

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported): **January 5, 2009**

**ACADIA REALTY TRUST**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other  
jurisdiction of incorporation)

**1-12002**  
(Commission  
File Number)

**23-2715194**  
(I.R.S. Employer  
Identification No.)

**1311 Mamaroneck Avenue**  
**Suite 260**  
**White Plains, New York 10605**  
(Address of principal executive offices) (Zip Code)

**(914) 288-8100**  
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425 )
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 8.01 Other Events.**

As previously announced, Acadia Realty Trust (the "Company") has declared a special dividend on its common shares of beneficial interest, par value \$0.001 (the "Common Shares"), payable to shareholders of record at the close of business on December 31, 2008. The special dividend is payable in cash or Common Shares, at the election of each holder, subject to certain limitations. On January 5, 2009, the Company filed with the Securities and Exchange Commission a prospectus supplement relating to the Common Shares that may be issued in payment of the special dividend. In connection therewith, the Company is filing, (i) as Exhibit 5.1 to this report, the opinion of Berliner, Corcoran & Rowe L.L.P., Washington, DC as to the legality of the securities and (ii) as Exhibit 8.1 to this report, the opinion of Seyfarth Shaw LLP, New York, New York, as to certain U.S. federal income tax matters.

**Item 9.01. Financial Statements, Pro Forma Financial Information and Exhibits**

(d) Exhibits

<b>Exhibit Number</b>	<b>Description</b>
5.1	Opinion of Berliner, Corcoran & Rowe L.L.P.
8.1	Opinion of Seyfarth Shaw LLP

**SIGNATURES**

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

Date: January 5, 2009

By: /s/ Michael Nelsen

Name: Michael Nelsen

Title: Chief Financial Officer and  
Senior Vice President

[Letterhead of Berliner, Corcoran &amp; Rowe L.L.P.]

December 31, 2008

Acadia Realty Trust  
 1311 Mamaroneck Avenue, Suite 260  
 White Plains, New York 10605

Ladies and Gentlemen:

We have acted as special counsel for Acadia Realty Trust, a Maryland real estate investment trust (the "Trust"), in connection with the declaration of a special dividend to be paid in shares of beneficial interest, par value \$.001 per share ("Common Shares") of the Trust and pursuant to a prospectus supplement, dated December 31, 2008 (the "Prospectus Supplement," which term includes filings by the Trust pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange"), which are incorporated by reference in the Prospectus Supplement), or in cash, all as described in the Prospectus Supplement. The Prospectus Supplement will be filed as part of Registration Statement No. 333-139950. This opinion is being furnished to you in connection with such dividend.

In connection with this opinion, we have examined, among other things, the following:

- (i) The Prospectus Supplement, to be filed with the Securities and Exchange Commission on January 5, 2009;
- (ii) The Declaration of Trust, including all amendments thereto, of the Trust, as in effect on the date hereof (the "Declaration of Trust");
- (iii) The By-laws of the Trust, including all amendments thereto, as in effect on the date hereof (the "By-Laws");
- (iv) The Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") of Acadia Realty Limited Partnership (the "Partnership");

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(v) The Unanimous Written Consent of the Board of Trustees of the Trust dated as of December 22, 2008 (the "Unanimous Written Consent"), adopting resolutions authorizing the special dividend;

- (vi) The Registration Statement;
- (vii) The Prospectus;
- (viii) A specimen certificate of the Common Shares; and
- (ix) A Certificate of the Secretary of the Trust dated December 31, 2008.

In addition, we have obtained from public officials, officers and other representatives of the Trust, and others, such certificates, documents and assurances as we considered necessary or appropriate for purposes of rendering this opinion. In our examination of the documents listed in (i) through (ix) above and the other certificates and documents referred to herein, we have assumed the legal capacity of all natural persons, the genuineness of all signatures on documents not executed in our presence and facsimile or photostatic copies of which we reviewed, the authenticity of all documents submitted to us as originals, the conformity to the original documents of all documents submitted to us as certified or photostatic copies and the authenticity of the originals of such documents. Regarding documents executed by parties other than the Trust, we have assumed (i) that each such other party had the power to enter into and perform all its obligations thereunder, (ii) the due authorization, execution and delivery of such documents by each such party, and (iii) that such documents constitute the legal, valid, binding and enforceable obligations of each such party. Without limiting the generality of the foregoing we have relied upon the representations (a) of the Trust as to the accuracy and completeness of (i) the Declaration of Trust and the By-laws of the Trust and (ii) the Prospectus Supplement; and (b) the representations of the Trust that (i) the resolutions of the Trustees contained in the Unanimous Written Consent, (ii) the Declaration of Trust, and (iii) the By-laws have not been amended, rescinded, modified or revoked and no proceedings for the amendment, modification, or rescission of any of such documents are pending or contemplated.

Based upon the assumptions, qualifications, and limitations set forth herein, and relying upon the statements of fact contained in the documents that we have examined, we are of the opinion, as of the date hereof, that:

1. The Trust is a real estate investment trust duly organized, validly existing, and

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in good standing under the laws of the State of Maryland; and

2. The Common Shares to be paid in connection with the special dividend have been duly and validly authorized and, when issued as a special dividend in accordance with the procedures described in the Resolutions, will be fully paid and non-assessable.

3. The certificates for the Common Shares to be paid in connection with the special dividend are in valid and sufficient form.

In addition to the assumptions set forth above, the opinions set forth herein are also subject to the following qualifications and limitations:

(a) The opinions expressed in this letter are limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws from time to time in effect which relate to or affect the enforcement of creditors' rights generally, by general principles of equity (such as, but not limited to, concepts of materiality, reasonableness, good faith, and fair dealing), and by legal and equitable limitations on the enforceability of specific remedies.

(b) The opinions expressed in this letter are specifically limited to the matters set forth in this letter and no other opinions should be inferred beyond the matters expressly stated herein. Without limiting the generality of the foregoing, we express no opinion as to compliance with the securities ("blue sky") laws or the real estate syndication laws of the State of Maryland.

(c) The opinions expressed in this letter are based on the laws of the jurisdictions referred to in the next paragraph as they may be in effect on the date hereof and we assume no obligation to supplement this opinion if any applicable laws change after the date hereof.

The opinions herein expressed are limited in all respects solely to matters governed by the internal laws of the State of Maryland, and the federal laws of the United States of America, insofar as each may be applicable. To the extent that any documents referred to herein are governed by the laws of a jurisdiction other than the State of Maryland, we have assumed that the laws of such jurisdiction are the same as the laws of the State of Maryland. We express no opinion herein with respect to matters of local, county or municipal law, or with respect to the laws, regulations, or ordinances of local agencies within any state. Subject to the foregoing, any reference herein to "law" means applicable constitutions, statutes,

regulations and judicial decisions. To the extent that this opinion relates to the laws of the State of Maryland, it is based upon the opinion of lawyers of this firm who are members of the bar of that State.

This opinion letter is rendered solely to you in connection with the above referenced matter and may not be relied upon by you for any other purpose or delivered to, or quoted or relied upon by, any other person without our prior written consent. This opinion letter is expressly limited to the matters set forth above, and we render no other opinion and express no other belief whether by implication or otherwise, as to any other matters. This opinion letter is rendered as of the date hereof, and we assume no obligation to advise you of any facts, circumstances, events or developments that may be brought to our attention in the future, which facts, circumstances, events or developments may alter, affect or modify the opinions or beliefs expressed herein.

Very truly yours,

/s/ Berliner, Corcoran & Rowe L.L.P.

[Letterhead of Seyfarth Shaw LLP]

December 31, 2008

Acadia Realty Trust  
 Suite 260  
 1311 Mamaroneck Avenue  
 White Plains, New York 10605

Re: Tax Opinions

Ladies and Gentlemen:

We have acted as tax counsel to Acadia Realty Trust, a Maryland real estate investment trust (the "Company"), in connection with the offering (the "Offering") of up to 2,000,000 of the Company's common shares of beneficial interest pursuant to that certain Prospectus Supplement dated December 31, 2008 (the "Prospectus Supplement") to be issued in connection with the Company's special dividend. You have requested our opinions as to certain United States federal income tax matters in connection with the Offering.

Acadia Realty Limited Partnership, a Delaware limited partnership (the "Operating Partnership"), owns equity interests in existing retail real property (and certain other real property) and associated personal property (the "Properties"). The Operating Partnership owns some of the Properties directly and owns the remaining Properties through limited liability companies or subsidiary partnerships (individually or collectively, the "Subsidiary Partnerships").

In connection with the opinions rendered below, we have examined the following:

- I. the Declaration of Trust of the Company, as amended, as filed with the Secretary of State of Maryland;
- II. the Company's Amended Bylaws;
- III. the Prospectus Supplement;
- IV. the Amended and Restated Limited Partnership Agreement of the Operating Partnership;
- V. the certificate, dated the date hereof (the "Officer's Certificate"), executed and delivered by an officer of the Company, relating to, among other things, certain factual matters, plans and intentions of the Company relevant to the qualification for election and status as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code");
- VI. the opinions (collectively, the "Prior Year REIT Opinions"): (a) dated January 12, 2007, January 8, 2007, December 11, 2006, July 18, 2005 and March 1, 2000 rendered by Paul, Hastings, Janofsky & Walker LLP or Battle Fowler LLP to the Company that, commencing with the Company's taxable year ending December 31, 1999, the Company qualified and will qualify to be taxed as a REIT pursuant to sections 856 through 860 of the Code, and the

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Company's proposed method of operation will enable it to continue to meet the requirements for qualification and taxation as a REIT under the Code; and (b) dated November 10, 2004 and March 31, 2004 rendered by Paul, Hastings, Janofsky & Walker LLP to the Company that, commencing with the Company's taxable year ending December 31, 1996, the Company qualified and will qualify to be taxed as a REIT pursuant to sections 856 through 860 of the Code, and the Company's proposed method of operation will enable it to continue to meet the requirements for qualification and taxation as a REIT under the Code; and

- V. such other documents as we have deemed necessary or appropriate for purposes of rendering these opinions.

In connection with the opinions rendered below, we have assumed that:

- I. each of the documents referred to above (and any and all amendments thereto) has been duly authorized, executed, and delivered, is authentic, if an original, or is accurate, if a copy, and has not been amended;
- II. during each taxable year, including its short taxable year ending December 31, 1993, the Company has operated and will continue to operate in such a manner that will make the representations contained in the Officer's Certificate true for such taxable years;
- III. for periods prior to the Company's tax year ending December 31, 2001, the Company qualified to be taxed as a REIT pursuant to sections 856 through 860 of the Code and that the Operating Partnership and Subsidiary Partnerships were properly treated for United States federal income tax purposes as partnerships and not as associations taxable as corporations or as publicly-traded partnerships;
- IV. the Prior Year REIT Opinions were when issued, and continue to be, true, correct and complete;
- V. the Company will not make (nor will it cause or permit to be made) any amendments to its organizational documents or to the organizational documents (including the partnership, operating and/or limited liability company agreement) of the Operating Partnership or of any Subsidiary Partnership after the date of this opinion that would affect the Company's qualification as a REIT under the Code for any taxable year; and
- VI. neither the Operating Partnership nor any Subsidiary Partnership will make an election to be treated as an association taxable as a corporation or other than as a partnership pursuant to Treasury Regulations Section 301.7701-3.

For purposes of rendering our opinions, we have made such factual and legal inquiries, including by examination of the documents set forth above and discussions with certain Company personnel, including the Company's tax director, as we have deemed necessary or appropriate for purposes of our opinions. However, we have not made an independent investigation of the facts contained in

the documents or assumptions set forth above or the representations set forth in the Officer's Certificate. We consequently have relied upon the representations in the Officer's Certificate that the information presented in such documents or otherwise furnished to us is accurate and complete in all material respects relevant to our opinions. We are not aware of any facts inconsistent with the facts contained in the documents and assumptions set forth above or representations set forth in the Officer's Certificate.

In addition, to the extent that any of the representations provided to us in the Officer's Certificate are with respect to matters set forth in the Code or the Treasury Regulations promulgated thereunder, we have reviewed with the individual making such representation(s) the relevant portion of the Code and the applicable Treasury Regulations and are reasonably satisfied that such individual understands such provisions and is capable of making such representations.

Based on the documents and assumptions set forth above, the representations set forth in the Officer's Certificate and the discussion in the Prospectus Supplement under the caption "Material United States Federal Income Tax Considerations" (which is incorporated herein by reference), we are of the opinion that:

- (A) commencing with the Company's taxable year ending December 31, 2001, the Company qualified and will qualify to be taxed as a REIT pursuant to sections 856 through 860 of the Code, and the Company's proposed method of operation will enable it to continue to meet the requirements for qualification and taxation as a REIT under the Code;
- (B) the descriptions of the law and the legal conclusions contained in the Prospectus Supplement under the caption "Material United States Federal Income Tax Considerations" are correct in all material respects, and the discussion contained therein fairly summarizes the United States federal income tax considerations that are material to a holder of the Company's common shares of beneficial interest; and
- (C) the Operating Partnership and Subsidiary Partnerships will be treated for United States federal income tax purposes as partnerships or disregarded entities and not as associations taxable as corporations or as publicly traded partnerships.

We undertake no obligation to advise you of any changes in our opinions subsequent to the delivery of this letter. The Company's qualification and taxation as a REIT under the Code depends upon the Company's ability to meet on a continuing basis, through actual operating and other results, the various requirements under the Code with regard to, among other things, the sources of its gross income, the composition of its assets, the level of its distributions to stockholders, and the diversity of its stock ownership. We will not review on a continuing basis the Company's compliance with the documents or assumptions set forth above, or the representations set forth in the Officer's Certificate. Accordingly, no assurance can be given that the actual results of the Company's operations, the sources of its gross income, the composition of its assets, the level of the Company's distributions to its stockholders and the diversity of the Company's stock ownership for any given taxable year will satisfy the requirements for qualification and taxation as a REIT under the Code.

The foregoing opinions are based on current provisions of the Code and the Treasury Regulations, published administrative interpretations thereof, and published court decisions, any of which could be changed at any time, possibly on a retroactive basis. The Internal Revenue Service has not issued Treasury Regulations or administrative interpretations with respect to various provisions of the Code relating to REIT qualification under the Code. No assurance can be given that the law will not change in a manner that will prevent the Company from qualifying as a REIT under the Code, or the Operating Partnership from being classified as a partnership for federal income tax purposes.

We hereby consent to the references to Seyfarth Shaw LLP under the captions "Material United States Federal Income Tax Considerations" and "Legal Matters" in the Prospectus Supplement.

The foregoing opinions are limited to the United States federal income tax matters addressed herein, and no other opinions are rendered with respect to other United States federal tax matters or to any issues arising under the tax laws of any state or locality or foreign jurisdiction. We undertake no obligation to update the opinions expressed herein after the date of this letter.

Very truly yours,

/s/ SEYFARTH SHAW LLP