



Acadia Realty Trust Announces 7.8% Increase in Dividend; Maintains Conservative Payout Ratio and Strong Balance Sheet

December 7, 2004

NEW YORK--(BUSINESS WIRE)--Dec. 7, 2004--Acadia Realty Trust (NYSE: AKR - "Acadia" or the "Company"), a real estate investment trust and owner and operator of shopping centers anchored by necessity-based or value-oriented retailers, today announced that its Board of Trustees has approved a \$0.05 increase in its annual dividend from \$0.64 to \$0.69. The Company's next quarterly dividend of \$0.1725 will be payable on January 14, 2005 to shareholders of record as of December 31, 2004. This dividend increase follows 10% and 11.5% increases at the beginning of 2004 and 2003, respectively.

Kenneth F. Bernstein, Acadia's President and CEO, stated, "With this most recent increase, we have now increased our dividend 44% on a cumulative basis over the past three years. Importantly, even after these increases, Acadia's dividend payout ratio remains among the most conservative in our sector. Our continued dividend growth reflects our ongoing success in executing Acadia's business plan. Along with our solid balance sheet, we have created a strong core portfolio with embedded growth and an acquisition platform that, while disciplined and opportunistic, continues to be highly accretive."

Acadia Realty Trust, 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 70 properties totaling approximately nine million square feet, located primarily in the Northeast, Mid-Atlantic and Midwest 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. The Company also refers you to the documents filed by the Company, from time to time, with the Securities and Exchange Commission, including without limitation the Company's Annual Report on Form 10-K, for a discussion of such risks and uncertainties.

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

CONTACT: Acadia Realty Trust

Investor Relations:

Jon Grisham, 914-288-8142

SOURCE: Acadia Realty Trust