(268)
Tax effect of:			
Permanent differences, net	246	194	252
Adjustment to deferred tax reserve	(8)	691	1,061
Other	791	(16)	(156)
REIT state and local income and franchise taxes	301	11	94
Total provision for income taxes	$ 301	$ 12	$ 93

As of December 31, 2023, and 2022, the Company's deferred tax assets were $0.0 million net of applicable reserves of $4.3 million and were comprised of capital loss carryovers of $0.0 million and $0.1 million and net operating loss carryovers of $3.1 million and $4.2 million, respectively.

Under GAAP a reduction of the carrying amounts of deferred tax assets by a valuation allowance is required, if, based on the evidence available, it is more likely than not (a likelihood of more than 50 percent) that some portion or all of the deferred tax assets will not be realized. The valuation allowance should be sufficient to reduce the deferred tax asset to the amount that is more likely than not to be realized. For the years ended December 31, 2023, 2022, and 2021, the Company determined that the realization of its deferred tax assets was not likely and as such, the Company recorded a valuation allowance against its deferred tax assets of $0.0 million, $0.7 million, and $1.1 million, respectively.

15. Earnings (Loss) Per Common Share

Basic earnings (loss) per Common Share is computed by dividing net income (loss) 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 (loss) 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 consolidated financial statements. As such, the assumed conversion of these units would have no net impact on the determination of diluted earnings per share.

	Year Ended December 31,		
(dollars in thousands)	**2023**	**2022**	**2021**
Numerator:			
Net income (loss) attributable to Acadia shareholders	$ 19,873	$ (35,445)	$ 23,548
Less: earnings attributable to unvested participating securities	(978)	(805)	(624)
Income (loss) from continuing operations net of income attributable to participating securities for basic earnings per share	18,895	(36,250)	22,924
Impact of City Point Loan share conversion option [(a)]	—	(1,804)	—
Income from continuing operations net of income attributable to participating securities for diluted earnings per share	$ 18,895	$ (38,054)	$ 22,924
Denominator:			
Weighted average shares for basic earnings (loss) per share	95,283,752	94,575,251	87,653,818
Effect of dilutive securities:			
Series A Preferred OP Units	—	—	—
Employee unvested restricted shares	—	—	—
City Point Loan common stock conversion option (Note 10) [(a)]	—	68,215	—
Weighted average shares for diluted earnings per share	95,283,752	94,643,466	87,653,818
Basic earnings (loss) per Common Share from continuing operations attributable to Acadia	$ 0.20	$ (0.38)	$ 0.26
Diluted earnings (loss) per Common Share from continuing operations attributable to Acadia	$ 0.20	$ (0.40)	$ 0.26
Anti-Dilutive Shares Excluded from Denominator:			
Series A Preferred OP Units	188	188	188
Series A Preferred OP Units - Common share equivalent	25,067	25,067	25,067
Series C Preferred OP Units	126,384	126,384	126,593
Series C Preferred OP Units - Common share equivalent	438,831	438,831	439,556
Restricted shares	90,006	68,832	70,827

a)The impact of the 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.

16. Variable Interest Entities

Pursuant to GAAP consolidation guidance, the Company consolidates certain VIEs for which the Company is the primary beneficiary. As of December 31, 2023 and 2022, the Company had seven and eight consolidated VIEs, respectively, including the Operating Partnership and the Funds. Excluding the Operating Partnership and the Funds at December 31, 2023, 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 consolidated these VIEs because it is the primary beneficiary as it 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 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 Consolidated Balance Sheets represent the assets and liabilities of the Operating Partnership. As of December 31, 2023 and December 31, 2022, the Consolidated Balance Sheets included the following assets and liabilities of the consolidated VIEs of the Operating Partnership:

(dollars in thousands)	**December 31, 2023**	**December 31, 2022**
VIE ASSETS		
Operating real estate, net	$ 1,679,779	$ 1,466,381
Real estate under development	28,851	129,888
Investments in and advances to unconsolidated affiliates	92,802	210,922
Other assets, net	101,679	98,675
Right-of-use assets - operating leases, net	2,112	2,535
Cash and cash equivalents	10,787	13,330
Restricted cash	7,048	14,995
Rents receivable, net	21,427	17,915
Total VIE assets [(a)]	$ 1,944,485	$ 1,954,641
VIE LIABILITIES		
Mortgage and other notes payable, net	$ 764,614	$ 761,166
Unsecured notes payable, net	80,473	51,202
Accounts payable and other liabilities	127,162	95,385
Lease liability - operating leases	2,213	2,657
Total VIE liabilities [(a)]	$ 974,462	$ 910,410

(a)At December 31, 2023 and December 31, 2022, totals included VIE assets of $721.2 million and 678.1 million, respectively, and VIE liabilities of $234.7 million and $200.4 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 December 31, 2023 and 2022, 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 and (ii) debt guarantees (Note 9). The Company's aggregate investment in the unconsolidated VIEs assets was $45.8 million and $41.5 million at December 31, 2023 and 2022, respectively. The Company's aggregate investment in unconsolidated VIEs liabilities was $40.1 million and $49.2 million at December 31, 2023 and 2022, respectively.

17. Subsequent Events

On January 8, 2024, the Company sold 175,000 shares of Albertsons, generating net proceeds of $4.0 million.

On January 8, 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.

The Company had the following financing activity:

- repaid a Core mortgage totaling $7.3 million at maturity; and
- entered into a new Fund V mortgage for $43.4 million and repaid the outstanding balance of the Fund V subscription line with the proceeds.

ACADIA REALTY TRUST
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

December 31, 2023

		Initial Cost to Company			Gross Amount at Which Carried at December 31, 2023					
Description and Location	**Encumbrances**	**Land**	**Buildings & Improvements**	**Increase (Decrease) in Net Investments**	**Land**	**Buildings & Improvements (1)**	**Total (2)**	**Accumulated Depreciation (1)**	**Date of Acquisition (a) Construction (c)**	**Life on which Depreciation in Latest Statement of Operations is Compared (1)**
Core Portfolio:										
Crescent Plaza Brockton, MA	—	1,147	7,425	4,855	1,147	12,280	13,427	9,760	1993 (a)	40 years
New Loudon Center Latham, NY	—	505	4,161	16,414	505	20,575	21,080	17,764	1993 (a)	40 years
Mark Plaza Edwardsville, PA	—	—	3,396	1	—	3,397	3,397	3,186	1993 (c)	40 years
Plaza 422 Lebanon, PA	—	190	3,004	2,809	190	5,813	6,003	5,406	1993 (c)	40 years
Route 6 Mall Honesdale, PA	—	1,664	—	17,141	1,664	17,141	18,805	12,058	1994 (c)	40 years
Abington Towne Center Abington, PA	—	799	3,197	4,811	799	8,008	8,807	5,162	1998 (a)	40 years
Bloomfield Town Square Bloomfield Hills, MI	—	3,207	13,774	29,347	3,207	43,121	46,328	29,743	1998 (a)	40 years
Elmwood Park Shopping Center Elmwood Park, NJ	—	3,248	12,992	22,103	3,798	34,545	38,343	23,339	1998 (a)	40 years
Merrillville Plaza Hobart, IN	—	4,288	17,152	12,245	4,288	29,397	33,685	17,321	1998 (a)	40 years
Marketplace of Absecon Absecon, NJ	—	2,573	10,294	5,817	2,577	16,107	18,684	10,986	1998 (a)	40 years
239 Greenwich Avenue Greenwich, CT	26,000	1,817	15,846	2,908	1,817	18,754	20,571	10,749	1998 (a)	40 years
Hobson West Plaza Naperville, IL	—	1,793	7,172	5,659	1,793	12,831	14,624	7,996	1998 (a)	40 years
Village Commons Shopping Center Smithtown, NY	—	3,229	12,917	5,779	3,229	18,696	21,925	12,698	1998 (a)	40 years
Town Line Plaza Rocky Hill, CT	—	878	3,510	8,389	907	11,870	12,777	10,021	1998 (a)	40 years
Branch Shopping Center Smithtown, NY	—	3,156	12,545	17,465	3,401	29,765	33,166	20,748	1998 (a)	40 years
Methuen Shopping Center Methuen, MA	—	956	3,826	2,006	961	5,827	6,788	3,659	1998 (a)	40 years
The Gateway Shopping Center South Burlington, VT	—	1,273	5,091	12,932	1,273	18,023	19,296	12,937	1999 (a)	40 years
Mad River Station Dayton, OH	—	2,350	9,404	2,689	2,350	12,093	14,443	7,791	1999 (a)	40 years
Brandywine Holdings Wilmington, DE	—	5,063	15,252	2,983	5,201	18,097	23,298	9,491	2003 (a)	40 years
Bartow Avenue Bronx, NY	—	1,691	5,803	1,635	1,691	7,438	9,129	4,178	2005 (c)	40 years
Amboy Road Staten Island, NY	—	—	11,909	3,537	—	15,446	15,446	11,403	2005 (a)	40 years
Chestnut Hill Philadelphia, PA	—	8,289	5,691	4,802	8,289	10,493	18,782	6,519	2006 (a)	40 years
2914 Third Avenue Bronx, NY	—	11,108	8,038	5,627	11,855	12,918	24,773	4,910	2006 (a)	40 years
West 54th Street Manhattan, NY	—	16,699	18,704	1,515	16,699	20,219	36,918	9,028	2007 (a)	40 years
5-7 East 17th Street Manhattan, NY	—	3,048	7,281	7,468	3,048	14,749	17,797	9,065	2008 (a)	40 years
651-671 W Diversey Chicago, IL	—	8,576	17,256	402	8,576	17,658	26,234	5,450	2011 (a)	40 years
15 Mercer Street Manhattan, NY	—	1,887	2,483	97	1,887	2,580	4,467	778	2011 (a)	40 years
4401 White Plains Bronx, NY	—	1,581	5,054	—	1,581	5,054	6,635	1,558	2011 (a)	40 years
56 E. Walton Chicago, IL	—	994	6,126	3,078	994	9,204	10,198	1,450	2011 (a)	40 years
841 W. Armitage Chicago, IL	—	728	1,989	422	728	2,411	3,139	1,037	2011 (a)	40 years
2731 N. Clark Chicago, IL	—	557	1,839	43	557	1,882	2,439	600	2011 (a)	40 years
2140 N. Clybourn Chicago, IL	—	306	788	54	306	842	1,148	261	2011 (a)	40 years
853 W. Armitage Chicago, IL	—	557	1,946	508	557	2,454	3,011	1,088	2011 (a)	40 years
2299 N. Clybourn Avenue Chicago, IL	—	177	484	—	177	484	661	150	2011 (a)	40 years
843-45 W. Armitage Chicago, IL	—	731	2,730	299	731	3,029	3,760	968	2012 (a)	40 years
1525 W. Belmont Avenue Chicago, IL	—	1,480	3,338	887	1,480	4,225	5,705	1,540	2012 (a)	40 years
2206-08 N. Halsted Chicago, IL	—	1,183	3,540	360	1,183	3,900	5,083	1,391	2012 (a)	40 years
2633 N. Halsted Chicago, IL	—	960	4,096	359	998	4,417	5,415	1,333	2012 (a)	40 years
50-54 E. Walton Chicago, IL	—	2,848	12,694	642	2,848	13,336	16,184	4,095	2012 (a)	40 years
662 W. Diversey Chicago, IL	—	1,713	1,603	10	1,713	1,613	3,326	446	2012 (a)	40 years
837 W. Armitage Chicago, IL	—	780	1,758	151	780	1,909	2,689	633	2012 (a)	40 years
823 W. Armitage Chicago, IL	—	717	1,149	95	717	1,244	1,961	364	2012 (a)	40 years

ACADIA REALTY TRUST
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

		Initial Cost to Company			Gross Amount at Which Carried at December 31, 2023					
Description and Location	**Encumbrances**	**Land**	**Buildings & Improvements**	**Increase (Decrease) in Net Investments**	**Land**	**Buildings & Improvements [(1)]**	**Total [(2)]**	**Accumulated Depreciation [(1)]**	**Date of Acquisition (a) Construction (c)**	**Life on which Depreciation in Latest Statement of Operations is Compared [(1)]**
851 W. Armitage Chicago, IL	—	545	209	139	545	348	893	185	2012 (a)	40 years
1240 W. Belmont Avenue Chicago, IL	—	2,137	1,589	1,357	2,137	2,946	5,083	1,013	2012 (a)	40 years
21 E. Chestnut Chicago, IL	—	1,318	8,468	752	1,318	9,220	10,538	2,467	2012 (a)	40 years
819 W. Armitage Chicago, IL	—	790	1,266	689	790	1,955	2,745	542	2012 (a)	40 years
1520 Milwaukee Avenue Chicago, IL	—	2,110	1,306	348	2,110	1,654	3,764	618	2012 (a)	40 years
Rhode Island Place Shopping Center Washington, D.C.	—	7,458	15,968	2,659	7,458	18,627	26,085	6,591	2012 (a)	40 years
930 Rush Street Chicago, IL	—	4,933	14,587	—	4,933	14,587	19,520	4,285	2012 (a)	40 years
28 Jericho Turnpike Westbury, NY	—	6,220	24,416	46	6,220	24,462	30,682	7,424	2012 (a)	40 years
181 Main Street Westport, CT	—	1,908	12,158	719	1,908	12,877	14,785	3,771	2012 (a)	40 years
83 Spring Street Manhattan, NY	—	1,754	9,200	309	1,754	9,509	11,263	2,649	2012 (a)	40 years
179-53 & 1801-03 Connecticut Avenue Washington, D.C.	—	11,690	10,135	1,999	11,690	12,134	23,824	3,619	2012 (a)	40 years
639 West Diversey Chicago, IL	—	4,429	6,102	1,089	4,429	7,191	11,620	2,428	2012 (a)	40 years
664 North Michigan Chicago, IL	—	15,240	65,331	322	15,240	65,653	80,893	17,776	2013 (a)	40 years
8-12 E. Walton Chicago, IL	—	5,398	15,601	977	5,398	16,578	21,976	4,970	2013 (a)	40 years
3200-3204 M Street Washington, DC	—	6,899	4,249	1,213	6,899	5,462	12,361	1,465	2013 (a)	40 years
868 Broadway Manhattan, NY	—	3,519	9,247	5	3,519	9,252	12,771	2,331	2013 (a)	40 years
313-315 Bowery Manhattan, NY	—	—	5,516	—	—	5,516	5,516	2,232	2013 (a)	40 years
120 West Broadway Manhattan, NY	—	—	32,819	2,101	—	34,920	34,920	5,987	2013 (a)	40 years
11 E. Walton Chicago, IL	—	16,744	28,346	1,444	16,744	29,790	46,534	7,757	2014 (a)	40 years
61 Main Street Westport, CT	—	4,578	2,645	1,862	4,578	4,507	9,085	1,238	2014 (a)	40 years
865 W. North Avenue Chicago, IL	—	1,893	11,594	246	1,893	11,840	13,733	2,874	2014 (a)	40 years
152-154 Spring St. Manhattan, NY	—	8,544	27,001	347	8,544	27,348	35,892	6,706	2014 (a)	40 years
2520 Flatbush Ave Brooklyn, NY	—	6,613	10,419	313	6,613	10,732	17,345	2,693	2014 (a)	40 years
252-256 Greenwich Avenue Greenwich, CT	—	10,175	12,641	1,122	10,175	13,763	23,938	3,735	2014 (a)	40 years
Bedford Green Bedford Hills, NY	—	12,425	32,730	4,729	13,765	36,119	49,884	9,524	2014 (a)	40 years
131-135 Prince Street Manhattan, NY	—	—	57,536	1,251	—	58,787	58,787	26,387	2014 (a)	40 years
Shops at Grand Ave Queens, NY	—	20,264	33,131	3,380	20,264	36,511	56,775	8,497	2014 (a)	40 years
201 Needham Street Newton, MA	—	4,550	4,459	110	4,550	4,569	9,119	1,117	2014 (a)	40 years
City Center San Francisco, CA	—	36,063	109,098	7,129	26,386	125,904	152,290	28,162	2015 (a)	40 years
163 Highland Avenue Needham, MA	7,363	12,679	11,213	(105)	12,529	11,258	23,787	2,644	2015 (a)	40 years
Roosevelt Galleria Chicago, IL	—	4,838	14,574	1,208	4,838	15,782	20,620	3,188	2015 (a)	40 years
Route 202 Shopping Center Wilmington, DE	—	—	6,346	708	—	7,054	7,054	1,996	2015 (a)	40 years
991 Madison Avenue Manhattan, NY	—	—	76,965	(75,357)	—	1,608	1,608	767	2016 (a)	40 years
165 Newbury Street Boston, MA	—	1,918	3,980	—	1,918	3,980	5,898	763	2016 (a)	40 years
Concord & Milwaukee Chicago, IL	2,301	2,739	2,746	486	2,739	3,232	5,971	752	2016 (a)	40 years
State & Washington Chicago, IL	21,386	3,907	70,943	6,236	3,907	77,179	81,086	15,388	2016 (a)	40 years
151 N. State Street Chicago, IL	12,207	1,941	25,529	172	1,941	25,701	27,642	4,739	2016 (a)	40 years
North & Kingsbury Chicago, IL	10,432	18,731	16,292	3,252	18,731	19,544	38,275	3,857	2016 (a)	40 years
Sullivan Center Chicago, IL	50,000	13,443	137,327	1,615	13,443	138,942	152,385	25,724	2016 (a)	40 years
California & Armitage Chicago, IL	2,142	6,770	2,292	98	6,770	2,390	9,160	475	2016 (a)	40 years
555 9th Street San Francisco, CA	60,000	75,591	73,268	5,775	75,591	79,043	154,634	13,366	2016 (a)	40 years
Market Square Wilmington, DE	—	8,100	31,221	683	8,100	31,904	40,004	5,342	2017 (a)	40 years
613-623 W. Diversey Chicago, IL	—	10,061	2,773	11,896	10,061	14,669	24,730	4,660	2018 (c)	40 years
51 Greene Street Manhattan, NY	—	4,488	8,992	100	4,488	9,092	13,580	1,102	2019 (a)	40 years

ACADIA REALTY TRUST
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

		Initial Cost to Company			Gross Amount at Which Carried at December 31, 2023					
Description and Location	Encumbrances	Land	Buildings & Improvements	Increase (Decrease) in Net Investments	Land	Buildings & Improvements [1]	Total [2]	Accumulated Depreciation [1]	Date of Acquisition (a) Construction (c)	Life on which Depreciation in Latest Statement of Operations is Compared [1]
53 Greene Street Manhattan, NY	—	3,605	12,177	2	3,605	12,179	15,784	1,446	2019 (a)	40 years
41 Greene Street Manhattan, NY	—	6,276	9,582	—	6,276	9,582	15,858	1,098	2019 (a)	40 years
47 Greene Street Manhattan, NY	—	6,265	16,758	6	6,265	16,764	23,029	1,851	2019 (a)	40 years
849 W Armitage Chicago, IL	—	837	2,731	—	837	2,731	3,568	311	2019 (a)	40 years
912 W Armitage Chicago, IL	—	982	2,868	183	982	3,051	4,033	360	2019 (a)	40 years
Melrose Place Collection Los Angeles, CA	—	20,490	26,788	—	20,490	26,788	47,278	2,800	2019 (a)	40 years
45 Greene Street Manhattan, NY	—	2,903	8,487	297	2,903	8,784	11,687	975	2019 (a)	40 years
565 Broadway Manhattan, NY	—	-	22,491	9,492	—	31,983	31,983	2,421	2019 (a)	40 years
907 W Armitage Chicago, IL	—	700	2,081	—	700	2,081	2,781	232	2019 (a)	40 years
37 Greene Street Manhattan, NY	—	6,721	9,119	573	6,721	9,692	16,413	912	2020 (a)	40 years
917 W Armitage Chicago, IL	—	901	2,368	—	901	2,368	3,269	251	2020 (a)	40 years
Brandywine Town Center Wilmington, DE	—	15,632	101,861	9,076	15,632	110,937	126,569	11,879	2020 (a)	40 years
1324 14th Street Washington, D.C.	—	728	3,044	—	728	3,044	3,772	152	2021 (a)	40 years
1526 14th Street Washington, D.C.	—	1,377	6,964	—	1,377	6,964	8,341	348	2021 (a)	40 years
1529 14th Street Washington, D.C.	—	1,485	10,411	—	1,485	10,411	11,896	521	2021 (a)	40 years
121 Spring St Manhattan, NY	—	5,380	31,707	—	5,380	31,707	37,087	1,585	2022 (a)	40 years
8833 Beverly Blvd West Hollywood, CA	—	14,423	8,314	—	14,423	8,314	22,737	382	2022 (a)	40 years
Williamsburg Portfolio Brooklyn, NY	—	31,500	60,720	2,334	31,500	63,054	94,554	2,861	2022 (a)	40 years
Henderson Portfolio Dallas, TX	—	27,086	41,823	4,537	27,086	46,360	73,446	2,321	2022 (a)	40 years
Fund II:										
City Point Brooklyn, NY	137,485	—	100,316	571,784	—	672,100	672,100	135,588	2007 (c)	40 years
Fund III:										
640 Broadway Manhattan, NY	33,000	27,831	27,291	939	27,831	28,230	56,061	1,365	2012 (a)	40 years
Fund IV:										
210 Bowery Manhattan, NY	—	1,875	5,625	(6,514)	518	468	986	242	2012 (c)	40 years
27 E. 61st Street Manhattan, NY	7,473	4,813	14,438	3,358	3,523	19,086	22,609	3,130	2014 (c)	40 years
17 E. 71st Street Manhattan, NY	—	7,391	20,176	388	7,391	20,564	27,955	4,901	2014 (a)	40 years
1035 Third Avenue Manhattan, NY	13,725	12,759	37,431	5,852	14,099	41,943	56,042	10,791	2015 (a)	40 years
801 Madison Avenue Manhattan, NY	15,002	4,178	28,470	(4,667)	2,922	25,059	27,981	4,522	2015 (c)	40 years
2208-2216 Fillmore Street San Francisco, CA	5,308	3,027	6,376	217	3,027	6,593	9,620	1,368	2015 (a)	40 years
2207 Fillmore Street San Francisco, CA	1,120	1,498	1,735	125	1,498	1,860	3,358	408	2015 (a)	40 years
1964 Union Street San Francisco, CA	1,356	563	1,688	2,071	563	3,759	4,322	602	2016 (c)	40 years
Restaurants at Fort Point Boston, MA	—	1,041	10,905	81	1,041	10,986	12,027	2,204	2016 (a)	40 years
717 N. Michigan Chicago, IL	46,000	72,591	35,440	(25,344)	48,920	33,767	82,687	411	2016 (a)	40 years
18 E. Broughton St. Savannah, GA	1,545	609	1,513	62	609	1,575	2,184	213	2018 (a)	40 years
20 E. Broughton St. Savannah, GA	1,008	588	937	12	588	949	1,537	127	2018 (a)	40 years
25 E. Broughton St. Savannah, GA	3,178	1,324	2,459	383	1,324	2,842	4,166	491	2018 (a)	40 years
109 W. Broughton St. Savannah, GA	6,466	2,343	6,560	904	2,343	7,464	9,807	1,063	2018 (a)	40 years
204-206 W. Broughton St. Savannah, GA	910	547	439	32	547	471	1,018	74	2018 (a)	40 years
216-218 W. Broughton St. Savannah, GA	2,663	1,160	2,736	1,944	1,160	4,680	5,840	820	2018 (a)	40 years
220 W. Broughton St. Savannah, GA	1,863	619	1,799	985	619	2,784	3,403	496	2018 (a)	40 years
223 W. Broughton St. Savannah, GA	910	465	688	33	465	721	1,186	97	2018 (a)	40 years
226-228 W. Broughton St. Savannah, GA	—	660	1,900	34	660	1,934	2,594	260	2018 (a)	40 years
309/311 W. Broughton St. Savannah, GA	2,345	1,160	2,695	193	1,160	2,888	4,048	365	2018 (a)	40 years
230-240 W. Broughton St. Savannah, GA	5,052	2,185	9,597	6	2,185	9,603	11,788	861	2020 (a)	40 years
102 E. Broughton St. Savannah, GA	—	—	514	—	—	514	514	46	2020 (a)	40 years

ACADIA REALTY TRUST
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION

Description and Location	Encumbrances	Initial Cost to Company		Increase (Decrease) in Net Investments	Gross Amount at Which Carried at December 31, 2023			Accumulated Depreciation [1]	Date of Acquisition (a) Construction (c)	Life on which Depreciation in Latest Statement of Operations is Compared [1]
		Land	Buildings & Improvements		Land	Buildings & Improvements [1]	Total [2]			
Fund V:										
Plaza Santa Fe Santa Fe, NM	22,893	—	28,214	2,005	—	30,219	30,219	5,587	2017 (a)	40 years
Hickory Ridge Hickory, NC	27,546	7,852	29,998	5,041	7,852	35,039	42,891	7,177	2017 (a)	40 years
New Towne Plaza Canton, MI	16,334	5,040	17,391	587	4,719	18,299	23,018	3,497	2017 (a)	40 years
Fairlane Green Allen Park, MI	32,260	18,121	37,143	3,991	18,121	41,134	59,255	6,809	2017 (a)	40 years
Trussville Promenade Birmingham, AL	28,472	7,587	34,285	77	7,587	34,362	41,949	5,451	2018 (a)	40 years
Elk Grove Commons Elk Grove, CA	40,247	6,204	48,008	1,884	6,204	49,892	56,096	7,200	2018 (a)	40 years
Hiram Pavilion Hiram, GA	27,667	13,029	25,446	625	13,029	26,071	39,100	4,412	2018 (a)	40 years
Palm Coast Landing Palm Coast, FL	25,862	7,066	27,299	789	7,066	28,088	35,154	4,033	2019 (a)	40 years
Lincoln Commons Lincoln, RI	38,134	14,429	34,417	6,169	14,429	40,586	55,015	5,438	2019 (a)	40 years
Landstown Commons Virginia Beach, VA	59,795	10,222	69,005	7,200	10,222	76,205	86,427	8,949	2019 (a)	40 years
Canton Marketplace Canton, GA	36,000	11,883	34,902	1,204	11,883	36,106	47,989	2,476	2021 (a)	40 years
Monroe Marketplace Selinsgrove, PA	29,150	8,755	35,452	482	8,755	35,934	44,689	2,623	2021 (a)	40 years
Midstate Mall East Brunswick, NJ	42,400	13,062	43,290	3,241	13,062	46,531	59,593	2,808	2021 (a)	40 years
Cypress Creek Tampa, FL	32,200	25,313	39,637	54	—	65,004	65,004	841	2023 (a)	40 years
Maple Tree Place Williston, VT	—	17,597	49,404	—	17,597	49,404	67,001	121	2023 (a)	40 years
Total operating real estate	937,200	930,827	2,595,398	814,495	872,228	3,468,492	4,340,720	823,439		
Real estate under development	—	31,673	—	63,126	31,673	63,126	94,799	—		
Unamortized loan costs	(7,313)	—	—	—	—	—	—	—		
Unamortized premium	240	—	—	—	—	—	—	—		
Total	$ 930,127	$ 962,500	$ 2,595,398	$ 877,621	$ 903,901	$ 3,531,618	$ 4,435,519	$ 823,439		

Notes:

(1)Depreciation on buildings and improvements reflected on the Consolidated Statements of Operations is calculated over the estimated useful life of the assets as follows: Buildings at 40 years and improvements at the shorter of lease term or useful life.

(2)The aggregate gross cost of property included above for Federal income tax purposes was approximately $4.6 billion as of December 31, 2023.

The following table reconciles the activity for real estate properties from January 1, 2021 to December 31, 2023 (in thousands):

	Year Ended December 31, 2023	2022	2021
Balance at beginning of year	$ 4,253,010	$ 4,071,607	$ 4,011,326
Improvements and other	75,668	50,696	32,070
Property acquisitions	131,952	234,557	172,558
Property dispositions or held for sale assets	(21,425)	(125,933)	(134,422)
Consolidation of previously unconsolidated investments	—	55,394	—
Impairment charges	(3,686)	(33,311)	(9,925)
Balance at end of year	$ 4,435,519	$ 4,253,010	$ 4,071,607

The following table reconciles accumulated depreciation from January 1, 2021 to December 31, 2023 (in thousands):

	Year Ended December 31, 2023	2022	2021
Balance at beginning of year	$ 725,143	$ 648,461	$ 573,364
Depreciation related to real estate	100,300	98,414	90,456
Property dispositions or held for sale assets	(2,004)	(21,732)	(15,359)
Balance at end of year	$ 823,439	$ 725,143	$ 648,461

ACADIA REALTY TRUST
SCHEDULE IV - MORTGAGE LOANS ON REAL ESTATE

December 31, 2023

(in thousands)

Description	Effective Interest Rate	Final Maturity Date	Periodic Payment Terms	Prior Liens	Face Amount of Notes Receivable	Net Carrying Amount of Notes Receivable as of December 31, 2023 (1)	Principal Amount of Loans Subject to Delinquent Principal or Interest
First Mortgage Loan	6.00%	4/1/2020	Interest only	—	$ 17,810	$ 17,801	$ 17,801
Mezzanine Loan	9.25%	1/9/2024	Interest only	—	54,000	54,000	—
First Mortgage Loan	6.56%	9/17/2024	Interest only	—	43,000	42,000	—
Other	6.50%	9/27/2024	Interest only	—	1,427	1,427	—
Other	4.65%	4/12/2026	Interest only	—	6,000	6,000	—
Mezzanine Loan	8.00%	12/11/2027	Interest only	—	5,000	5,000	—
Total					$ 127,237	126,228	$ 17,801
Allowance for credit loss						(1,279)	
Net carrying amount of notes receivable						$ 124,949	

Notes:
(1)The aggregate carrying amount of notes receivable included above for Federal income tax purposes was approximately $126.2 million as of December 31, 2023.

The Company monitors the credit quality of its notes 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, the personal guarantees of the borrower and the prospects of the borrower.

The following table reconciles the activity for loans on real estate from January 1, 2021 to December 31, 2023 (in thousands):

	Reconciliation of Loans on Real Estate Year Ended December 31, 2023	2022	2021
Balance at beginning of year	$ 124,801	$ 159,638	$ 102,100
Additions	1,427	—	58,000
Repayments	—	(29,531)	—
Conversion of OP Units	—	—	(462)
Conversion to real estate through receipt of deed or through foreclosure	—	(5,306)	—
Total	$ 126,228	$ 124,801	$ 159,638
Allowance for credit loss	(1,279)	(898)	(5,752)
Balance at end of year	$ 124,949	$ 123,903	$ 153,886