



## Acadia Realty Trust Adopts New Corporate Governance Initiatives and Appoints Independent Lead Trustee

June 30, 2003

NEW YORK, Jun 30, 2003 (BUSINESS WIRE) -- Acadia Realty Trust (NYSE: AKR), a real estate investment trust ("REIT") and owner and operator of shopping centers anchored by grocery and value-oriented retail, today announced that its Board of Trustees (the "Board") has restructured its governing process and established the position of Lead Trustee naming independent trustee Lee S. Wielansky to serve in that role. In addition, the Board has adopted a series of new corporate governance initiatives including:

- Adopted Corporate Governance Guidelines
- Created three committees comprised solely of independent trustees:
  - Audit Committee
  - Nominating and Corporate Governance Committee
  - Compensation Committee
- Prohibited re-pricing of share options
- Mandated that a majority of the Board be independent trustees
- Required that all trustees own shares in Acadia
- Adopted a Senior Financial Officer Code of Conduct
- Adopted a Code of Business Conduct and Ethics
- Created a "Whistleblower" policy

Ross Dworman has decided to relinquish his role as Chairman but will remain an active Trustee and member of the Board. Mr. Dworman was the founder of RD Capital Inc., and sole general partner of a series of investment partnerships that were reverse merged into Mark Centers Trust in 1998 creating Acadia Realty Trust. Mr. Dworman has served as Chairman since the formation of Acadia and was CEO from 1998 through 2000. Over the past five years, Acadia has completed a portfolio "turnaround", increased its Funds From Operations 25% and reduced its leverage ratio from 55% to 43%. Mr. Dworman stated, "It is with both sadness and joy that I step down as Chairman of Acadia Realty Trust. While I am sad to be taking a less active role in the Company, into which I put substantial resources and energy since the days of RD Capital, I am excited to fully transition the leadership roles to Ken Bernstein, Lee Wielansky and the Board of Trustees. I continue to believe in the future success of Acadia under the current management team and board, and I am happy to continue to serve as a Trustee."

Mr. Wielansky has been a Trustee of the Company since May, 2000 and is Chairman and Chief Executive Officer of Midland Development Group, Inc., which focuses on the development of retail properties in the Mid-West. He is also a director of Allegiant Bancorp, Inc., a Vice Chairman of the bank's holding company and a member of its executive committee. Mr. Wielansky has also served as President and Chief Executive Officer of JDN Development Company and a director of JDN Realty Corporation through its merger with Developers Diversified Realty Corporation in 2003. Mr. Wielansky will serve as a liaison between the independent trustees and management and will also lead the regularly scheduled, separate sessions of the independent trustees.

The Company adopted a Senior Financial Officer Code of Conduct and a Code of Business Conduct and Ethics, both of which establish business and ethical guidelines for Acadia's employees, senior officers and trustees. These Codes set specific high-level standards designed to preserve and protect the financial interests of all of the Company's stakeholders. The Company Whistleblower Policy establishes the means for employees, on a confidential basis, to report violations, complaints and concerns regarding accounting practices and ethical conduct directly to the Audit Committee. These Codes and policies will be available for review on Acadia's website in the near future.

The Company currently has an Audit Committee and a Compensation Committee. Each of these committees, together with the newly created Nominating and Corporate Governance Committee, will each consist solely of independent trustees. The Board has charged each of the committees with the goal of adopting charters to be presented to the Board for approval in the near future.

The Audit Committee consists of three independent trustees and is responsible for engaging the external and internal auditors of the Company, including approving their compensation, overseeing the integrity of the Company's financial statements as well as its compliance with legal and regulatory requirements.

The Nominating and Corporate Governance Committee, consisting of two independent trustees, has been established to identify individuals qualified to serve as trustees, recommend corporate governance guidelines to the Board, and lead the Board in its annual review of the Board's performance as well as the individual trustee's performance.

The Compensation Committee, also consisting of two independent trustees, was established to set the appropriate compensation for the Company's senior management as well as the trustees themselves.

Kenneth Bernstein, President and Chief Executive Officer of Acadia stated, "The Board and management of Acadia are dedicated to maintaining the highest standards of corporate behavior, responsibility and governance. By adopting industry best practices, which includes establishing an independent Lead Trustee and implementing all of these important initiatives, we are continuing our long-standing commitment to provide complete transparency and full accountability to our shareholders."

Acadia, headquartered in White Plains, 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 62 properties totaling approximately nine 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 federal securities law 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 on Acadia Realty Trust, visit the Company's Web site at [www.acadiarealty.com](http://www.acadiarealty.com)

SOURCE: Acadia Realty Trust

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