



Acadia Realty Trust Acquires Fourth New York Urban/Infill Location; Redevelopment across from New Bronx Courthouse Complex

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NEW YORK, Aug 09, 2005 (BUSINESS WIRE) -- Acadia Realty Trust (NYSE: AKR - "Acadia" or the "Company"), a real estate investment trust, through its acquisition joint venture, Fund II, and in partnership with P/A Associates, today announced the purchase of 260 East 161st Street, The Bronx, New York (the "Property").

The Property, a 223,000 square foot office building in the Melrose section of The Bronx, is located directly opposite the newly constructed 750,000 square foot Bronx Courthouse complex and three blocks east of Yankee Stadium. As a result of the new courthouse, slated for opening in 2006, demand among retailers and office tenants for locations in this already under-served sub-market is expected to increase significantly.

The property, which was acquired for \$49 million, is currently 100% occupied by the City of New York, Albert Einstein College of Medicine and New York State. The Company intends to redevelop a portion of the current office space into retail uses with a substantial percentage of the long-term income to be derived from retail leases. The balance of the property will be upgraded to accommodate the future office requirements generated by the property's proximity to the new and existing courthouses. Acadia anticipates investing between \$10 million and \$20 million for additional redevelopment of the project with expected yields consistent with its other current redevelopment projects.

Kenneth F. Bernstein, Acadia's President and Chief Executive Officer, stated that, "This acquisition is the fourth New York City redevelopment and the second in The Bronx that we are commencing with our partners, P/A Associates. The new courthouse complex will substantially transform the already busy 161st street corridor into a major commercial component of The Bronx. The Bronx in general, and specifically 161st street, continues to be under-retailed and ready for additional high quality retail redevelopments."

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

SOURCE: Acadia Realty Trust

Acadia Realty Trust
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