



Acadia Realty Trust Announces Completion of Merchant Development Venture With Target Corporation

January 10, 2003

NEW YORK--(BUSINESS WIRE)--Jan. 10, 2003--Acadia Realty Trust (NYSE:AKR) today announced that it has completed a transaction with Target Corporation for the development of a Target department store in Bethel, Connecticut.

Acadia, in conjunction with its joint venture partner, Hendon Properties based in Atlanta, Georgia, secured the site and approvals for Target. Target has purchased the site and will construct its free-standing building as the sole tenant of the development. The transaction will result in a gain to Acadia of approximately \$600,000.

Commenting on the transaction, Kenneth Bernstein, President and CEO, stated, "Although merchant development is a small portion of our business, we will continue to utilize our expertise within our core competencies as well as our tenant relationships to create shareholder value when profitable opportunities such as this arise."

Acadia Realty Trust, headquartered on Long Island, NY, is a fully integrated and self-managed real estate investment trust which specializes in the acquisition, redevelopment and operation of shopping centers which are anchored by grocery and value-oriented retail. Acadia currently owns (or has interests in) and operates 36 properties totaling approximately 7 million square feet, located primarily in the Eastern United States.

Certain matters in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and as such may involve known and unknown risk, uncertainties and other factors which may cause the actual results, performances or achievements of Acadia to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such forward-looking statements speak only as of the date of this document. Acadia expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Acadia's expectations with regard thereto or change in events, conditions or circumstances on which any such statement is based.

For more information visit Acadia Realty Trust's Web site at www.acadiarealty.com.

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