ACADIA REALTY TRUST

CORPORATE GOVERNANCE GUIDELINES

1. BOARD MEMBERSHIP

Size and Composition of Board - Independent/Non-Independent. The board of trustees (the "Board") of Acadia Realty Trust (the "Company") consists of such number of trustees (the "Trustees") as is fixed from time to time in accordance with the Declaration of Trust and the Amended and Restated Bylaws of the Company (the "Bylaws"), each as amended, supplemented or replaced from time to time. In accordance with the New York Stock Exchange Listed Company Manual, the Company will always have a majority of independent Trustees.

Independence of Board Trustees. The independence of a Trustee is to be determined by the Board, after consultation with the Nominating and Corporate Governance Committee. The Board will make this independence determination in accordance with the guidelines set forth in the New York Stock Exchange Listed Company Manual. The Board shall disclose the basis for the determination that a Trustee is independent.

Lead Trustee. The Independent Trustees shall elect annually, from among themselves, an independent Lead Trustee. The duties of the Lead Trustee shall include, without limitation, the following:

- to chair and facilitate discussions among the independent Trustees;
- to facilitate communication between the independent Trustees, the Chief Executive Officer and management;
- to facilitate proper flow of information to the Board by reviewing the adequacy and timing of materials in support of management's proposals;
- to assist in the planning and preparation of meetings of the independent Trustees and meetings of the Board, including the preparation of the agendas for such meetings;

- to ensure that members of the Board are contributing to Board discussions, as needed;

- to discuss committee structure, including assignments of members and committee chairmen, with the Nominating and Corporate Governance Committee, as needed;

- to be available to participate in any and all committee meetings, as needed;

- to act, individually or in addition to other Trustees, as the spokesperson of the independent Trustees in matters dealing with external groups: shareholders, creditors, consumer groups, local communities, federal, state and local governments and the press, as appropriate; and

- to carry out other duties as requested by the Chief Executive Officer and Board as a whole, depending on need and circumstances.

The interests and motivations of the Lead Trustee shall not differ from those of any other independent Trustee. The role of Lead Trustee is not to act in place of management or the Board as a whole. The existence of this position is not intended in any way to inhibit, but rather to promote, discussions among the Trustees or between any of them and the Chief Executive Officer and management.

Independence of the Lead Trustee. The independence of the Lead Trustee is to be determined by the Board, after consultation with the Nominating and Corporate Governance Committee. The Board will make this independence determination in accordance with the guidelines set forth in the New York Stock Exchange Listed Company Manual and in addition, wherever and whenever possible, the Lead Trustee should be a Trustee, who, within the last three years:

(i) has not served as an executive officer of the Company;

(ii) has not been an employee, advisor or consultant to the Company pursuant to any material, written agreement;

(iii) has not been affiliated with a company that has been an advisor or consultant to the Company;

(iv) has not been affiliated with a company or non-profit entity that received the greater of $2 million or 2% of its gross revenue from the Company;

(v) has not been employed by a public company at which an executive officer of

the Company serves as a director;

(vi) has not had any of the relationships described above with any affiliate of the Company; and

(vii) was not the spouse, parent, child, sibling or in-law of any person described above.

The Board shall disclose the basis for the determination that a Trustee is independent. In the event the Lead Trustee fails to qualify as "independent" in accordance with the guidelines set forth in the New York Stock Exchange Listed Company Manual, the remaining independent Trustees shall hold a special meeting to elect, from among themselves, a replacement, independent Lead Trustee.

Management Compensation. The Compensation Committee will conduct an annual review of (i) the performance of the Company's Chief Executive Officer and Senior Management Team (ii) the corporate goals and objectives relevant to the Chief Executive Officer's compensation and evaluate the Chief Executive Officer's performance in light of those goals and objectives; and (iii) the corporate goals and objectives relevant to the Senior Management Team's compensation and evaluate the Senior Management Team's performance in light of those goals and objectives. The Compensation Committee will report its evaluation to the Board and the Board will determine and approve the Chief Executive Officer's and the Senior Management Team's compensation based on this evaluation.

Management Succession and Development. The Board, through the Compensation Committee, will monitor issues associated with both Chief Executive Officer succession and Senior Management Team development.

Chief Executive Officer Report. The Chief Executive Officer shall make an annual report to the independent Trustees, in executive session, covering succession planning and Senior Management Team development.

Annual Review. The Compensation Committee will lead the Board in an annual review of Chief Executive Officer and Senior Management Team succession planning and development. The annual review will include a discussion of the preparations in place to deal with an emergency situation involving the Chief Executive Officer or members of the Senior Management Team, the growth and development of the Senior Management Team, and identifying potential successors to the Chief Executive Officer. In addition, the Compensation Committee shall regularly update the Board on these issues.

Potential Successors. The entire Board will work with the Compensation Committee to (i) develop the criterion it will use to identify potential successors to the Chief Executive Officer and successors to members of the Senior Management Team; and (ii) evaluate potential successors to the Chief Executive Officer and members of the Senior Management Team, including both internal and external candidates. The Chief Executive Officer shall at all times make available his recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

2. BOARD REQUIREMENTS

Attendance. Consistent attendance with a minimum of missed meetings is important in carrying out the responsibilities of being a Trustee. Trustees are expected to attend a minimum of 75% of all Board meetings.

Retirement Age. Some companies have policies for mandatory retirement from the Board after a certain age is reached. The Company does not have such a policy and does not believe that one is needed at the present time.

Annual Evaluation. The Nominating and Corporate Governance Committee will evaluate the Board as a whole, as well as each Trustee as part of its duty in recommending a slate of Trustees for election/re-election.

Resignation Policy. In accordance with the Bylaws, in an uncontested election of Trustees (i.e., an election in which the number of nominees is not greater than the number of Board seats open for election) a nominee must receive more votes cast "for" than "against" or "withheld" with respect to his or her election or re-election in order to be elected or re-elected to the Board. An incumbent Trustee shall offer to tender his or her resignation to the Board for consideration if he or she fails to receive the required number of votes for re-election. If an incumbent Trustee fails to receive the required vote for re-election and tenders his or her resignation, the Nominating and Corporate Governance Committee will act on an expedited basis to determine whether it is advisable to accept the Trustee's resignation and will submit a recommendation for prompt consideration by the Board. The Board will act on the tendered resignation and will publicly disclose its decision within 90 days following certification of the shareholder vote. A Trustee whose resignation is under consideration will abstain from participating in any decision regarding his or her resignation. If the resignation is not accepted, the Trustee will continue to serve until the Trustee's successor is duly elected and qualifies, or until the Trustee's earlier death, resignation or removal or until he or she shall cease to qualify. The Nominating and Corporate Governance Committee and the Board may consider any factors they deem relevant in deciding whether to accept a Trustee's

resignation.

Resignation Upon Change of Job Responsibility. The Board should consider whether a change in an individual's professional responsibility directly or indirectly impacts that person's ability to fulfill his or her obligations as a Trustee. Any Trustee who is an employee of the Company should submit his or her resignation upon retirement, resignation, termination or other significant change in profession. The Board may accept or reject such resignation in its discretion after consultation with the Nominating and Corporate Governance Committee.

Membership on Other Boards. Generally, Trustees should not serve on an excessive number of other company boards. Trustees should advise the Chief Executive Officer and the Chair of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on the board of another company. This is an issue that should be decided on a case by case basis. Additionally, the Chief Executive Officer and other executive officers must seek the approval of the Board before accepting outside board memberships, including corporate and charitable boards that are likely to require attendance during normal business hours.

Share Ownership. In order to ensure the direct alignment of the Board and management with shareholder interests, the Company has adopted a share ownership policy. The policy contains requirements for the Company's named executive officers, as identified in the Company's most recent proxy statement, and non-employee Trustees to own at all times a certain level of the Company's common shares (which will be deemed to include, among others, restricted share units, long-term incentive plan ("LTIP") units of partnership interest in the Company's operating partnership, Acadia Realty Limited Partnership, restricted LTIP units and limited partnership units, in each case whether vested or unvested; provided that unearned performance-based awards are excluded from the ownership level calculations for the named executive officers).

New named executive officers and non-employee Trustees have five (5) years from the date of appointment to such position or five (5) years from the date of election to the Board to meet and retain the standard that applies to them. Compliance with the share ownership policy will be determined annually. For purposes of determining compliance with ownership thresholds, the market price for the Company's common shares will be the average daily closing price for the 12 months ending on and including December 31 for the most recently completed fiscal year.

Unless otherwise approved by the Board, or the Compensation Committee of the Board, until the required ownership level is achieved, each applicable individual must retain 50% of net-after-tax profit shares (i.e. shares remaining following payment of applicable

taxes from any share sale). This retention requirement will also apply if an applicable individual's ownership falls below the required ownership level due to a reduction in share price or change to base salary or annual cash fee, as applicable.

The current share ownership policy requirements are attached to these Corporate Governance Guidelines as Annex A. The Board reserves the right to modify the share ownership requirements in its discretion at any point.

Business Dealings Among Trustees. The Company believes in full disclosure of any potential conflicts of interest among its employees, officers and Trustees. Accordingly, the Company will ask the Trustees to disclose current business dealings among each other as well as disclose future dealings.

Compensation. It is the policy of the Board to provide independent Trustees with appropriate compensation, including quarterly fees, meeting attendance fees, and Committee attendance fees. The current trend is to provide a mix of cash and equity (options/restricted shares). Proposed changes in Board compensation shall initially be reviewed by the Compensation Committee, but any changes in the compensation of Trustees shall require the approval of the entire Board. The Compensation Committee shall periodically review the status of Board compensation in relation to other comparable companies as well as other factors the Committee deems appropriate. The Committee shall discuss its review with the Board.

Trustee Orientation and Continuing Education. The Company's General Counsel and Chief Financial Officer, under the oversight of the Nominating and Corporate Governance Committee, shall be responsible for providing orientation to all new Trustees, which should be conducted within two months of the annual or special meeting at which a new Trustee is elected. This orientation will include presentations by Senior Management to familiarize new Trustees with the Company's strategic plans, its significant financial, accounting, legal and risk management issues, its regulatory compliance programs, its Code of Business Conduct and Ethics, its principal officers, and its internal and independent auditors. The General Counsel and Chief Financial Officer also shall be responsible for periodically providing materials or briefing sessions (including, as may be deemed necessary, by engaging outside guest speakers on topics of contemporary significance) to the Trustees on subjects that would assist them in discharging their duties. Trustees are encouraged to participate in ongoing education seminars and conferences and the Company will reimburse Trustees for reasonable expenses in furtherance of their education activities.

Access to Senior Management. Trustees should have access to the Company's management. It is assumed that Trustees will take into account the importance of

ensuring that this contact not be distracting to the business operations of the Company and that such contact, if in writing, be copied to the Chief Executive Officer, as appropriate. One of the roles the Lead Trustee can perform is the role of a liaison with the Chief Executive Officer and other members of management.

Board Interaction With Investors, Media and Others. The Senior Management Team speaks for the Company. Individual Trustees may at the request of the Board and, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected that Trustees would do so only with the knowledge of senior management.

3. MEETINGS OF THE BOARD

Regular Meetings. It is the policy of the Company to have quarterly meetings, arranged so that the maximum number of Trustees can attend. In general, the meetings will be held at the Company's headquarters. Agenda and other materials for the Board meetings will be sent in advance in order to provide Trustees with the opportunity to study the materials prior to the meeting. Special meetings will be called as necessary.

Meetings of Independent Trustees. Following each regular meeting of the Board, the independent Trustees shall meet. The meetings shall be chaired by the Lead Trustee.

4. COMMITTEES

Functions, Responsibilities and Objections. Consistent with New York Stock Exchange Listed Company Manual, the Board will have at all times an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. All committee members shall be "independent" under the criteria established by the New York Stock Exchange and under applicable law. It shall be the duty of the Nominating and Corporate Governance Committee to recommend, to the Board, Trustees to serve on the aforementioned committees.

Charters. Consistent with New York Stock Exchange Listed Company Manual, each standing committee will have a written charter approved by the Board. The charters will set forth the purposes and responsibilities of the committees as well as qualifications for committee membership, procedures for appointment and removal, structure and operations, and reporting to the Board. The charters will also provide that each committee will annually evaluate its performance. Consistent with New York Stock Exchange Listed Company Manual, the charters of the Company's most important committees (*i.e.*, the Audit, Compensation and Nominating and Corporate Governance Committees) will be included on the Company's website and copies of these charters

will be made available upon request to the Company's Secretary.

5. INSIDER TRANSACTIONS

No Short Sales. No Trustee or Company employee may at any time sell any securities of the Company that are not owned by such Trustee or Company employee at the time of the sale (typically referred to as a "short sale").

No Purchases or Sales of Derivative Securities or Hedging Transactions. No Trustee or Company employee may buy or sell puts, calls, other derivative securities of the Company or any derivative securities that provide the economic equivalent of ownership of any of the Company's securities or an opportunity, direct or indirect, to profit from any change in the value of the Company's securities or engage in any other hedging transaction with respect to the Company's securities.

No Company Securities Subject to Margin Calls. No Trustee or Company employee may use the Company's securities as collateral in a margin account.

No Pledges. No Trustee or Company employee may pledge Company securities as collateral for a loan (or modify an existing pledge).

ANNEX A

Share Ownership Requirements

Title	Multiple
Chief Executive Officer	10 x Base Salary
All other Named Executive Officers	3 x Base Salary
Non-Employee Trustees	5x Annual Cash Fee Payable to all Trustees*

*Includes any portion of the Annual Cash Fee Payable to all Trustees regardless if the Trustee converts all or part of the cash payout to Common Shares or LTIP Units