UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2000

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 1-12002

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.)

20 SOUNDVIEW MARKETPLACE, PORT WASHINGTON, NY 11050
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (516) 767-8830

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 X   No

As of November 13, 2000, there were 28,232,357 common shares of beneficial interest, par value $.001 per share, outstanding.

FORM 10-Q

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Part I. Financial Information
Item 1. Financial Statements

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)

	September 30, 2000 (unaudited)	December 31, 1999
ASSETS		
Real estate		
Land	$ 80,803	$ 81,956
Buildings and improvements	487,329	477,573
Properties under development	7,832	9,992
	575,964	569,521
Less: accumulated depreciation	103,875	90,932
Net real estate	472,089	478,589
Property held for sale	13,213	13,227
Cash and cash equivalents	13,244	35,340
Cash in escrow	10,307	9,707
Investments in unconsolidated partnerships	6,591	7,463
Rents receivable, net	8,433	8,865
Prepaid expenses	4,248	2,952
Due from related parties	--	19
Deferred charges, net	13,827	12,374
Other assets	2,298	2,267
	$ 544,250	$ 570,803
LIABILITIES AND SHAREHOLDERS' EQUITY		
Mortgage notes payable	$ 308,392	$ 326,651
Accounts payable and accrued expenses	7,103	6,385
Dividends and distributions payable	4,294	4,371
Other liabilities	4,533	4,224
Total liabilities	324,322	341,631
Minority interest in Operating Partnership	48,042	74,462
Minority interest in majority owned partnerships	2,209	2,223
Total minority interests	50,251	76,685
Shareholders' equity:		
Common shares, $.001 par value, authorized 100,000,000 shares, issued and outstanding 28,345,057 and 25,724,315 shares, respectively	30	26
Additional paid-in capital	185,827	168,641
Deficit	(16,180)	(16,180)
Total shareholders' equity	169,677	152,487
	$ 544,250	$ 570,803

See accompanying notes

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2000 AND 1999
(in thousands, except per share amounts)

	Three months ended September 30, 2000	Three months ended September 30, 1999	Nine months ended September 30, 2000	Nine months ended September 30, 1999
	(unaudited)		(unaudited)	
Revenues				
Minimum rents	$18,368	$19,606	$55,472	$54,459
Percentage rents	401	480	1,741	1,953
Expense reimbursements	3,498	3,481	10,541	9,976
Other	1,222	861	4,567	2,194
Total revenues	23,489	24,428	72,321	68,582
Operating expenses				
Property operating	5,568	5,119	16,891	16,427
Real estate taxes	2,991	2,637	8,618	7,752
General and administrative	1,168	1,437	3,746	4,541
Depreciation and amortization	5,164	4,976	15,264	14,627
Total operating expenses	14,891	14,169	44,519	43,347
Operating income	8,598	10,259	27,802	25,235
Equity in earnings of unconsolidated partnerships	102	140	453	480
Loss on sale of property	(839)	--	(839)	(1,284)
Interest expense	(6,334)	(6,037)	(18,950)	(17,042)
Income before minority interests	1,527	4,362	8,466	7,389
Minority interests	(422)	(1,279)	(2,523)	(2,252)
Net Income	$ 1,105	$ 3,083	$ 5,943	$ 5,137
Net income per Common Share - Basic and diluted	$ .04	$ .12	$ .23	$ .20

See accompanying notes

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2000 AND 1999
(in thousands)

	September 30, 2000 (unaudited)	September 30, 1999 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 5,943	$ 5,137
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	15,264	14,627
Minority interests	2,523	2,252
Equity in earnings of unconsolidated partnerships	(453)	(480)
Provision for bad debts	410	1,297
Stock-based compensation	197	--
Loss on sale of property	839	1,284
Changes in assets and liabilities:		
Funding of escrows, net	(600)	512
Rents receivable	22	(3,734)
Prepaid expenses	(1,296)	(1,157)
Due from related parties	19	180
Other assets	(267)	(891)
Accounts payable and accrued expenses	718	(2,638)
Other liabilities	309	(1,253)
Net cash provided by operating activities	23,628	15,136
CASH FLOWS FROM INVESTING ACTIVITIES:		
Expenditures for real estate and improvements	(9,974)	(19,352)
Net proceeds from sale of property	1,882	6,128
Distributions from unconsolidated partnerships	1,325	637
Payment of deferred leasing costs	(1,522)	(1,395)
Net cash used in investing activities	(8,289)	(13,982)

See accompanying notes

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2000 AND 1999
(in thousands)

	September 30, 2000 (unaudited)	September 30, 1999 (unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on mortgage notes	$(68,459)	$(12,291)
Proceeds received on mortgage notes	50,200	29,418
Payment of deferred financing costs	(1,192)	(804)
Dividends paid	(9,143)	(6,113)
Distributions to minority interest in Operating Partnership	(3,774)	(2,671)
Distributions on Preferred Operating Partnership units	(123)	--
Distributions to minority interest in majority owned partnership	(22)	--
Repurchase of Common Shares	(4,922)	(399)
Net cash (used in) provided by financing activities	(37,435)	7,140
(Decrease) increase in cash and cash equivalents	(22,096)	8,294
Cash and cash equivalents, beginning of period	35,340	15,183
Cash and cash equivalents, end of period	$ 13,244	$23,477

Supplemental Disclosures of Cash Flow Information:

Cash paid during the period for interest, net of amounts capitalized of $338 and $1,089, respectively	$ 18,296	$17,719

Supplemental Disclosure of Non-Cash Investing and Financing Activities:

Acquisition of real estate by assumption of debt		$13,883

See accompanying notes

ACADIA REALTY TRUST AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except per share amounts)

1. THE COMPANY

Acadia Realty Trust (the "Company") is a fully integrated and self-managed real estate investment trust ("REIT") focused primarily on the ownership, acquisition, redevelopment and management of neighborhood and community shopping centers, and multi-family properties.

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 its majority owned partnerships. As of September 30, 2000, the Company controlled 81% of the Operating Partnership as the sole general partner.

The Company currently operates fifty-eight properties, which it owns or has an ownership interest in, consisting of forty-seven neighborhood and community shopping centers, three enclosed malls, two mixed-use properties (a retail/office center and a retail/residential property), five multi-family properties and one redevelopment property located in the Eastern and Midwestern regions of the United States. The retail/office center was held for sale as of September 30, 2000.

2. BASIS OF PRESENTATION

The consolidated financial statements include the consolidated accounts of the Company and its majority owned partnerships, including the Operating Partnership, and have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. Non-controlling investments in partnerships are accounted for under the equity method of accounting as the Company exercises significant influence. The information furnished in the accompanying consolidated financial statements reflects all adjustments which are, in the opinion of management, necessary for a fair presentation of the aforementioned consolidated financial statements for the interim periods.

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

Operating results for the nine-month period ended September 30, 2000 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2000. For further information refer to the consolidated financial statements and accompanying footnotes included in the Company's Annual Report on Form 10-K for the year ended December 31, 1999.

(in thousands, except per share amounts)

3. SHAREHOLDERS' EQUITY AND MINORITY INTERESTS

The following table summarizes the change in the shareholders' equity and minority interests since December 31, 1999:

	Shareholders' equity	Minority interest in Operating Partnership(1)	Minority interest in majority owned partnerships
Balance at December 31, 1999	$152,487	$ 74,462	$2,223
Repurchase of Common Shares	(4,922)	--	--
Reissuance of Common Shares	197	--	--
Conversion of 3,459,699 Operating Partnership (OP) Units by minority interests	25,427	(25,427)	--
Dividends and distributions declared of $0.36 per Common Share and OP Unit	(9,455)	(3,359)	--
Cash flow distribution	--	--	(22)
Net income for the period January 1 through September 30, 2000	5,943	2,366	8
Balance at September 30, 2000	$169,677	$ 48,042	$2,209

(1) Net income attributable to minority interest in Operating Partnership and distributions do not include a distribution on Preferred OP Units of $149.

Minority interest in Operating Partnership represents the limited partners' interest of 7,024,444 and 10,484,143 units in the Operating Partnership ("Common OP Units") at September 30, 2000 and 1999, respectively, and 2,212 units of preferred limited partnership interests ("Preferred OP Units"), with a nominal value of $1,000 per unit, which are entitled to a preferred quarterly distribution of $22.50 per unit (9% annually). Minority interests in majority owned partnerships represent interests held by third parties in four partnerships in which the Company has a majority ownership position.

On August 15, 2000, certain limited partners converted 3,459,699 Common OP Units into Common Shares on a one-for-one basis.

(in thousands, except per share amounts)

4. INVESTMENT IN PARTNERSHIPS

The Company owns a 49% interest in the Crossroads Joint Venture and Crossroads II (collectively "Crossroads") and accounts for this investment using the equity method. Summary financial information of the Crossroads and the Company's investment in and share of income from the Crossroads follows:

	September 30, 2000	December 31, 1999
Balance Sheet		
Assets:		
Rental property, net	$ 8,558	$ 8,801
Other assets	3,995	5,204
Total assets	$ 12,553	$ 14,005
Liabilities and partners' equity		
Mortgage note payable	$ 34,761	$ 35,105
Other liabilities	659	777
Partners' equity	(22,867)	(21,877)
Total liabilities and partners' equity	$ 12,553	$ 14,005
Company's investment in partnerships	$ 6,591	$ 7,463

	Three months ended September 30,		Nine months ended September 30,	
	2000	1999	2000	1999
Statement of Operations				
Total revenue	$1,702	$1,786	$5,339	$5,313
Operating and other expenses	466	526	1,392	1,424
Interest expense	694	641	2,024	1,912
Depreciation and amortization	134	133	399	397
Net income	$ 408	$ 486	$1,524	$1,580
Company's share of net income	$ 200	$ 238	$ 747	$ 774
Amortization of excess investment (See below)	98	98	294	294
Income from partnerships	$ 102	$ 140	$ 453	$ 480

The unamortized excess of the Company's investment over its share of the net equity in Crossroads at the date of acquisition was $19,580. The portion of this excess attributable to buildings and improvements is being amortized over the life of the related property.

5. RELATED PARTY TRANSACTIONS

The Company manages three properties in which certain current shareholders of the Company or their affiliates have ownership interests. Management fees earned by the Company under these contracts are at rates ranging from 3.0% to 3.5%. Such fees aggregated $216 and $661 during the three and nine-month periods ended September 30, 2000, respectively, and $222 and $518 during the three and nine-month periods ended September 30, 1999, respectively.

6. DIVIDENDS AND DISTRIBUTIONS PAYABLE

On September 11, 2000, the Board of Trustees of the Company approved and declared a cash quarterly dividend for the quarter ended September 30, 2000 of $0.12 per Common Share and Common OP Unit. The dividend was paid on October 13, 2000 to the shareholders of record as of September 30, 2000. The Board of Trustees also approved a distribution of $22.50 per Preferred OP Unit which was paid on October 13, 2000 as well.

7. PER SHARE DATA

For the three and nine-month periods ended September 30, 2000 and 1999, basic earnings per share was determined by dividing the net income applicable to common shareholders for each period by the weighted average number of common shares of beneficial interest ("Common Shares") outstanding during each period consistent with the Financial Accounting Standards Board Statement No. 128. The weighted average number of shares outstanding for the three-month periods ended September 30, 2000 and 1999 were 26,789,666 and 25,988,860, respectively. The weighted average number of shares outstanding for the nine-month periods ended September 30, 2000 and 1999 were 25,839,334 and 25,641,586, respectively.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue Common Shares were exercised or converted into Common Shares or resulted in the issuance of Common Shares that then shared in the earnings of the Company. For the three and nine-month periods ended September 30, 2000 and 1999 no additional shares were reflected as the impact would be anti-dilutive in such periods.

(in thousands, except per share amounts)

8. SEGMENT REPORTING

The Company has two reportable segments: retail properties and multi-family properties. The Company evaluates property performance primarily based on net operating income before depreciation, amortization and certain non-recurring items. The reportable segments are managed separately due to the differing nature of the leases and property operations associated with the retail versus residential tenants.

	Nine months ended September 30, 2000			
	Retail properties	Multi-Family properties	All other	Total
Revenues	$ 59,229	$ 11,487	$ 1,605	$ 72,321
Property operating expenses and real estate taxes	20,981	4,528	--	25,509
Net property income before depreciation and amortization	38,248	6,959	1,605	46,812
Depreciation and amortization	13,498	1,532	234	15,264
Interest expense	15,698	3,252	--	18,950
Real estate at cost	492,886	83,078	--	575,964
Total assets	450,551	87,108	6,591	544,250
Gross leasable area (multi-family 2,273 units)	8,851	2,039	--	10,890
Expenditures for real estate and improvements	9,042	932	--	9,974

Reconciliation to income before minority interest

Net property income before depreciation and amortization	46,812
Depreciation and amortization	(15,264)
General and administrative	(3,746)
Equity in earnings of unconsolidated partnerships	453
Loss on sale of property	(839)
Interest expense	(18,950)
Income before minority interest	$ 8,466

	Three months ended September 30, 2000			
	Retail properties	Multi-Family properties	All other	Total
Revenues	$ 19,094	$ 3,867	$ 528	$ 23,489
Property operating expenses and real estate taxes	7,009	1,550	--	8,559
Net property income before depreciation and amortization	12,085	2,317	528	14,930
Depreciation and amortization	4,559	524	81	5,164
Interest expense	5,232	1,102	--	6,334
Real estate at cost	--	--	--	--
Total assets	--	--	--	--
Gross leasable area	--	--	--	--
Expenditures for real estate and improvements	4,446	289	--	4,735

Reconciliation to income before minority interest

Net property income before depreciation and amortization	14,930
Depreciation and amortization	(5,164)
General and administrative	(1,168)
Equity in earnings of unconsolidated partnerships	102
Loss on sale of property	(839)
Interest expense	(6,334)
Income before minority interest	$ 1,527

(in thousands, except per share amounts)

8. SEGMENT REPORTING (continued)

	Nine months ended September 30, 1999			
	Retail properties	Multi-Family properties	All other	Total
Revenues	$ 56,010	$ 11,149	$ 1,423	$ 68,582
Property operating expenses and real estate taxes	19,703	4,476	--	24,179
Net property income before depreciation and amortization	36,307	6,673	1,423	44,403
Depreciation and amortization	13,146	1,343	138	14,627
Interest expense	13,997	3,045	--	17,042
Real estate at cost	502,426	81,874	--	584,300
Total assets	461,831	84,826	7,360	554,017
Gross leasable area (multi-family 2,273 units)	8,709	2,039	--	10,748
Expenditures for real estate and improvements	18,194	1,158	--	19,352
Reconciliation to income before minority interest				
Net property income before depreciation and amortization				44,403
Depreciation and amortization				(14,627)
General and administrative				(4,541)
Equity in earnings of unconsolidated partnerships				480
Loss on sale of property				(1,284)
Interest expense				(17,042)
Income before minority interest				$ 7,389

	Three months ended September 30, 1999			
	Retail properties	Multi-Family properties	All other	Total
Revenues	$20,083	$3,759	$586	$24,428
Property operating expenses and real estate taxes	6,220	1,536	--	7,756
Net property income before depreciation and amortization	13,863	2,223	586	16,672
Depreciation and amortization	4,445	463	68	4,976
Interest expense	5,017	1,020	--	6,037
Real estate at cost	--	--	--	--
Total assets	--	--	--	--
Gross leasable area	--	--	--	--
Expenditures for real estate and improvements	4,218	508	--	4,726
Reconciliation to income before minority interest				
Net property income before depreciation and amortization				16,672
Depreciation and amortization				(4,976)
General and administrative				(1,437)
Equity in earnings of unconsolidated partnerships				140
Loss on sale of property				--
Interest expense				(6,037)
Income before minority interest				$ 4,362

9. LAND SALE

On August 25, 2000, the Company sold 13 acres at the Union Plaza, located in New Castle, Pennsylvania, to Lowes Home Center, Inc. for $1,900. Lowes is currently planning on constructing a 130,000 square foot store at the location.

10. SUBSEQUENT EVENTS

On October 13, 2000, the Company refinanced $36,000 of maturing debt with a life insurance company, with two new loans from the same lender. The Company repaid $5,000 prior to refinancing the balance of the maturing debt. The first loan, which is a fixed-rate facility secured by two of the Company's properties, was for $25,200 and requires the monthly payment of interest at a rate of 8.13% and principal amortized over 25 years. The loan matures in November 2010. The second loan, which is a variable-rate facility secured by three of the Company's properties, was for $10,800 and requires the monthly payment of interest at LIBOR + 2% and matures in November 2003. Commencing 18 months after the closing, the loan also requires the monthly payment of principal amortized over 25 years. Both loans are cross-collateralized with all five properties. Furthermore, with respect to the variable-rate facility, the Company is required to deposit 50% of the monthly net cash flow after debt service, which will be used to fund future property and tenant improvements at the collateral properties.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion is based on the consolidated financial statements of Acadia Realty Trust (the "Company") as of September 30, 2000 and 1999 and for the three and nine months then ended. This information should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this report constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, which will, among other things, affect demand for rental space, the availability and creditworthiness of prospective tenants, lease rents and the availability of financing; adverse changes in the Company's real estate markets, including, among other things, competition with other companies; risks of real estate development and acquisition; governmental actions and initiatives; and environmental/safety requirements.

RESULTS OF OPERATIONS

Comparison of the three month period ended September 30, 2000 ("2000") to the three month period ended September 30, 1999 ("1999")

Total revenues decreased $939,000, or 4%, to $23.5 million for 2000 compared to $24.4 million for 1999.

Minimum rents decreased $1.2 million, or 6%, to $18.4 million for 2000 compared to $19.6 million for 1999. This decrease was primarily attributable to $1.4 million of non-recurring income received in 1999 as a result of two settlements. The first settlement was related to the Company's claim against a former tenant. The second was with respect to certain claims related to the Chapter 11 proceedings for the Penn Traffic Company. An additional $441,000 decrease resulted from the planned termination of various tenant leases at the Abington Towne Center during the quarters ended June 30 and September 30, 2000 as part of the redevelopment and partial sale of that center. Partially offsetting these decreases was an increase of $268,000 following the redevelopment of 239 Greenwich Avenue, which was completed in December of 1999. The acquisition of the Pacesetter Park Shopping Center in November 1999 contributed a $203,000 increase in minimum rents as well.

In total, expense reimbursements of $3.5 million for 2000 were essentially unchanged from 1999. An increase in real estate tax reimbursements of $256,000 was primarily a result of an increase in the assessed value (and related tax expense) at the Ledgewood Mall following the re-anchoring with Wal*Mart and Circuit City and the acquisition of the Pacesetter Park Shopping Center. This was offset by a $239,000 decrease in common area maintenance ("CAM") expense reimbursements due, in large part, to the termination of tenant leases in connection with the redevelopment of the Abington Towne Center.

Other income increased $361,000, from $861,000 in 1999 to $1.2 million in 2000. This was primarily due to $325,000 of lease termination income, of which $200,000 was received from two former tenants at the Abington Towne Center.

Total operating expenses increased $722,000, or 5%, to $14.9 million for 2000, from $14.2 million for 1999.

Property operating expenses increased $449,000, or 9%, to $5.6 million for 2000 compared to $5.1 million for 1999. This was primarily a result of higher payroll costs and CAM expenses throughout the portfolio partially offset by a $258,000 decrease in bad debt expense in 2000.

Real estate taxes increased $354,000, or 13%, from $2.6 million for 1999 to $3.0 million for 2000. Higher assessments at the Ledgewood Mall and the Pacesetter Park Shopping Center acquisition contributed $225,000 to this increase. The remaining increase was experienced throughout the portfolio.

Depreciation and amortization expense increased $188,000, or 4%, from $5.0 million for 1999 to $5.2 million for 2000. This overall increase was primarily due to a $194,000 increase in depreciation expense, which was primarily related to the redevelopment of 239 Greenwich Avenue and acquisition of the Pacesetter Park Shopping Center.

General and administrative expense decreased $269,000, or 19%, from $1.4 million for 1999 to $1.2 million for 2000, which was primarily attributable to a $56,000 decrease in office rent expense in 2000 following the relocation of the Pennsylvania regional office and a $221,000 decrease in third-party professional fees in 2000.

Interest expense of $6.3 million for 2000 increased $297,000, or 5%, from $6.0 million for 1999. Of the increase, $130,000 was attributable to higher average outstanding borrowings related to property acquisition and redevelopment activities and $261,000 was attributable to less capitalization of interest. This was offset by a $94,000 reduction in interest expense as a result of a lower weighted-average interest rate on the portfolio.

Comparison of the nine month period ended September 30, 2000 ("2000") to the nine month period ended September 30, 1999 ("1999")

Total revenues increased $3.7 million, or 5%, to $72.3 million for 2000 compared to $68.6 million for 1999.

Minimum rents increased $1.0 million, or 2%, to $55.5 million for 2000 compared to $54.5 million for 1999. Of this increase, $1.9 million was attributable to the redevelopment of 239 Greenwich Avenue and re-anchoring of the Ledgewood Mall (the "1999 Redevelopments"). Additionally, the acquisition of Mad River Shopping Center in February 1999, the Gateway Mall in May 1999 and the Pacesetter Park Shopping Center in November 1999 (the "1999 Acquisitions") resulted in an increase of $1.1 million. These increases were partially offset by $1.4 million of non-recurring income received in 1999 and a $670,000 decrease in rents at the Abington Towne Center, both of which were previously discussed for the three month periods.

Expense reimbursements increased $565,000, or 6%, from $10.0 million for 1999 to $10.5 million for 2000. Real estate tax reimbursements increased $749,000, of which $417,000 and $217,000 related to the 1999 Acquisitions and 1999 Redevelopments, respectively. This was offset by a $183,000 decrease in CAM expense reimbursements. This net decrease in CAM reimbursements was primarily a result of a $260,000 decrease in reimbursements at the Abington Towne Center, partially offset by a $75,000 increase in reimbursements related to the 1999 Acquisitions.

Other income increased $2.4 million, from $2.2 million in 1999 to $4.6 million in 2000, primarily as a result of $2.0 million in lease termination income received from former tenants at the Abington Towne Center in 2000 as previously discussed.

Total operating expenses increased $1.2 million, or 3%, to $44.5 million for 2000, from $43.3 million for 1999.

Property operating expenses increased $464,000, or 3%, to $16.9 million for 2000 compared to $16.4 million for 1999. This was primarily a result of higher payroll costs and CAM expenses throughout the portfolio as well as a $481,000 increase attributable to the 1999 Acquisitions. These increases were partially offset by a decrease in bad debt expense in 2000.

Real estate taxes increased $866,000, or 11%, from $7.8 million for 1999 to $8.6 million for 2000. Of this increase, the 1999 Acquisitions and 1999 Redevelopments contributed $420,000 and $217,000, respectively. The balance of this increase was experienced throughout the portfolio.

Depreciation and amortization increased $637,000, or 4%, from $14.6 million for 1999 to $15.3 million for 2000. This was primarily due to a $654,000 increase in depreciation expense, of which $347,000 and $217,000 related to the 1999 Redevelopments and 1999 Acquisitions, respectively.

General and administrative expense decreased $795,000, or 18%, from $4.5 million for 1999 to $3.7 million for 2000, which was primarily attributable to a $164,000 decrease in office rent expense in 2000 following the relocation of the Pennsylvania regional office and a $532,000 decrease in third-party professional fees in 2000.

Interest expense of $19.0 million for 2000 increased $2.0 million, or 11%, from $17.0 million for 1999. Of the increase, $1.3 million was attributable to higher average outstanding borrowings related to property acquisition and redevelopment activities and $751,000 was attributable to less capitalization of interest. This was offset by a $96,000 reduction in interest expense as a result of a lower weighted-average interest rate on the portfolio.

Funds from Operations

The Company, along with most industry analysts, considers funds from operations ("FFO") as defined by the National Association of Real Estate Investment Trusts ("NAREIT") as an appropriate supplemental measure of operating performance. However, FFO does not represent cash generated from operations as defined by generally accepted accounting principles and is not indicative of cash available to fund cash needs. 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.

Generally, NAREIT defines FFO as net income (computed in accordance with generally accepted accounting principles) before gains (losses) on sales of property, plus depreciation on real estate and amortization of capitalized leasing costs, and after adjustments for unconsolidated partnerships and joint ventures on the same basis. The reconciliation of net income to FFO for the three and nine months ended September 30, 2000 and 1999 is as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2000	1999	2000	1999
Net income	$1,105	$3,083	$ 5,943	$ 5,137
Depreciation of real estate and amortization of leasing costs:				
Wholly owned and consolidated partnerships	4,888	4,717	14,414	13,999
Unconsolidated partnerships	153	156	469	468
Income attributable to minority interest (a)	369	1,279	2,365	2,252
Loss on sale of property	839	--	839	1,284
Funds from operations	$7,354	$9,235	$24,030	$23,140
Funds from operations per share - basic and diluted (b)	$ 0.21	$ 0.25	$0.67	$ 0.63

(a) Does not include distributions paid to Preferred OP Unitholders for the three and nine months ended September 30, 2000.

(b) Assumes full conversion of a weighted average 9,903,318 and 10,950,810 OP Units into Common Shares for the nine months ended September 30, 2000 and 1999, respectively, and full conversion of a weighted average 8,754,294 and 10,581,969 OP Units into Common Shares for the quarter ended September 30, 2000 and 1999, respectively. Assumes no conversion of Preferred OP Units as such conversion would be anti-dilutive in such periods.

LIQUIDITY AND CAPITAL RESOURCES

General

The Company's principal uses of its liquidity are expected to be for distributions to its shareholders and OP unitholders, debt service and loan repayments, and property investment which includes acquisition, redevelopment, expansion and retenanting activities. In order to qualify as a REIT for Federal income tax purposes, the Company must currently distribute at least 95% of its taxable income to its shareholders. Effective 2001, the requirement will be reduced to 90% pursuant to the REIT Modernization Act passed in 1999. On September 11, 2000, the Board of Trustees of the Company approved and declared a cash quarterly dividend for the quarter ended September 30, 2000 of $0.12 per Common Share and Common OP Unit. The dividend was paid on October 13, 2000 to the shareholders of record as of September 30, 2000. The Board of Trustees also approved a distribution of $22.50 per Preferred OP Unit which was paid on October 13, 2000 as well.

During the quarter ended September 30, 2000, the Company's share repurchase program was also a use of liquidity. For the three months ended September 30, 2000, the Company purchased 259,800 shares at a total cost of $1.6 million. Cumulatively, through September 30, 2000, the Company had repurchased 1,277,305 shares at a total cost of $6.9 million under the share repurchase program. The program, which allows for the repurchase of up to $10.0 million of the Company's outstanding Common Shares on the open market, may be discontinued or extended at any time and there is no assurance that the Company will purchase the full amount authorized.

Sources of capital for funding property acquisition, redevelopment, expansion and retenanting, as well as repurchase of Common Shares are expected to be obtained from cash on hand, additional debt financings, sales of existing properties and additional equity offerings. As of September 30, 2000, the Company has $23.0 million available under a financing line with a bank as well as $3.9 million available under a revolving credit facility with another bank. The Company also has eleven properties that are currently unencumbered and therefore available as potential collateral for future borrowings. The Company anticipates that cash flow from operating activities will continue to provide adequate capital for all debt service payments, recurring capital expenditures and REIT distribution requirements.

Financing and Debt

As of September 30, 2000, interest on the Company's mortgage indebtedness ranged from 7.5% to 9.6% with maturities that ranged from October 2000 to March 2022. Of the total outstanding debt, $198.5 million, or 64%, was carried at fixed interest rates with a weighted average of 8.3%, and $109.9 million, or 36%, was carried at variable rates with a weighted average of 8.4%. Of the total outstanding debt as of September 30, 2000, $82.2 million will become due by 2001, with scheduled maturities of $41.0 million at an interest rate of 7.8% in 2000 and $41.2 million at an interest rate of 7.8% in 2001. Subsequent to September 30, 2000, $5.0 million of fixed-rate debt was retired and $36 million of fixed-rate debt was refinanced with $25.2 million of fixed-rate debt and $10.8 million of variable-rate debt. The Company expects to refinance the balance of debt maturing in 2001 or select other alternatives based on market conditions at that time, although there can be no assurance as to the consummation or terms of such refinancings.

The following significant financing transactions were completed since June 30, 2000:

On July 19, 2000, the Company closed on a facility with a bank, which provides for the borrowing of up to $10.0 million. The facility, which is secured by one of the Company's properties, matures in August 2003 and requires the monthly payment of interest at the rate of LIBOR plus 175 basis points and principal amortized over 25 years. At closing, the Company borrowed $9.0 million under this facility, of which $7.1 million of proceeds were used to retire existing debt with another lender, $149,000 for various closing costs and the balance available for working capital. The Company may draw the additional $1.0 million subject to certain lender requirements including debt-service and collateral value.

On October 13, 2000, the Company refinanced $36.0 million of maturing debt with a life insurance company, with two new loans from the same lender. The Company repaid $5.0 million prior to refinancing the balance of the maturing debt. The first loan, which is a fixed-rate facility secured by two of the Company's properties, was for $25.2 million and requires the monthly payment of interest at a rate of 8.13% and principal amortized over 25 years. The loan matures in November 2010. The second loan, which is a variable-rate facility secured by three of the Company's properties, was for $10.8 million and requires the monthly payment of interest at LIBOR + 2% and matures in November 2003. Commencing 18 months after the closing, the loan also requires the monthly payment of principal amortized over 25 years. Both loans are cross-collateralized with all five properties. Furthermore, with respect to the variable-rate facility, the Company is required to deposit 50% of the monthly net cash flow after debt service, which will be used to fund future property and tenant improvements at the collateral properties.

Financing and Debt, continued

The following table summarizes the Company's mortgage indebtedness as of September 30, 2000:

	September 30, 2000	December 31, 1999	Interest Rate
Mortgage notes payable - variable-rate			
General Electric Capital Corp.	$ --	$ 7,126	--
Fleet Bank, N.A.	8,991	--	8.38% (LIBOR + 1.75%)
Fleet Bank, N.A.	4,125	3,966	8.38% (LIBOR + 1.75%)
Fleet Bank, N.A.	9,243	9,326	8.41% (LIBOR + 1.78%)
Sun America Life Insurance Company	13,811	13,931	8.76% (LIBOR + 2.05%)
Sun America Life Insurance Company	9,886	9,979	8.83% (LIBOR + 2.05%)
KBC Bank	14,306	14,508	7.88% (LIBOR + 1.25%)
First Union National Bank	13,667	13,750	8.07% (LIBOR + 1.45%)
Dime Savings Bank of NY	35,883	--	8.44% (LIBOR + 1.75%)
Total variable-rate debt	109,912	72,586	
Mortgage notes payable - fixed rate			
John Hancock Mutual Life Insurance Company	--	53,878	9.11%
Metropolitan Life Insurance Company	41,000	41,000	7.75%
Sun America Life Insurance Company	41,462	42,143	7.75%
Huntoon Hastings Capital Corp.	6,222	6,222	7.50%
North Fork Bank	9,919	5,000	7.75%
M&T Real Estate Inc.	--	4,628	8.18%
Anchor National Life Insurance Company	3,798	3,866	7.93%
Lehman Brothers Holdings, Inc.	17,838	17,973	8.32%
Mellon Mortgage Company	7,474	7,566	9.60%
Northern Life Insurance Company	2,962	3,173	7.70%
Reliastar Life Insurance Company	2,042	2,189	7.70%
Morgan Stanley Mortgage Capital	43,636	44,092	8.84%
Nomura Asset Capital Corporation	22,127	22,335	9.02%
Total fixed-rate debt	198,480	254,065	
	$308,392	$326,651	

	Maturity	Properties Encumbered	Payment Terms
Mortgage notes payable - variable-rate			
General Electric Capital Corp.	--	--	--
Fleet Bank, N.A.	08/01/03	(1)	(19)
Fleet Bank, N.A.	03/15/02	(2)	(19)
Fleet Bank, N.A.	05/31/02	(3)	(19)
Sun America Life Insurance Company	08/01/02	(4)	(19)
Sun America Life Insurance Company	10/01/02	(5)	(19)
KBC Bank	12/31/02	(6)	(19)
First Union National Bank	01/01/05	(7)	(19)
Dime Savings Bank of NY	04/01/05	(8)	(19)
Mortgage notes payable - fixed rate			
John Hancock Mutual Life Insurance Company	--	--	--
Metropolitan Life Insurance Company	10/31/00	(9)	(20)
Sun America Life Insurance Company	01/10/01	(10)	$346(19)
Huntoon Hastings Capital Corp.	09/01/02	(11)	(21)
North Fork Bank	12/01/02	(12)	$38(19)
M&T Real Estate Inc.	--	--	--
Anchor National Life Insurance Company	01/01/04	(13)	$33(19)
Lehman Brothers Holdings, Inc.	03/01/04	(14)	$139(19)
Mellon Mortgage Company	05/23/05	(15)	$70(19)
Northern Life Insurance Company	12/01/08	(16)	$41(19)
Bankers Security Life	12/01/08	(16)	$28(19)
Morgan Stanley Mortgage Capital	11/01/21	(17)	$380(19)
Nomura Asset Capital Corporation	03/11/22	(18)	$193(19)

Notes:

(1) Soundview Marketplace

(2) Town Line Plaza

(3) Smithtown Shopping Center

(4) Merrillville Plaza

(5) Village Apartments

(6) Marley Run Apartments

(7) 239 Greenwich Avenue

(8) New Loudon Centre
Ledgewood Mall
Bradford Towne Centre
Berlin Shopping Center
Route 6 Mall

9) Valmont Plaza
Luzerne Street Plaza
Green Ridge Plaza
Crescent Plaza
East End Centre

(10) Bloomfield Town Square
Atrium Mall
Walnut Hill Shopping Center
GHT Apartments
Colony Apartments

(11) Gateway Mall

(12) The Branch Shopping Center

(13) Pittston Plaza

(14) Glen Oaks Apartments

(15) Mad River Station Shopping Center

(16) Manahawkin Shopping Center

(17) Midway Plaza
Northside Mall
New Smyrna Beach
Cloud Springs Plaza
Troy Plaza
Martintown Plaza
Kings Fairgrounds
Shillington Plaza
Dunmore Plaza
Kingston Plaza
Twenty Fifth Street Shopping Center
Circle Plaza
Mountainville Plaza
Birney Plaza
Monroe Plaza
Ames Plaza
Plaza 15

(18) Northwood Centre

(19) Monthly principal and interest

(20) Interest only monthly

(21) Interest only until 5/01; principal and interest thereafter

Property Investment activities

The Company's acquisition program focuses on acquiring sub-performing neighborhood and community shopping centers that are well-located and creating significant value through retenanting, timely capital improvements and property redevelopment. In considering acquisitions, the Company focuses on quality shopping centers located in the Northeast, Mid-Atlantic, Southeast and Midwest regions. The Company considers both single assets and portfolios in its acquisition program. In conjunction with evaluating potential portfolio acquisitions, the Company also regularly engages in discussions with public and private entities regarding business combinations as well. Furthermore, the Company may, from time to time, consider acquiring multi-family apartment complexes as well as engaging in joint ventures related to property acquisition and development.

The Company also periodically identifies certain properties for disposition and redeploys the capital to existing centers or acquisitions with greater potential for capital appreciation. In connection with this activity, the Company has entered into a contract to sell the Northwood Centre. This sale is currently subject to lender approval. Although the Company expects to complete the transaction prior to December 31, 2000, there can be no assurance as to the consummation of this transaction. The Company is also exploring the sale of a portfolio of 17 non-core retail assets located in the Southeast and Mid-Atlantic regions (primarily Pennsylvania in the Mid-Atlantic).

Property Redevelopment and Retenanting

The Company has entered into a contract to sell approximately 160,000 square feet of the main building at the Abington Towne Center, located in the Philadelphia suburb of Abington, PA, to the Target Corporation for $11.5 million (includes cost reimbursements of $2.0 million). Upon completion of the sale, it is anticipated that the sales proceeds will be used, primarily, to pay down the associated debt on this property. The Company will retain ownership of approximately 50,000 square feet of the building as well as outparcels and related parking areas. Following completion of the redevelopment, the center will be anchored by a Target store and T.J. Maxx. Redevelopment activities, which are currently ongoing, will also include the complete remodeling of the exterior of the main building, outparcels, parking lot and pylon signs. During the quarter ended September 30, 2000, T.J. Maxx took possession of its space in the Company's portion of the building and is expected to open prior to December 31, 2000. Target is expected to open prior to the end of 2001. The Company currently estimates that it will require approximately $4.0 million through 2001 to complete the redevelopment.

During 1999, the Company received municipal approval to renovate and expand by approximately 30,000 square feet the 125,000 square foot Elmwood Park Shopping Center. As part of the redevelopment, the Company is planning to construct a 48,000 square foot free-standing supermarket, replacing a 28,000 square foot in-line Grand Union supermarket at a significantly higher rent per square foot. During the quarter ended September 30, 2000, the Company commenced the sitework for the new supermarket. The Company expects redevelopment costs of approximately $8.7 million through 2002 to complete this project. The Operating Partnership is also obligated to issue additional Common OP Units with a total value of $2.8 million upon the completion of this project and the commencement of rental payments from the supermarket. The Company is also in the early stages of redeveloping the Gateway Mall, located in Burlington, Vermont. The Company currently estimates this project will require approximately $9.3 million through 2002 to fund the redevelopment.

Other Property Matters - Tenant Bankruptcies

During October 2000, Grand Union filed for protection under Chapter 11 of the United States Bankruptcy laws. This supermarket operator is a tenant at four locations in the Company's portfolio comprising approximately 175,000 square feet. Rental revenues from this tenant totaled $2.0 million for the year ended December 31, 1999. The tenant has neither affirmed nor rejected any of the leases at the Company's locations. The Company is already in the process of replacing the tenant at the Elmwood Park Shopping Center as discussed above. Furthermore, the Company is attempting to recapture this tenant's lease at the Gateway Mall, also discussed above.

HISTORICAL CASH FLOW

The following discussion of historical cash flow compares the Company's cash flow for the nine month period ended September 30, 2000 ("2000") with the Company's cash flow for the nine month period ended September 30, 1999 ("1999").

Net cash provided by operating activities increased from $15.1 million for 1999 to $23.6 million for 2000. This variance was primarily attributable to an increase in cash provided by changes in operating assets and liabilities, primarily accounts receivable and accounts payable, for 2000.

Investing activities used $8.3 million during 2000, representing a $5.7 million decrease from $14.0 million of cash used during 1999. This was the result of a $9.2 million decrease in expenditures for real estate acquisitions, development and tenant installations in 2000 and $688,000 of additional distributions received from investments in unconsolidated partnerships in 2000. This was offset by additional net sales proceeds of $4.2 million received in 1999.

Net cash used in financing activities of $37.4 million for 2000 increased $44.6 million compared to $7.1 million provided in 1999. The increased use of cash resulted primarily from $56.2 million of additional cash used in 2000 for the repayment of debt, partially offset by an increase of $20.8 million of cash provided by additional borrowings in 2000. Additionally, dividends and distributions used an additional $4.3 million in 2000 and $4.5 million of additional cash was used in 2000 for the repurchase of common shares.

Recent Accounting Developments

On June 15, 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities". SFAS No. 133, which was to be effective for all fiscal quarters of all fiscal years beginning after June 15, 1999, was deferred until June 30, 2000 as a result of the promulgation of SFAS No. 137 and requires that all derivative instruments be recorded on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. Management currently anticipates that SFAS No. 133 will not have a significant effect on the Company's results of operations or its financial condition.

In December 1999, the Securities and Exchange Commission (the "SEC") released Staff Accounting Bulletin ("SAB") No. 101, "Revenue Recognition", to provide guidance on the recognition, presentation and disclosure of revenue in financial statements. Specifically, SAB No. 101 provides guidance on lessors' accounting for contingent rent. SAB No. 101 did not require the Company to change existing revenue recognition policies and therefore had no impact on the Company's financial position at or results of operations for the periods ended September 30, 2000.

INFLATION

The Company's long-term leases contain provisions designed to mitigate the adverse impact of inflation on the Company's net income. Such provisions include clauses enabling the Company to receive percentage rents based on tenants' gross sales, which generally increase as prices rise, and/or, in certain cases, escalation clauses, which generally increase rental rates during the terms of the leases. Such escalation clauses are often related to increases in the consumer price index or similar inflation indexes. In addition, many of the Company's leases are for terms of less than ten years, which permits the Company to seek to increase rents upon re-rental at market rates if rents are below the then existing market rates. Most of the Company's leases require the tenants to pay their share of operating expenses, including common area maintenance, real estate taxes, insurance and utilities, thereby reducing the Company's exposure to increases in costs and operating expenses resulting from inflation.

Item 3. Quantitative and qualitative disclosures about market risk

The Company's primary market risk exposure is to changes in interest rates related to the Company's mortgage debt. See the discussion under Item 2. of this report for certain quantitative details related to the Company's mortgage debt. Currently, the Company manages its exposure to fluctuations in interest rates primarily through the use of fixed-rate debt and LIBOR rate caps. As of September 30, 2000, the Company had total mortgage debt of $308.4 million of which $198.5 million, or 64%, is fixed-rate and $109.9 million, or 36%, is variable-rate based upon LIBOR plus certain spreads. As of September 30, 2000, $23.7 million of notional principal was covered under contracts capping LIBOR on variable-rate debt at a weighted-average rate of 6.5%. Subsequent to September 30, 2000, $5.0 million of fixed-rate debt was retired and $36.0 million of fixed-rate debt was refinanced with $25.2 million of fixed-rate debt and $10.8 million of variable-rate debt, increasing the Company's exposure to interest rate fluctuations. Furthermore, $41.5 million of fixed-rate debt, which currently bears interest at 7.8%, will become due during 2001. As the Company intends on refinancing such debt at the then-existing market interest rates which may be greater than the current interest rate, the Company's interest expense would increase by approximately $415,000 annually if the interest rate on the refinanced debt increased by 100 basis points. Furthermore, interest expense on the Company's variable-rate debt balance as of September 30, 2000 would increase $862,000 annually for a 100 basis point increase in interest rates. The Company may seek additional variable-rate financing if and when pricing and other commercial and financial terms warrant. As such, the Company would consider further hedging against the interest rate risk related to such variable-rate debt through interest rate caps or other means.

Part II. Other Information

Item 1. Legal Proceedings

There have been no material legal proceedings beyond those previously disclosed in the Registrants previously filed Annual Report on Form 10-K for the year ended December 31, 1999.

Item 2. Changes in Securities

On August 15, 2000, certain limited partners of the Operating Partnership converted 3,459,699 OP Units into Common Shares on a one-for-one basis.

Item 3. Defaults Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

None

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

The following exhibits are included herein:

27 Financial Data Schedule (EDGAR filing only)

(b) Reports on Form 8-K

The following Form 8-K was filed during the three months ended September 30, 2000

1) Form 8-K filed August 30, 2000 (earliest event August 30, 2000), reporting in Item 5. certain supplemental information concerning the ownership, operations and portfolio of the Company as of June 30, 2000.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has fully caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ACADIA REALTY TRUST

By: /s/ Ross Dworman
Ross Dworman
Chairman and Chief Executive Officer (Principal Executive Officer)

/s/ Perry Kamerman
Perry Kamerman
Senior Vice President of Finance (Principal Financial and Accounting Officer)

Date: November 13, 2000

9-MOS
DEC-31-2000
JAN-01-2000
SEP-30-2000
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