UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2000

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 1-12002

ACADIA REALTY TRUST
(Exact name of registrant in its charter)

MARYLAND	23-2715194
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

20 SOUNDVIEW MARKETPLACE, PORT WASHINGTON, NY	11050
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (516) 767-8830

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

As of August 8, 2000, there were 25,126,158 common shares of beneficial interest, par value $.001 per share, outstanding.

FORM 10-Q

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Part I. Financial Information
Item 1. Financial Statements

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)

	June 30, 2000 (unaudited)	December 31, 1999
ASSETS		
Real estate		
Land	$ 81,956	$ 81,956
Buildings and improvements	479,310	477,573
Properties under development	13,371	9,992
	574,637	569,521
Less: accumulated depreciation	99,520	90,932
Net real estate	475,117	478,589
Property held for sale	12,814	13,227
Cash and cash equivalents	11,949	35,340
Cash in escrow	11,696	9,707
Investments in unconsolidated partnerships	6,890	7,463
Rents receivable, net	9,349	8,865
Prepaid expenses	1,451	2,952
Due from related parties	--	19
Deferred charges, net	13,701	12,374
Other assets	2,412	2,267
	$545,379	$570,803
LIABILITIES AND SHAREHOLDERS' EQUITY		
Mortgage notes payable	$307,398	$326,651
Accounts payable and accrued expenses	5,845	6,385
Dividends and distributions payable	4,325	4,371
Other liabilities	3,526	4,224
Total liabilities	321,094	341,631
Minority interest in Operating Partnership	73,942	74,462
Minority interest in majority owned partnerships	2,206	2,223
Total minority interests	76,148	76,685
Shareholders' equity:		
Common shares, $.001 par value, authorized 100,000,000 shares, issued and outstanding 25,145,158 and 25,724,315 shares, respectively	26	26
Additional paid-in capital	164,291	168,641
Deficit	(16,180)	(16,180)
Total shareholders' equity	148,137	152,487
	$545,379	$570,803

See accompanying notes

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2000 AND 1999
(in thousands, except per share amounts)

	Three months ended June 30, 2000	Three months ended June 30, 1999	Six months ended June 30, 2000	Six months ended June 30, 1999
	(unaudited)		(unaudited)	
Revenues				
Minimum rents	$18,663	$17,500	$37,104	$34,853
Percentage rents	589	686	1,340	1,473
Expense reimbursements	3,199	3,037	7,043	6,495
Other	2,518	681	3,345	1,333
Total revenues	24,969	21,904	48,832	44,154
Operating expenses				
Property operating	5,337	5,427	11,323	11,308
Real estate taxes	2,914	2,564	5,627	5,115
General and administrative	1,285	1,638	2,578	3,104
Depreciation and amortization	5,085	4,965	10,100	9,651
Total operating expenses	14,621	14,594	29,628	29,178
Operating income	10,348	7,310	19,204	14,976
Equity in earnings of unconsolidated partnerships	151	157	351	340
Loss on sale of property	--	--	--	(1,284)
Interest expense	(6,261)	(5,581)	(12,616)	(11,005)
Income before minority interest	4,238	1,886	6,939	3,027
Minority interest	(1,274)	(597)	(2,101)	(973)
Net Income	$ 2,964	$ 1,289	$ 4,838	$ 2,054
Net income per Common Share - Basic and diluted	$ .12	$ .05	$ .19	$ .08

See accompanying notes

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2000 AND 1999
(in thousands)

	June 30, 2000 (unaudited)	June 30, 1999 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 4,838	$ 2,054
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	10,100	9,651
Minority interest	2,101	973
Equity in income of unconsolidated partnerships	(351)	(340)
Provision for bad debts	314	893
Stock-based compensation	197	--
Loss on sale of property	--	1,284
Changes in assets and liabilities:		
Funding of escrows, net	(1,989)	(1,180)
Rents receivable	(798)	(1,974)
Prepaid expenses	1,501	1,502
Due from related parties	19	144
Other assets	(298)	(312)
Accounts payable and accrued expenses	(540)	(4,041)
Other liabilities	(698)	(730)
Net cash provided by operating activities	14,396	7,924
CASH FLOWS FROM INVESTING ACTIVITIES:		
Expenditures for real estate and improvements	(5,239)	(14,626)
Net proceeds from sale of property	--	6,128
Distributions from unconsolidated partnerships	924	637
Payment of deferred leasing costs	(1,095)	(863)
Net cash used in investing activities	(5,410)	(8,724)

See accompanying notes

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2000 AND 1999
(in thousands)

	June 30, 2000 (unaudited)	June 30, 1999 (unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on mortgage notes	$(60,453)	$(1,863)
Proceeds received on mortgage notes	41,200	5,194
Payment of deferred financing costs	(1,055)	(523)
Dividends paid	(6,126)	(3,050)
Distributions to minority interest in Operating Partnership	(2,516)	(1,342)
Distributions on Preferred Operating Partnership units	(73)	--
Distributions to minority interest in majority owned partnership	(22)	--
Repurchase of Common Shares	(3,332)	(20)
Net cash used in financing activities	(32,377)	(1,604)
Decrease in cash and cash equivalents	(23,391)	(2,404)
Cash and cash equivalents, beginning of period	35,340	15,183
Cash and cash equivalents, end of period	$ 11,949	$12,779
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the period for interest, net of amounts capitalized of $241 and $732, respectively	$12,501	$11,624
Supplemental Disclosure of Non-Cash Investing and Financing Activities:		
Acquisition of real estate by assumption of debt		$13,883

See accompanying notes

ACADIA REALTY TRUST AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except per share amounts)

1. THE COMPANY

Acadia Realty Trust (the "Company") is a fully integrated and self-managed real estate investment trust ("REIT") focused primarily on the ownership, acquisition, redevelopment and management of neighborhood and community shopping centers, and multi-family properties.

All of the Company's assets are held by, and all of its operations are conducted through, Acadia Realty Limited Partnership (the "Operating Partnership") and its majority owned partnerships. As of June 30, 2000, the Company controlled 71% of the Operating Partnership as the sole general partner.

The Company currently operates fifty-eight properties, which it owns or has an ownership interest in, consisting of forty-seven neighborhood and community shopping centers, three enclosed malls, two mixed-use properties (a retail/office center and a retail/residential property), five multi-family properties and one redevelopment property located in the Eastern and Midwestern regions of the United States. The retail/office center was held for sale as of June 30, 2000.

2. BASIS OF PRESENTATION

The consolidated financial statements include the consolidated accounts of the Company and its majority owned partnerships, including the Operating Partnership, and have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. Non-controlling investments in partnerships are accounted for under the equity method of accounting as the Company exercises significant influence. The information furnished in the accompanying consolidated financial statements reflects all adjustments which are, in the opinion of management, necessary for a fair presentation of the aforementioned consolidated financial statements for the interim periods.

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

(in thousands, except per share amounts)

2. BASIS OF PRESENTATION (continued)

Operating results for the six-month period ended June 30, 2000 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2000. For further information refer to the consolidated financial statements and accompanying footnotes included in the Company's Annual Report on Form 10-K for the year ended December 31, 1999.

3. SHAREHOLDERS' EQUITY AND MINORITY INTERESTS

The following table summarizes the change in the shareholders' equity and minority interests since December 31, 1999:

	Shareholders' equity	Minority interest in Operating Partnership(1)	Minority interest in majority owned partnerships
Balance at December 31, 1999	$152,487	$74,462	$ 2,223
Repurchase of Common Shares	(3,332)	--	--
Reissuance of Common Shares held in treasury	197	--	--
Dividends and distributions declared of $0.24 per Common Share and Operating Partnership unit	(6,053)	(2,516)	--
Cash flow distribution	--	--	(22)
Net income for the period January 1 through June 30, 2000	4,838	1,996	5
Balance at June 30, 2000	$148,137	$73,942	$ 2,206

(1) Net income attributable to minority interest in Operating Partnership and distributions do not include a distribution on Preferred OP Units of $100.

Minority interests in Operating Partnership represent the limited partners' interest of 10,484,143 and 11,084,143 units in the Operating Partnership ("Common OP Units") at June 30, 2000 and 1999, respectively, and 2,212 units of preferred limited partnership interests ("Preferred OP Units"), with a nominal value of $1,000 per unit, which are entitled to a preferred quarterly distribution of $22.50 per unit (9% annually). Minority interests in majority owned partnerships represent interests held by third parties in four partnerships in which the Company has a majority ownership position.

(in thousands, except per share amounts)

4. INVESTMENT IN PARTNERSHIPS

The Company owns a 49% interest in the Crossroads Joint Venture and Crossroads II (collectively "Crossroads") and accounts for this investment using the equity method. Summary financial information of the Crossroads and the Company's investment in and share of income from the Crossroads follows:

	June 30, 2000	December 31, 1999
Balance Sheet		
Assets:		
Rental property, net	$ 8,579	$ 8,801
Other assets	4,627	5,204
Total assets	$ 13,206	$ 14,005
Liabilities and partners' equity		
Mortgage note payable	$ 34,879	$ 35,105
Other liabilities	680	777
Partners' equity	(22,353)	(21,877)
Total liabilities and partners' equity	$ 13,206	$ 14,005
Company's investment in partnerships	$ 6,890	$ 7,463

	Three months ended June 30, 2000	Three months ended June 30, 1999	Six months ended June 30, 2000	Six months ended June 30, 1999
Statement of Operations				
Total revenue	$1,772	$1,724	$3,637	$3,527
Operating and other expenses	468	435	926	898
Interest expense	663	637	1,330	1,271
Depreciation and amortization	132	132	265	264
Net income	$509	$ 520	$1,116	$1,094
Company's share of net income	$249	$ 255	$547	$ 536
Amortization of excess investment (See below)	98	98	196	196
Income from partnerships	$151	$ 157	$351	$ 340

The unamortized excess of the Company's investment over its share of the net equity in Crossroads at the date of acquisition was $19,580. The portion of this excess attributable to buildings and improvements is being amortized over the life of the related property.

5. RELATED PARTY TRANSACTIONS

The Company manages three properties in which certain current shareholders of the Company or their affiliates have ownership interests. Management fees earned by the Company under these contracts are at rates ranging from 3.0% to 3.5%. Such fees aggregated $208 and $445 during the three and six-month periods ended June 30, 2000, respectively, and $153 and $296 during the three and six-month periods ended June 30, 1999, respectively.

6. DIVIDENDS AND DISTRIBUTIONS PAYABLE

On May 16, 2000, the Board of Trustees of the Company approved and declared a cash quarterly dividend for the quarter ended June 30, 2000 of $0.12 per Common Share and Common OP Unit. The dividend was paid on July 15, 2000 to the shareholders of record as of June 30, 2000. The Board of Trustees also approved a distribution of $22.50 per Preferred OP Unit which was paid on July 15, 2000 as well.

7. PER SHARE DATA

For the three and six-month periods ended June 30, 2000 and 1999, basic earnings per share was determined by dividing the net income applicable to common shareholders for each period by the weighted average number of common shares of beneficial interest ("Common Shares") outstanding during each period consistent with the Financial Accounting Standards Board Statement No. 128. The weighted average number of shares outstanding for the three-month periods ended June 30, 2000 and 1999 were 25,241,794 and 25,510,424, respectively. The weighted average number of shares outstanding for the six-month periods ended June 30, 2000 and 1999 were 25,358,946 and 25,465,071, respectively.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue Common Shares were exercised or converted into Common Shares or resulted in the issuance of Common Shares that then shared in the earnings of the Company. For the three and six-month periods ended June 30, 2000 and 1999 no additional shares were reflected as the impact would be anti-dilutive in such periods.

(in thousands, except per share amounts)

8. SEGMENT REPORTING

The Company has two reportable segments: retail properties and multi-family properties. The Company evaluates property performance primarily based on net operating income before depreciation, amortization and certain non-recurring items. The reportable segments are managed separately due to the differing nature of the leases and property operations associated with the retail versus residential tenants.

	Six months ended June 30, 2000			
	Retail properties	Multi-Family properties	All other	Total
Revenues	$ 40,135	$ 7,620	$ 1,077	$ 48,832
Property operating expenses and real estate taxes	13,972	2,978	--	16,950
Net property income before depreciation and amortization	26,163	4,642	1,077	31,882
Depreciation and amortization	8,875	1,008	217	10,100
Interest expense	10,416	2,150	50	12,616
Real estate at cost	491,848	82,789	--	574,637
Total assets	452,036	86,453	6,890	545,379
Gross leasable area(multi-family 2,273 units)	8,809	2,039	--	10,848
Expenditures for real estate and improvements	4,595	644	--	5,239

Reconciliation to income before minority interest

Net property income before depreciation and amortization	31,882
Depreciation and amortization	(10,100)
General and administrative	(2,578)
Equity in earnings of unconsolidated partnerships	351
Interest expense	(12,616)
Income before minority interest	$ 6,939

	Three months ended June 30, 2000			
	Retail properties	Multi-Family properties	All other	Total
Revenues	$ 20,653	$ 3,829	$ 487	$ 24,969
Property operating expenses and real estate taxes	6,698	1,553	--	8,251
Net property income before depreciation and amortization	13,955	2,276	487	16,718
Depreciation and amortization	4,480	510	95	5,085
Interest expense	5,177	1,084	--	6,261
Real estate at cost	--	--	--	--
Total assets	--	--	--	--
Gross leasable area	--	--	--	--
Expenditures for real estate and improvements	2,471	328	--	2,799

Reconciliation to income before minority interest

Net property income before depreciation and amortization	16,718
Depreciation and amortization	(5,085)
General and administrative	(1,285)
Equity in earnings of unconsolidated partnerships	151
Interest expense	(6,261)
Income before minority interest	$ 4,238

(in thousands, except per share amounts)

8. SEGMENT REPORTING (continued)

	Six months ended June 30, 1999			
	Retail properties	Multi-Family properties	All other	Total
Revenues	$ 35,927	$ 7,390	$ 837	$ 44,154
Property operating expenses and real estate taxes	13,483	2,940	--	16,423
Net property income before depreciation, amortization and certain nonrecurring items	22,444	4,450	837	27,731
Depreciation and amortization	8,701	880	70	9,651
Interest expense	8,980	2,025	--	11,005
Real estate at cost	497,960	81,616	--	579,576
Total assets	449,571	82,924	7,219	539,714
Gross leasable area (multi-family - 2,273 units)	8,709	2,039	--	10,748
Expenditures for real estate and improvements	13,976	650	--	14,626

Reconciliation to income before minority interest

Net property income before depreciation, amortization and certain nonrecurring items	27,731
Depreciation and amortization	(9,651)
General and administrative	(3,104)
Equity in earnings of unconsolidated partnerships	340
Loss on sale of property	(1,284)
Interest expense	(11,005)
Income before minority interest	$ 3,027

	Three months ended June 30, 1999			
	Retail properties	Multi-Family properties	All other	Total
Revenues	$17,668	$3,696	$540	$21,904
Property operating expenses and real estate taxes	6,441	1,550	--	7,991
Net property income before depreciation, amortization and certain nonrecurring items	11,227	2,146	540	13,913
Depreciation and amortization	4,448	447	70	4,965
Interest expense	4,574	1,007	--	5,581
Real estate at cost	--	--	--	--
Total assets	--	--	--	--
Gross leasable area (multi-family - 2,273 units)	--	--	--	--
Expenditures for real estate and improvements	3,259	397	--	3,656

Reconciliation to income before minority interest

Net property income before depreciation, amortization and certain nonrecurring items	13,913
Depreciation and amortization	(4,965)
General and administrative	(1,638)
Equity in earnings of unconsolidated partnerships	157
Interest expense	(5,581)
Income before minority interest	$ 1,886

9. SUBSEQUENT EVENTS

On July 19, 2000, the Company closed on a facility with a bank, which provides for the borrowing of up to $10,000. The facility, which is secured by one of the Company's properties, matures in August 2003 and requires the monthly payment of interest at the rate of LIBOR plus 175 basis points and principal amortized over 25 years. At closing, the Company borrowed $9,000 under this facility, of which $7,060 of proceeds were used to retire existing debt with another lender, $149 for various closing costs and the balance available for working capital. The Company may draw the additional $1,000 subject to certain lender requirements including debt-service and collateral value.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion is based on the consolidated financial statements of Acadia Realty Trust (the "Company") as of June 30, 2000 and 1999 and for the three and six months then ended. This information should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this report constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, which will, among other things, affect demand for rental space, the availability and creditworthiness of prospective tenants, lease rents and the availability of financing; adverse changes in the Company's real estate markets, including, among other things, competition with other companies; risks of real estate development and acquisition; governmental actions and initiatives; and environmental/safety requirements.

RESULTS OF OPERATIONS

Comparison of the three month period ended June 30, 2000 ("2000") to the three month period ended June 30, 1999 ("1999")

Total revenues increased $3.1 million, or 14%, to $25.0 million for 2000 compared to $21.9 million for 1999.

Minimum rents increased $1.2 million, or 7%, to $18.7 million for 2000 compared to $17.5 million for 1999. $660,000 of this increase was the result of the redevelopment of 239 Greenwich Avenue and the reanchoring of the Ledgewood Mall ("1999 Redevelopments"). 239 Greenwich Avenue, which was completed in December of 1999, contributed $427,000 to the increase in minimum rents. The Ledgewood Mall contributed $233,000 to the increase as a result of the installation of new tenants, including Wal*Mart and Circuit City. The acquisition of the Mad River Shopping Center in February 1999, the Mall 189 in May 1999 and the Pacesetter Park Shopping Center in November 1999 ("1999 Acquisitions") contributed $325,000 to the increase in minimum rents as well.

Expense reimbursements increased $162,000, or 5%, from $3.0 million for 1999 to $3.2 million for 2000. The 1999 Acquisitions and 1999 Redevelopments contributed $252,000 and $32,000, respectively, to the increase. These increases were partially offset by a $122,000 decrease in reimbursement income throughout the balance of the portfolio.

Other income increased $1.8 million, from $681,000 in 1999 to $2.5 million in 2000. This was primarily due to $1.8 million of lease termination income received from two tenants at the Abington Towne Center (formerly the Atrium Mall) in connection with the commencement of redevelopment of the center in 2000.

Total operating expenses of $14.6 million in 2000 were essentially unchanged from 1999.

Property operating expenses decreased $90,000, or 2%, to $5.3 million for 2000 compared to $5.4 million for 1999. This was primarily a result of a decrease in bad debt expense in 2000 offset, partially, by a $140,000 increase attributable to the 1999 Acquisitions.

Real estate taxes increased $350,000, or 14%, from $2.6 million for 1999 to $2.9 million for 2000. The 1999 Acquisitions contributed $195,000 of this increase. The remaining increase was experienced throughout the balance of the portfolio.

RESULTS OF OPERATIONS, continued

Depreciation and amortization expense increased $120,000, or 2%, from $5.0 million for 1999 to $5.1 million for 2000. Depreciation increased $233,000 and amortization expense decreased $113,000. The increase in depreciation expense was primarily due to increases related to the 1999 Redevelopments and 1999 Acquisitions of $103,000 and $71,000, respectively. The decrease in amortization resulted from a $159,000 decrease in amortization of leasing costs partially offset by an increase in the amortization of financing costs related to additional financings in 1999 and 2000.

General and administrative expense decreased $353,000, or 22%, from $1.6 million for 1999 to $1.3 million for 2000, which was primarily attributable to a $55,000 decrease in expenses in 2000 following the relocation of the Pennsylvania regional office and lower third-party professional fees in 2000.

Interest expense of $6.3 million for 2000 increased $680,000, or 12%, from $5.6 million for 1999 primarily attributable to the higher average outstanding borrowings related to property acquisition and redevelopment activities.

Comparison of the six month period ended June 30, 2000 ("2000") to the six month period ended June 30, 1999 ("1999")

Total revenues increased $4.7 million, or 11%, to $48.8 million for 2000 compared to $44.1 million for 1999.

Minimum rents increased $2.3 million, or 6%, to $37.1 million for 2000 compared to $34.8 million for 1999. Of this increase, $1.6 million and $791,000 was attributable to the 1999 Redevelopments and 1999 Acquisitions, respectively. These increases were partially offset by a $213,000 decline in minimum rents following the sale of the Searstown Mall in February 1999 and the Auburn Plaza in March 1999 ("1999 Dispositions").

Expense reimbursements increased $548,000, or 8%, from $6.5 million for 1999 to $7.0 million for 2000. The 1999 Acquisitions and 1999 Redevelopments contributed $416,000 and $157,000, respectively, to the increase. These increases were partially offset by a $102,000 decrease as a result of the 1999 Dispositions.

Other income increased $2.0 million, from $1.3 million in 1999 to $3.3 million in 2000, primarily as a result of $1.8 million in lease termination income received in 2000 as previously discussed for the three months ended June 30, 2000.

Total operating expenses increased $450,000, or 2%, to $29.6 million for 2000, from $29.2 million for 1999.

Property operating expenses were essentially unchanged at $11.3 million for 2000. Expenses increased by $295,000 attributable to the 1999 Acquisitions. This was offset by a $149,000 decrease in expenses as a result of the 1999 Dispositions and a decrease in bad debt expense in 2000.

Real estate taxes increased $512,000, or 10%, from $5.1 million for 1999 to $5.6 million for 2000. The 1999 Acquisitions contributed $307,000 of this increase with the remainder of the increase experienced throughout the balance of the portfolio. This was partially offset by an $83,000 decrease in real estate taxes associated with the 1999 Dispositions.

RESULTS OF OPERATIONS, continued

Depreciation and amortization increased $449,000, or 5%, from $9.7 million for 1999 to $10.1 million for 2000. Depreciation increased $460,000 and amortization expense was essentially unchanged. The increase in depreciation expense was primarily due to increases related to the 1999 Redevelopments and 1999 Acquisitions of $262,000 and $147,000, respectively. A $133,000 decrease in amortization of leasing costs was offset by an increase in the amortization of financing costs related to additional financings in 1999 and 2000.

General and administrative expense decreased $526,000, or 17%, from $3.1 million for 1999 to $2.6 million for 2000, which was primarily attributable to a $108,000 decrease in expenses in 2000 following the relocation of the Pennsylvania regional office and lower third-party professional fees in 2000.

Interest expense of $12.6 million for 2000 increased $1.6 million, or 15%, from $11.0 million for 1999 primarily attributable to the higher average outstanding borrowings related to property acquisition and redevelopment activities.

Funds from Operations

The Company, along with most industry analysts, considers funds from operations ("FFO") as defined by the National Association of Real Estate Investment Trusts ("NAREIT") as an appropriate supplemental measure of operating performance. However, FFO does not represent cash generated from operations as defined by generally accepted accounting principles and is not indicative of cash available to fund cash needs. It should not be considered as an alternative to net income for the purpose of evaluating the Company's performance or to cash flows as a measure of liquidity.

Generally, NAREIT defines FFO as net income (computed in accordance with generally accepted accounting principles) before gains (losses) on sales of property, plus depreciation on real estate and amortization of capitalized leasing costs, and after adjustments for unconsolidated partnerships and joint ventures on the same basis. The reconciliation of net income to FFO for the three and six months ended June 30, 2000 and 1999 is as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2000	1999	2000	1999
Net income	$ 2,964	$ 1,289	$ 4,838	$ 2,054
Depreciation of real estate and amortization of leasing costs:				
Wholly owned and consolidated partnerships	4,789	4,769	9,526	9,282
Unconsolidated partnerships	160	156	316	311
Income attributable to minority interest in Operating Partnership (a)	1,216	597	1,996	973
Loss on sale of property	--	--	--	1,284
Funds from operations	$ 9,129	$ 6,811	$ 16,676	$ 13,904
Funds from operations per share - basic and diluted (b)	$ 0.26	$ 0.19	$ 0.47	$ 0.38

(a) Does not include distributions paid to Preferred OP Unitholders for the three and six months ended June 30, 2000.

(b) Assumes full conversion of a weighted average 10,484,143 Common OP Units into Common Shares for the three and six months ended June 30, 2000 and 11,084,143 Common OP Units for the three and six months ended June 30, 1999. Assumes no conversion of Preferred OP Units as such conversion would be anti-dilutive in such periods.

LIQUIDITY AND CAPITAL RESOURCES

General

The Company's principal uses of its liquidity are expected to be for distributions to its shareholders and OP unitholders, debt service and loan repayments, and property investment which includes acquisition, redevelopment, expansion and retenanting activities. In order to qualify as a REIT for Federal income tax purposes, the Company must currently distribute at least 95% of its taxable income to its shareholders. Effective 2001, the requirement will be reduced to 90% pursuant to the REIT Modernization Act passed in 1999. On May 16, 2000, the Board of Trustees of the Company approved and declared a cash quarterly dividend for the quarter ended June 30, 2000 of $0.12 per Common Share and Common OP Unit. The dividend was paid on July 15, 2000 to the shareholders of record as of June 30, 2000. The Board of Trustees also approved a distribution of $22.50 per Preferred OP Unit which was paid on July 15, 2000 as well.

During the quarter ended June 30, 2000, the Company's share repurchase program was also a use of liquidity. For the three months ended June 30, 2000, the Company purchased 149,305 shares at a total cost of $886,000. Cumulatively, through June 30, 2000, the Company had repurchased 1,017,505 shares at a total cost of $5.3 million under the share repurchase program. The program, which allows for the repurchase of up to $10.0 million of the Company's outstanding Common Shares on the open market, may be discontinued or extended at any time and there is no assurance that the Company will purchase the full amount authorized.

Sources of capital for funding property acquisition, redevelopment, expansion and retenanting, as well as repurchase of Common Shares are expected to be obtained from cash on hand, additional debt financings, sales of existing properties and additional equity offerings. As of June 30, 2000, the Company has $23.0 million available under a financing line with a bank as well as $7.4 million available under a revolving credit facility with another bank. The Company also has eleven properties that are currently unencumbered and therefore available as potential collateral for future borrowings. The Company anticipates that cash flow from operating activities will continue to provide adequate capital for all debt service payments, recurring capital expenditures and REIT distribution requirements.

Financing and Debt

As of June 30, 2000 interest on the Company's mortgage indebtedness ranged from 7.5% to 9.6% with maturities that ranged from August 2000 to March 2022. Of the total outstanding debt, $199.2 million, or 65%, was carried at fixed interest rates with a weighted average of 8.3%, and $108.2 million, or 35%, was carried at variable rates with a weighted average of 8.4%. Of the total outstanding debt, $82.2 million will become due by 2001, with scheduled maturities of $41.0 million at an interest rate of 7.8% in 2000 and $41.2 million at an interest rate of 7.8% in 2001. The Company expects to refinance this maturing debt or select other alternatives based on market conditions at that time, although there can be no assurance as to the consummation or terms of such refinancings.

The following significant financing transaction was completed since March 31, 2000:

On July 19, 2000, the Company closed on a facility with a bank, which provides for the borrowing of up to $10.0 million. The facility, which is secured by one of the Company's properties, matures in August 2003 and requires the monthly payment of interest at the rate of LIBOR plus 175 basis points and principal amortized over 25 years. At closing, the Company borrowed $9.0 million under this facility, of which $7.1 million of proceeds were used to retire existing debt with another lender, $149,000 for various closing costs and the balance available for working capital. The Company may draw the additional $1.0 million subject to certain lender requirements including debt-service and collateral value.

Financing and Debt, continued

The following table summarizes the Company's mortgage indebtedness as of June 30, 2000:

	June 30, 2000	December 31, 1999	Interest Rate
Mortgage notes payable - variable-rate			
General Electric Capital Corp.	$ 7,060	$ 7,126	9.14% (Commercial paper rate +2.75%)
Fleet Bank, N.A.	4,138	3,966	8.39% (LIBOR + 1.75%)
Fleet Bank, N.A.	9,271	9,326	8.42% (LIBOR + 1.78%)
Sun America Life Insurance Company	13,848	13,931	8.43% (LIBOR + 2.05%)
Sun America Life Insurance Company	9,916	9,979	8.34% (LIBOR + 2.05%)
KBC Bank	14,351	14,508	7.89% (LIBOR + 1.25%)
First Union National Bank	13,698	13,750	8.29% (LIBOR + 1.45%)
Dime Savings Bank of NY	35,951	--	8.44% (LIBOR + 1.75%)
Total variable-rate debt	108,233	72,586	
Mortgage notes payable - fixed rate			
John Hancock Mutual Life Insurance Company	--	53,878	9.11%
Metropolitan Life Insurance Company	41,000	41,000	7.75%
Sun America Life Insurance Company	41,694	42,143	7.75%
Huntoon Hastings Capital Corp.	6,222	6,222	7.50%
North Fork Bank	9,949	5,000	7.75%
M&T Real Estate Inc.	--	4,628	8.18%
Anchor National Life Insurance Company	3,821	3,866	7.93%
Lehman Brothers Holdings, Inc.	17,884	17,973	8.32%
Mellon Mortgage Company	7,495	7,566	9.60%
Northern Life Insurance Company	3,049	3,173	7.70%
Bankers Security Life	2,102	2,189	7.70%
Morgan Stanley Mortgage Capital	43,753	44,092	8.84%
Nomura Asset Capital Corporation	22,196	22,335	9.02%
Total fixed-rate debt	199,165	254,065	
	$307,398	$326,651	

	Maturity	Properties Encumbered	Payment Terms
Mortgage notes payable - variable-rate			
General Electric Capital Corp.	01/01/02	(1)	(19)
Fleet Bank, N.A.	03/15/02	(2)	(19)
Fleet Bank, N.A.	05/31/02	(3)	(19)
Sun America Life Insurance Company	08/01/02	(4)	(19)
Sun America Life Insurance Company	10/01/02	(5)	(19)
KBC Bank	12/31/02	(6)	(19)
First Union National Bank	01/01/05	(7)	(19)
Dime Savings Bank of NY	04/01/05	(8)	(19)
Mortgage notes payable - fixed rate			
John Hancock Mutual Life Insurance Company	--	--	--
Metropolitan Life Insurance Company	08/31/00	(9)	(20)
Sun America Life Insurance Company	01/01/01	(10)	$346(19)
Huntoon Hastings Capital Corp.	09/01/02	(11)	(21)
North Fork Bank	12/01/02	(12)	$38(19)
M&T Real Estate Inc.	--	--	--
Anchor National Life Insurance Company	01/01/04	(13)	$33(19)
Lehman Brothers Holdings, Inc.	03/01/04	(14)	$139(19)
Mellon Mortgage Company	05/23/05	(15)	$70(19)
Northern Life Insurance Company	12/01/08	(16)	$41(19)
Bankers Security Life	12/01/08	(16)	$28(19)
Morgan Stanley Mortgage Capital	11/01/21	(17)	$380(19)
Nomura Asset Capital Corporation	03/11/22	(18)	$193(19)

Notes:

(1) Soundview Marketplace

(2) Town Line Plaza

(3) Smithtown Shopping Center

(4) Merrillville Plaza

(5) Village Apartments

(6) Marley Run Apartments

(7) 239 Greenwich Avenue

(8) New Loudon Centre
Ledgewood Mall
Bradford Towne Centre
Berlin Shopping Center
Route 6 Mall

9) Valmont Plaza
Luzerne Street Plaza
Green Ridge Plaza
Crescent Plaza
East End Centre

(10) Bloomfield Town Square
Atrium Mall
Walnut Hill Shopping Center
GHT Apartments
Colony Apartments

(11) Gateway Mall

(12) The Branch Shopping Center

(13) Pittston Plaza

(14) Glen Oaks Apartments

(15) Mad River Station Shopping Center

(16) Manahawkin Shopping Center

(17) Midway Plaza
Northside Mall
New Smyrna Beach
Cloud Springs Plaza
Troy Plaza
Martintown Plaza
Kings Fairgrounds
Shillington Plaza
Dunmore Plaza
Kingston Plaza
Twenty Fifth Street Shopping Center
Circle Plaza
Mountainville Plaza
Birney Plaza
Monroe Plaza
Ames Plaza
Plaza 15

(18) Northwood Centre

(19) Monthly principal and interest

(20) Interest only monthly

(21) Interest only until 5/01; principal and interest thereafter

Property Investment activities

The Company's acquisition program focuses on acquiring sub-performing neighborhood and community shopping centers that are well-located and creating significant value through retenanting, timely capital improvements and property redevelopment. In considering acquisitions, the Company focuses on quality shopping centers located in the Northeast, Mid-Atlantic, Southeast and Midwest regions. The Company considers both single assets and portfolios in its acquisition program. In conjunction with evaluating potential portfolio acquisitions, the Company also regularly engages in discussions with public and private entities regarding business combinations as well. Furthermore, the Company may, from time to time, consider acquiring multi-family apartment complexes as well as engaging in joint ventures related to property acquisition and development.

The Company also periodically identifies certain properties for disposition and redeploys the capital to existing centers or acquisitions with greater potential for capital appreciation. In connection with this activity, on June 6, 2000, the Company entered into a contract to sell the Northwood Centre. Although the Company expects to complete the transaction prior to December 31, 2000, there can be no assurance as to the consummation of this transaction.

Property Redevelopment and Retenanting

In June 2000, the Company entered into a contract to sell approximately 160,000 square feet of the main building at the Atrium Mall, located in the Philadelphia suburb of Abington, PA, to the Target Corporation for $11.5 million. Upon completion of the sale, it is anticipated that the sales proceeds will be used primarily to pay down the associated debt on this property. The Company will retain ownership of approximately 50,000 square feet of the building as well as outparcels and related parking areas. Following completion of the redevelopment, the center will be anchored by a Target store and T.J. Maxx (in the Company's portion of the building) and renamed the Abington Towne Center. Redevelopment activities will also include the complete remodeling of the exterior of the main building, outparcels, parking and pylon signs. The Company currently estimates that it will require approximately $4.0 million through 2001 to complete the redevelopment.

During 1999, the Company received municipal approval to renovate and expand by approximately 30,000 square feet the 125,000 square foot Elmwood Park Shopping Center. As part of the redevelopment, the Company is planning to construct a 48,000 square foot free-standing supermarket, replacing a 28,000 square foot in-line Grand Union supermarket at a significantly higher rent per square foot. The Company expects redevelopment costs of approximately $8.7 million through 2002 to complete this project. The Operating Partnership is also obligated to issue additional Common OP Units with a total value of $2.8 million upon the completion of this project and the commencement of rental payments from the supermarket. The Company is also in the early stages of redeveloping the Gateway Mall (formerly the Mall 189), located in Burlington, Vermont. The Company currently estimates this project will require approximately $9.3 million through 2002 to fund the redevelopment.

During the first quarter of 2000, the Company signed three leases in connection with the re-anchoring of three properties, the New Loudon Shopping Center in Latham, New York, the Northside Mall in Dothan, Alabama, and the Bloomfield Town Square in Bloomfield Hills, Michigan. As of June 30, 2000, two of the three tenants have been installed. The remaining installation costs for the third tenant is anticipated to be approximately $1.5 million.

HISTORICAL CASH FLOW

The following discussion of historical cash flow compares the Company's cash flow for the six month period ended June 30, 2000 ("2000") with the Company's cash flow for the six month period ended June 30, 1999 ("1999").

Net cash provided by operating activities increased from $7.9 million for 1999 to $14.4 million for 2000. This variance was primarily attributable to an increase in operating income before non-cash expenses in 2000 and $3.5 million of additional cash used in 1999 for the payment of accounts payable and accrued expenses.

Investing activities used $5.4 million during 2000, representing a $3.3 million decrease from $8.7 million of cash used during 1999. This was the result of an $9.1 million decrease in expenditures for real estate acquisitions, development and tenant installation in 2000 and $287,000 of additional distributions received from an unconsolidated subsidiary partnership in 2000, offset by net sales proceeds of $6.1 million received in 1999 following the sale of two properties.

Net cash used in financing activities of $32.4 million for 2000 increased $30.8 million compared to $1.6 million used in 1999. The increase resulted primarily from $58.6 million of additional cash used in 2000 for the repayment of debt, additional dividends and distributions of $4.4 million being paid in 2000 and $3.3 million of cash used in 2000 for the repurchase of common shares. This was partially offset by an increase of $36.0 million of cash provided by additional borrowings.

INFLATION

The Company's long-term leases contain provisions designed to mitigate the adverse impact of inflation on the Company's net income. Such provisions include clauses enabling the Company to receive percentage rents based on tenants' gross sales, which generally increase as prices rise, and/or, in certain cases, escalation clauses, which generally increase rental rates during the terms of the leases. Such escalation clauses are often related to increases in the consumer price index or similar inflation indexes. In addition, many of the Company's leases are for terms of less than ten years, which permits the Company to seek to increase rents upon re-rental at market rates if rents are below the then existing market rates. Most of the Company's leases require the tenants to pay their share of operating expenses, including common area maintenance, real estate taxes, insurance and utilities, thereby reducing the Company's exposure to increases in costs and operating expenses resulting from inflation.

Item 3. Quantitative and qualitative disclosures about market risk

The Company's primary market risk exposure is to changes in interest rates related to the Company's mortgage debt. See the discussion under Item 2. of this report for certain quantitative details related to the Company's mortgage debt. Currently, the Company manages its exposure to fluctuations in interest rates primarily through the use of fixed-rate debt and LIBOR rate caps. As of June 30, 2000, the Company had total mortgage debt of $307.4 million of which $199.2 million, or 65%, is fixed-rate and $108.2 million, or 35%, is variable-rate based upon either LIBOR or the lender's commercial paper rate, plus certain spreads. As of June 30, 2000, $23.8 million of notional principal was covered under contracts capping LIBOR on variable-rate debt at a weighted-average rate of 6.5%. Of the total outstanding debt, $41.0 million of fixed-rate debt, which currently bears interest at 7.8%, will become due during 2000. As the Company intends on refinancing such debt at the then-existing market interest rates which may be greater than the current interest rate, the Company's interest expense would increase by approximately $410,000 annually if the interest rate on the refinanced debt increased by 100 basis points. Furthermore, interest expense on the Company's variable-rate debt would increase $882,000 annually for a 100 basis point increase in interest rates. The Company may seek additional variable-rate financing if and when pricing and other commercial and financial terms warrant. As such, the Company would consider further hedging against the interest rate risk related to such variable-rate debt through interest rate caps or other means.

Part II. Other Information

Item 1. Legal Proceedings

There have been no material legal proceedings beyond those previously disclosed in the Registrants previously filed Annual Report on Form 10-K for the year ended December 31, 1999.

Item 2. Changes in Securities

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

On May 16, 2000 the Registrant held its annual meeting of shareholders. The shareholders voted, in person or by proxy for the following proposals. The results of the voting are shown below:

Proposal 1 -

	Votes Cast For	Votes Against
Election of Trustees:		
Ross Dworman	19,168,521	46,689
Kenneth Bernstein	19,167,455	47,754
Martin L. Edelman, Esq.	19,168,485	47,790
Marvin J. Levine, Esq.	19,167,420	47,790
Lawrence J. Longua	19,168,485	46,724
Gregory White	19,168,521	46,689
Lee Wielansky	19,168,485	46,724

Proposal 2 -

The ratification of the appointment of Ernst & Young, LLP as independent auditors for the Company for the fiscal year ending December 31, 2000:

Votes Cast For	Votes Cast Against	Abstain	Unvoted
19,159,071	44,589	11,550	--

Proposal 3 -

Such other business as may properly come before the Annual Meeting Or adjournments thereof:

Votes Cast For	Votes Cast Against	Abstain	Unvoted
13,213,852	2,903,538	3,097,820	--

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

The following exhibit is included herein:

27 Financial Data Schedule (EDGAR filing only)

(b) Reports on Form 8-K

The following Form 8-K's were filed during the three months ended June 30, 2000

1) Form 8-K filed April 6, 2000 (earliest event April 6, 2000), reporting in Item 5. certain supplemental information concerning the ownership, operations and portfolio of the Company as of December 31, 1999.

2) Form 8-K filed May 24, 2000 (earliest event May 24, 2000), reporting in Item 5. certain supplemental information concerning the ownership, operations and portfolio of the Company as of March 31, 2000.

SIGNATURES

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

ACADIA REALTY TRUST

By: _________________________________
Ross Dworman
Chairman and Chief Executive
Officer (Principal Executive
Officer)

____
Perry Kamerman
Senior Vice President of Finance
(Principal Financial and
Accounting Officer)

Date: August 8, 2000

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ACADIA REALTY TRUST
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