EQUITY ONE

Equity One Investor Day
Image Gallery
December 9, 2015

Forward-Looking Statements

Certain matters discussed by Equity One in this presentation constitute forward-looking statements within the meaning of the federal securities laws. Forward-looking statements can be identified by the use of forward-looking terminology such as "may," "will," "might," "would," "expect," "anticipate," "estimate," "could," "should," "believe," "intend," "project," "forecast," "target," "plan," or "continue" or the negative of these words or other variations or comparable terminology. Although Equity One believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that these expectations will be achieved and actual results could differ materially from current expectations. Factors that could cause actual results to differ from expectations are described in Equity One's filings with the Securities and Exchange Commission. Given these uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements that we make, including those in this presentation. We make no promise to update any of the forward-looking statements as a result of new information, circumstances or events which may arise after the date of the presentation. You should carefully review the risks and risk factors included in our Annual Report on Form10-K filed with the Securities and Exchange Commission on March 2, 2015.

This presentation also contains non-GAAP financial measures, including but not limited to Funds from Operations, or FFO, and Net Operating Income, or NOI. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures can be found in Equity One's quarterly supplemental information package and in filings made with the SEC which are available on its website at www.equityone.com.

EQUITY ONE

SUSTAINABLE GROWTH

CORE **OPERATIONS** WITH **REDEVELOPMENT** FOCUS

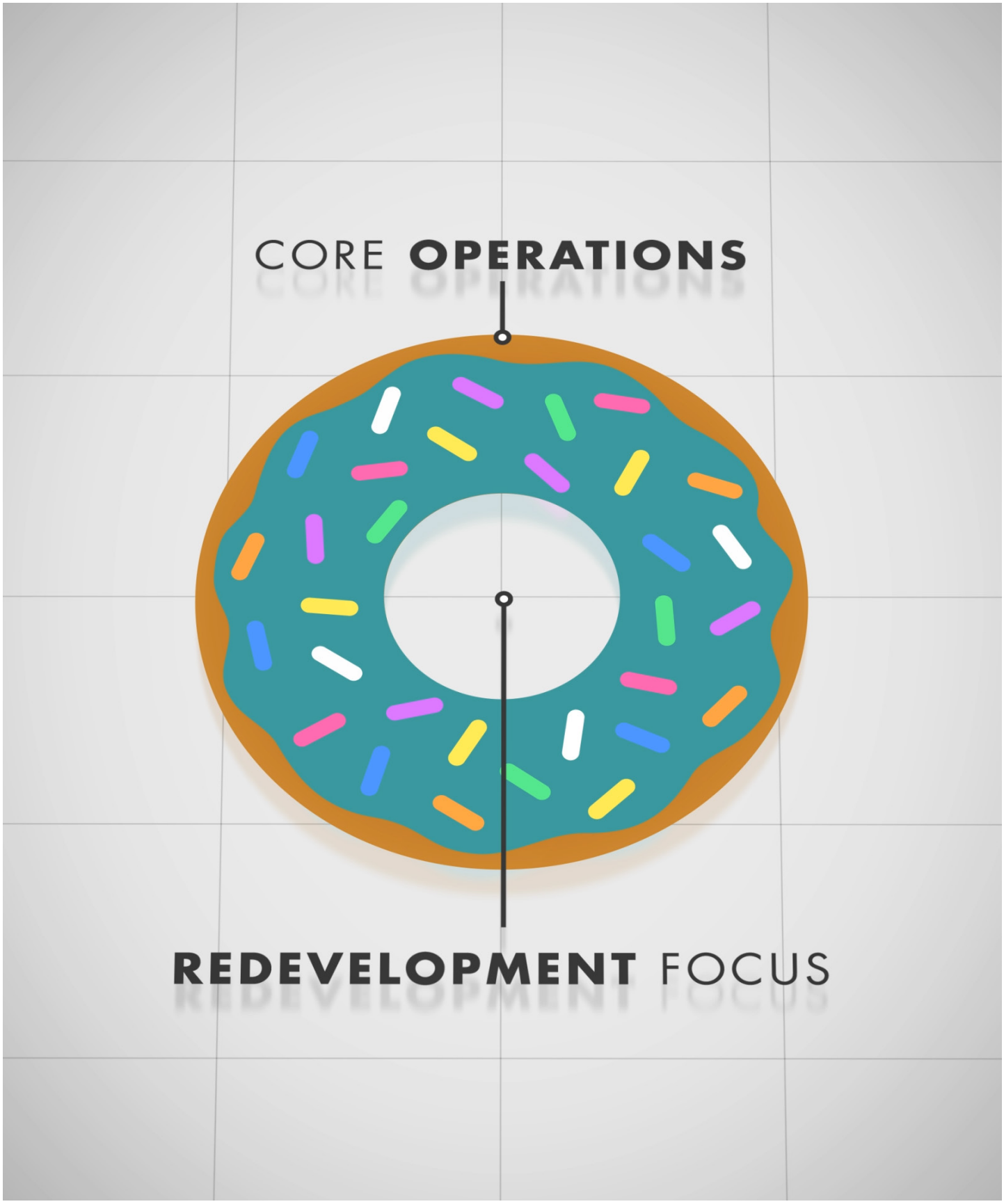
- HIGHEST QUALITY PORTFOLIO
- CREATIVE MANAGEMENT TEAM
- PROFITABLE PIPELINE OF REDEVELOPMENT INVESTMENTS

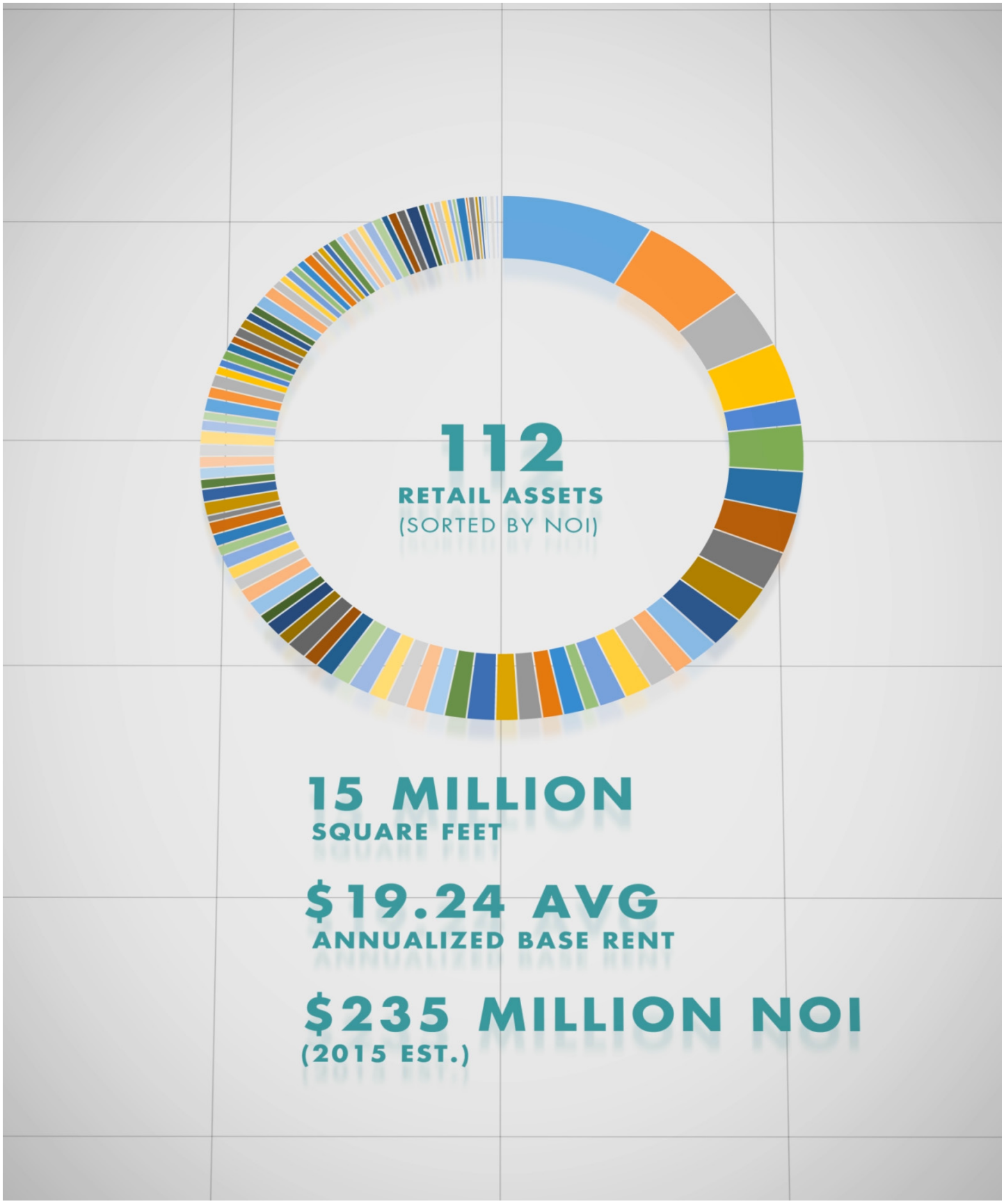
EQUITY ONE

- HAS THE RIGHT INVENTORY OF ASSETS
- OPERATIONAL EXCELLENCE MATTERS
- CREATES VALUE BY PLANNING FOR THE FUTURE

THE BENEFITS OF TIME

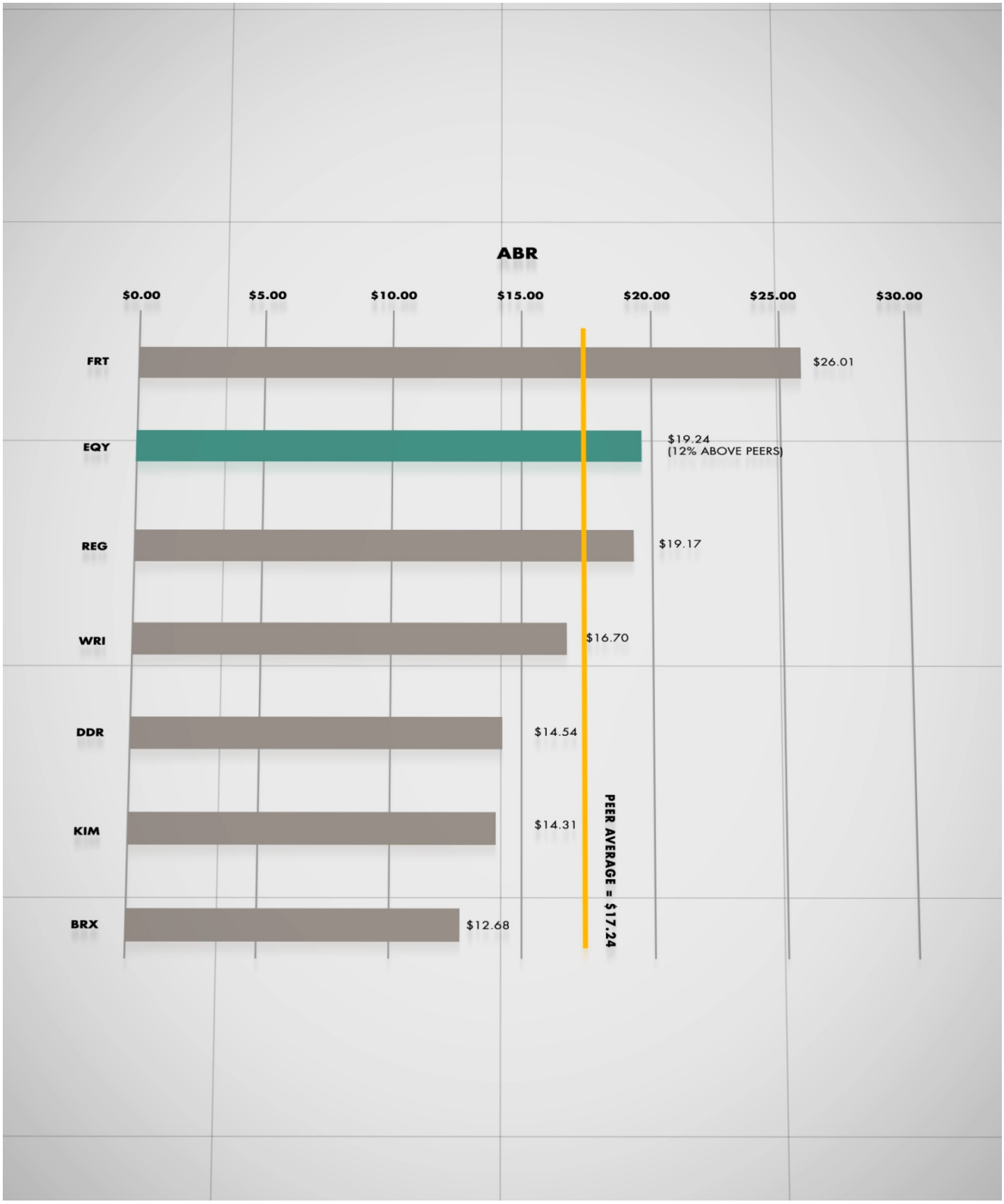
IN AN ACTIVELY MANAGED PORTFOLIO


CORE OPERATIONS
REDEVELOPMENT FOCUS



Source: Company filings and illustrative projection model.

PEER GROUP METRICS



Source: Company filings for 3Q15.

IN THE PAST 18 MONTHS...

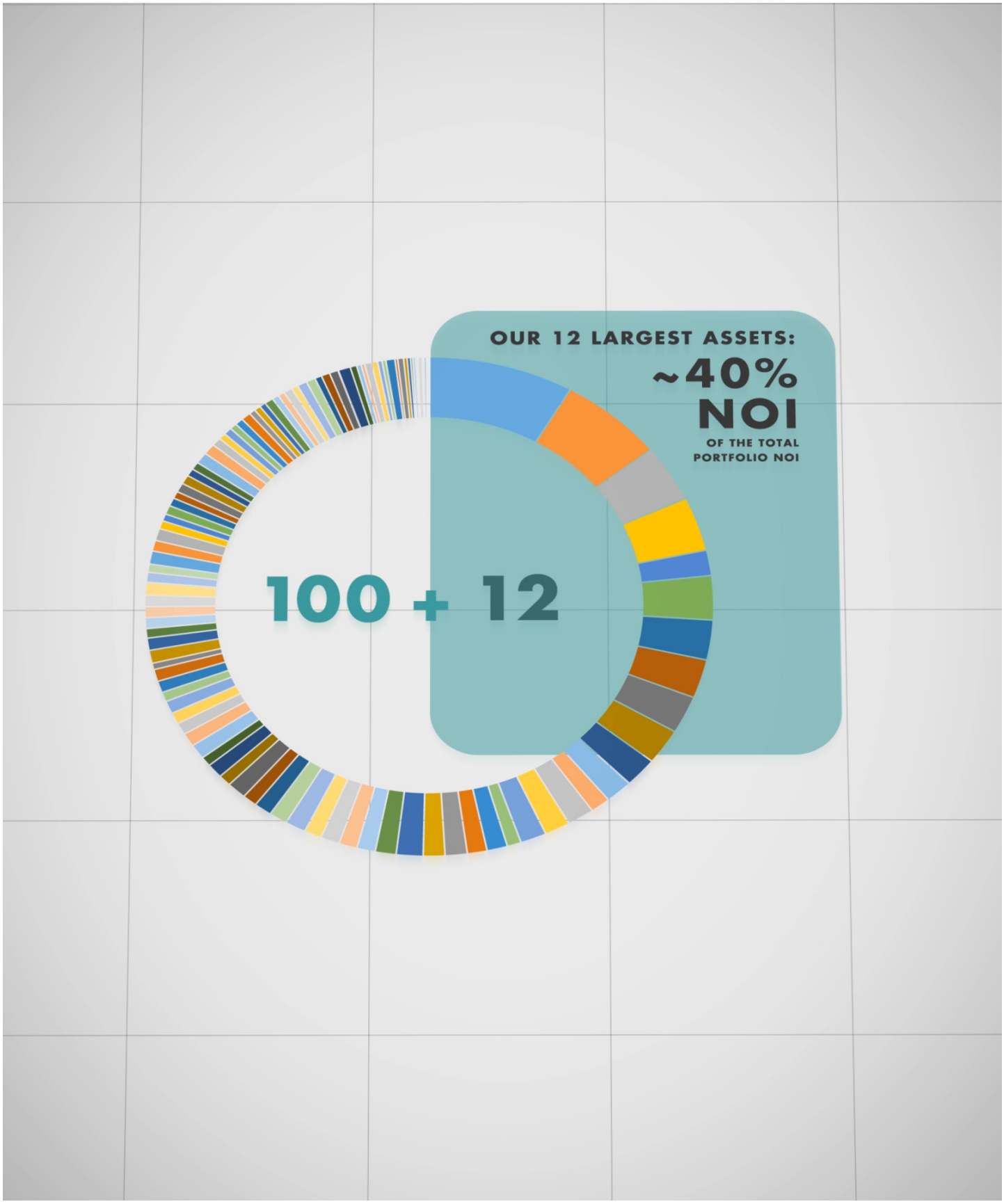
1.1MILLION SQUARE FEET OF ANCHOR LEASES SIGNED
(EVEN THOUGH WE'RE 99% ANCHOR OCCUPIED)

SHOP OCCUPANCY ACCELERATING
(WE'VE MOVED UP 400BPS & STILL HAVE ROOM TO RUN)

SHOP-TO-ANCHOR RATIO IS DOWN
(RATIO OF SHOP GLA DOWN 90 BPS TO 33.7% YET OUR AVERAGE BASE RENT IS UP NEARLY 10% TO $19.24)

...STRONG OPERATIONS IS THE KEY TO GROWTH

Source: Company filings and analysis.


OUR 12 LARGEST ASSETS:
~40%
NOI
OF THE TOTAL
PORTFOLIO NOI
100 + 12

NORDSTROM rack

Saks Fifth Avenue

Publix

Walgreens

BED BATH & BEYOND

TRADER JOE'S

STARBUCKS COFFEE

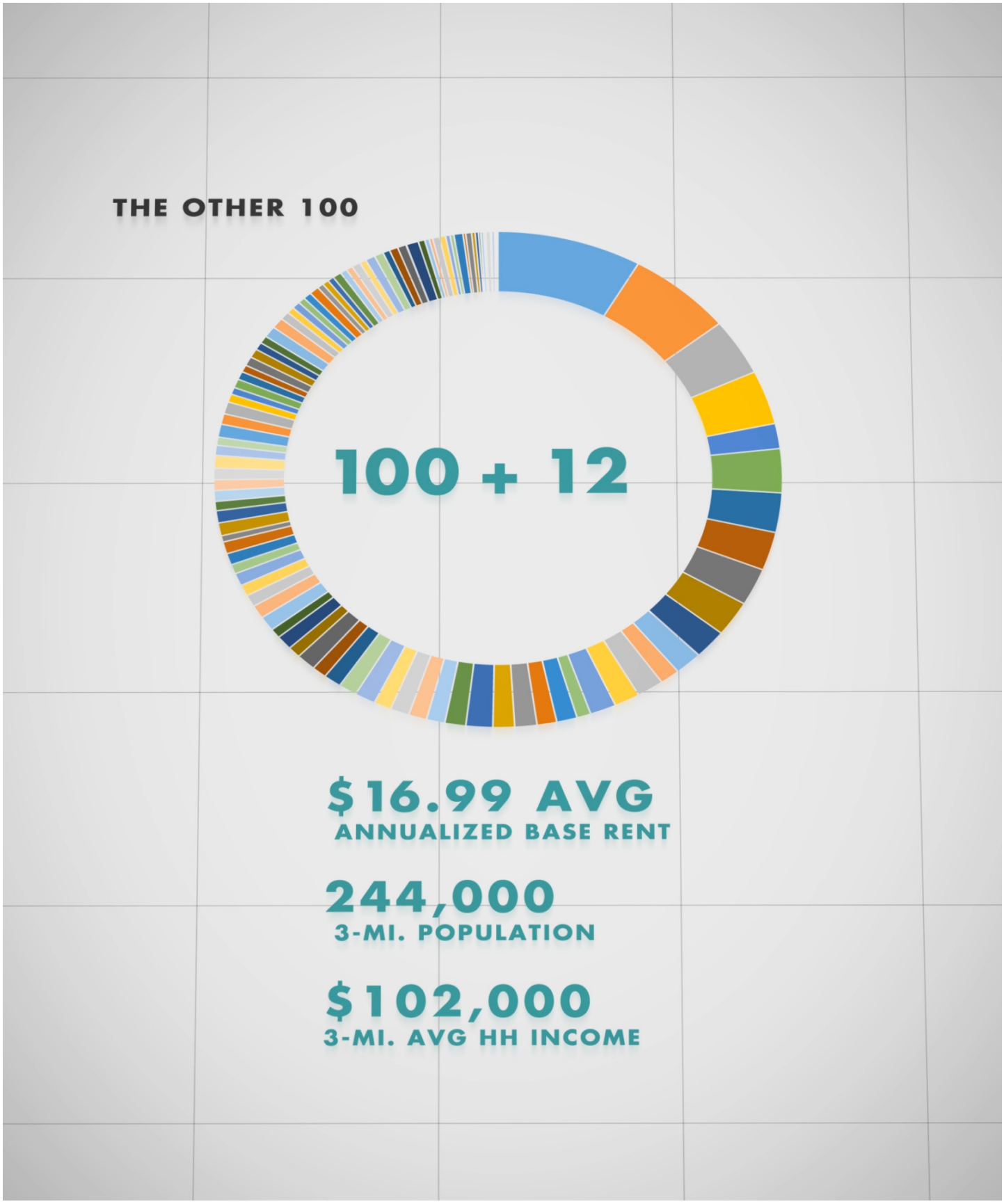
T.J.maxx

bloomingdale's

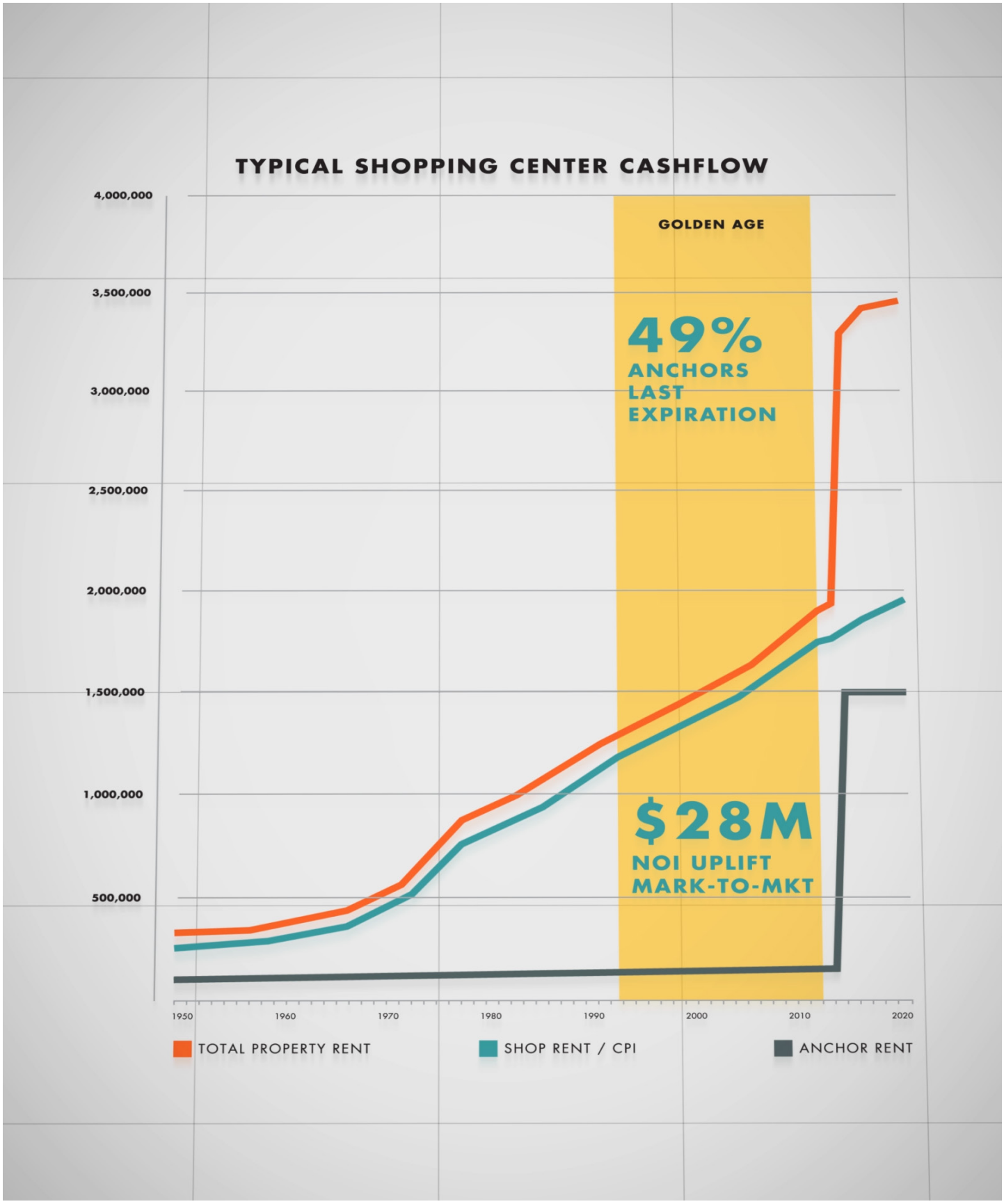
ULTA BEAUTY

CVS pharmacy

SAFEWAY

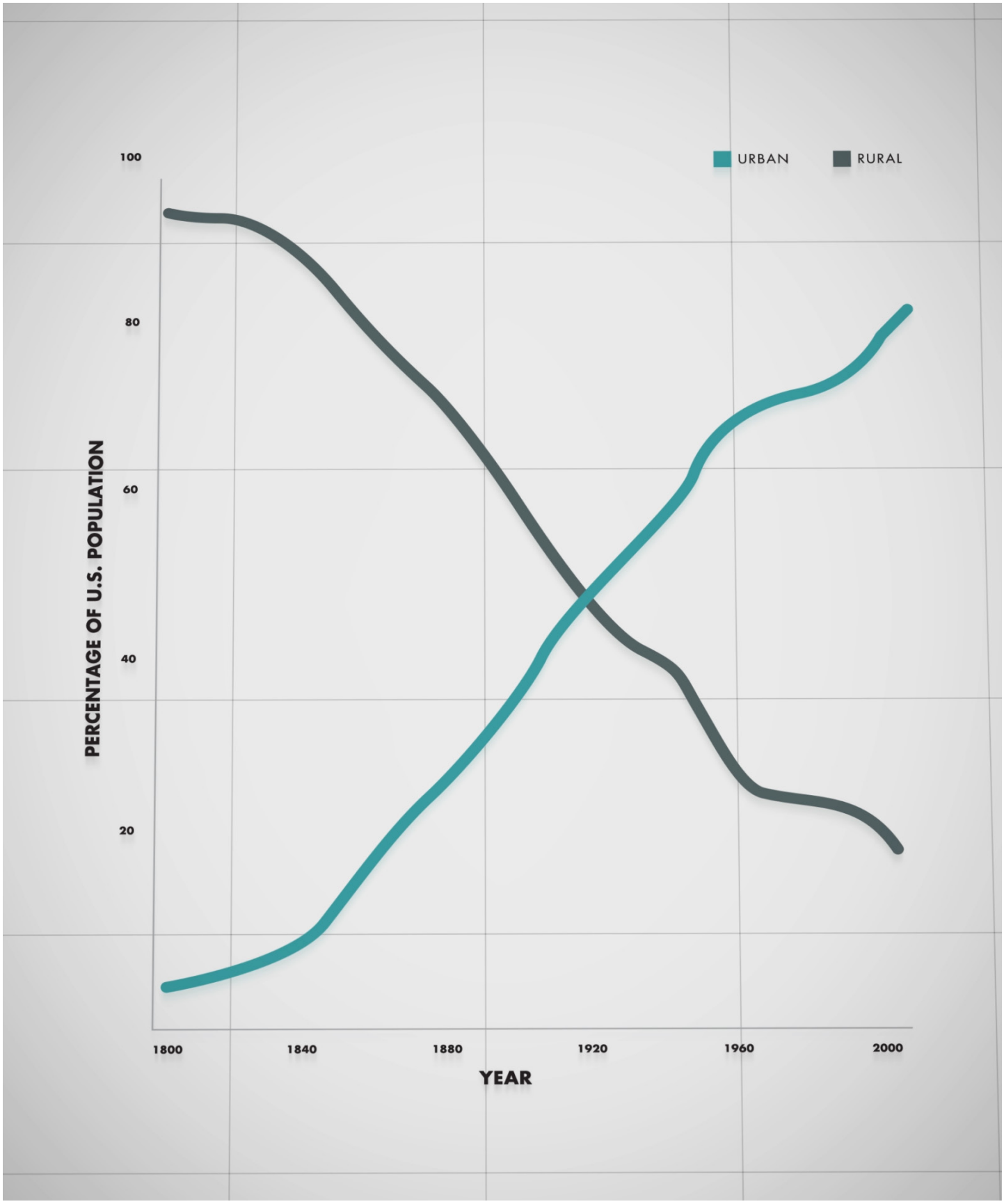


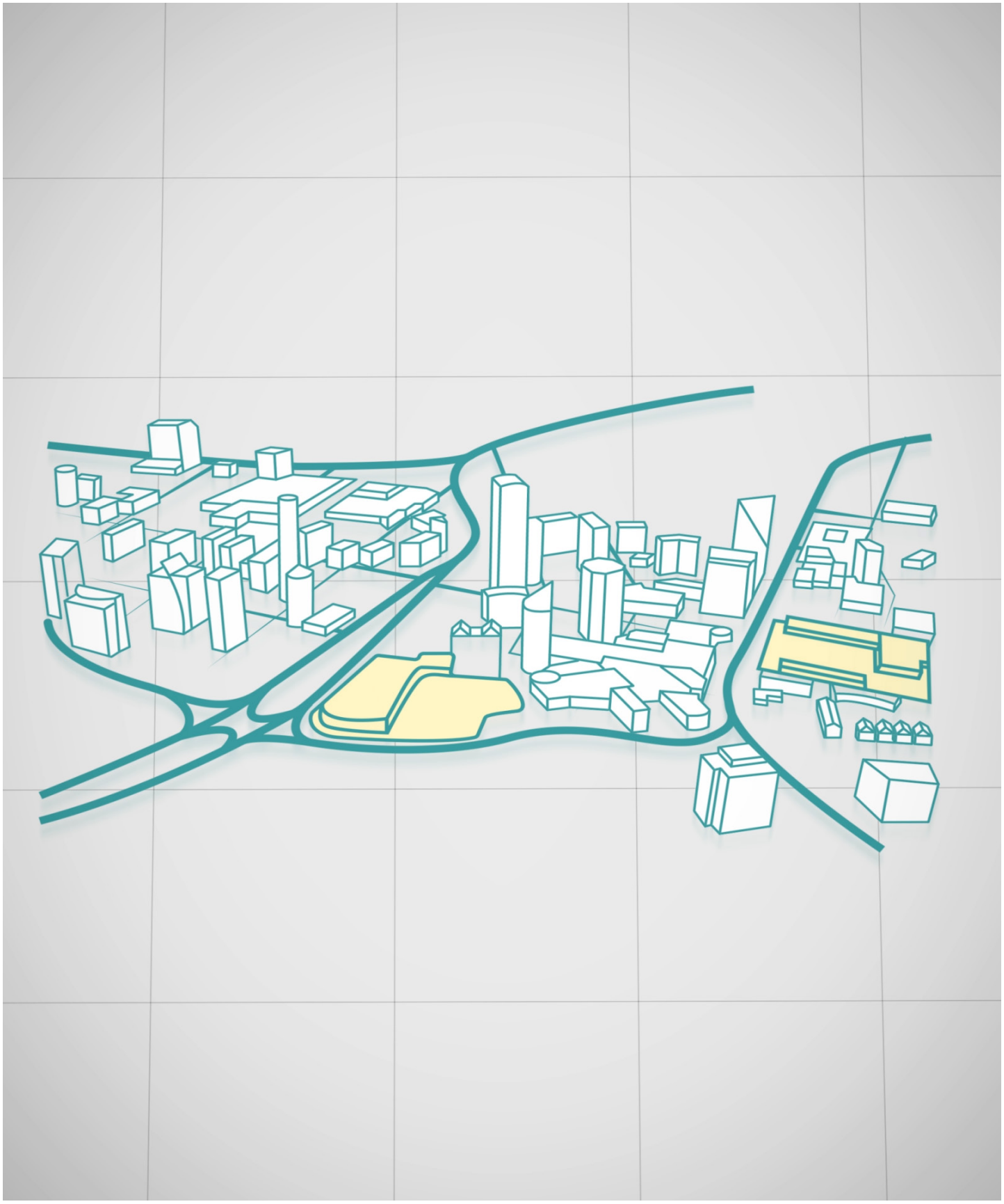
Source: Company analysis, Demographics weighted by IFRS Values.



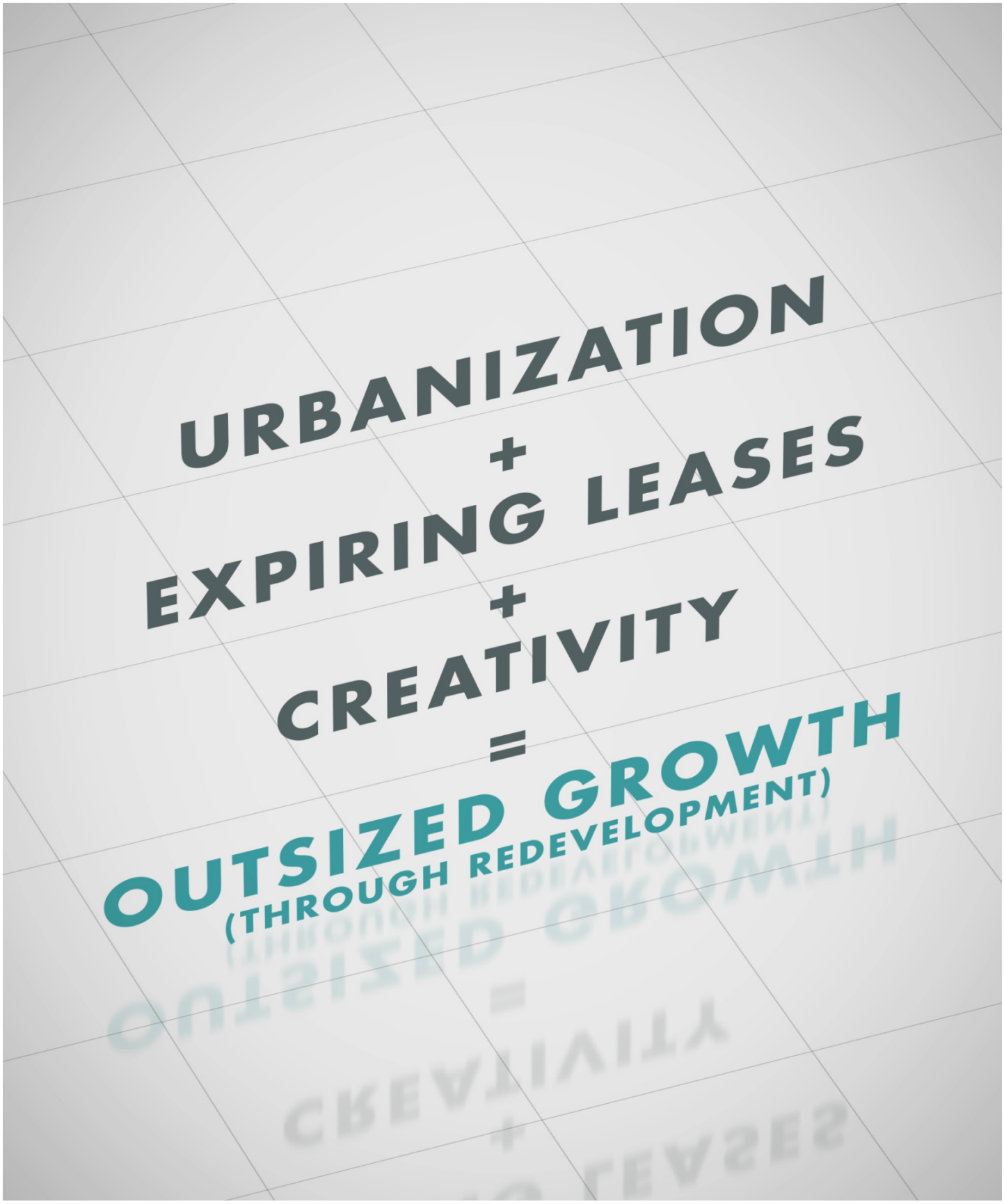
Source: Company analysis.

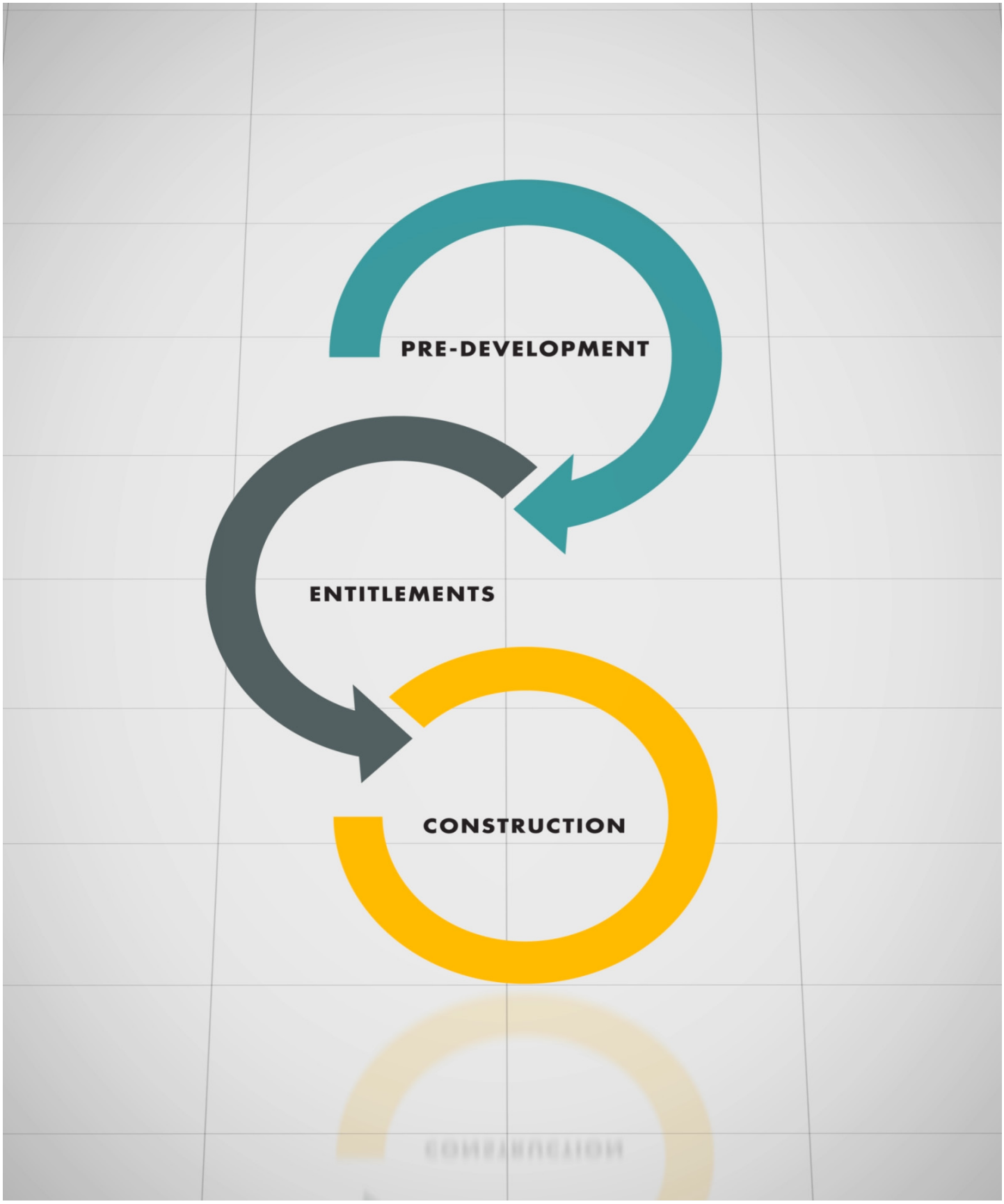

HAPPY
BIRTHDAY


URBAN
RURAL
100
80
60
40
20
PERCENTAGE OF U.S. POPULATION
1800
1840
1880
1920
1960
2000
YEAR

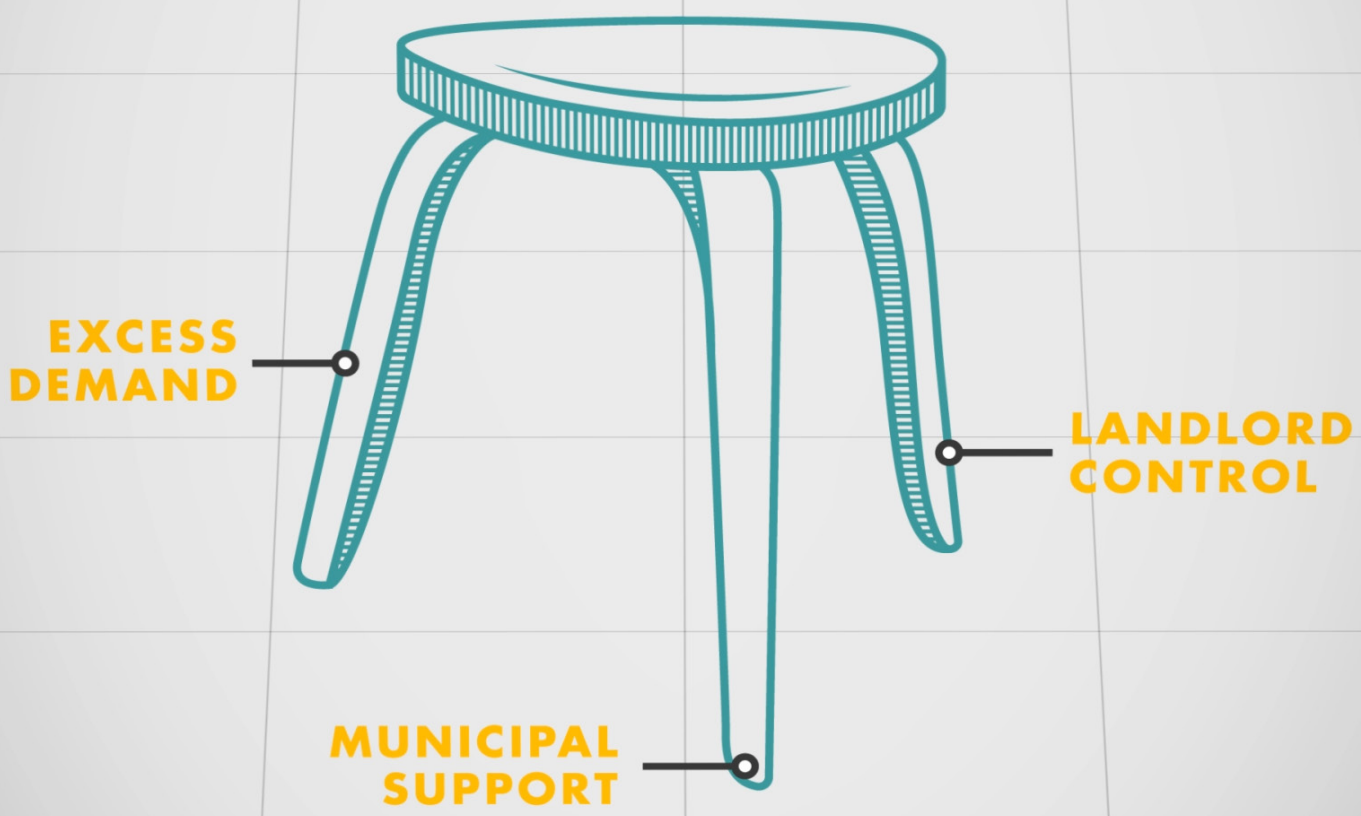


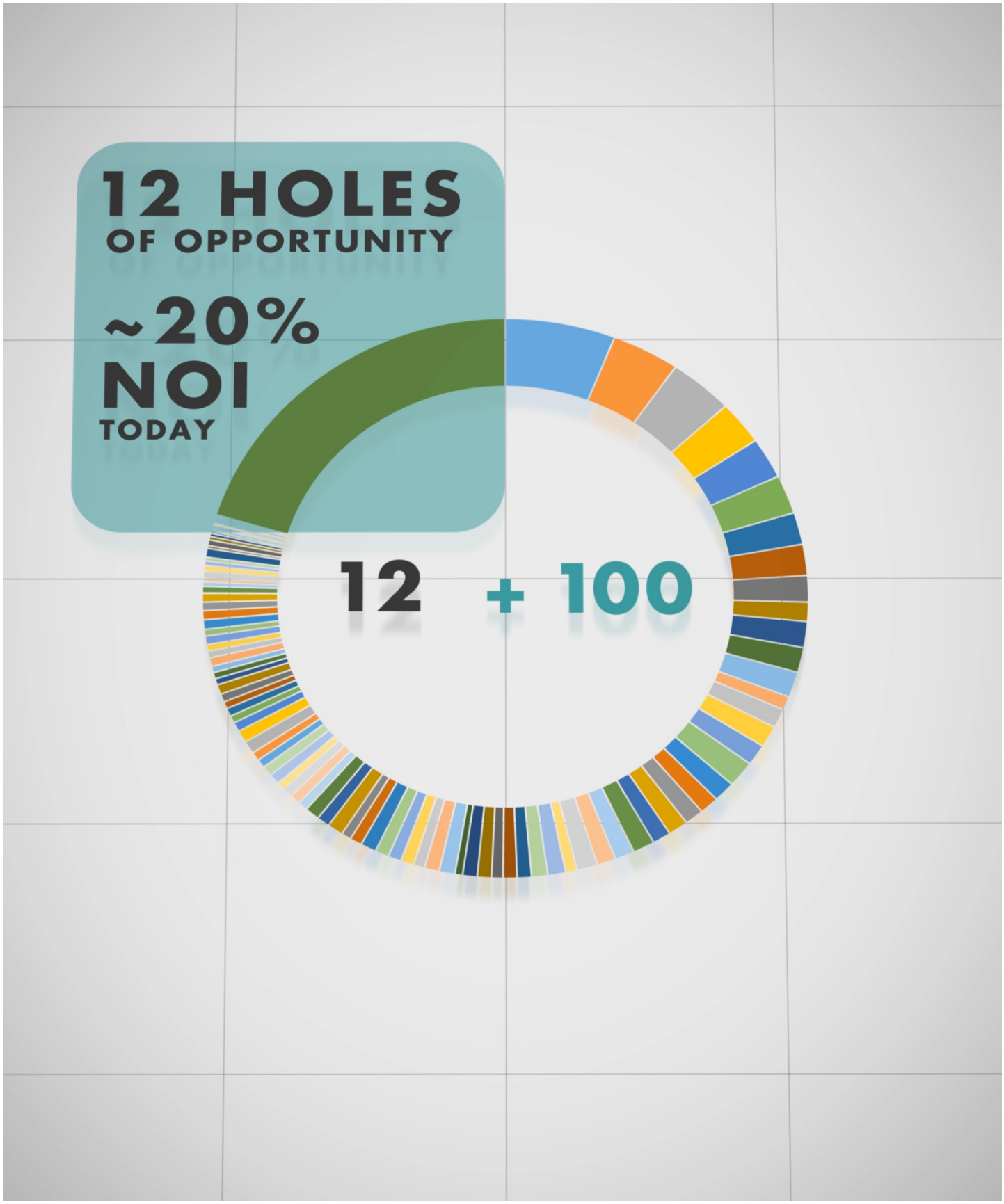

ROAD PATTERNS
+
POPULATION
+
CONVENIENCE
=
STABLE GROWTH
(THROUGH GREAT OPERATIONS)

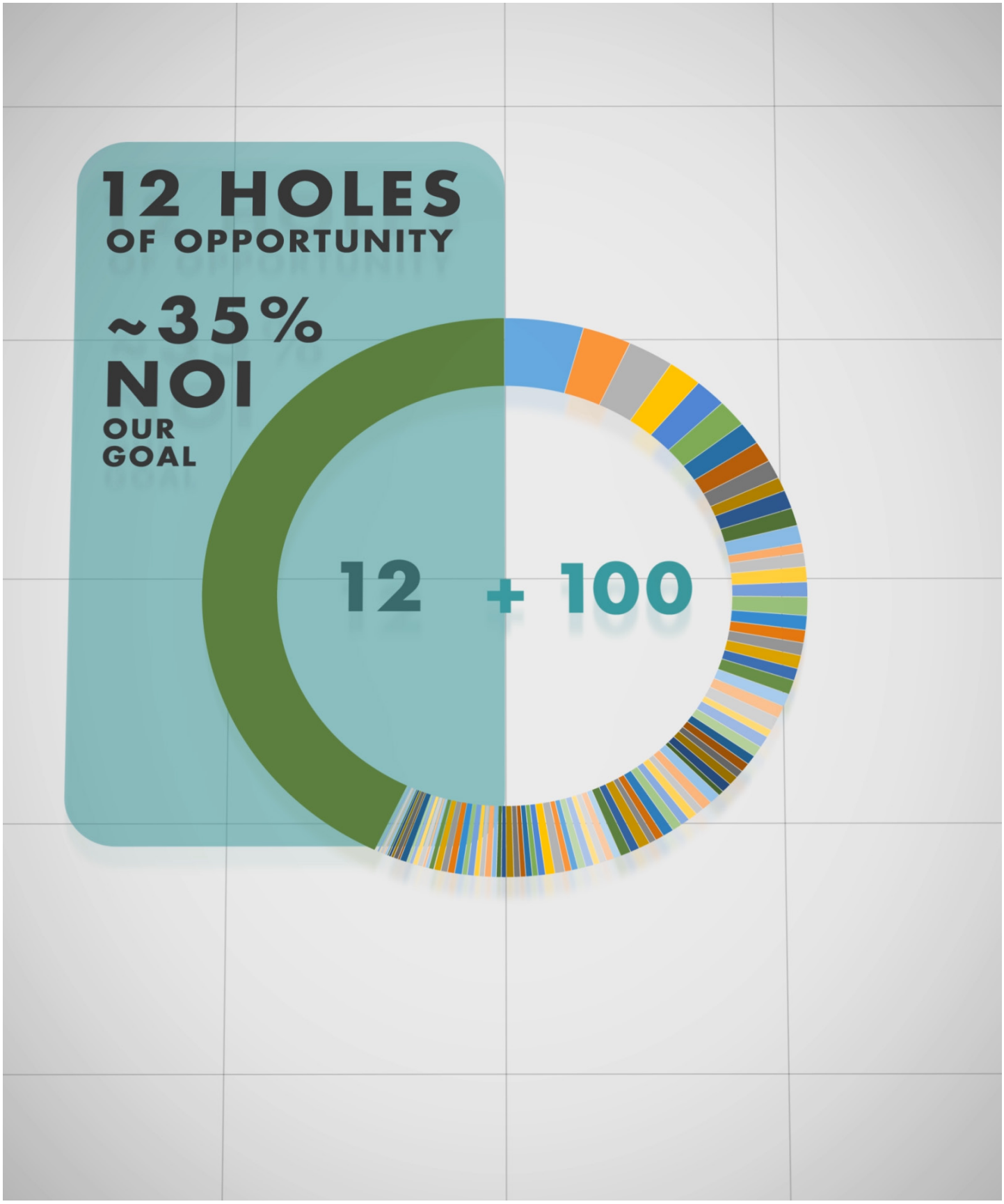

URBANIZATION
+
EXPIRING LEASES
+
CREATIVITY
=
OUTSIZED GROWTH
(THROUGH REDEVELOPMENT)


PRE-DEVELOPMENT
ENTITLEMENTS
CONSTRUCTION

SUCCESS FILTERS FOR VALUE CREATION

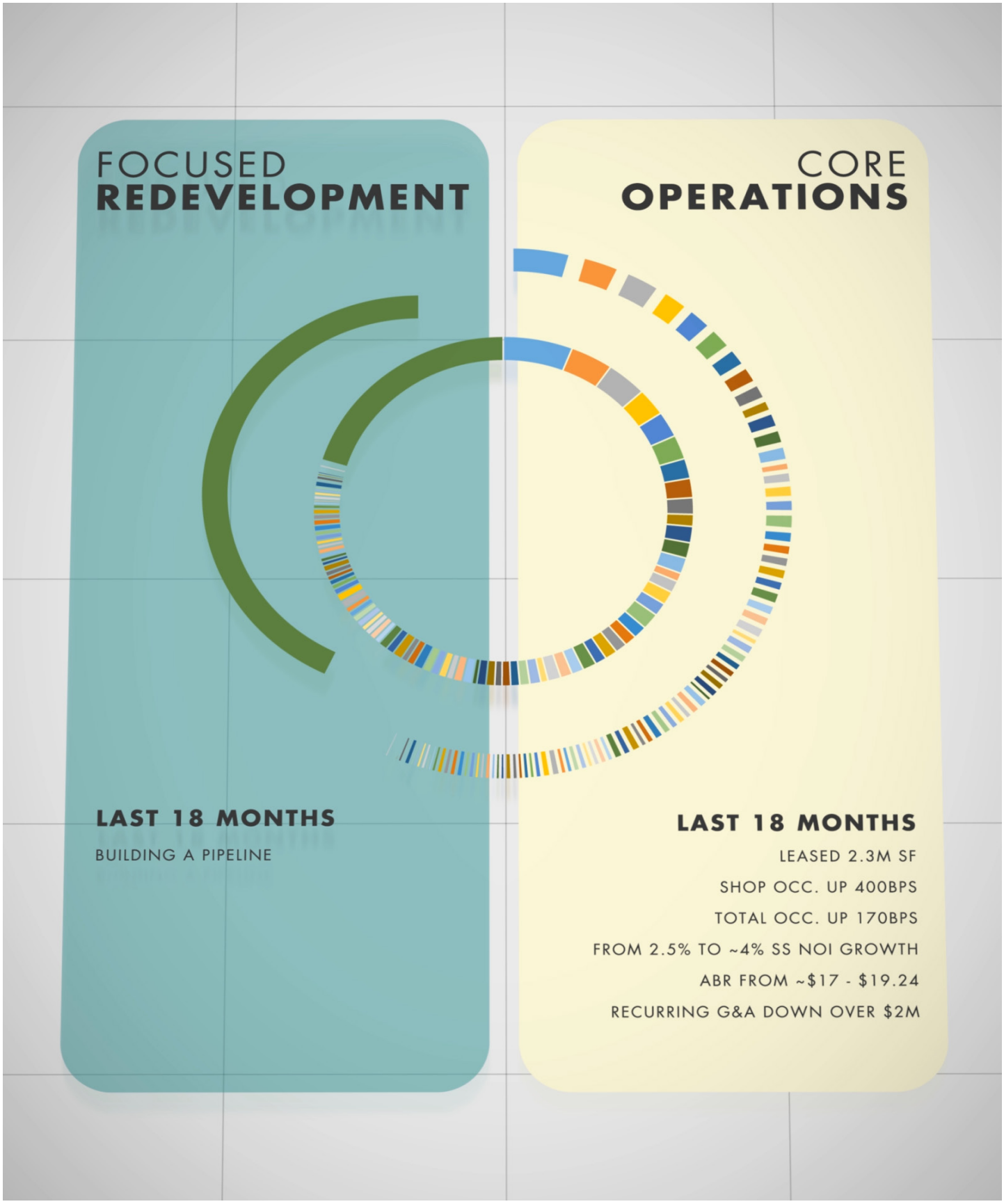



12 HOLES
OF OPPORTUNITY
~20%
NOI
TODAY
12 + 100



Source: Company illustrative 10-year projection model. Goal refers to percentage of total company NOI represented by the 12 redevelopment opportunities by year 2025.


NOW
112
LATER

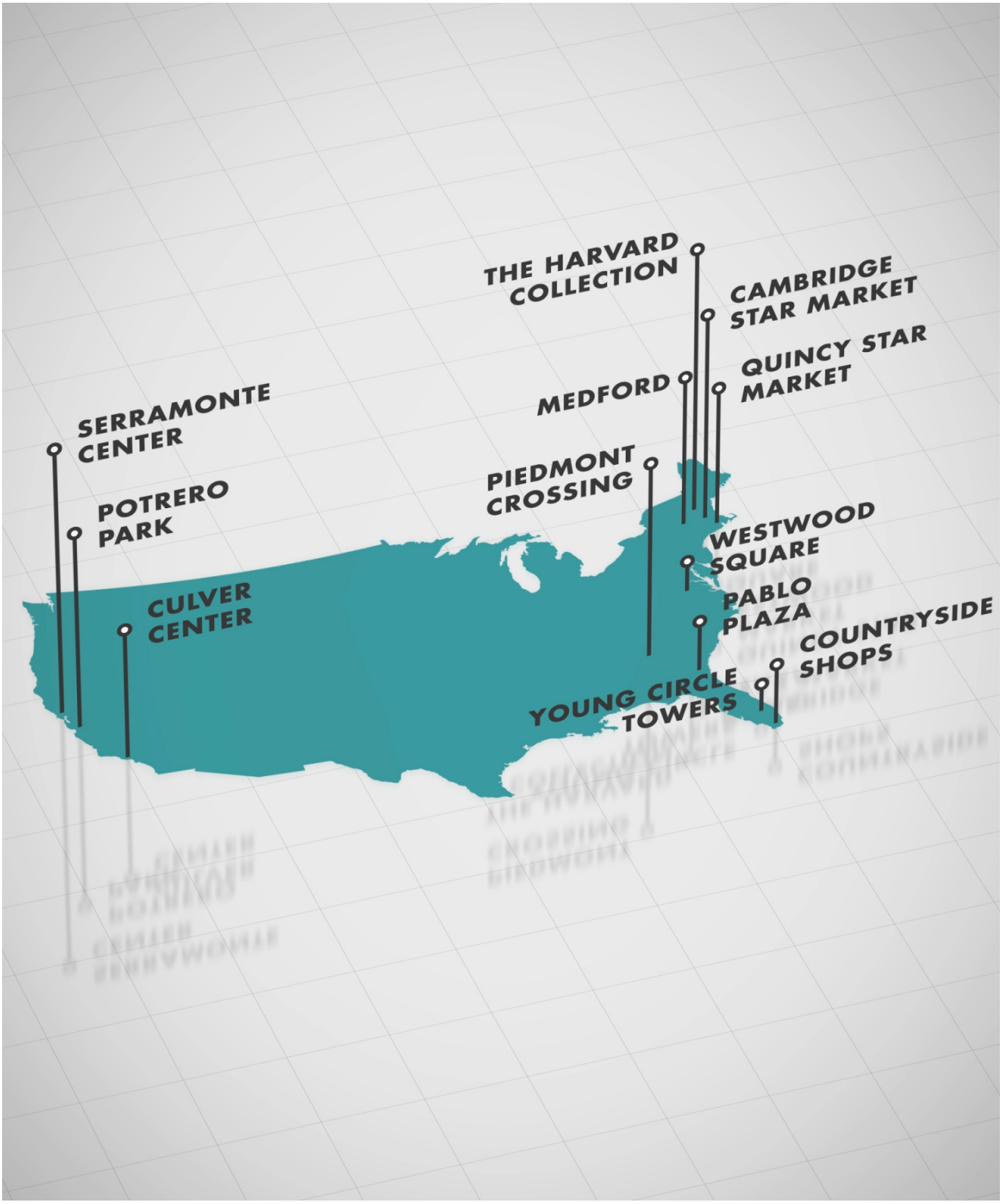


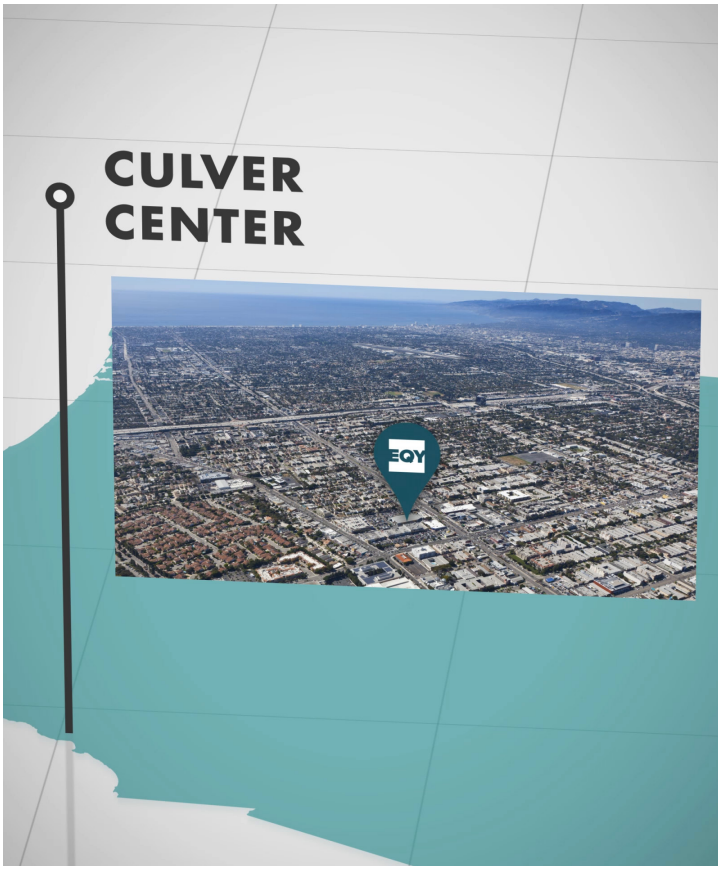
Source: Company filings and analysis.

A COMPELLING INVESTMENT STORY

- 3+% SSNOI GROWTH
- INITIATE $1B OF REDEVELOPMENT
- INCREASE ABR BY 30%
- MAINTAIN LOW LEVERAGE

Source: Company illustrative 10-year projection model


THE HARVARD COLLECTION
CAMBRIDGE STAR MARKET
QUINCY STAR MARKET
MEDFORD
SERRAMONTE CENTER
PIEDMONT CROSSING
POTRERO PARK
WESTWOOD SQUARE
CULVER CENTER
PABLO PLAZA
COUNTRYSIDE SHOPS
YOUNG CIRCLE TOWERS

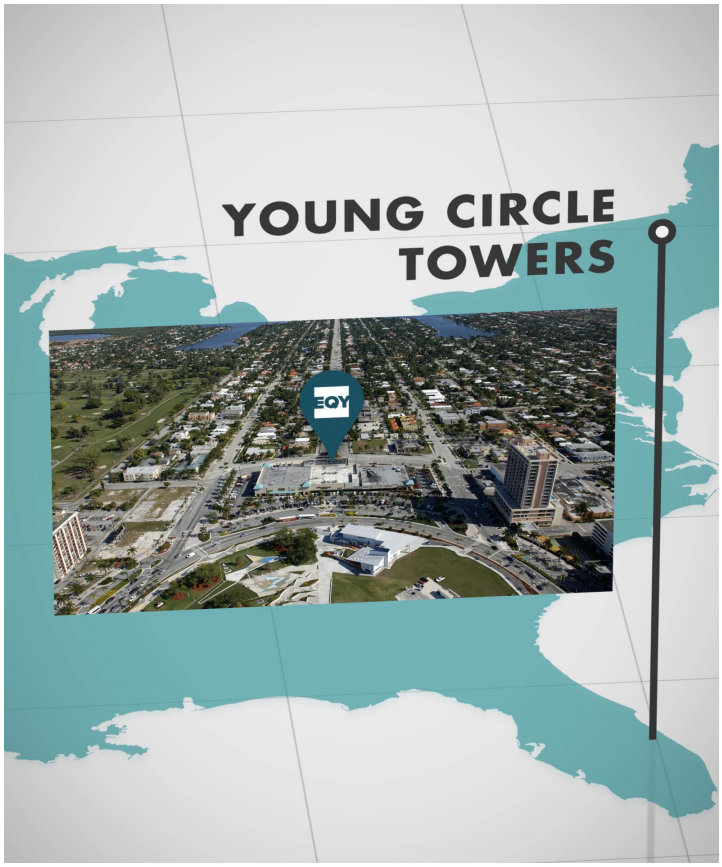

CULVER
CENTER
EQY

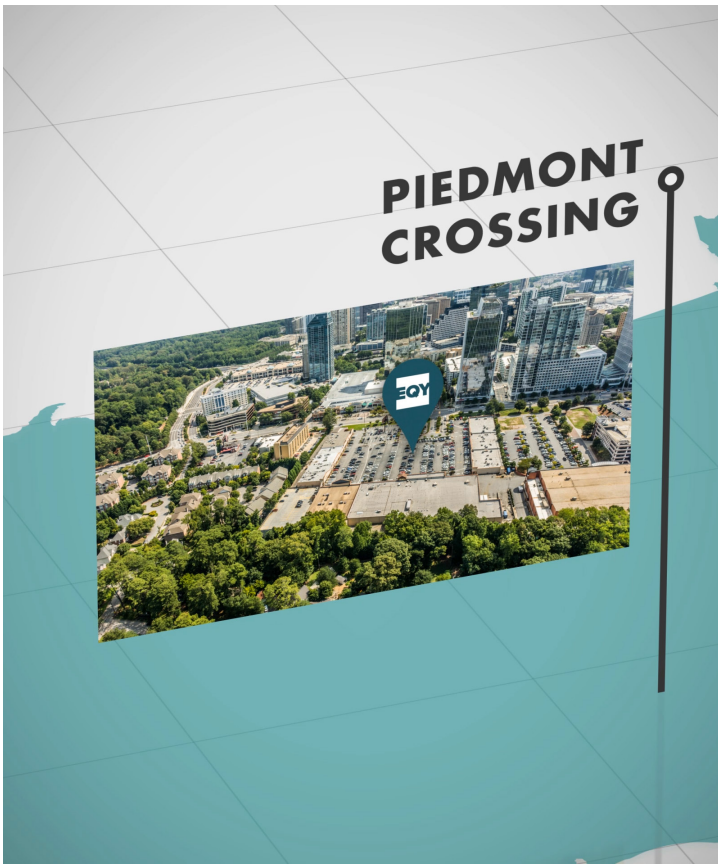

POTRERO
PARK
EQY


SERRAMONTE
CENTER
EQY


COUNTRYSIDE
SHOPS
EQY


PABLO
PLAZA


YOUNG CIRCLE
TOWERS


PIEDMONT
CROSSING

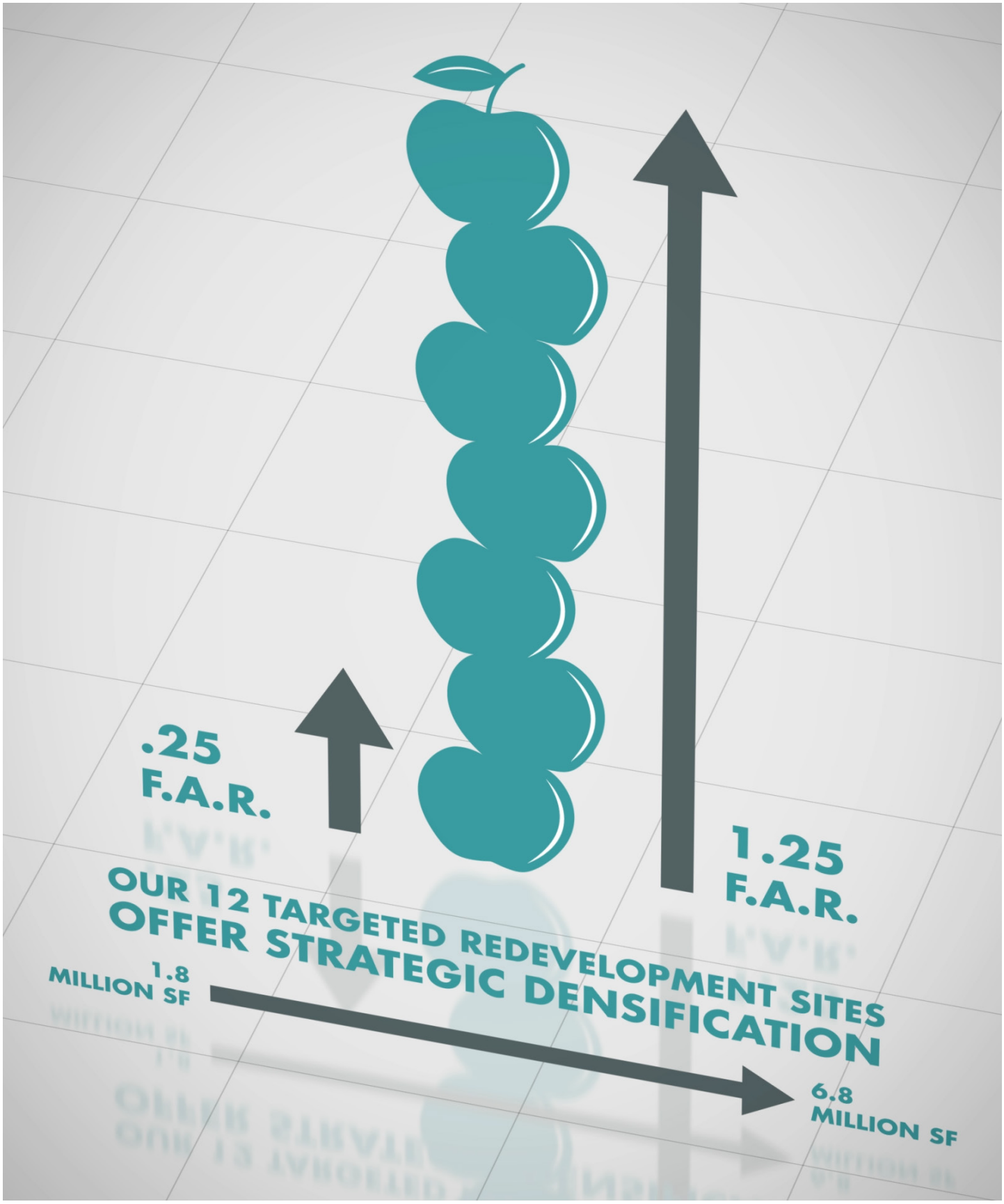

MEDFORD


QUINCY STAR MARKET
EQY

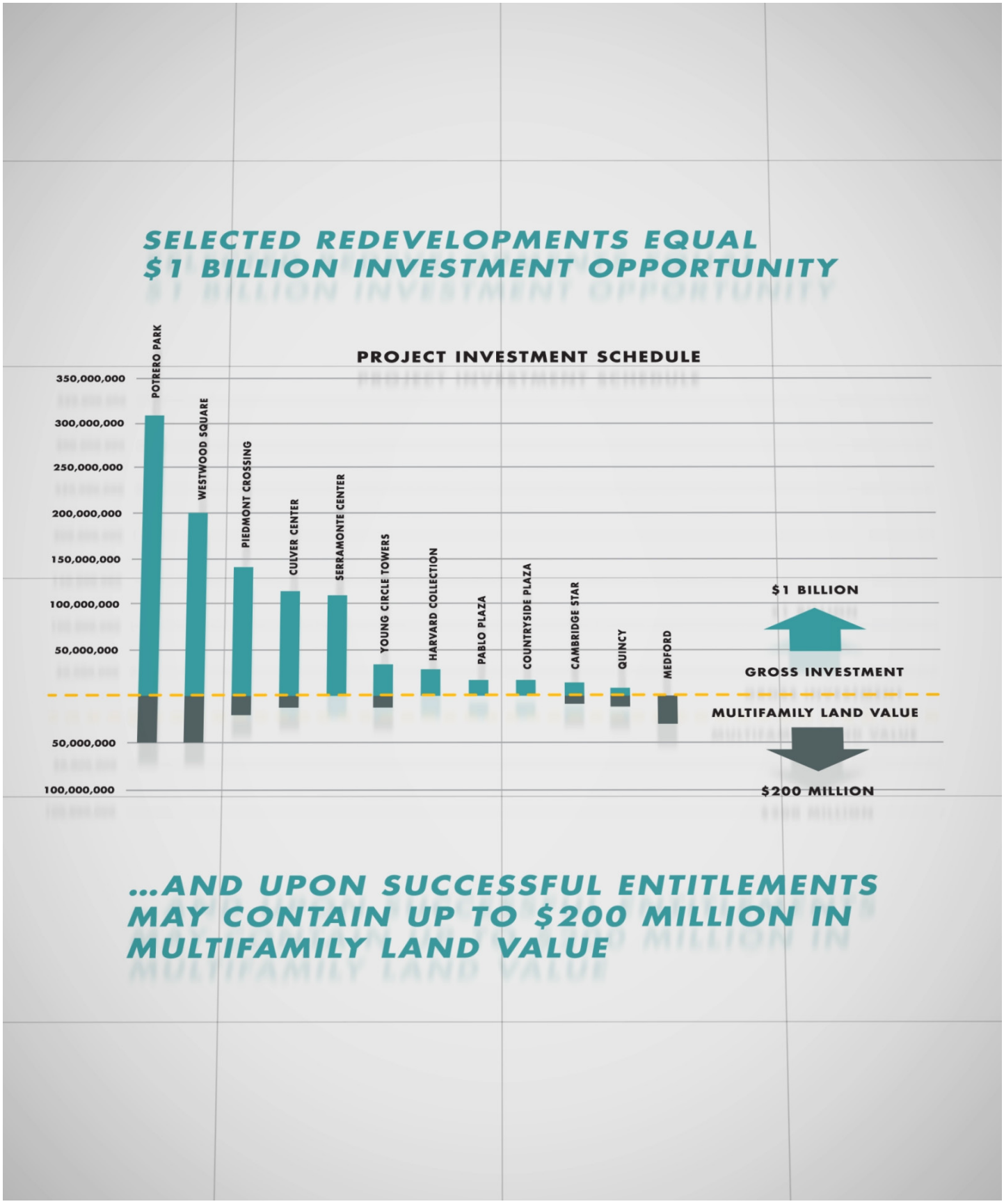

CAMBRIDGE STAR MARKET
EQY


WESTWOOD SQUARE
EQY

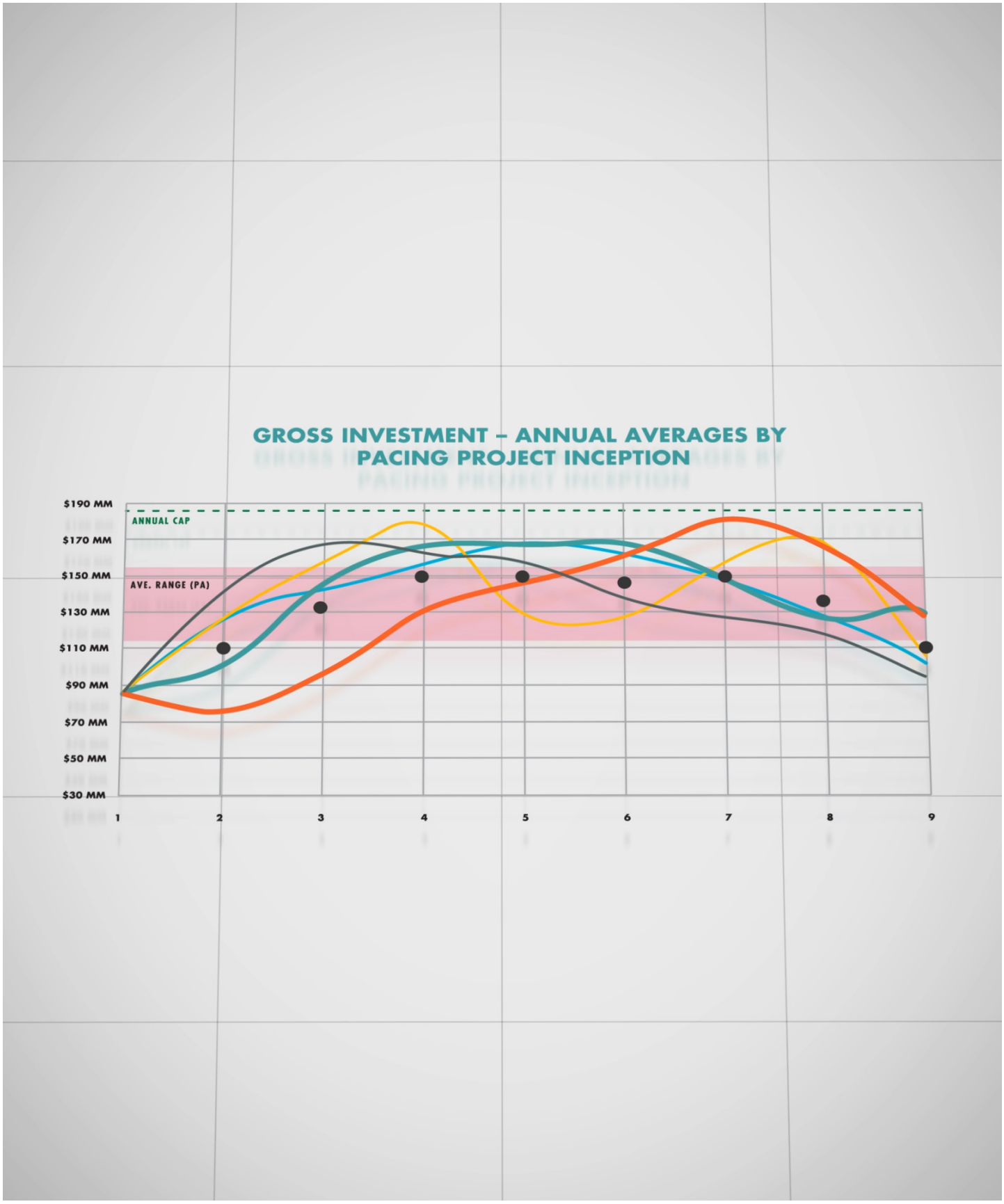

THE HARVARD COLLECTION
EQY



Source: Company analysis.



Source: Company analysis.

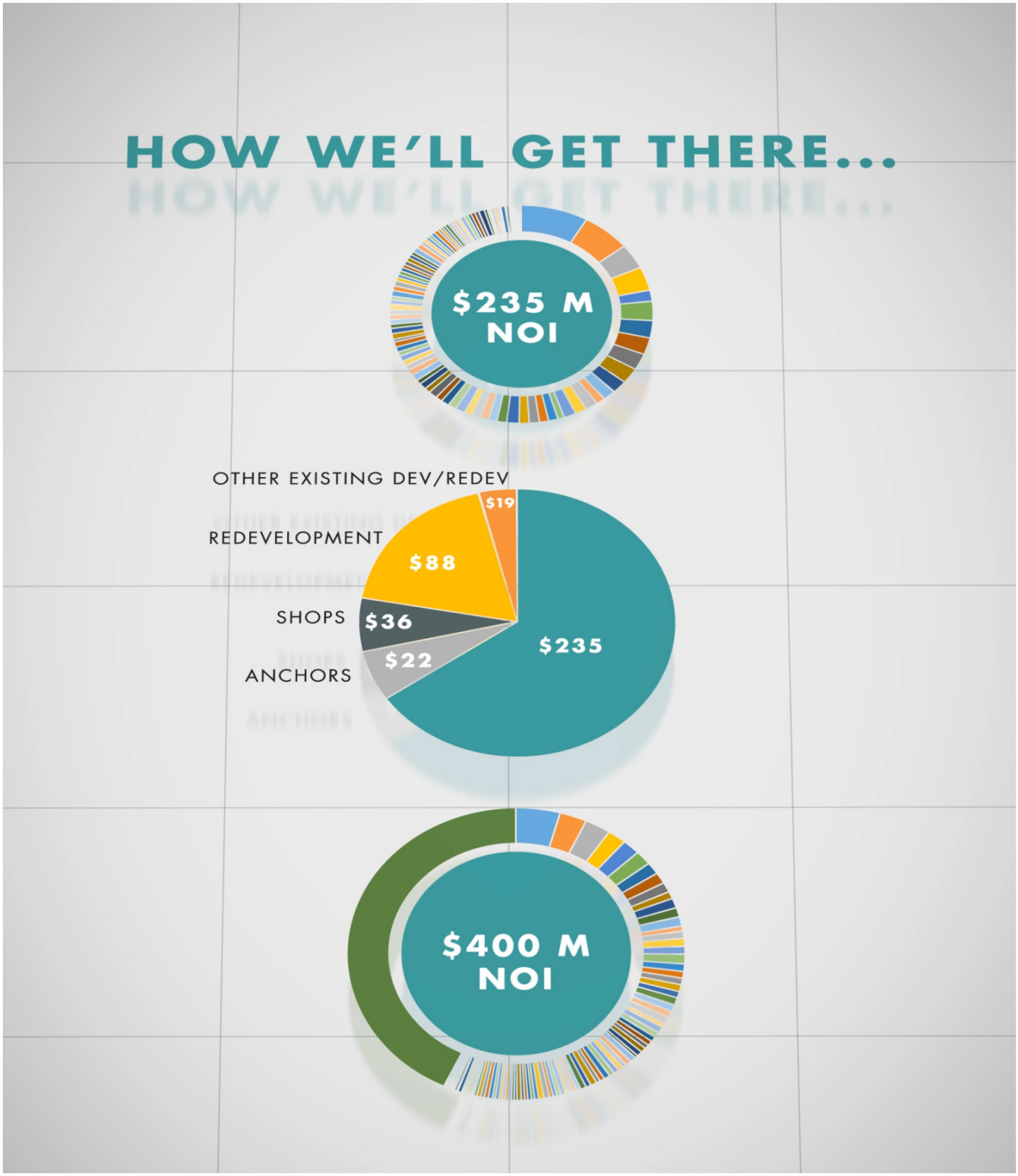


Source: Company analysis.

Source: Company analysis.

Source: Company illustrative 10-year projection model. 2025 NOI goal is $400M.

Source: Company illustrative 10-year projection model. 2025 NOI goal is $400M. $58M of growth is projected to come from stable, non-redevelopment assets, $22M from anchor increases and $36M from shop rent and occupancy increases. $88M of growth is projected to come from the 12 profiled redevelopment opportunities. The remaining $19M of growth is projected to come from current and existing developments and redevelopments (e.g., Broadway, Lake Mary, Willows).



Source: Company illustrative 10-year projection model. 2025 NOI goal is $400M. $58M of growth is projected to come from stable, non-redevelopment assets, $22M from anchor increases and $36M from shop rent and occupancy increases. $88M of growth is projected to come from the 12 profiled redevelopment opportunities. The remaining $19M of growth is projected to come from current and existing developments and redevelopments (e.g., Broadway, Lake Mary, Willows).

"BUY LAND, THEY STOPPED MAKING IT A LONG TIME AGO"

-MARK TWAIN

"BUY SHOPPING CENTERS, THEY STARTED MAKING THEM A LONG TIME AGO"

-EQUITY ONE

EQUITY ONE

A PERSPECTIVE ON EQY'S OPERATING PHILOSOPHY

A RECAP OF OUR RECENT RESULTS

A DEMONSTRATION OF SUSTAINABILITY FOR THE LONG TERM

OPERATING PHILOSOPHY

UNDERSTANDING OF THE ELEMENTS THAT DRIVE TENANT PERFORMANCE

FOCUS ON SPEED AND EFFICIENCY

IMPROVING MERCHANDISING MIX & TENANT LINEUP


ULTA BEAUTY
SAFEWAY
THE HOME DEPOT
chili's
TENANT PERFORMANCE
Chick-fil-A
GAP
OLD NAVY

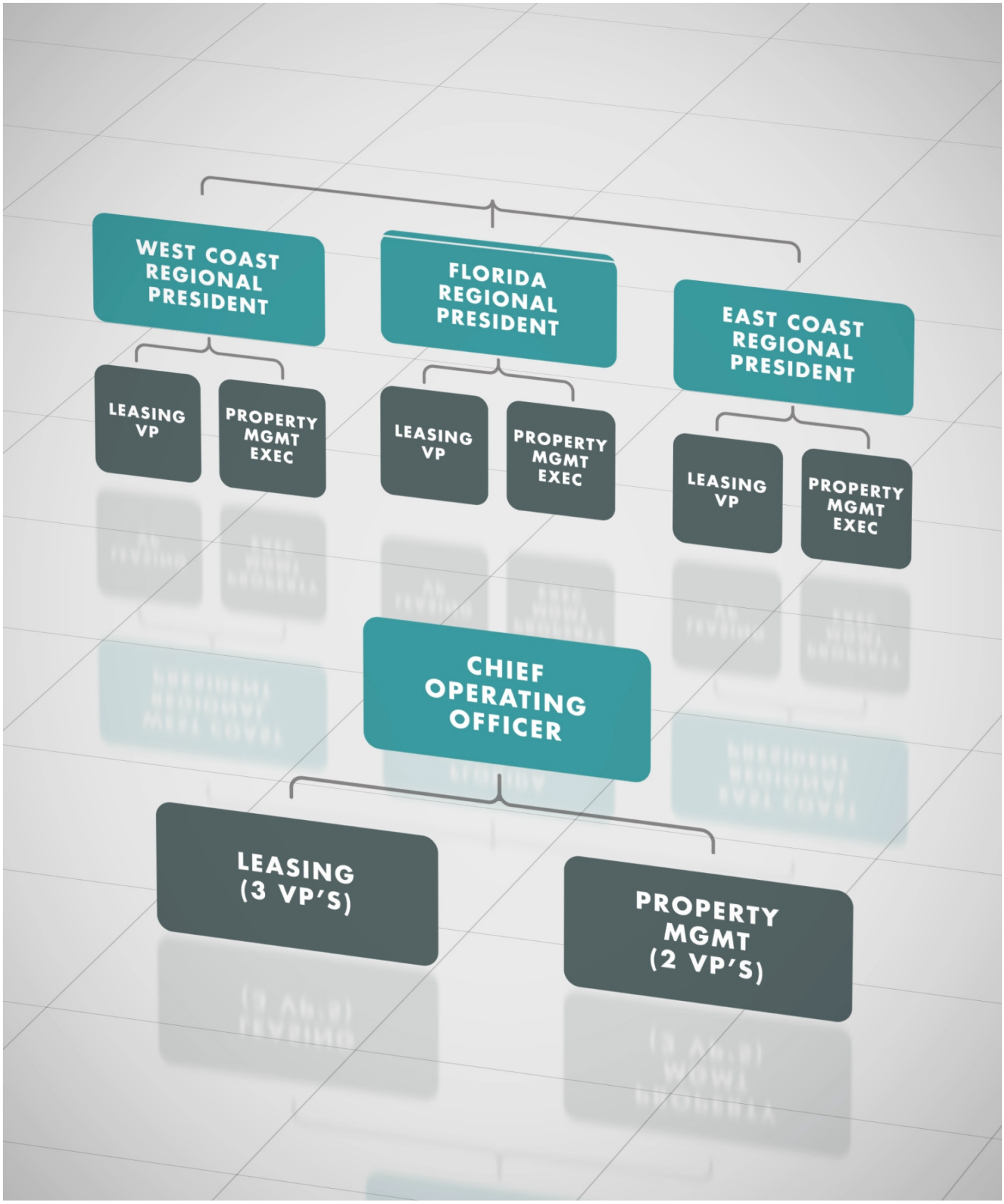

BUFFALO
WILD
WINGS


The Container Store
STOP
HAPPY
SALE


COST PLUS
WORLD MARKET
FRAMED ART


DICK'S
SPORTING GOODS
STOP

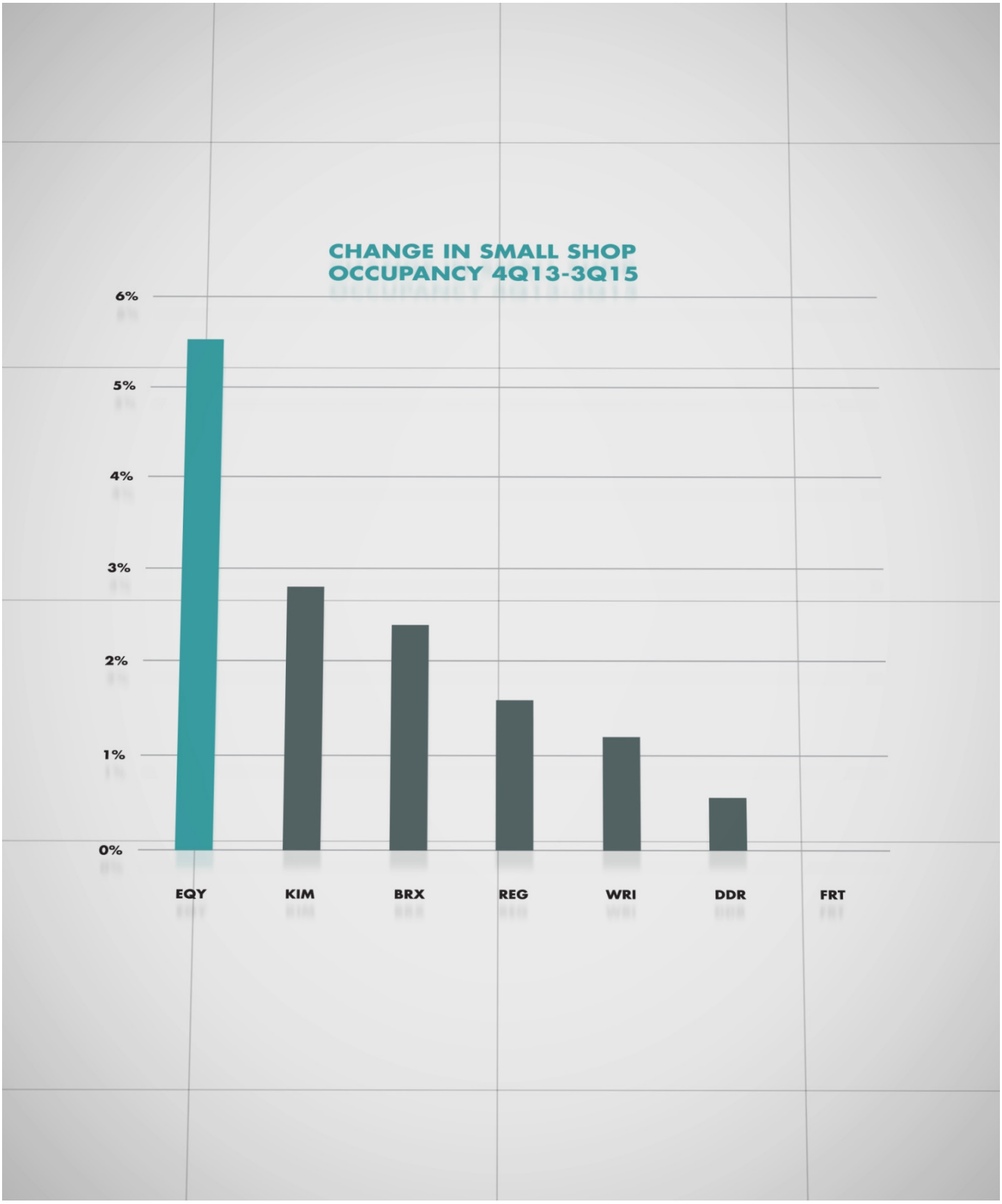
SPEED & EFFICIENCY


WEST COAST REGIONAL PRESIDENT
FLORIDA REGIONAL PRESIDENT
EAST COAST REGIONAL PRESIDENT
LEASING VP
PROPERTY MGMT EXEC
LEASING VP
PROPERTY MGMT EXEC
LEASING VP
PROPERTY MGMT EXEC
CHIEF OPERATING OFFICER
LEASING (3 VP'S)
PROPERTY MGMT (2 VP'S)

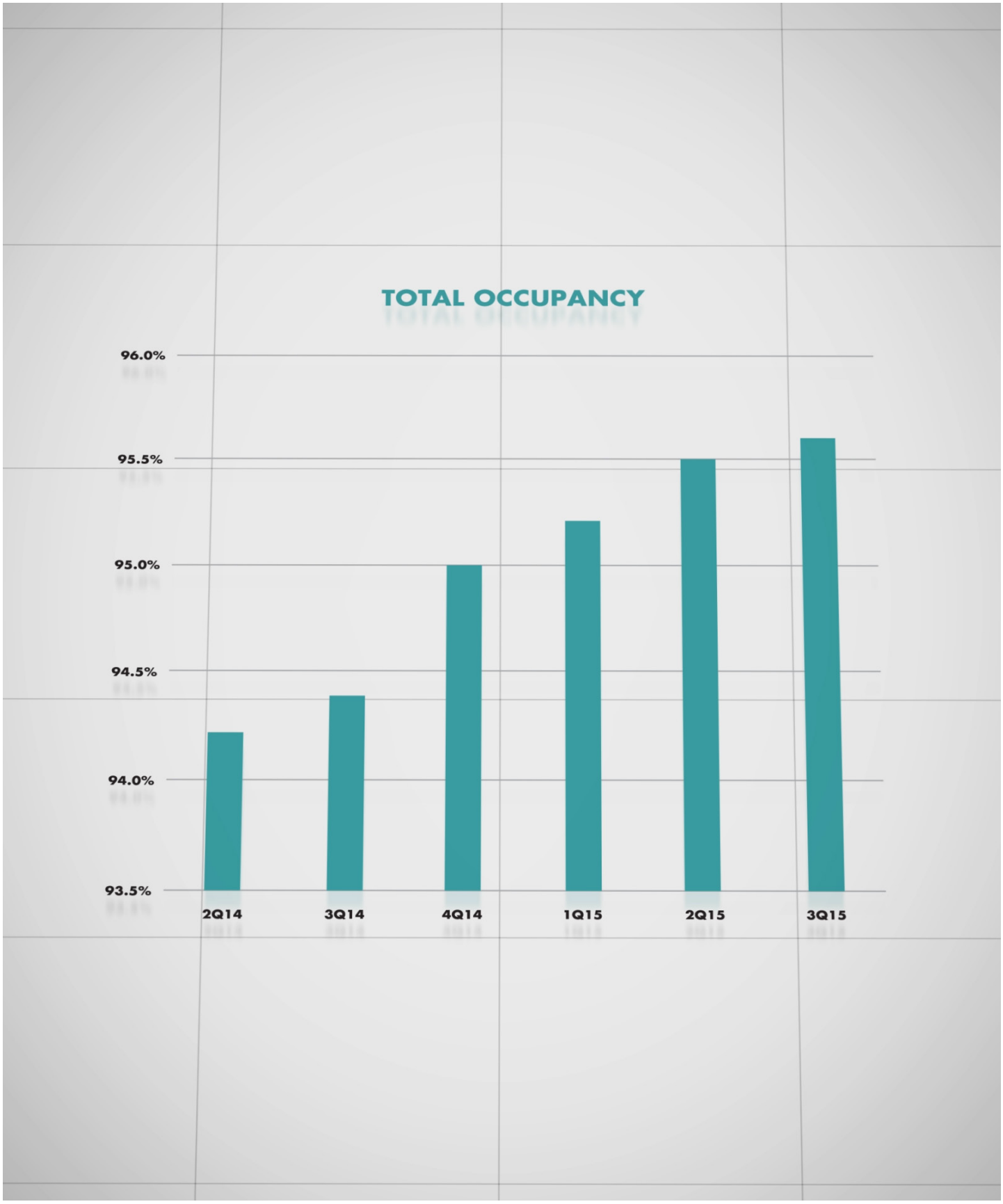
TENANT LINEUP

TENANT LINEUP

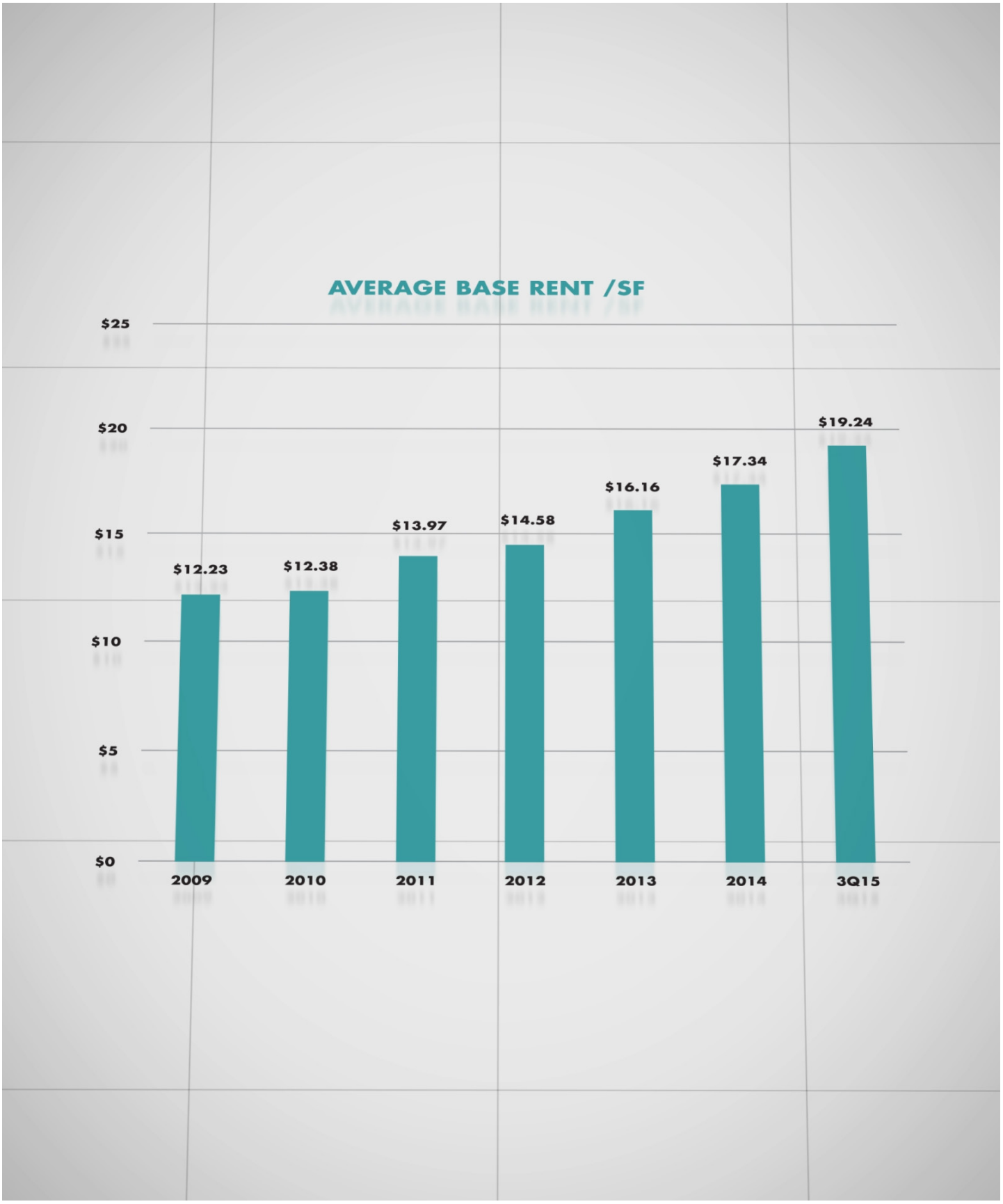
RESULTS TO DATE



Source: Company filings.



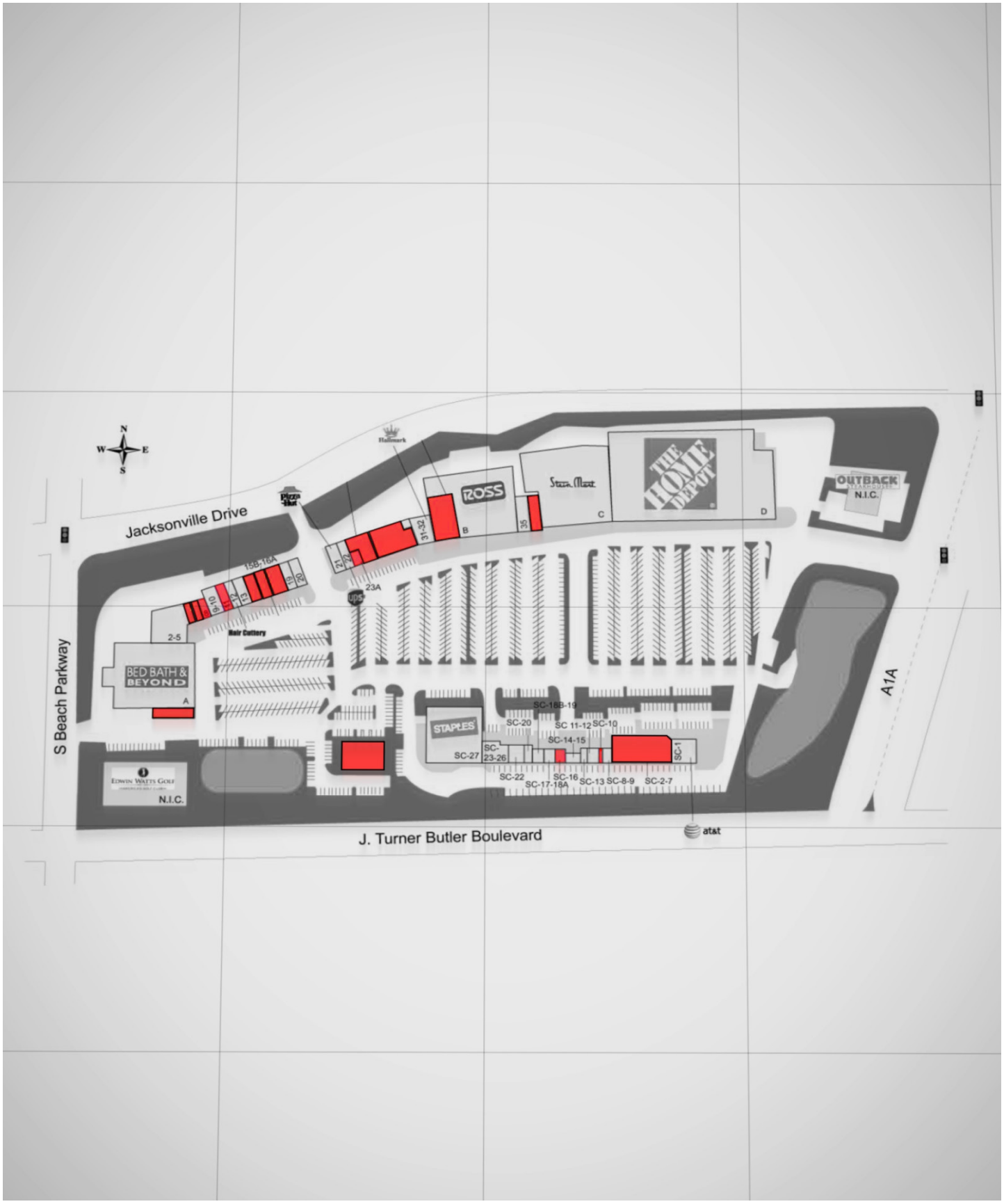
Source: Company filings, occupancy for consolidated retail assets excluding re/developments.



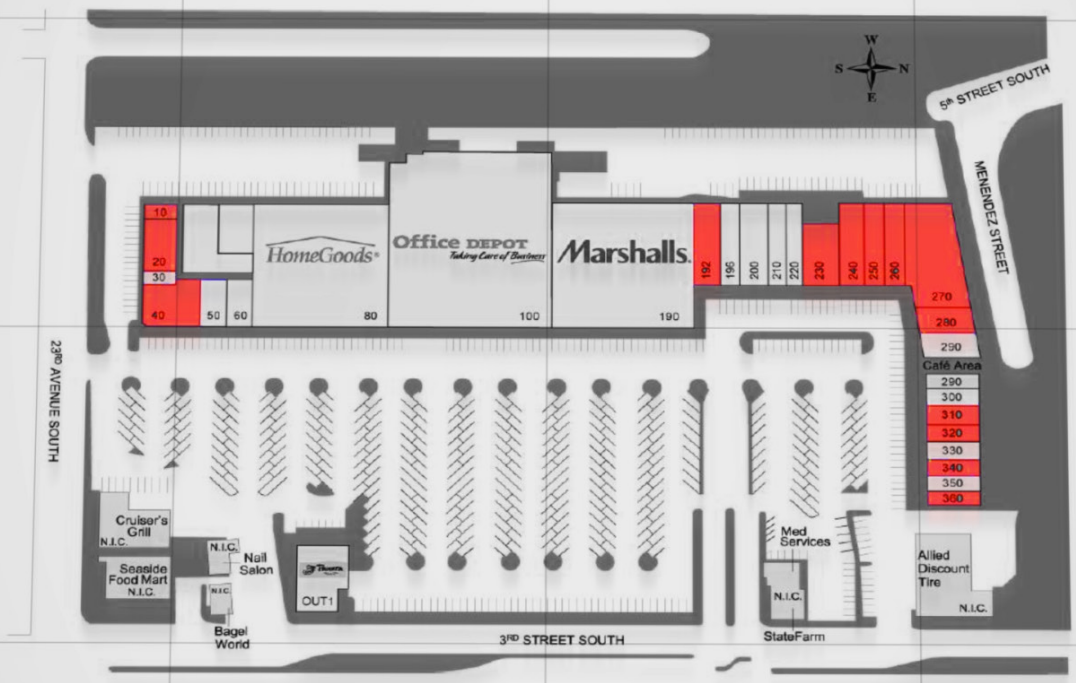
Source: Company filings, ABR as reported at each period end.

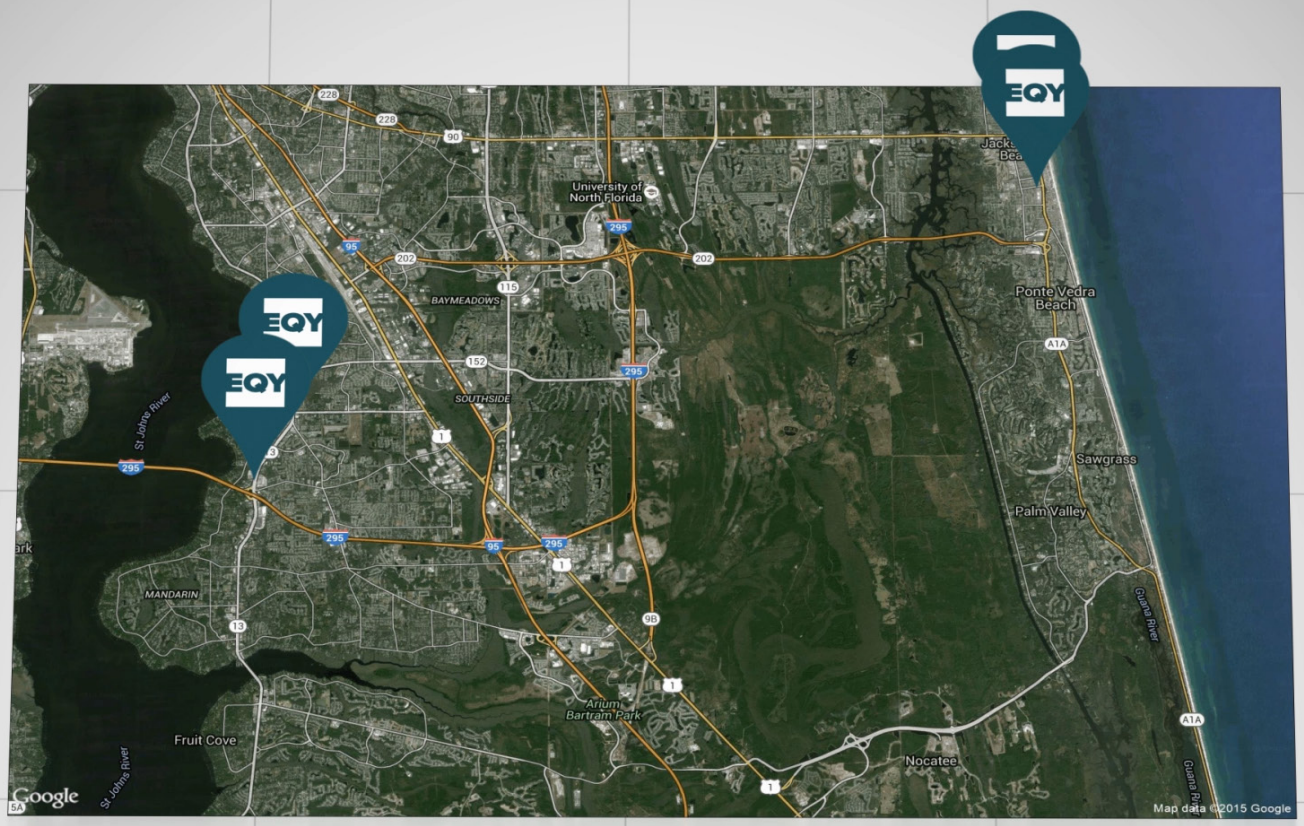
COST CONTROL

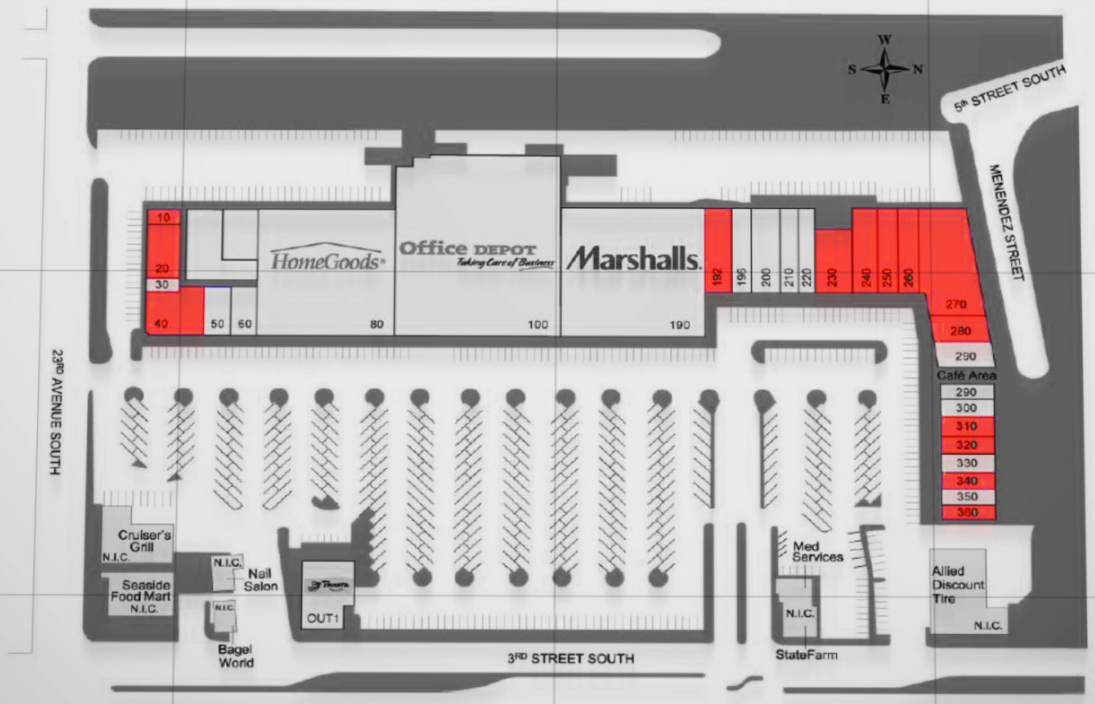
IMPROVED MERCHANDISE MIX


N
W
E
S
Jacksonville Drive
S Beach Parkway
A1A
J. Turner Butler Boulevard
Hallmark
Pizza Hut
ROSS
Stein Mart
THE HOME DEPOT
OUTBACK STEAKHOUSE
N.I.C.
B
C
D
31-32
35
21
22
23A
15B-16A
10
9
11
12
13
14
20
Hair Cuttery
2-5
BED BATH & BEYOND
A
STAPLES
SC-16B-19
SC-20
SC 11-12
SC-10
SC-14-15
SC-27
SC-23-26
SC-1
SC-22
SC-17-18A
SC-16
SC-13
SC-8-9
SC-2-7
EDWIN WATTS GOLF
N.I.C.
at&t


MATTRESS 1 ONE
Massage Envy SPA
ULTA BEAUTY
SALLY BEAUTY
five BELOW
EARTHWISE Pet Supply
Quest Diagnostics
N
W
E
S
Jacksonville Drive
S Beach Parkway
A1A
J. Turner Butler Boulevard
THE HOME DEPOT
ROSS
OUTBACK
N.I.C.
BED BATH & BEYOND
STAPLES
Hair Cattery
EDWIN WATTS GOLF
N.I.C.
at&t
H&R BLOCK
BUFFALO WILD WINGS
WINGS. BEER. SPORTS.
TRADER JOE'S


W
S
N
E
5th STREET SOUTH
MENENDEZ STREET
23RD AVENUE SOUTH
3RD STREET SOUTH
HomeGoods
Office DEPOT
Marshalls
10
20
30
40
50
60
80
100
190
192
196
200
210
220
230
240
250
260
270
280
290
Café Area
290
300
310
320
330
340
350
360
Cruiser's Grill
N.I.C.
Seaside Food Mart
N.I.C.
N.I.C.
Nail Salon
N.I.C.
Bagel World
OUT1
Med Services
N.I.C.
StateFarm
Allied Discount Tire
N.I.C.


University of North Florida
BAYMEADOWS
SOUTHSIDE
MANDARIN
Fruit Cove
St Johns River
Arium Bartram Park
Nocatee
Ponte Vedra Beach
Sawgrass
Palm Valley
Guana River
Google
Map data ©2015 Google


W
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5TH STREET SOUTH
MENENDEZ STREET
23RD AVENUE SOUTH
3RD STREET SOUTH
HomeGoods
Office DEPOT
Marshalls
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Café Area
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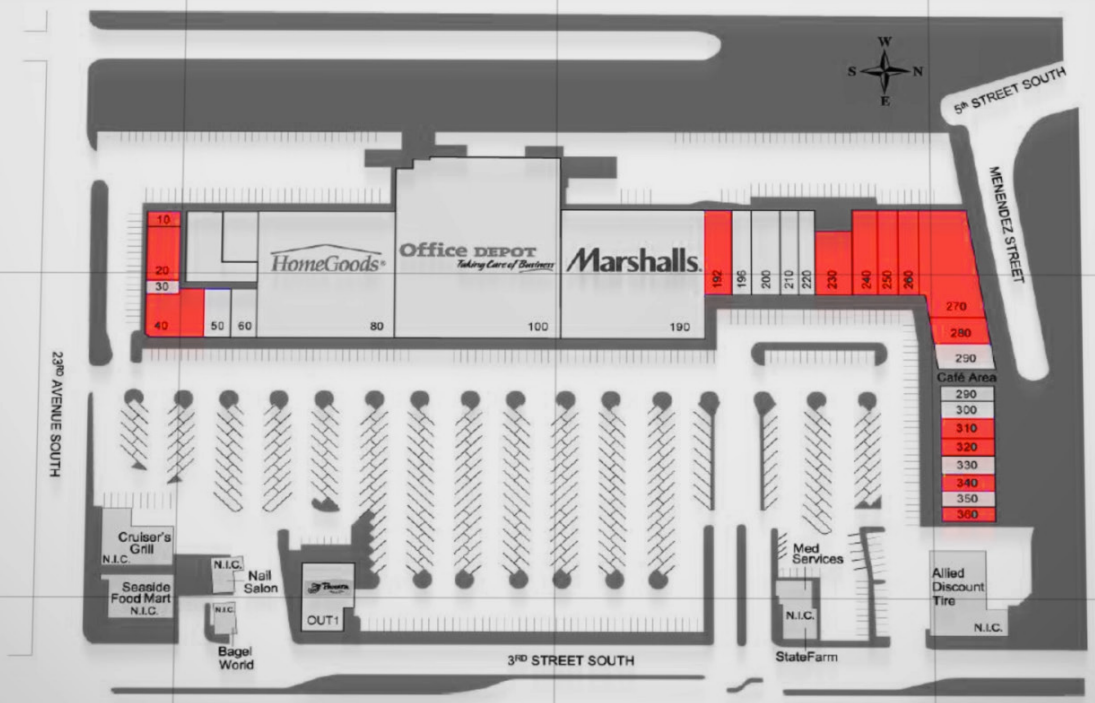
340
350
360
Cruiser's Grill
N.I.C.
Seaside Food Mart
N.I.C.
N.I.C.
Nail Salon
N.I.C.
Bagel World
OUT1
Med Services
N.I.C.
StateFarm
Allied Discount Tire
N.I.C.


WHOLE FOODS MARKET
WHOLE FOODS MARKET
University of North Florida
Ponte Vedra Beach
Sawgrass
Palm Valley
BAYMEADOWS
SOUTHSIDE
MANDARIN
Fruit Cove
Arium Bartram Park
Nocatee
Google
Map data ©2015 Google


W
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5th STREET SOUTH
MENENDEZ STREET
23RD AVENUE SOUTH
3RD STREET SOUTH
HomeGoods
Office DEPOT
Marshalls
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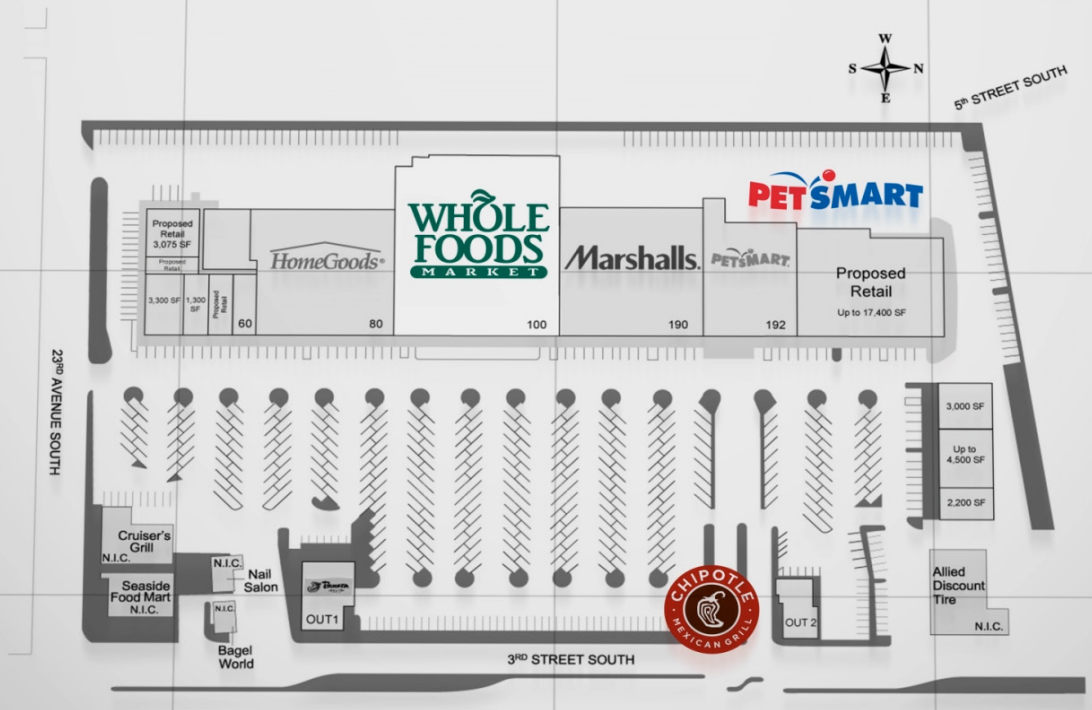
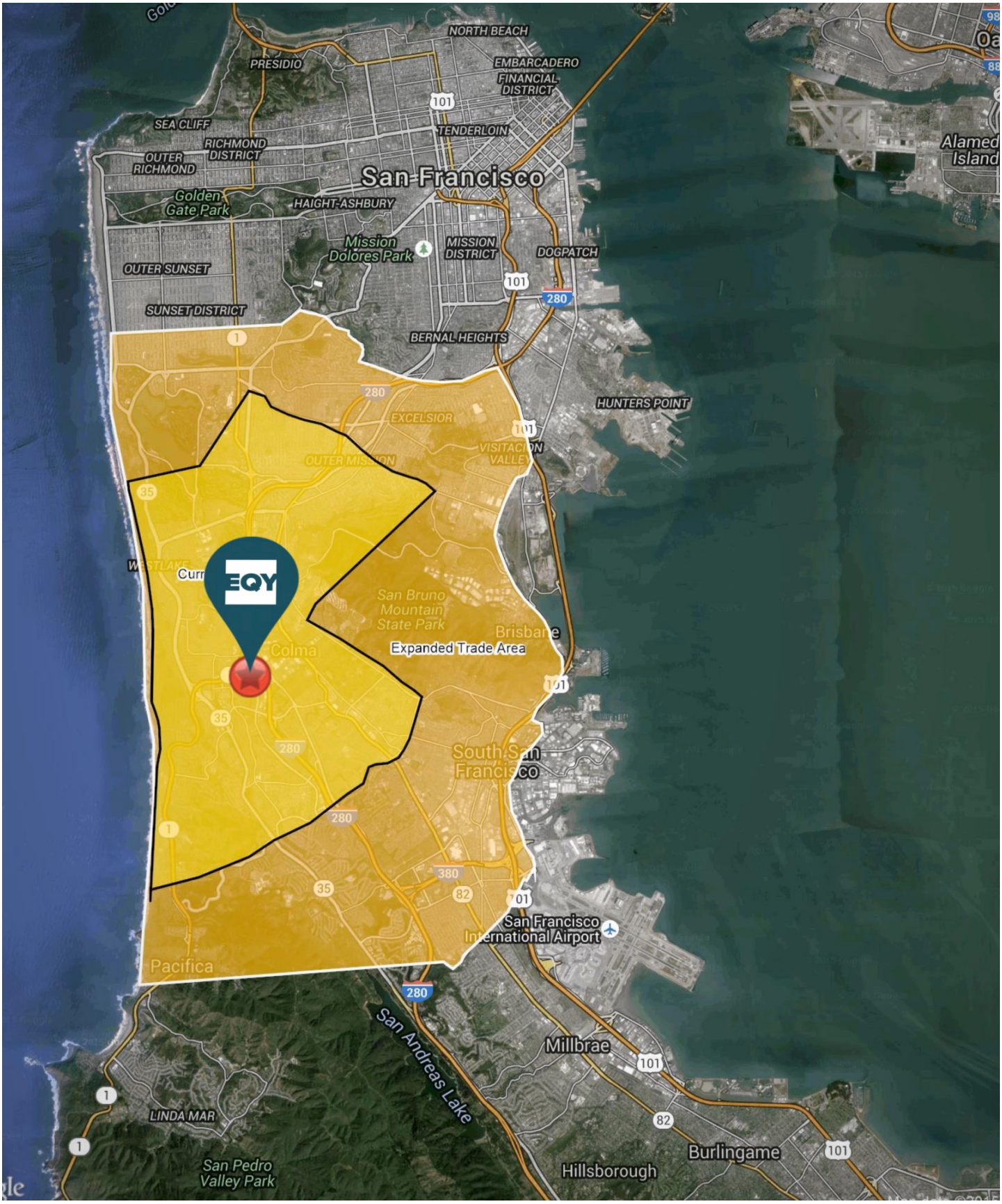
280
290
Café Area
290
300
310
320
330
340
350
360
Cruiser's Grill
N.I.C.
Seaside Food Mart
N.I.C.
N.I.C.
Nail Salon
N.I.C.
Bagel World
OUT1
Med Services
N.I.C.
StateFarm
Allied Discount Tire
N.I.C.


WHOLE FOODS MARKET
WHOLE FOODS MARKET
University of North Florida
Ponte Vedra Beach
Sawgrass
Palm Valley
Nocatee
Arium Bartram Park
Fruit Cove
BAYMEADOWS
SOUTHSIDE
MANDARIN
Google
Map data ©2015 Google


W
S
N
E
5th STREET SOUTH
23RD AVENUE SOUTH
3RD STREET SOUTH
Proposed Retail 3,075 SF
Proposed Retail
3,300 SF
1,300 SF
Proposed Retail
60
HomeGoods
80
WHOLE FOODS MARKET
100
Marshalls.
190
PETSMART
PETSMART
192
Proposed Retail
Up to 17,400 SF
3,000 SF
Up to 4,500 SF
2,200 SF
Cruiser's Grill
N.I.C.
Seaside Food Mart
N.I.C.
N.I.C.
Nail Salon
N.I.C.
Bagel World
OUT1
CHIPOTLE MEXICAN GRILL
OUT 2
Allied Discount Tire
N.I.C.


NORTH BEACH
PRESIDIO
EMBARCADERO
FINANCIAL
DISTRICT
SEA CLIFF
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RICHMOND
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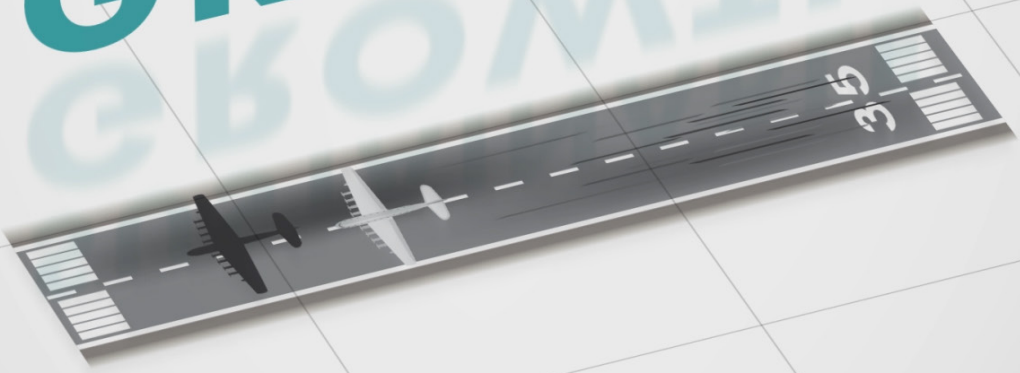
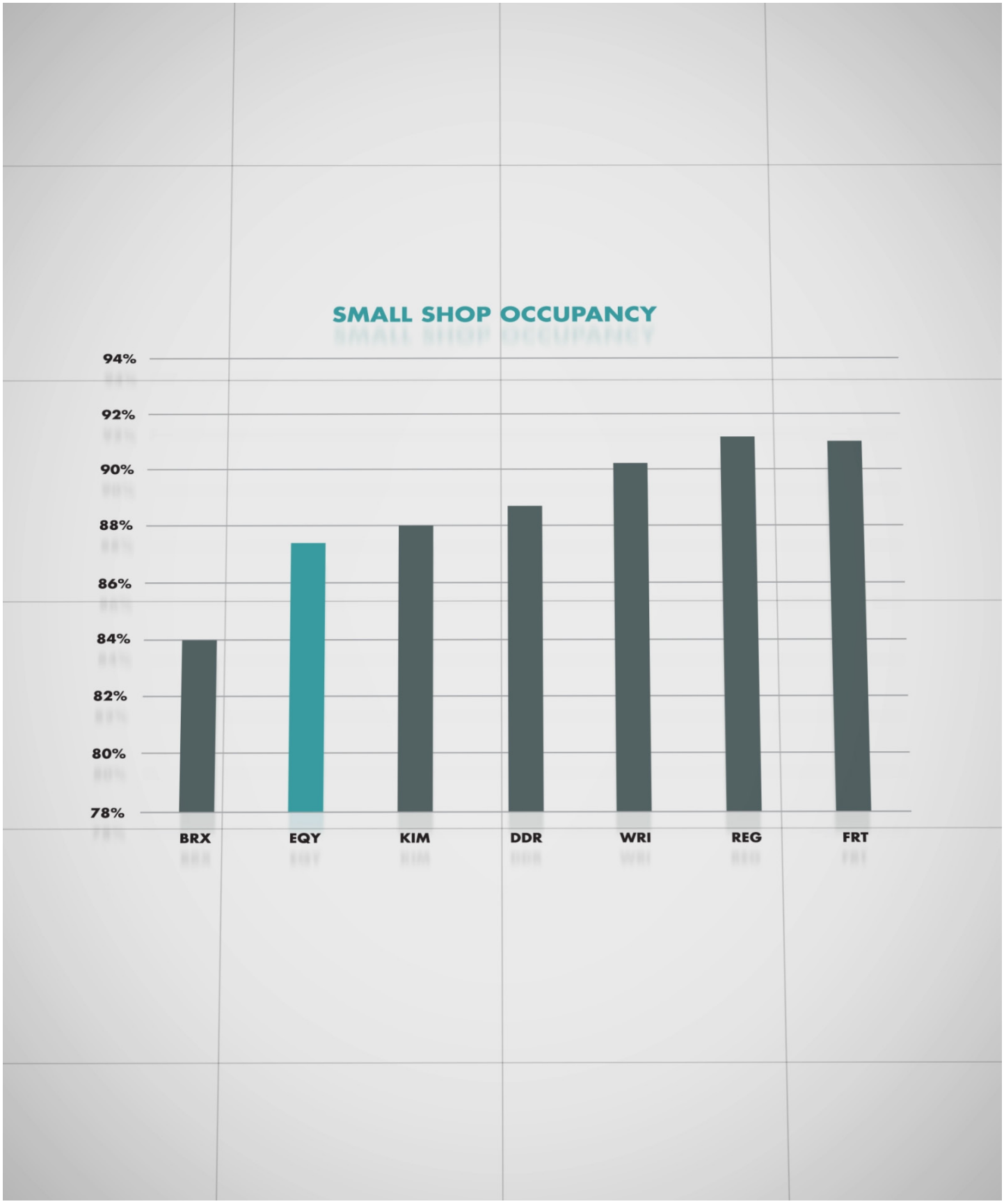
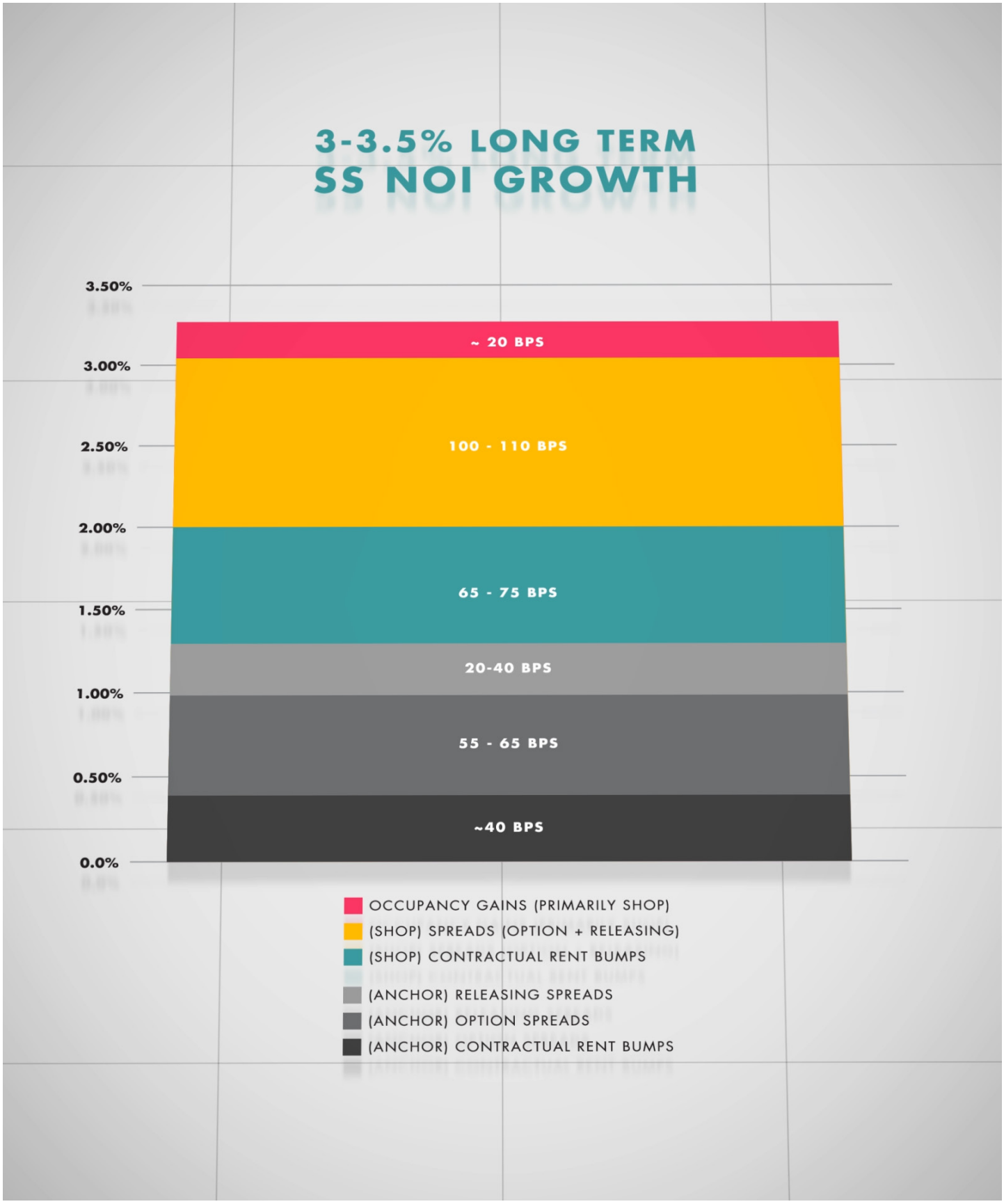
OUTER
RICHMOND
San Francisco
Golden
Gate Park
HAIGHT-ASHBURY
Mission
Dolores Park
MISSION
DISTRICT
DOGPATCH
OUTER SUNSET
SUNSET DISTRICT
BERNAL HEIGHTS
HUNTERS POINT
EXCELSIOR
VISITACION
VALLEY
OUTER MISSION
EQY
San Bruno
Mountain
State Park
Brisbane
Colma
Expanded Trade Area
South San
Francisco
San Francisco
International Airport
Pacifica
San Andreas Lake
Millbrae
LINDA MAR
San Pedro
Valley Park
Hillsborough
Burlingame
Alameda
Island

SUSTAINABLE GROWTH





Source: Company filings as of 3Q15.



Source: Company illustrative 10-year projection model, and other company analysis.

EQUITY ONE

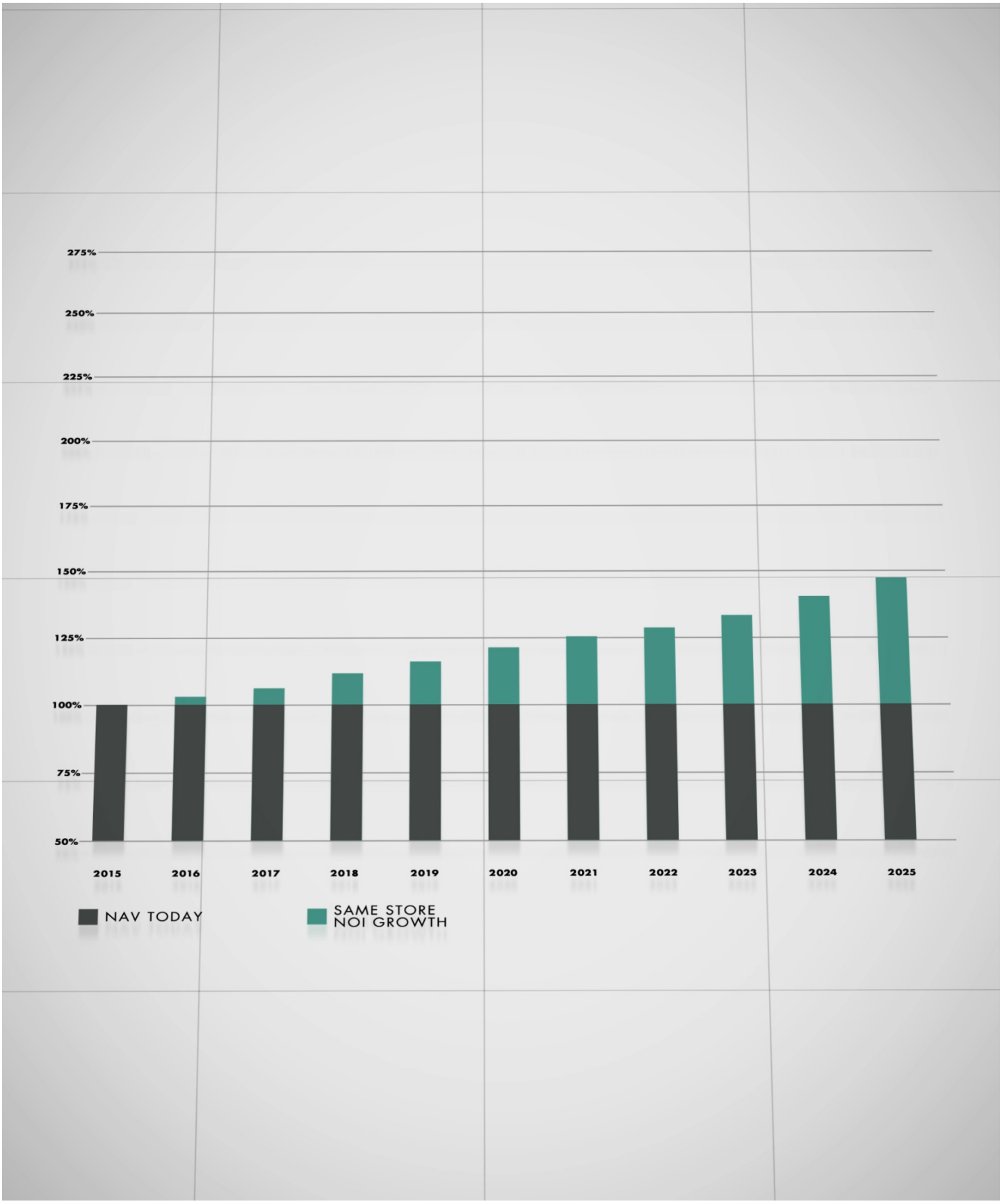
SUSTAINABLE
MULTI-YEAR RETURNS

THE BALANCE SHEET

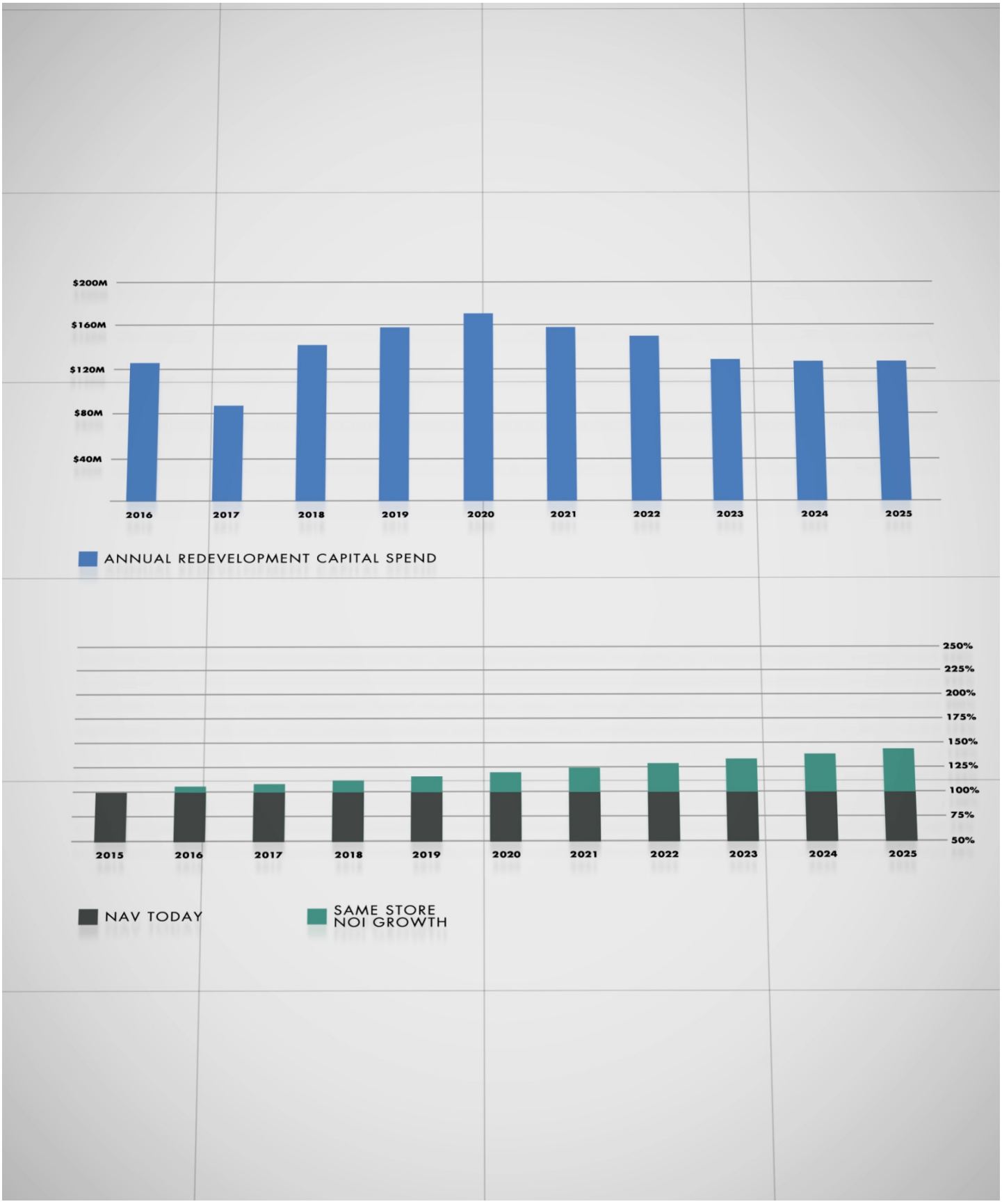
RISK MANAGEMENT

SUSTAINABLE RETURNS

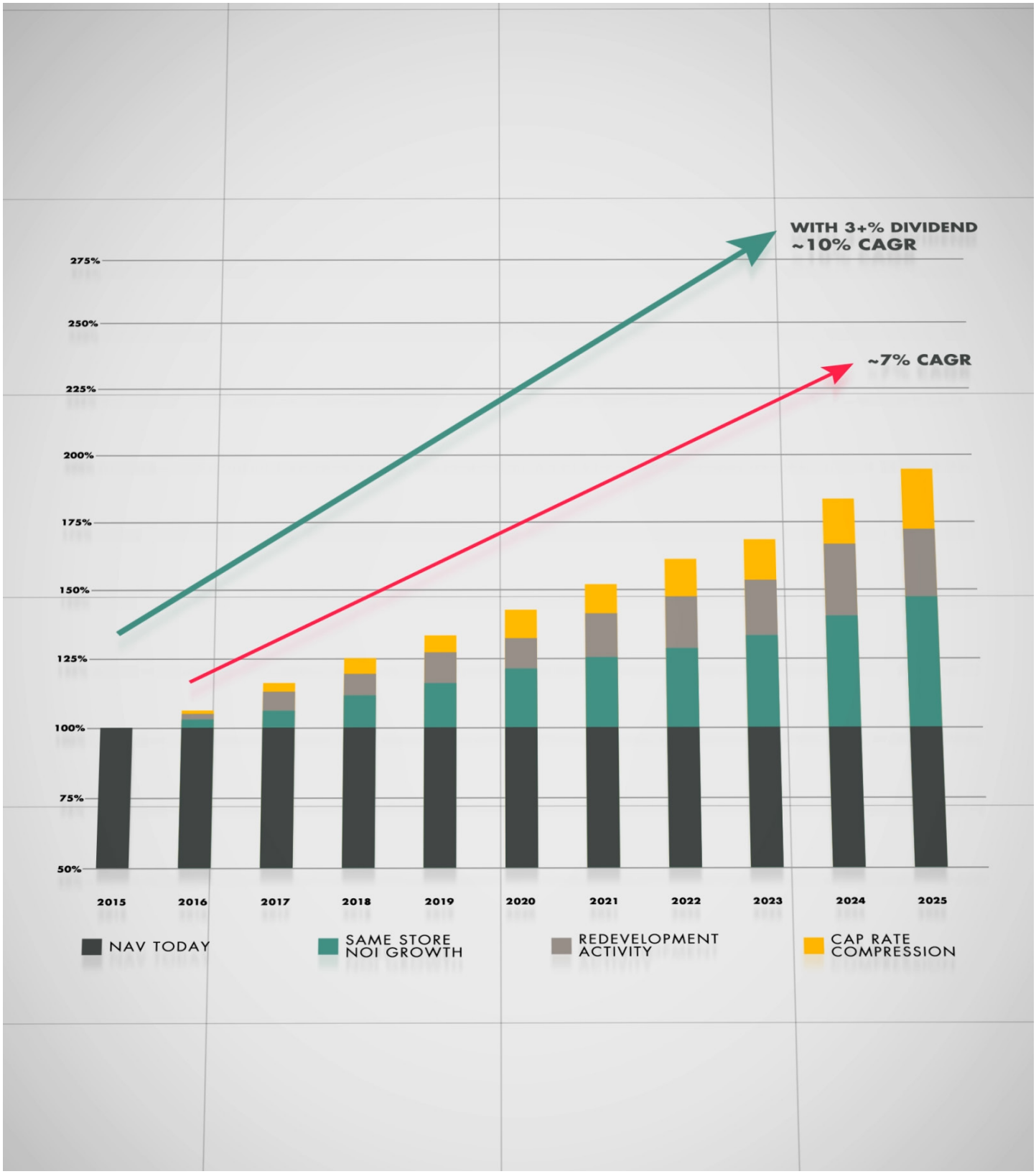

SUSTAINABLE
RETURNS
8 - 10%



Note: NAV is indexed to 100%. Same Property NOI CAGR of 3% with assumed 33% average leverage yields 4% levered SS NOI CAGR, or 4% NAV CAGR at constant cap rates.

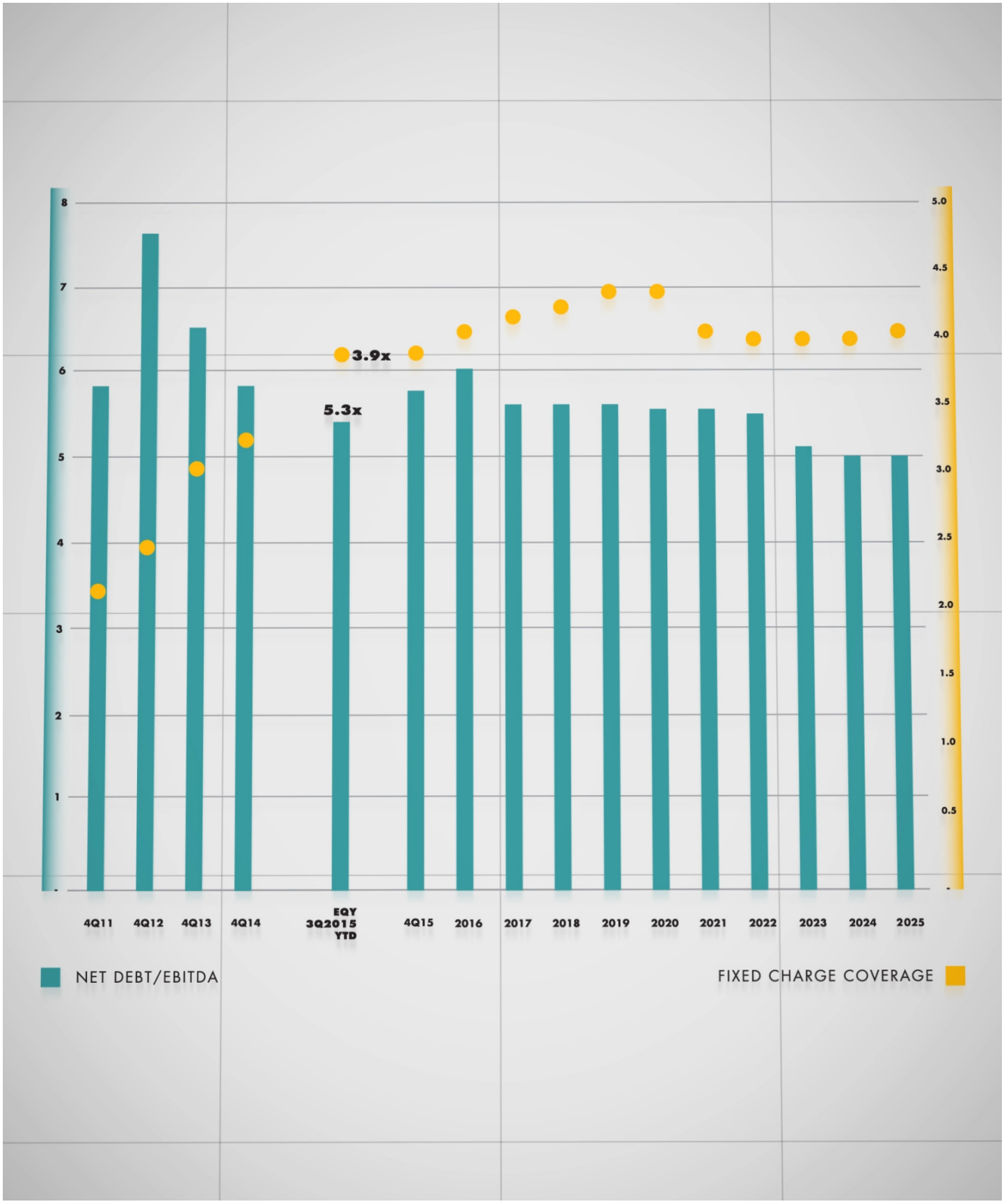


Note: NAV is indexed to 100%. Same Property NOI CAGR of 3% with assumed 33% average leverage yields 4% levered SS NOI CAGR, or 4% NAV CAGR at constant cap rates.



Note: NAV is indexed to 100%. Same Property NOI CAGR of 3% with assumed 33% average leverage yields 4% levered SS NOI CAGR, or 4% NAV CAGR at constant cap rates. Redevelopment capex investment is expected to add approximately 2% to NAV CAGR, yielding approximately 6% NAV CAGR. Assuming 100 bps cap rate compression on the dozen redevelopment assets adds another approximately 1% to the long-term NAV CAGR, yielding approximately 7% NAV CAGR. Assuming 3% annual dividend yield results in approximately 10% long-term total shareholder returns. Source is company illustrative 10-year projection model.

LOW LEVERAGE



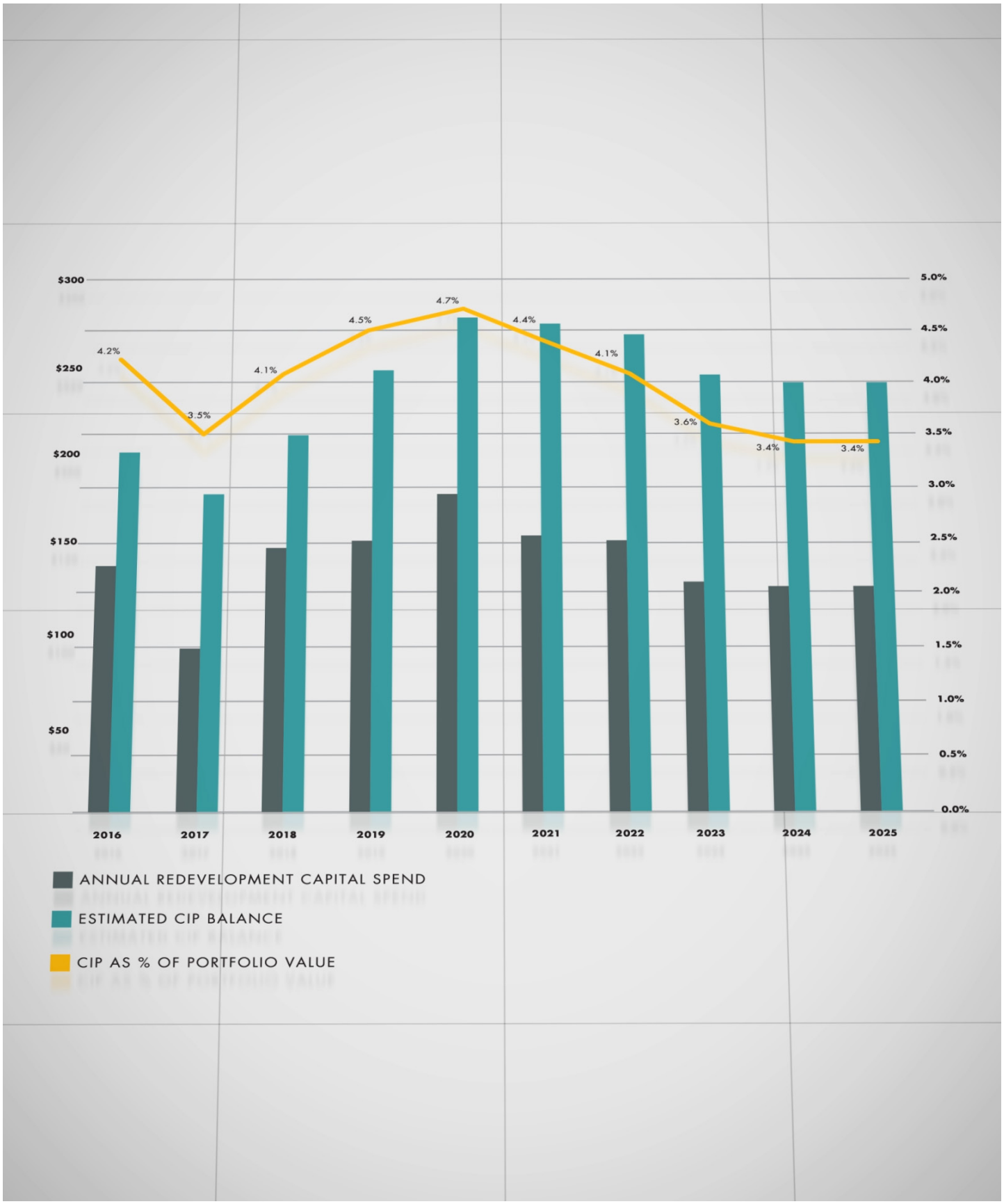
Source: Company supplemental information packages, and illustrative 10-year projection model.

REDEVELOPMENT PROFITABILITY

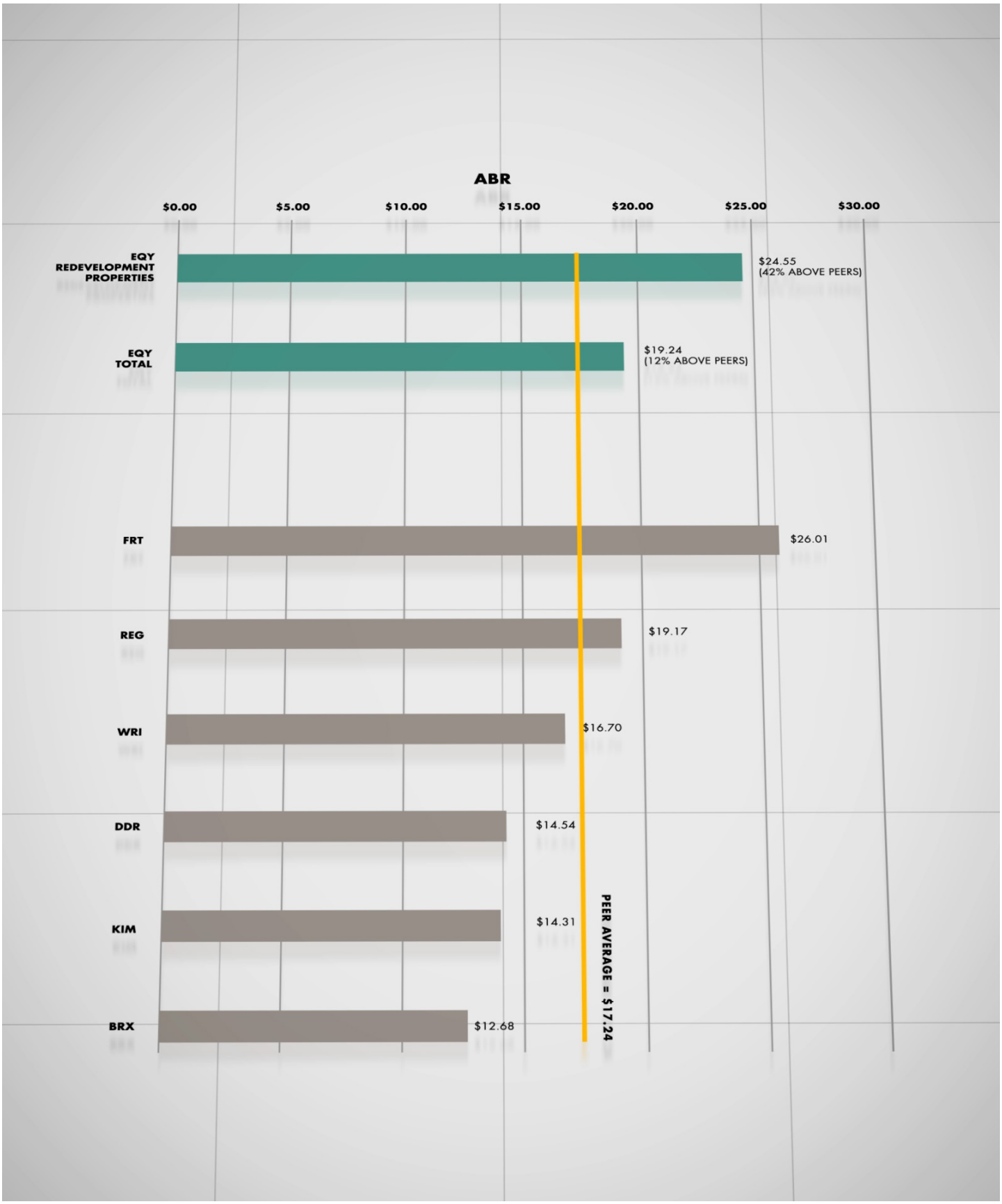
=

LOWER DEPENDENCE ON EQUITY MARKETS

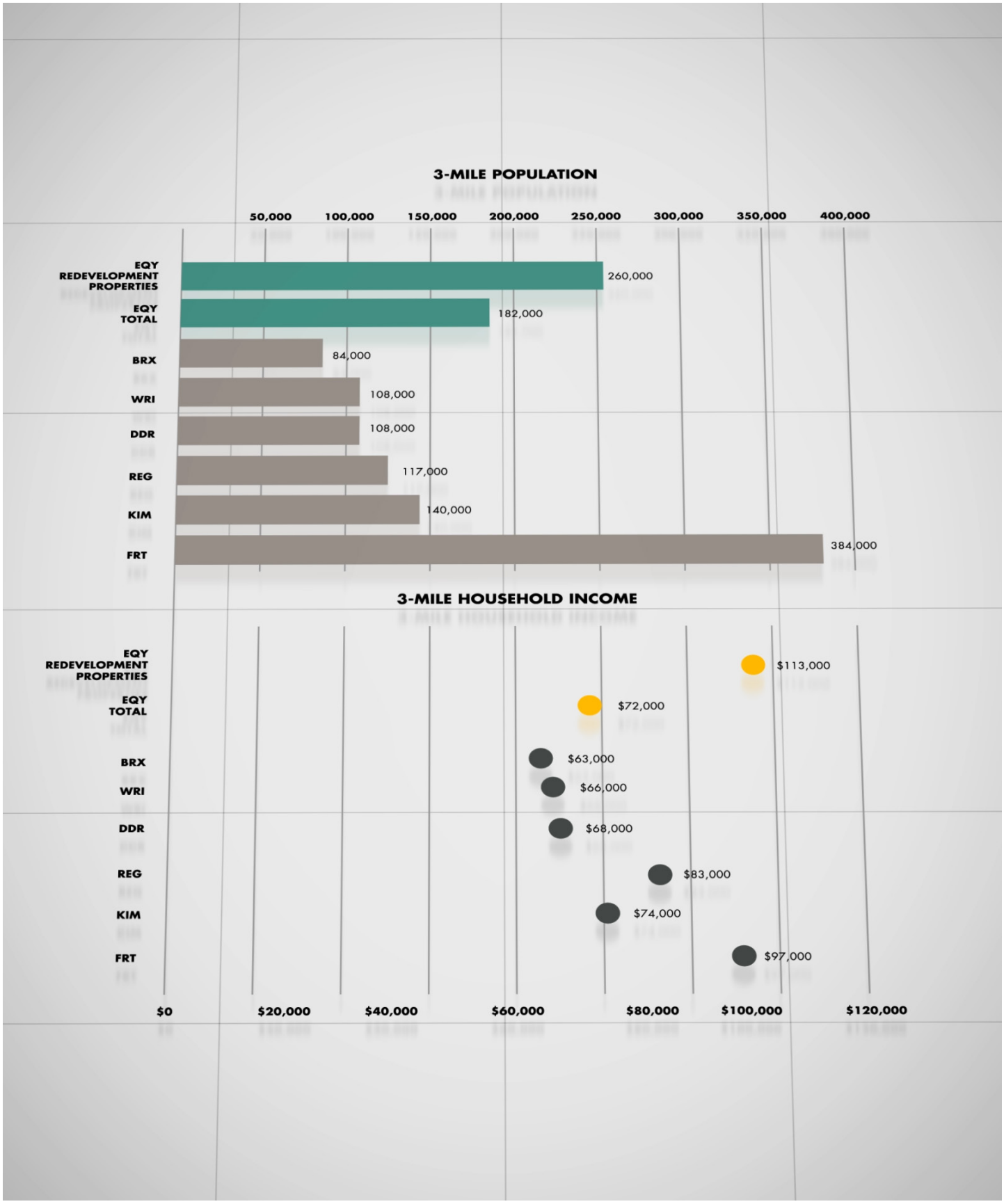

$1 BILLION



Source: Company illustrative 10-year projection model. Estimated CIP Balance reflects year-end projected CIP balance representing capital spent but not yet income producing. % of Portfolio value reflects the ratio of estimated CIP to total company NAV as projected at each period end.



Note: EQY Redevelopment Properties include Culver, Serramonte plus expansion, Potrero, Countryside, Pablo, Young Circle, Piedmont Peachtree, Cambridge, Quincy, Westwood, Medford, and Harvard Square. Source for all others include company filings for 3Q15.



NOTE: EQY Redevelopment Properties per EQY data weighted by IFRS value. Redevelopment properties include Culver, Serramonte plus expansion, Potrero, Countryside, Pablo, Young Circle, Piedmont Peachtree, Cambridge, Quincy, Westwood, Medford, and Harvard Square. All other data points are per Green Street Advisors, Strip Center Sector Update, November 12, 2015.

SUSTAINABLE GROWTH

CORE **OPERATIONS** WITH **REDEVELOPMENT** FOCUS

2016 GUIDANCE

$1.35-$1.40/SH RECURRING FFO

3.25-4.25% SAME STORE NOI GROWTH (EXCLUDING REDEVELOPMENTS)

96-96.5% YEAR-END SAME STORE OCCUPANCY

$33-35MM RECURRING G&A EXPENSE

$50-$52MM INTEREST EXPENSE

SELECTIVE ACQUISITIONS

ONE-OFF NON-CORE ASSET SALES

EQUITY ONE

Equity One, Inc.
410 Park Avenue, Suite 1220
New York, NY 10022
212-796-1760

For additional information:
Matthew Ostrower, EVP and
Chief Financial Officer

FOR IMMEDIATE RELEASE:

Equity One Hosts Investor Day and Introduces 2016 Guidance

New York, NY, December 9, 2015 – Equity One, Inc. (NYSE:EQY), an owner, developer, and operator of shopping centers, announced today that the company is hosting an Investor Day and concurrently introducing 2016 guidance.

The Investor Day event, which was previously announced, will include in-depth management presentations addressing the company's growth strategy, including new redevelopment opportunities.

The company is introducing 2016 Recurring FFO guidance of $1.35 to $1.40 per diluted share. Recurring FFO excludes transaction costs, impairment charges, debt extinguishment gains/losses, gains/losses on disposal of assets, severance costs, and certain other income or charges. The 2016 guidance is based on the following key assumptions:

- Increase in same-property NOI (excluding redevelopments) of 3.25% to 4.25%
- Year-end 2016 same-property occupancy between 96.0% and 96.5%
- Recurring general and administrative expense of $33 million to $35 million
- Interest expense of $50 million to $52 million
- Selective acquisition activity
- Ongoing one-off sales of non-core assets

The following table provides a reconciliation of the range of estimated earnings per diluted share attributable to Equity One to estimated FFO and Recurring FFO per diluted share for the full year 2016:

	For the year ended December 31, 2016 [1]	
	Low	High
Estimated earnings attributable to Equity One per diluted share	$0.63	$0.67
Adjustments:		
Net adjustment for shares issuable to Liberty International Holdings Limited and rounding	(0.05)	(0.05)
Rental property depreciation and amortization including pro rata share of joint ventures	0.65	0.66
Earnings attributed to noncontrolling interest [2]	0.07	0.07
Estimated FFO per diluted share	$1.30	$1.35
Transaction costs, debt extinguishment, and other	0.05	0.05
Estimated Recurring FFO per diluted share	$1.35	$1.40

(1) Does not include possible gains or losses or the impact on operating results from unplanned future property acquisitions or unplanned dispositions, other possible capital markets activity or possible future impairment or severance charges.

(2) Includes effect of distributions paid with respect to unissued shares held by a noncontrolling interest which are already included for purposes of calculating earnings attributable to Equity One per diluted share.

ABOUT EQUITY ONE, INC.

As of September 30, 2015, our portfolio comprised 124 properties, including 99 retail properties and five non-retail properties totaling approximately 12.5 million square feet of gross leasable area, or GLA, 14 development or redevelopment properties with approximately 2.9 million square feet of GLA, and six land parcels. As of September 30, 2015, our retail occupancy excluding developments and redevelopments was 95.6% and included national, regional and local tenants. Additionally, we had joint venture interests in seven retail properties and two office buildings totaling approximately 1.6 million square feet of GLA.

FORWARD LOOKING STATEMENTS

Certain matters discussed by Equity One in this press release constitute forward-looking statements within the meaning of the federal securities laws. Forward-looking statements can be identified by the use of forward-looking terminology such as "may," "will," "might," "would," "expect," "anticipate," "estimate," "could," "should," "believe," "intend," "project," "forecast," "target," "plan," or "continue" or the negative of these words or other variations or comparable terminology. Although Equity One believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that these expectations will be achieved. Factors that could cause actual results to differ materially from current expectations include volatility in the capital markets and changes in borrowing rates; changes in macro-economic conditions and the demand for retail space in the states in which Equity One owns properties; the continuing financial success of Equity One's current and prospective tenants; the risks that Equity One may not be able to proceed with or obtain necessary approvals for development or redevelopment projects or that it may take more time to complete such projects or incur costs greater than anticipated; the availability of properties for acquisition; the timing, extent and ultimate proceeds realized from asset dispositions; the extent to which continuing supply constraints occur in geographic markets where Equity One owns properties; the success of its efforts to lease up vacant space; changes in key personnel; the effects of natural and other disasters; the ability of Equity One to successfully integrate the operations and systems of acquired companies and properties; changes in Equity One's credit ratings; and other risks, which are described in Equity One's filings with the Securities and Exchange Commission.

	Three months ended		Year ended	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Net income (loss)	$ 12,138	$ (30,292)	$ 88,657	$ 7,225
Depreciation and amortization	22,488	22,212	91,053	88,311
Interest expense	17,461	19,537	68,951	73,168
Amortization of deferred financing fees	606	647	2,421	2,485
(Gain) loss on extinguishment of debt	(544)	30,229	31	30,602
Acquisition/disposition costs [1]	2,192	1,397	4,246	4,801
Impairment loss	4,038	19,622	10,617	29,441
Gain on sale of depreciable real estate	(2,915)	(2,321)	(39,587)	(16,588)
Income tax (benefit) provision of taxable REIT subsidiaries	(85)	(2,920)	202	(2,503)
Adjusted Consolidated EBITDA	**$ 55,379**	**$ 58,111**	**$ 226,591**	**$ 216,942**
Interest expense	$ 17,461	$ 19,537	$ 68,951	$ 73,168
Adjusted Consolidated EBITDA to interest expense	3.2	3.0	3.3	3.0
Fixed charges				
Interest expense	$ 17,461	$ 19,537	$ 68,951	$ 73,168
Scheduled principal amortization [2]	1,967	1,979	7,532	8,333
Total fixed charges	**$ 19,428**	**$ 21,516**	**$ 76,483**	**$ 81,501**
Adjusted Consolidated EBITDA to fixed charges	2.9	2.7	3.0	2.7
Net Debt to Adjusted Consolidated EBITDA [3]	6.6	6.7	6.5	7.2

Amounts reported above include discontinued operations.

[1] Amounts include external costs associated with acquired and disposed properties, acquisition/disposition related expenses and severance costs incurred during the respective period.

[2] Excludes balloon payments upon maturity.

[3] Adjusted Consolidated EBITDA for the period has been annualized.

	Three months ended December 31,		Year ended December 31,	
	2014	2013	2014	2013
Net income	$ 9,216	$ 12,138	$ 61,091	$ 88,657
Depreciation and amortization	21,230	22,488	101,345	91,053
Interest expense	15,185	17,461	64,031	68,951
Amortization of deferred financing fees	593	606	2,396	2,421
Loss (gain) on extinguishment of debt	3,824	(544)	2,750	31
Acquisition/disposition costs	228	1,713	2,041	3,350
Reorganization and severance costs [1]	392	479	2,723	896
Impairment loss	7,958	4,038	21,850	10,617
Gain on sale of operating properties	(3,359)	(2,915)	(17,251)	(39,587)
Gain on sale of joint venture property [2]	—	—	(7,392)	—
Gain from fair value adjustment of equity interest in joint venture [3]	—	—	(2,807)	—
Income tax provision (benefit) of taxable REIT subsidiaries	74	(85)	877	202
Adjusted Consolidated EBITDA	**$ 55,341**	**$ 55,379**	**$ 231,654**	**$ 226,591**
Interest expense	$ 15,185	$ 17,461	$ 64,031	$ 68,951
Adjusted Consolidated EBITDA to interest expense	3.6	3.2	3.6	3.3
Fixed charges				
Interest expense	$ 15,185	$ 17,461	$ 64,031	$ 68,951
Scheduled principal amortization [4]	2,004	1,967	7,942	7,532
Total fixed charges	**$ 17,189**	**$ 19,428**	**$ 71,973**	**$ 76,483**
Adjusted Consolidated EBITDA to fixed charges	3.2	2.9	3.2	3.0
Net Debt to Adjusted Consolidated EBITDA [5]	5.9	6.6	5.6	6.5

Amounts reported above include discontinued operations.

[1] Includes the effect of the modification and acceleration of share-based compensation expense associated with the company's CEO transition, as well as, severance, bonus payments and other costs associated with reorganizational changes.

[2] In January 2014, the property held by Vernola Marketplace JV, LLC was sold for $49.0 million, including the assumption of the existing mortgage of $22.9 million by the buyer. The joint venture recognized a gain of $14.7 million on the sale, of which the company's proportionate share was $7.4 million, including $1.6 million attributable to a noncontrolling interest, which is included in equity in income of unconsolidated joint ventures in the company's condensed consolidated statement of income for the year ended December 31, 2014.

[3] In January 2014, the company acquired Rockwood Capital's and Vestar Development Company's interests in Talega Village Center JV, LLC, the owner of Talega Village Center, a 102,000 square foot grocery-anchored shopping center located in San Clemente, California, for an additional equity investment of $6.2 million. Immediately prior to acquisition, the company remeasured the fair value of its equity interest in the joint venture and recognized a gain of $2.8 million, including $561,000 attributable to a noncontrolling interest, which is included in other income in the company's condensed consolidated statement of income for the year ended December 31, 2014.

[4] Excludes balloon payments upon maturity.

[5] Adjusted Consolidated EBITDA for the period has been annualized.

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
Net income	$ 19,459	$ 20,801	$ 59,528	$ 51,875
Depreciation and amortization	25,385	26,182	68,973	80,115
Interest expense	12,918	15,860	40,421	48,846
Amortization of deferred financing fees	535	603	1,622	1,803
Loss (gain) on extinguishment of debt	—	—	2,563	(1,074)
Acquisition/disposition costs	689	158	1,660	1,813
Reorganization and severance adjustments [1]	153	2,578	580	2,331
Impairment loss	2,417	—	13,924	13,892
Gain on sale of operating properties	(614)	(9,857)	(683)	(13,892)
Gain on sale of joint venture property [2] [3] [4]	(1,527)	—	(4,796)	(7,392)
Gain from fair value adjustment of equity interest in joint venture [2] [5]	—	—	(5,498)	(2,807)
Income tax (benefit) provision of taxable REIT subsidiaries	(618)	191	(467)	803
Adjusted Consolidated EBITDA	**$ 58,797**	**$ 56,516**	**$ 177,827**	**$ 176,313**
Interest expense	$ 12,918	$ 15,860	$ 40,421	$ 48,846
Adjusted Consolidated EBITDA to interest expense	4.6	3.6	4.4	3.6
Fixed charges				
Interest expense	$ 12,918	$ 15,860	$ 40,421	$ 48,846
Scheduled principal amortization [6]	1,655	1,966	5,107	5,938
Total fixed charges	**$ 14,573**	**$ 17,826**	**$ 45,528**	**$ 54,784**
Adjusted Consolidated EBITDA to fixed charges	4.0	3.2	3.9	3.2
Net Debt to Adjusted Consolidated EBITDA [7]	5.3	5.8	5.3	5.6

Amounts reported above include discontinued operations.

[1] Includes the effect of the modification of share-based compensation awards associated with the company's executive transition, as well as, severance, bonus payments and other costs associated with reorganizational changes.

[2] In June 2015, the company entered into an agreement with Global Retail Investors, LLC, its joint venture partner, to redeem its interest in the GRI JV. In connection with the transaction, the company was required to purchase an additional 11.3% interest in the joint venture for $23.5 million. For the nine months ended September 30, 2015, the company recognized a gain of $3.3 million from the deferred gain associated with the past disposition of assets by the company to the joint venture which is included in gain on sale of operating properties in its condensed consolidated statement of income, and the company recognized a gain of $5.5 million, which is included in other income in its condensed consolidated statement of income, from the remeasurement of the fair value of its equity interest in the joint venture.

[3] In September 2015, a property held by G&I South Florida Portfolio, LLC, Plantation Marketplace located in Plantation, Florida, was sold for $32.9 million. In connection with the sale, the joint venture recognized a gain on sale of $7.6 million, of which the company's proportionate share was $1.5 million, which is included in equity in income of unconsolidated joint ventures in the company's condensed consolidated statements of income for the three and nine months ended September 30, 2015.

[4] In January 2014, the property held by Vernola Marketplace JV, LLC was sold for $49.0 million, including the assumption of the existing mortgage of $22.9 million by the buyer. The joint venture recognized a gain of $14.7 million on the sale, of which the company's proportionate share was $7.4 million, including $1.6 million attributable to a noncontrolling interest, which is included in equity in income of unconsolidated joint ventures in the company's condensed consolidated statement of income for the nine months ended September 30, 2014.

[5] In January 2014, the company acquired Rockwood Capital's and Vestar Development Company's interests in Talega Village Center JV, LLC, the owner of Talega Village Center, a 102,000 square foot grocery-anchored shopping center located in San Clemente, California, for an additional equity investment of $6.2 million. Immediately prior to acquisition, the company remeasured the fair value of its equity interest in the joint venture and recognized a gain of $2.8 million, including $561,000 attributable to a noncontrolling interest, which is included in other income in the company's condensed consolidated statement of income for the nine months ended September 30, 2014.

[6] Excludes balloon payments upon maturity.

[7] Adjusted Consolidated EBITDA for the period has been annualized.