Securities and Exchange Commission
Washington, DC 20549
FORM 10-K/A-1

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

For the fiscal year ended December 31, 2000

[ ] 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 as specified in its charter)

Maryland	23-2715194
(State of incorporation)	(I.R.S. employer identification no.)

20 Soundview Marketplace

Port Washington, NY 11050	(516)767-8830
(Address of principal executive offices)	(Registrant's telephone number)

Securities registered pursuant to Section 12(b) of the Act:
Common Shares of Beneficial Interest, $.001 par value

(Title of Class)
New York Stock Exchange
(Name of exchange on which registered)

Securities registered pursuant to Section 12(g) of the Act: NONE

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 [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

The aggregate market value of the voting common equity stock held by non-affiliates of the Registrant was approximately $176.5 million based on the closing price on the New York Stock Exchange for such stock on March 21, 2001 (the Company has no non-voting common equity).

The number of shares of the Registrant's Common Shares of Beneficial Interest outstanding was 28,015,672 on March 21, 2001.

DOCUMENTS INCORPORATED BY REFERENCE

Part III - Definitive proxy statement for the Annual Meeting of Shareholders presently scheduled to be held May 31, 2001, to be filed pursuant to Regulation 14A.

PURPOSE OF AMMENDMENT

This Amendment to the Annual Report on Form 10-K for Acadia Realty Trust for the year ended December 31, 2000 is being filed for the purpose of reflecting modifications to the following items:

- -Part II, Item 6, Selected Financial Data (amended to modify information regarding Funds from Operations and disclose cash flows information)

- -Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations (amended to modify information regarding Funds from Operations)

- -Part IV, Items 14(a)(1) and 14(a)(2), Exhibits, Financial Statements and Schedules (amended to modify presentation of Consolidated Statement of Operations and note 1 thereto)

PART II

ITEM 6. SELECTED FINANCIAL DATA

The following table sets forth, on a historical basis, selected financial data for the Company. This information should be read in conjunction with the audited consolidated financial statements of the Company and Management's Discussion and Analysis of Financial Condition and Results of Operations appearing elsewhere in this Annual Report on Form 10-K.

	Year ended December 31,				
	2000	1999	1998(1)	1997	1996
OPERATING DATA:					
Revenues	$ 96,758	$ 92,709	$ 59,771	$ 44,498	$ 43,796
Operating expenses	39,723	38,483	28,485	17,055	17,868
Interest and other financing expense	25,163	23,314	18,302	15,444	12,733
Depreciation and amortization	20,460	19,887	15,795	13,768	13,398
Total	85,346	81,684	62,582	46,267	43,999
	11,412	11,025	(2,811)	(1,769)	(203)
Non-recurring charges (2)	-	-	(2,249)	-	-
Equity in earnings of unconsolidated partnerships	645	584	256	-	-
Adjustment of carrying value of property held for sale	-	-	(11,560)	-	(392)
Income (loss) before gain (loss) on sale, extraordinary items and minority interest	12,057	11,609	(16,364)	(1,769)	(595)
Gain (loss) on sale of properties	13,742	(1,284)	(175)	(12)	21
Extraordinary item - loss on early extinguishment of debt	-	-	(707)	-	(190)
Minority interest	(5,892)	(3,130)	3,348	217	40
Net income (loss)	$ 19,907	$ 7,195	$ (13,898)	$ (1,564)	$ (724)
Net income (loss) per Common Share - basic and diluted	$ 0.75	$ 0.28	$ (0.91)	$ (0.18)	$ (0.08)
Weighted average number of Common Shares outstanding					
- basic	26,437,265	25,708,787	15,205,962	8,551,930	8,546,553
- diluted (3)	26,437,265	25,708,787	15,205,962	8,551,930	8,546,553
BALANCE SHEET DATA:					
Real estate before accumulated depreciation	$ 514,139	$ 569,521	$ 551,249	$ 311,688	$ 307,411
Total assets	523,611	570,803	528,512	254,500	258,517
Total mortgage indebtedness	277,112	326,651	277,561	183,943	172,823
Minority interest - Operating Partnership	48,959	74,462	79,344	9,244	10,752
Total equity	179,317	152,487	154,591	48,800	56,806
OTHER:					
Funds from Operations (4)	$ 31,789	$ 31,160	$ 15,073	$ 11,003	$ 12,536
Cash flows provided by (used in):					
Operating activities	32,573	25,886	7,459	8,934	13,364
Investing activities	8,249	(19,930)	(24,822)	(10,475)	(20,019)
Financing activities	(53,995)	14,201	31,259	(1,084)	7,499

Notes:

(1) Activity for the year ended December 31, 1998 includes the operations of the properties acquired in the RDC Transaction from August 12, 1998 through December 31, 1998.

(2) Non-recurring charges represent expenses incurred in 1998 related to the RDC Transaction including payments made to certain officers and key employees pursuant to change in control provisions of employment contracts, severance paid to Mr. Slomowitz, retention bonuses for certain employees and transaction-related consulting and professional fees.

(3) For 2000 through 1996, the weighted average number of shares outstanding on a diluted basis is not presented as the inclusion of additional shares is anti-dilutive.

(4) The Company considers funds from operations ("FFO") as defined by the National Association of Real Estate Investment Trusts ("NAREIT") to be an appropriate supplemental disclosure of operating performance for an equity REIT due to its widespread acceptance and use within the REIT and analyst communities. FFO is presented to assist investors in analyzing the performance of the Company. However, the Company's method of calculating FFO may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs. FFO does not represent cash generated from operations as defined by accounting principles generally accepted in the United States ("GAAP") and is not indicative of cash available to fund all cash needs, including distributions. 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. NAREIT defines FFO as net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Effective January 1, 2000, NAREIT clarified the definition of FFO to include non-recurring events except those that are defined as "extraordinary items" under GAAP. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Funds from Operations" for the reconciliation of net income to FFO.

ITEM 7. MANAGEMENTS DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the consolidated financial statements of the Company (including the related notes thereto) appearing elsewhere in this Annual Report. 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 year ended December 31, 2000 ("2000") to the year ended December 31, 1999 ("1999")

Total revenues increased $4.1 million, or 4%, to $96.8 million for 2000 compared to $92.7 million for 1999.

Minimum rents increased $1.2 million, or 2%, to $74.2 million for 2000 compared to $73.0 million for 1999. Of this increase, $2.0 million was attributable to the redevelopment of 239 Greenwich Avenue and re-anchoring of the Ledgewood Mall (the "1999 Redevelopments"). Additionally, the full year effect in 2000 of the acquisition of the Mad River Shopping Center in February 1999, the Gateway Shopping Center in May 1999 and the Pacesetter Park Shopping Center in November 1999 (the "1999 Acquisitions") resulted in an increase of $1.3 million. These increases were partially offset by $1.4 million of non-recurring income received in 1999 related to two settlements with former tenants and a $1.0 million decrease in rents resulting from the planned termination of various tenant leases at the Abington Towne Center as part of the redevelopment and partial sale of the center.

Expense reimbursements increased $444,000, or 3%, from $13.8 million for 1999 to $14.2 million for 2000. An increase in real estate tax reimbursements of $601,000 was primarily the result of the 1999 Acquisitions and 1999 Redevelopments. This was partially offset by a $157,000 decrease in common area maintenance ("CAM") expense reimbursements. This net decrease in CAM reimbursements was primarily a result of a $379,000 decrease in reimbursements following the termination of tenant leases in connection with the redevelopment of the Abington Towne Center, partially offset against an increase in reimbursements related to the 1999 Acquisitions.

Other income increased $2.4 million, or 83%, from $2.9 million in 1999 to $5.3 million in 2000. $2.0 million of this increase was attributable to lease termination income received from former tenants at the Abington Towne Center.

Total operating expenses increased $1.8 million, or 3%, to $60.2 million for 2000, from $58.4 million for 1999.

Property operating expenses increased $1.6 million, or 7%, to $23.2 million for 2000 compared to $21.6 million for 1999. This increase was primarily attributable to higher payroll costs and CAM expenses throughout the portfolio as well as a $557,000 increase due to the 1999 Acquisitions. These increases were partially offset against a decrease in bad debt expense in 2000.

Real estate taxes increased $928,000, or 9%, from $10.5 million for 1999 to $11.4 million for 2000. Of this increase, $759,000 was a result of a higher assessment at the Ledgewood Mall following the re-anchoring of Wal*Mart and Circuit City and the 1999 Acquisitions. The balance of this increase was experienced throughout the portfolio.

Depreciation and amortization increased $573,000, or 3%, from $19.9 million for 1999 to $20.5 million for 2000. This increase was attributable to a $633,000 increase in depreciation expense, which was primarily related to the redevelopment of 239 Greenwich Avenue and the 1999 Acquisitions.

General and administrative expense decreased $1.3 million, or 21%, from $6.3 million for 1999 to $5.0 million for 2000. This variance was primarily the result of a $766,000 decrease in third party professional fees in 2000 and a $189,000 decrease in office rent expense following the relocation of the Pennsylvania regional office.

Interest expense of $25.2 million for 2000 increased $1.9 million, or 8%, from $23.3 million for 1999. Of the increase, $532,000 was a result of higher average outstanding borrowings related to property redevelopments, $418,000 was due to a higher weighted average interest rate on the portfolio and $899,000 was attributable to less capitalized interest in 2000.

Comparison of the year ended December 31, 1999 ("1999") to the year ended December 31, 1998 ("1998")

The following comparison references the effect of the properties acquired on August 12, 1998 as a result of the RDC Transaction (the "RDC Properties").

Total revenues increased $32.9 million, or 55%, to $92.7 million for 1999 compared to $59.8 million for 1998.

Minimum rents increased $26.1 million, or 56%, to $73.0 million for 1999 compared to $46.9 million for 1998. $21.4 million, or 82%, of the increase was attributable to the RDC Properties. $1.4 million, or 5%, of the increase was attributable to amounts received as a result of two settlements. The first settlement was related to the liability of a tenant-assignor of a lease to a former tenant who had filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy laws ("Chapter 11") and the second was with respect to certain claims related to the Chapter 11 proceedings for the Penn Traffic Company. The remaining increase was primarily due to two property acquisitions, a redevelopment project placed in service subsequent to 1998, and anchor replacements at the Ledgewood Mall.

Percentage rents increased $343,000, or 13%, to $3.0 million for 1999 compared to $2.7 million for 1998. This increase was primarily attributable to the RDC Properties and the impact from the Company's adopting the Emerging Issue Task Force ("EITF") Issue No. 98-9 "Accounting for Contingent Rent in Interim Financial Periods" as of April 1, 1998 (subsequently codified with Staff Accounting Bulletin No. 101 "Revenue Recognition").

Expense reimbursements increased $5.1 million, or 59%, for 1999, of which $3.8 million resulted from the RDC Properties. The remaining increase was primarily attributable to anchor replacements at the Ledgewood Mall and an increase in expense recoveries resulting from increased contract services, primarily snow removal, as a result of the comparatively mild winter season in 1998.

Other income increased $1.4 million, of which $625,000 resulted from the RDC Properties and $442,000 was due to management fees which were earned under four contracts acquired in the RDC Transaction. The remaining increase was attributable to additional interest income resulting from a higher balance of interest earning assets in 1999.

Total operating expenses increased $11.9 million, or 26%, to $58.4 million for 1999, from $46.5 million for 1998.

Property operating expenses increased $7.4 million, or 52%, to $21.6 million for 1999 compared to $14.2 million for 1998. $6.4 million, or 86% of the increase, was attributable to the RDC Properties. The remaining increase was due to additional staffing in the leasing and property management departments following the RDC Transaction and an increase in contract services, primarily snow removal, as a result of the comparatively mild winter season in 1998. This increase was partially offset against a decrease in estimated claims related to the Company's property-related liability insurance policies.

Real estate taxes increased $3.0 million, or 40%, from $7.5 million for 1998 to $10.5 million for 1999. This increase was primarily attributable to the RDC Properties.

Depreciation and amortization increased $4.1 million, or 26%, for 1999 primarily attributable to the RDC Properties. This increase was partially offset by the effect from the sale of two properties during the first quarter of 1999 and the sale of a property in December 1998.

General and administrative expense increased $1.9 million, or 44%, from $4.4 million for 1998 to $6.3 million for 1999, which was primarily attributable to additional staffing and administration costs following the RDC Transaction.

Non-recurring charges of $2.2 million in 1998 were related primarily to payments made to certain officers and key employees pursuant to change in control provisions of employment contracts, severance paid to the Former Principal Shareholder, retention bonuses for certain employees and RDC Transaction related consulting and professional fees.

Settlement of litigation of $2.4 million in 1998 resulted from the agreement between the Company and its former President whereby the Company paid $1.0 million in 1998 and recorded a liability of $1.4 million based on future contractual payments to be made commencing April 1999 through January 2004.

The adjustment of carrying value of properties held for sale represents a 1998 non-cash charge of $11.6 million to write-down three properties to their estimated net realizable value pursuant to a disposition plan. One of these properties was sold in 1998 and the remaining two were sold in 1999.

Interest expense of $23.3 million for 1999 increased $5.0 million, or 27%, from $18.3 million for 1998. This increase was primarily attributable to the mortgage debt associated with the RDC Properties partially offset by the paydown of certain existing debt with the proceeds from the RDC Transaction. Contributing further to this increase was an additional $49.1 million of outstanding debt as of December 31, 1999 as a result of new borrowings made subsequent to 1998.

The $707,000 extraordinary loss in 1998 was a result of the write-off of deferred financing fees as a result of the repayment of the related debt.

Funds from Operations

The Company considers funds from operations ("FFO") as defined by the National Association of Real Estate Investment Trusts ("NAREIT") to be an appropriate supplemental disclosure of operating performance for an equity REIT due its widespread acceptance and use within the REIT and analyst communities. FFO is presented to assist investors in analyzing the performance of the Company. However, the Company's method of calculating FFO may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs. FFO does not represent cash generated from operations as defined by accounting principles generally accepted in the United States ("GAAP") and is not indicative of cash available to fund all cash needs, including distributions. 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.

NAREIT defines FFO as net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Effective January 1, 2000, NAREIT clarified the definition of FFO to include non-recurring events except those that are defined as "extraordinary items" under GAAP.

The reconciliation of net income to FFO for the years ended December 31, 2000, 1999, 1998, 1997 and 1996 is as follows:

Reconciliation of Net Income (Loss) to Funds from Operations

	For the Year Ended December 31, 2000	1999	1998(a)	1997(a)	1996(a)
Net income (loss)	$19,907	$ 7,195	$(13,898)	$(1,564)	$ (724)
Depreciation of real estate and amortization of leasing costs:					
Wholly owned and consolidated partnerships	19,325	18,949	14,925	12,993	12,268
Unconsolidated partnerships	625	626	231	--	--
Non-recurring RDC transaction charges (b)	--	--	2,249	--	--
Settlement of Litigation	--	--	2,358	--	--
Income (loss) attributable to minority interest (c)	5,674	3,106	(3,348)	(217)	(40)
(Gain)loss on sale of properties	(13,742)	1,284	175	12	(21)
Adjustment of carrying value of properties held for sale	--	--	11,560	--	392
Other adjustments	--	--	114	(221)	471
Extraordinary item - loss on extinguishment of debt	--	--	707	--	190
Funds from operations	$31,789	$31,160	$15,073	$11,003	$12,536

Notes:

(a) Effective January 1, 2000, NAREIT clarified the definition of FFO to include non-recurring events except those that are defined as "extraordinary items" under GAAP. Under this current definition, FFO for the years ended December 31, 1998, 1997 and 1996 would have been $10,352, $11,224 and $12,065, respectively.

(b) The Company acquired substantially all of the interests of RD Capital on August 12, 1998.

(c) Does not include distributions paid to Preferred OP Unitholders.

LIQUIDITY AND CAPITAL RESOURCES

Uses of Liquidity

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 December 13, 2000, the Board of Trustees of the Company approved and declared a cash quarterly dividend for the quarter ended December 31, 2000 of $0.12 per Common Share and Common OP Unit. The dividend was paid on January 15, 2001 to the shareholders of record as of December 29, 2000. The Board of Trustees also approved a distribution of $22.50 per Preferred OP Unit which was paid on January 15, 2001.

Property Redevelopment and Expansion

The Company's redevelopment program focuses on selecting well-located neighborhood and community shopping centers and creating significant value through retenanting and property redevelopment. The Company currently has four properties under redevelopment as follows:

Abington Towne Center - The Company has completed the first phase of redevelopment of this previously enclosed multi-level mall located in the Philadelphia suburb of Abington, Pennsylvania. In December 2000, the Company sold approximately 160,000 square feet representing the top two floors and the rear portion of the ground level and the related parking area to the Target Corp. ("Target") for $11.5 million. Target is currently building out the space and is expected to open prior to the end of 2001. The Company has "de-malled" the balance of the center consisting of approximately 46,000 square feet of the main building and 14,000 square feet of store space in outparcel buildings which it will continue to own and operate. An existing anchor, T.J. Maxx, was relocated to a 27,000 square foot space in the Company's portion of the main building and reopened for business during November 2000. As of December 31, 2000, costs incurred on this project totaled $3.6 million. Remaining costs projected to complete the redevelopment of this property are approximately $370,000.

Elmwood Park Shopping Center - During 2000, the Company commenced with the sitework on the redevelopment of this center located in Elmwood Park, New Jersey, approximately ten miles west of New York City. The redevelopment consists of reanchoring, renovating and expanding the existing 125,000 square foot shopping center by 30,000 square feet. The new anchor, a 48,000 square foot free-standing A&P supermarket, will replace an undersized (28,000 square feet) in-line Grand Union supermarket when completed. The project also includes the expansion of an existing Walgreens drug store. As of December 31, 2000, costs incurred on this project totaled $563,000. The Company expects remaining redevelopment costs of approximately $8.7 million to complete this project in 2002. In conjunction with the A&P supermarket rent commencement, the Operating Partnership is also obligated to issue OP Units equal to $2.75 million as discussed in Item 8, Note 2 to the Consolidated Financial Statements.

Methuen Shopping Center - This center, located in Methuen, Massachusetts (part of the Boston metropolitan statistical area) was formally anchored by a Caldor department store. The Company acquired this lease out of bankruptcy and is currently in final lease negotiations with a national discount retailer for an 89,000 square foot department store. Projected costs to complete this project are approximately $400,000.

Gateway Shopping Center - The redevelopment of the Gateway Shopping Center, a partially enclosed mall located in Burlington, Vermont, includes the recapture of a 32,000 square foot former Grand Union store, demolition of 70% of the property and the construction of a new anchor tenant. Following the bankruptcy of Grand Union, the lease was assigned to Shaw's supermarket which has resulted in a temporary delay of the planned de-malling and redevelopment.

Additionally, the Company currently estimates that for the remaining portfolio, capital outlays of approximately $3.0 million will be required for tenant improvements, related renovations and other property improvements related to executed leases.

Share Repurchase Plan

The Company's repurchase of its Common Shares is an additional use of liquidity. In January 2001, the Board of Trustees approved a continuation and expansion of the Company's existing stock repurchase program. Management is authorized, at its discretion, to repurchase up to an additional $10.0 million of the Company's outstanding Common Shares. Through March 9, 2001, the Company had repurchased 1,781,742 (net of 86,063 shares reissued) at a total cost of $10.5 million under the expanded share repurchase program which allows for the repurchase of up to $20.0 million of the Company's outstanding Common Shares. The program may be discontinued or extended at any time and there is no assurance that the Company will purchase the full amount authorized.

Sources of Liquidity

Sources of capital for funding property acquisition, redevelopment, expansion and retenanting, as well as repurchase of Common Shares are expected to be obtained primarily from cash on hand, additional debt financings and sales of existing properties. As of December 31, 2000, the Company has a total of $27.9 million of additional capacity with three lenders, of which $23.0 million is available under a financing line with a bank which must be drawn by April 2001. The Company also has thirteen 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

At December 31, 2000, mortgage notes payable aggregated $277.1 million and were collateralized by 45 properties and related tenant leases. Interest on the Company's mortgage indebtedness ranged from 7.5% to 9.6% with maturities that ranged from January 2001 to November 2021. Of the total outstanding debt, $153.2 million, or 55%, was carried at fixed interest rates with a weighted average of 8.3% and $123.9 million, or 45%, was carried at variable rates with a weighted average of 8.5%. Of the total outstanding debt, $83.6 million will become due by 2002, with scheduled maturities of $18.0 million at a weighted average interest rate of 7.8% in 2001 and $65.6 million with a weighted average interest rate of 8.2% in 2002. As the Company does not anticipate having sufficient cash on hand to repay such indebtedness, it will need to refinance this indebtedness or select other alternatives based on market conditions at that time.

The following summarizes the financing and refinancing transactions since December 31, 1999:

On January 8, 2001, the Company partially repaid $10.1 million of fixed-rate mortgage debt, which was secured by two of the Company's properties, with a life insurance company. Following this repayment from working capital, the remaining balance of $7.9 million was converted to a variable-rate facility which is secured by one of the Company's properties, requires the monthly payments of interest at LIBOR plus 200 basis points and principal amortized over 25 years, and matures January 10, 2002.

On December 22, 2000, the Company closed on two fixed-rate financings with a bank for $11.1 million and $5.6 million, each of which are secured by one of the Company's properties. The loans, which mature January 1, 2011, require monthly payments of interest at 7.55% and principal amortized over 30 years. Approximately $13.2 million of the proceeds were used to retire existing debt, $454,000 for various closing costs and funding of escrows, and the balance of $3.0 million was available for working capital.

On December 11, 2000, the Company fully repaid $10.1 million of outstanding debt with a life insurance company following the sale of a portion of the property which secured the debt.

On October 13, 2000, the Company refinanced $36.0 million of maturing debt with a life insurance company, with two new loans from the same lender. The Company repaid $5.0 million prior to refinancing the balance of the maturing debt. The first loan, which is a fixed-rate facility secured by two of the Company's properties, was for $25.2 million and requires the monthly payment of interest at a rate of 8.13% and principal amortized over 25 years. The loan matures in November 2010. The second loan, which is a variable-rate facility secured by three of the Company's properties, was for $10.8 million and requires the monthly payment of interest at LIBOR plus 200 basis points and matures in November 2003. Commencing 18 months after the closing, the loan also requires the monthly payment of principal amortized over 25 years. Both loans are cross-collateralized with all five properties. Furthermore, with respect to the variable-rate facility, the Company is required to deposit 50% of the monthly net cash flow after debt service, which will be used to fund future property and tenant improvements at the collateral properties.

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 variable-rate 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 was available for working capital. The Company may draw the additional $1.0 million subject to certain lender requirements including debt-service and collateral value.

On March 30, 2000, the Company closed on a $59.0 million secured financing line with a bank (the "Line"). The Line is secured by five of the seven properties that collateralized a loan with a life insurance company which was retired using $30.7 million of the proceeds from the initial $36.0 million funding. The balance of the Line must be drawn by April 2001. The Line matures April 1, 2005 and requires the monthly payment of interest at a variable-rate of LIBOR plus 175 basis points and principal amortized over 30 years. After September 2001, the debt can be prepaid without prepayment or yield maintenance fees. As of December 31, 2000, $35.8 million was outstanding under the Line.

On March 23, 2000, the Company fully repaid $4.6 million of outstanding debt with a bank which was collateralized by one of the Company's properties.

On February 8, 2000, the Company closed on a revolving credit facility with a bank, which provides for the borrowing of up to $7.4 million. The variable-rate facility, which is secured by one of the Company's properties, matures in March 2003 and requires the monthly payment of interest at the rate of LIBOR plus 150 basis points (the rate increases by an additional 25 basis points if the amount outstanding under the facility exceeds 50% of the value of the collateral). The monthly repayment of principal amortized over 25 years is required only if the Company draws the full amount available under the facility. As of December 31, 2000, the Company had $3.5 million outstanding under this facility.

On January 31, 2000, the Company repaid $23.1 million of outstanding debt with a life insurance company from working capital. The remaining outstanding debt of $30.8 with this lender was fully repaid with the proceeds from the March 30, 2000 bank financing as described above.

Asset Sales

Asset sales are an additional source of liquidity for the Company. During 2000, the Company sold a non-core asset in connection with its ongoing program of evaluatingand optimizing the property portfolio with respect to property locations, tenant profiles, cash flows and future capital appreciation. On December 14, 2000, the Company sold the Northwood Centre, located in Tallahassee, Florida, for $31.5 million. The buyer assumed the mortgage balance of $22.1 million and acquired various mortgage-related escrows for $1.8 million that, following additional net closing adjustments and costs resulted in net proceeds of $11.0 million to the Company. Additionally, there were two sales to anchor tenants as part of the Company's reanchoring and retenenating programs during 2000. On December 11, 2000, the Company sold approximately 160,000 square feet of the main building and related parking lot at the Abington Towne Center to the Target Corporation for $11.5 million as previously discussed. Net proceeds from the sale were $1.4 million following the repayment of the mortgage balance of $10.1 million and additional net closing adjustments and costs. On August 25, 2000, the Company sold 13 acres at the Union Plaza, located in New Castle, Pennsylvania, to Lowes Home Center, Inc., which is constructing a 130,000 square foot store at the location. Proceeds from this sale totaled $1.9 million.

HISTORICAL CASH FLOW

The following discussion of historical cash flow compares the Company's cash flow for the year ended December 31, 2000 ("2000") with the Company's cash flow for the year ended December 31, 1999 ("1999").

Net cash provided by operating activities increased from $25.9 million for 1999 to $32.6 million for 2000. This variance was primarily attributable to an increase in cash provided by changes in operating assets and liabilities, primarily accounts receivable and accounts payable, for 2000.

Net cash provided by investing activities of $8.2 million for 2000 increased $28.2 million compared to $19.9 million used during 1999. This was the result of an increase in net sales proceeds of $18.3 million received in 2000 versus 1999, a $9.2 million decrease in expenditures for real estate acquisitions, development and tenant installations in 2000 and $688,000 of additional distributions received from investments in unconsolidated partnerships in 2000.

Net cash used in financing activities of $54.0 million for 2000 increased $68.2 million compared to $14.2 million provided in 1999. The increased use of cash resulted primarily from $116.2 million of additional cash used in 2000 for the repayment of debt, partially offset by an increase of $58.2 million of cash provided by additional borrowings in 2000. Additionally, dividends and distributions used an additional $4.1 million in 2000 and $5.7 million of additional cash was used in 2000 for the repurchase of Common Shares.

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 current 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.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In June 1998, the Financial Accounting Standards Board (the "FASB") issued Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities" (the "Statement"). In June 1999, the FASB issued Statement No. 137, which deferred the effective date of Statement No. 133 requiring it to be adopted for all fiscal quarters of all fiscal years beginning after June 15, 2000. The Company will adopt the Statement effective January 1, 2001. The Statement will require the Company to recognize all derivatives on the balance sheet at fair value. Derivatives that are not hedges must be adjusted to fair value through income. If a derivative is a hedge, depending on the nature of the hedge, changes in the fair value of the derivative will either be offset against the change in fair value of the hedged asset, liability, or firm commitment through earnings, or recognized in other comprehensive income until the hedged item is recognized in earnings. The ineffective portion of a derivative's change in fair value will be immediately recognized in earnings. The Company does not anticipate that the adoption of this Statement will have a significant effect on its results of operations or financial position.

In December 1999, the Securities and Exchange Commission (the "SEC") released Staff Accounting Bulletin ("SAB") No. 101, "Revenue Recognition", to provide guidance on the recognition, presentation and disclosure of revenue in financial statements. Specifically, SAB No. 101 provides guidance on lessors' accounting for contingent rent. SAB No. 101 did not require the Company to change existing revenue recognition policies and therefore had no impact on the Company's financial position at or results of operations for the year ended December 31, 2000.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENTS, SCHEDULES AMD REPORTS ON FORM 8-K

(a) 1. Financial Statements - The following consolidated financial information is included as a separate section of this annual report on Form 10-K

ACADIA REALTY TRUST

All other schedules are omitted since the required information is not present or is not present in amounts sufficient to require submission of the schedule.

3. Exhibits

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this amendment on Form 10-K/A to its Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereto duly authorized.

ACADIA REALTY TRUST
(Registrant)

By: /s/ Perry Kamerman
Senior Vice President and
Chief Financial Officer

Dated: July 24, 2001

REPORT OF INDEPENDENT AUDITORS

To the Shareholders and Trustees of
Acadia Realty Trust

We have audited the accompanying consolidated balance sheets of Acadia Realty Trust (a Maryland Trust) and subsidiaries (the "Company") as of December 31, 2000 and 1999, and the related consolidated statements of operations, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2000. Our audits also included the financial statement schedule listed in the Index at Item 14(a). These financial statements and the schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Acadia Realty Trust and subsidiaries as of December 31, 2000 and 1999, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2000 in conformity with accounting principles generally accepted in the United States. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ ERNST & YOUNG LLP

New York, New York
March 2, 2001

Part I. Financial Information
Item 1. Financial Statements

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

	December 31, 2000	December 31, 1999
ASSETS		
Real estate		
Land	$ 69,206	$ 81,956
Buildings and improvements	444,933	487,565
	514,139	569,521
Less: accumulated depreciation	102,461	90,932
Net real estate	411,678	478,589
Properties held for sale	49,445	13,227
Cash and cash equivalents	22,167	35,340
Cash in escrow	5,213	9,707
Investments in unconsolidated partnerships	6,784	7,463
Rents receivable, net	9,667	8,865
Prepaid expenses	2,905	2,952
Due from related parties	--	19
Deferred charges, net	13,026	12,374
Other assets	2,726	2,267
	$523,611	$570,803
LIABILITIES AND SHAREHOLDERS' EQUITY		
Mortgage notes payable	$277,112	$326,651
Accounts payable and accrued expenses	7,495	6,385
Due to related parties	111	--
Dividends and distributions payable	4,241	4,371
Other liabilities	4,179	4,224
Total liabilities	293,138	341,631
Minority interest in Operating Partnership	48,959	74,462
Minority interests in majority-owned partnerships	2,197	2,223
Total minority interests	51,156	76,685
Shareholders' equity:		
Common shares, $.001 par value, authorized 100,000,000 shares, issued and outstanding 28,150,472 and 25,724,315 shares, respectively	28	26
Additional paid-in capital	188,392	168,641
Deficit	(9,103)	(16,180)
Total shareholders' equity	179,317	152,487
	$523,611	$570,803

See accompanying notes

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Years ended December 31, 2000	1999	1998
Revenues			
Minimum rents	$ 74,161	$ 73,021	$ 46,940
Percentage rents	3,048	2,994	2,651
Expense reimbursements	14,230	13,786	8,655
Other	5,319	2,908	1,525
Total revenues	96,758	92,709	59,771
Operating Expenses			
Property operating	23,198	21,606	14,182
Real estate taxes	11,468	10,540	7,536
Depreciation and amortization	20,460	19,887	15,795
General and administrative	5,057	6,337	4,409
Non-recurring charges	--	--	2,249
Settlement of litigation	--	--	2,358
Adjustment of carrying value of properties held for sale	--	--	11,560
Total operating expenses	60,183	58,370	58,089
Operating income	36,575	34,339	1,682
Equity in earnings of unconsolidated partnerships	645	584	256
Gain (loss) on sale of properties	13,742	(1,284)	(175)
Interest expense	(25,163)	(23,314)	(18,302)
Income (loss) before extraordinary item and minority interest	25,799	10,325	(16,539)
Extraordinary item - loss on early extinguishment of debt	--	--	(707)
Minority interests	(5,892)	(3,130)	3,348
Net income (loss)	$ 19,907	$ 7,195	$(13,898)
Net income (loss) per Common Share:			
Income (loss) before extraordinary item	$ .75	$ .28	$ (.86)
Extraordinary item	--	--	(.05)
Net income (loss) per Common Share	$ .75	$ .28	$ (.91)

See accompanying notes

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands, except per share amounts)

	Common Shares		Additional		Total
	Shares	Amount	Paid-in Capital	Deficit	Shareholders' Equity
Balance, December 31, 1997	8,554,177	$ 9	$ 51,073	$ (2,282)	$ 48,800
Issuance of shares pursuant to the Company's restricted share plan	3,800	-	29	-	29
Conversion of 800,000 OP Units by limited partner of the Operating Partnership	800,000	1	4,367	-	4,368
Issuance of 13,333,333 Common Shares in connection with the RDC Transaction, net of issuance costs	13,333,333	13	95,909	-	95,922
Issuance of 1,989,048 Common Shares in connection with the RDC Transaction	1,989,048	1	13,965	-	13,966
Conversion of 738,857 OP Units by limited partners of the Operating Partnership in connection with the RDC Transaction	738,857	1	5,403	-	5,404
Loss before minority interest	-	-	-	(17,246)	(17,246)
Minority interest's equity	-	-	-	3,348	3,348
Balance, December 31, 1998	25,419,215	25	170,746	(16,180)	154,591
Conversion of 700,000 OP Units by limited partner of the Operating Partnership	700,000	1	5,012	-	5,013
Dividends declared ($.48 per Common Share)	-	-	(5,133)	(7,195)	(12,328)
Repurchase of Common Shares	(394,900)	-	(1,984)	-	(1,984)
Income before minority interest	-	-	-	10,325	10,325
Minority interest's equity	-	-	-	(3,130)	(3,130)
Balance, December 31, 1999	25,724,315	26	168,641	(16,180)	152,487
Conversion of 3,679,999 OP Units by limited partners of the Operating Partnership	3,679,999	3	26,999	-	27,002
Dividends declared ($.48 per Common Share)	-	-	-	(12,830)	(12,830)
Repurchase of Common Shares	(1,339,905)	(1)	(7,691)	-	(7,692)
Reissuance of Common Shares	86,063	-	443	-	443
Income before minority interest	-	-	-	25,799	25,799
Minority interest's equity	-	-	-	(5,892)	(5,892)
Balance, December 31, 2000	28,150,472	$ 28	$188,392	$ (9,103)	$179,317

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, except per share amounts)

	Years ended December 31, 2000	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	$ 19,907	$ 7,195	$(13,898)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	20,460	19,887	15,795
Extraordinary item - loss on early extinguishment of debt	--	--	707
Minority interests	5,892	3,130	(3,348)
Equity in earnings of unconsolidated partnerships	(645)	(584)	(256)
Provision for bad debts	453	1,404	1,275
(Gain) loss on sale of properties	(13,742)	1,284	175
Stock-based compensation	443	--	--
Adjustment to carrying value of properties held for sale	--	--	11,560
Other	--	--	29
Changes in assets and liabilities:			
Funding of escrows, net	1,250	2,943	(4,744)
Rents receivable	(1,255)	(4,263)	(2,495)
Prepaid expenses	47	(155)	(1,556)
Due to/from related parties	130	(195)	163
Other assets	(792)	(879)	(975)
Accounts payable and accrued expenses	470	(4,288)	3,120
Other liabilities	(45)	407	1,907
Net cash provided by operating activities	32,573	25,886	7,459
CASH FLOWS FROM INVESTING ACTIVITIES:			
Expenditures for real estate and improvements	(15,865)	(25,091)	(23,253)
Net proceeds from sale of properties	24,413	6,128	2,193
Investments in unconsolidated partnerships	--	--	(861)
Distributions from unconsolidated partnerships	1,324	637	--
Payment of deferred leasing costs	(1,623)	(1,604)	(2,901)
Net cash provided by (used in) investing activities	8,249	(19,930)	(24,822)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net proceeds from issuance of Common Shares	--	--	95,923
Principal payments on mortgage notes	(133,838)	(17,598)	(80,493)
Proceeds received on mortgage notes	106,350	48,168	19,877
Payment of note payable to shareholder	--	--	(3,050)
Payment of deferred financing and other costs	(1,435)	(1,091)	(967)
Dividends paid	(12,545)	(9,238)	--
Distributions to minority interests in Operating Partnership	(4,617)	(3,929)	(31)
Distributions on Preferred Operating Partnership Units	(173)		
Distributions to minority interest in majority-owned partnership	(45)	(127)	--
Repurchase of Common Shares	(7,692)	(1,984)	--
Net cash (used in) provided by financing activities	(53,995)	14,201	31,259
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(13,173)	20,157	13,896
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	35,340	15,183	1,287
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 22,167	$ 35,340	$ 15,183

See accompanying notes

ACADIA REALTY TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, except per share amounts)

	Years ended December 31, 2000	1999	1998
Supplemental Disclosures of Cash Flow Information:			
Cash paid during the year for interest, net of amounts capitalized of $439, $1,299, and $857, respectively	$ 25,035	$ 23,793	$ 17,650
Supplemental Disclosures of Non-Cash Investing and Financing Activities:			
Disposition of real estate through assignment of debt	$ 22,051		
Acquisition of real estate by assumption of debt		$ 18,521	
Acquisition of real estate by issuance of Preferred Operating Partnership Units		$ 2,212	
The following activity was recorded in connection with the RDC Transaction (Note 2).			
Real estate and investment in partnerships acquired			$(253,801)
Mortgage notes payable assumed			154,234
Operating partnership units issued			83,250
Common Shares issued			13,967
Minority interests in acquired properties			2,350
Net Cash			$ --

See accompanying notes

1. Organization, Basis of Presentation and Summary of Significant Accounting Policies

Acadia Realty Trust (the "Company"), formerly known as Mark Centers Trust, 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.

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 subsidiaries. As of December 31, 2000, the Company controlled 81% of the Operating Partnership as the sole general partner.

As of December 31, 2000, the Company operated fifty-seven properties, which it owned or had an ownership interest in, consisting of forty-seven neighborhood and community shopping centers, four redevelopment retail properties, one enclosed shopping mall and five multi-family properties, all of which are located in the Eastern and Midwestern regions of the United States.

Principles of Consolidation
The consolidated financial statements include the consolidated accounts of the Company and its majority owned subsidiaries, including the Operating Partnership. Non-controlling investments in partnerships are accounted for under the equity method of accounting as the Company exercises significant influence.

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

Properties
Real estate assets are stated at cost less accumulated depreciation. Expenditures for acquisition, development, construction and improvement of properties, as well as significant renovations are capitalized. Interest costs are capitalized until construction is substantially complete. Depreciation is computed on the straight-line method over estimated useful lives of 30 to 40 years for buildings and the shorter of the useful life or lease term for improvements, furniture, fixtures and equipment. Expenditures for maintenance and repairs are charged to operations as incurred. The Company records impairment losses and reduces the carrying value of properties when indicators of impairment are present and the expected undiscounted cash flows related to those properties are less than their carrying amounts. In cases where the Company does not expect to recover its carrying costs on properties held for use, the Company reduces its carrying cost to fair value, and for properties held for sale, the Company reduces its carrying value to the fair value less costs to sell. Management does not believe that the value of any properties held for use or sale are impaired as of December 31, 2000. As of December 31, 2000, one shopping center and two multi-family properties were held for sale.

Deferred Costs
Fees and costs incurred in the successful negotiation of leases have been deferred and are being amortized on a straight-line basis over the terms of the respective leases. Fees and costs incurred in connection with obtaining financing have been deferred and are being amortized over the term of the related debt obligation.

1. Organization, Basis of Presentation and Summary of Significant Accounting Policies, continued

Revenue Recognition

Leases with tenants are accounted for as operating leases. Minimum rents are recognized on a straight-line basis over the term of the respective leases. As of December 31, 2000 and 1999, unbilled rents receivable relating to straight-lining of rents were $4,098 and $3,057, respectively.

Percentage rents are recognized in the period when the tenant sales breakpoint is met.

Reimbursements from tenants for real estate taxes, insurance and other property operating expenses are recognized as revenue in the period the expenses are incurred.

An allowance for doubtful accounts has been provided against certain tenant accounts receivable which are estimated to be uncollectible. Rents receivable at December 31, 2000 and 1999 are shown net of an allowance for doubtful accounts of $1,738 and $1,588, respectively.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents.

Cash in Escrow

Cash in escrow consists principally of cash held for real estate taxes, property maintenance, insurance, minimum occupancy and property operating income requirements at specific properties as required by certain loan agreements.

Non-Recurring Charges

In connection with the RDC Transaction (note 2), the Company incurred non-recurring costs in 1998 of $2,249 related primarily to payments made to certain officers and key employees pursuant to change in control provisions of employment contracts, severance paid to the Former Principal Shareholder (note 8), retention bonuses for certain employees and transaction-related consulting and professional fees.

Income Taxes

The Company has made an election to be taxed, and believes it qualifies as a real estate investment trust ("REIT") under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended. A REIT will generally not be subject to federal income taxation on that portion of its income that qualifies as REIT taxable income to the extent that it distributes at least 95% (90% commencing in 2001) of its taxable income to its shareholders and complies with certain other requirements. Accordingly, no provision has been made for federal income taxes for the Company in the accompanying consolidated financial statements. The Company is subject to state income or franchise taxes in certain states in which some of its properties are located. These state taxes, which in total are not significant, are included in general and administrative expenses in the accompanying consolidated financial statements.

1. Organization, Basis of Presentation and Summary of Significant Accounting Policies, continued

Earnings Per Common Share

Basic earnings per share was determined by dividing the net applicable income or loss to common shareholders for the year by the weighted average number of common shares of beneficial interest ("Common Shares") outstanding during each year consistent with the Financial Accounting Standards Board Statement No. 128. The weighted average number of shares outstanding for the years ended December 31, 2000, 1999, and 1998 were 26,437,265, 25,708,787 and 15,205,962, 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 years ended December 31, 2000, 1999, and 1998 no additional shares were reflected as the impact would be anti-dilutive in such years.

Share Repurchase Plan

As of December 31, 2000, the Company had repurchased 1,648,742 Common Shares (net of 86,063 Common Shares reissued) at a total cost of $9,675 under a share repurchase program which allows for the repurchase of up to $10,000 of the Company's outstanding Common Shares. The repurchased shares are reflected as a reduction of par value and additional paid-in capital. In January 2001, the Board of Trustees approved a continuation and expansion of the Company's existing stock repurchase program. Management is authorized, at its discretion, to repurchase up to an additional $10,000 of the Company's outstanding Common Shares. The program may be discontinued or extended at any time and there is no assurance that the Company will purchase the full amount authorized.

Recent Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board (the "FASB") issued Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities" (the "Statement"). In June 1999, the FASB issued Statement No. 137, which deferred the effective date of Statement No. 133 requiring it to be adopted for all fiscal quarters of all fiscal years beginning after June 15, 2000. The Company will adopt the Statement effective January 1, 2001. The Statement will require the Company to recognize all derivatives on the balance sheet at fair value. Derivatives that are not hedges must be adjusted to fair value through income. If a derivative is a hedge, depending on the nature of the hedge, changes in the fair value of the derivative will either be offset against the change in fair value of the hedged asset, liability, or firm commitment through earnings, or recognized in other comprehensive income until the hedged item is recognized in earnings. The ineffective portion of a derivative's change in fair value will be immediately recognized in earnings. The Company does not anticipate that the adoption of this Statement will have a significant effect on its results of operations or financial position.

In December 1999, the Securities and Exchange Commission (the "SEC") released Staff Accounting Bulletin ("SAB") No. 101, "Revenue Recognition", to provide guidance on the recognition, presentation and disclosure of revenue in financial statements. Specifically, SAB No. 101 provides guidance on lessors' accounting for contingent rent. SAB No. 101 did not require the Company to change existing revenue recognition policies and therefore had no impact on the Company's financial position at or results of operations for the year ended December 31, 2000.

Reclassifications

Certain 1999 and 1998 amounts were reclassified to conform to the 2000 presentation.

2. Acquisition and Disposition of Properties and Related Transactions

2000 Dispositions
On December 14, 2000, the Company sold the Northwood Centre, located in Tallahassee, Florida, for $31,500. The buyer assumed the mortgage balance of $22,051 and acquired various mortgage-related escrows for $1,784 which, following additional net closing adjustments and costs, resulted in net proceeds of $11,026 to the Company.

On December 11, 2000, the Company sold approximately 160,000 square feet of the main building and related parking lot at the Abington Towne Center for $11,500. The Company retained ownership of approximately 50,000 square feet of the main building, as well as the outparcels (14,000 square feet) and related parking areas. Total sales proceeds were $1,366 following the repayment of the mortgage balance of $10,137 and additional net closing adjustments and costs.

On August 25, 2000, the Company sold 13 acres at the Union Plaza, located in New Castle, Pennsylvania, for $1,900. Proceeds from the sale totaled $1,882 after net closing costs and adjustments.

The Company recognized a gain of $13,742 for the year ended December 31, 2000 as a result of the above property sales.

1999 Acquisitions and Dispositions
On November 16, 1999, the Company acquired 100% of the partnership interests of the limited partnership which owns the Pacesetter Park Shopping Center, a 96,000 square foot community shopping center located in Rockland County, New York. The aggregate purchase price of $7,400 consisted of the assumption of $4,637 in first mortgage debt and the issuance of $2,212 in preferred Operating Partnership units with the balance funded from working capital.

On May 5, 1999, the Company acquired the sole general partner's interest in the limited partnership owning the Gateway Shopping Center , a 122,000 square foot shopping center located in Burlington, Vermont, for $6,547. The interest was acquired out of bankruptcy by restructuring and assuming the mortgage debt of $6,222. The balance of the purchase was funded from working capital.

On February 24, 1999, the Company acquired the Mad River Station, a 154,000 square foot shopping center located in Dayton, Ohio for $11,500. The Company assumed $7,661 in mortgage debt and funded the remaining purchase from working capital.

Pursuant to its continuing plan to dispose of certain non-core properties, the Company sold two properties during 1999, the Searstown Mall on February 1, 1999 for a sale price of $3,300 and the Auburn Plaza on March 29, 1999 for $3,500.

RDC Transaction

On August 12, 1998 the Company completed the transactions contemplated by the Contribution and Share Purchase Agreement dated April 15, 1998 (the "RDC Transaction") involving affiliates of RD Capital, Inc. ("RDC"). In connection with the RDC Transaction, the Operating Partnership acquired (i) fee title to or all, or substantially all, of the ownership interests in twelve shopping centers, five multi-family properties and one redevelopment property, (ii) a 49% interest in one shopping center, (iii) certain third party management contracts, and (iv) certain promissory notes from real estate investment partnerships and related entities, which were not under common control, in which RDC served as general partner or in another similar management capacity, for approximately 11.1 million Operating Partnership units ("OP Units") and approximately 2.0 million Common Shares valued at $97,217. In addition, the Company assumed mortgage debt aggregating $154,234 and incurred other capitalized transaction costs of $5,757 resulting in an aggregate purchase price of $257,208. As part of the RDC Transaction, the Company also issued approximately 13.3 million Common Shares to three real estate investment limited partnerships (collectively "RDC Funds"), in which affiliates of RDC served as general partner, in exchange for $100,000. These Common Shares were subsequently distributed to the limited partners of the RDC Funds in March 2000.

2. Acquisition and Disposition of Properties and Related Transactions, continued

RDC Transaction, continued

The Company accounted for the RDC Transaction as (i) a purchase of properties and other related assets in exchange for OP Units and Common Shares and the assumption of certain mortgage debt and other liabilities using the purchase method of accounting and (ii) an issuance of Common Shares for cash. Accordingly, the accompanying 1998 consolidated financial statements include the operations of the properties acquired in the RDC Transaction from August 12, 1998 through December 31, 1998 (note 20).

The Operating Partnership is also obligated to issue additional OP Units valued at $2,750 upon the completion of certain improvements and the commencement of rental payments from a designated tenant at one of the properties acquired in the RDC Transaction.

Following the completion of the RDC Transaction, the Company changed its name from Mark Centers Trust to Acadia Realty Trust and the name of the Operating Partnership was changed from Mark Centers Limited Partnership to Acadia Realty Limited Partnership. Management also adopted a plan to dispose of three non-core properties following the RDC Transaction. As a result, the Company recorded a non-cash charge of $11,560 to write-down these properties to their estimated net realizable value as the anticipated sales proceeds (net of selling costs) were expected to be insufficient to recover the associated carrying values. On December 30, 1998, the Company completed the sale of the Normandale Mall for $2,350. The remaining two properties (the Searstown Mall and Auburn Plaza) were sold in 1999.

(In thousands, except per share amounts)

3. Segment Reporting

The Company has two reportable segments: retail properties and multi-family properties. The accounting policies of the segments are the same as those described in the summary of significant accounting policies. The Company evaluates property performance primarily based on net operating income before depreciation, amortization and certain nonrecurring 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. All the multi-family units were acquired in 1998 as part of the RDC Transaction. The following table sets forth certain segment information for the Company as of and for the years ended December 31, 2000, 1999, and 1998 (does not include unconsolidated partnerships):

	2000			
	Retail Properties	Multi-Family Properties	All Other	Total
Revenues	$ 79,229	$ 15,396	$ 2,133	$ 96,758
Property operating expenses and real estate taxes	28,547	6,119	--	34,666
Net property income before depreciation, amortization and certain nonrecurring items	50,682	9,277	2,133	62,092
Depreciation and amortization	18,064	2,066	330	20,460
Interest expense	20,802	4,361	--	25,163
Real estate at cost	430,841	83,298	--	514,139
Total assets	435,287	81,540	6,784	523,611
Gross leasable area (multi-family - 2,273 units)	8,371	2,039	--	10,410
Expenditures for real estate and improvements	14,712	1,153	--	15,865

Revenues	
Total revenues for reportable segments	$ 97,710
Elimination of intersegment management fee income	(952)
Total consolidated revenues	$ 96,758
Property operating expenses and real estate taxes	
Total property operating expenses and real estate taxes for reportable segments	$ 35,618
Elimination of intersegment management fee expense	(952)
Total consolidated expense	$ 34,666
Reconciliation to income before extraordinary item and minority interest	
Net property income before depreciation, amortization and certain nonrecurring items	$ 62,092
Depreciation and amortization	(20,460)
General and administrative	(5,057)
Equity in earnings of unconsolidated partnerships	645
Gain on sale of properties	13,742
Interest expense	(25,163)
Income before minority interest	$ 25,799

(In thousands, except per share amounts)

3. Segment Reporting, continued

	1999			
	Retail Properties	Multi-Family Properties	All Other	Total
Revenues	$ 75,823	$ 14,915	$ 1,971	$ 92,709
Property operating expenses and real estate taxes	26,190	5,956	--	32,146
Net property income before depreciation, amortization and certain nonrecurring items	49,633	8,959	1,971	60,563
Depreciation and amortization	17,817	1,829	241	19,887
Interest expense	19,199	4,115		23,314
Real estate at cost	487,376	82,145	--	569,521
Total assets	481,175	82,165	7,463	570,803
Gross leasable area (multi-family - 2,273 units)	8,817	2,039	--	10,856
Expenditures for real estate and improvements	23,912	1,179	--	25,091

Revenues	
Total revenues for reportable segments	$ 93,766
Elimination of intersegment management fee income	(1,057)
Total consolidated revenues	$ 92,709

Property operating expenses and real estate taxes	
Total property operating expenses and real estate taxes for reportable segments	$ 33,203
Elimination of intersegment management fee expense	(1,057)
Total consolidated expense	$ 32,146

Reconciliation to income before extraordinary item and minority interest	
Net property income before depreciation, amortization and certain nonrecurring items	$ 60,563
Depreciation and amortization	(19,887)
General and administrative	(6,337)
Equity in earnings of unconsolidated partnerships	584
Loss on sale of properties	(1,284)
Interest expense	(23,314)
Income before minority interest	$ 10,325

(In thousands, except per share amounts)

3. Segment Reporting, continued

	1998			
	Retail Properties	Multi-Family Properties	All Other	Total
Revenues	$ 53,507	$ 5,644	$ 620	$ 59,771
Property operating expenses and real estate taxes	19,573	2,145	--	21,718
Net property income before depreciation, amortization and certain nonrecurring items	33,934	3,499	620	38,053
Depreciation and amortization	14,963	629	203	15,795
Interest expense	16,685	1,606	11	18,302
Real estate at cost	470,438	80,811	--	551,249
Total assets	438,163	82,833	7,516	528,512
Gross leasable area (multi-family - 2,273 units)	8,931	2,039	--	10,970
Expenditures for real estate and improvements	22,844	409	--	23,253

Revenues	
Total revenues for reportable segments	$ 60,204
Elimination of intersegment ground rent and management fee income	(433)
Total consolidated revenues	$ 59,771

Property operating expenses and real estate taxes Total property operating expenses and real estate taxes for reportable segments	$ 22,151
Elimination of intersegment ground rent and management fee expense	(433)
Total consolidated expense	$ 21,718

Reconciliation to loss before extraordinary item and minority interest	
Net property income before depreciation, amortization and certain nonrecurring items	$ 38,053
Depreciation and amortization	(15,795)
General and administrative	(4,409)
Non-recurring charges	(2,249)
Settlement of litigation	(2,358)
Equity in earnings of unconsolidated partnerships	256
Loss on sale of property	(175)
Adjustment of carrying value of property held for sale	(11,560)
Interest expense	(18,302)
Loss before extraordinary item and minority interest	$(16,539)

(In thousands, except per share amounts)

4. Investment in Partnerships

In connection with the RDC Transaction, the Company acquired a 49% interest in each of the Crossroads Joint Venture and Crossroads II Joint Venture (collectively "Crossroads") which collectively own a 311,000 square foot shopping center in Greenburgh, New York. The Company accounts for its investment in Crossroads using the equity method. Summary financial information of Crossroads and the Company's investment in and share of income from Crossroads follows:

	December 31, 2000	December 31, 1999
Balance Sheet		
Assets:		
Rental property, net	$ 8,446	$ 8,801
Other assets	4,655	5,204
Total assets	$13,101	$14,005
Liabilities and partners' equity		
Mortgage note payable	$34,642	$35,105
Other liabilities	736	777
Partners' equity	(22,277)	(21,877)
Total liabilities and partners' equity	$13,101	$14,005
Company's investment in partnerships	$ 6,784	$ 7,463

	Years Ended December 31, 2000	1999	1998
Statement of Operations			
Total revenue	$ 7,242	$ 7,003	$ 2,680
Operating and other expenses	1,895	1,910	643
Interest expense	2,699	2,568	1,022
Depreciation and amortization	532	534	192
Net income	$ 2,116	$ 1,991	$ 823
Company's share of net income	$ 1,037	$ 976	$ 403
Amortization of excess investment (See below)	392	392	147
Income from Partnerships	$ 645	$ 584	$ 256

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.

(In thousands, except per share amounts)

5. Deferred Charges

Deferred charges consist of the following as of December 31, 2000 and 1999:

	2000	1999
Deferred financing costs	$ 7,091	$ 7,563
Deferred leasing and other costs	13,092	12,279
	20,183	19,842
Accumulated amortization	(7,157)	(7,468)
	$13,026	$12,374

6. Mortgage Loans

At December 31, 2000, mortgage notes payable aggregated $277,112 and were collateralized by 45 properties and related tenant leases. Interest rates ranged from 7.50% to 9.60%. Mortgage payments are due in monthly installments of principal and/or interest and mature on various dates through 2021. Certain loans are cross-collateralized and cross-defaulted as part of a group of properties. The loan agreements contain customary representations, covenants and events of default. Certain loan agreements require the Company to comply with certain affirmative and negative covenants, including the maintenance of certain debt service coverage and leverage ratios.

On December 22, 2000, the Company closed on two fixed-rate financings with a bank for $11,100 and $5,550, each of which are secured by one of the Company's properties. The loans, which mature January 1, 2011, require monthly payments of interest at 7.55% and principal amortized over 30 years. Approximately $13,181 of the proceeds were used to retire existing debt, $454 for various closing costs and funding of escrows, and the balance of $3,015 was available for working capital.

On December 11, 2000, the Company fully repaid $10,137 of outstanding debt with a life insurance company following the sale of a portion of the property which secured the debt (Note 2).

On October 13, 2000, the Company refinanced $36,000 of maturing debt with a life insurance company, with two new loans from the same lender. The Company repaid $5,000 prior to refinancing the balance of the maturing debt. The first loan, which is a fixed-rate facility secured by two of the Company's properties, was for $25,200 and requires the monthly payment of interest at a rate of 8.13% and principal amortized over 25 years. The loan matures in November 2010. The second loan, which is a variable-rate facility secured by three of the Company's properties, was for $10,800 and requires the monthly payment of interest at LIBOR plus 200 basis points and matures in November 2003. Commencing 18 months after the closing, the loan also requires the monthly payment of principal amortized over 25 years. Both loans are cross-collateralized with all five properties. Furthermore, with respect to the variable-rate facility, the Company is required to deposit 50% of the monthly net cash flow after debt service, which will be used to fund future property and tenant improvements at the collateral properties.

On July 19, 2000, the Company closed on a facility with a bank, which provides for the borrowing of up to $10,000. The variable-rate 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 was available for working capital. The Company may draw the additional $1,000 subject to certain lender requirements including debt-service and collateral value.

On March 30, 2000, the Company closed on a $59,000 secured financing line with a bank (the "Line"). The Line is secured by five of the seven properties that collateralized a loan with a life insurance company which was retired using $30,735 of the proceeds from the initial $36,000 funding. The balance of the Line must be drawn by April 2001. The Line matures April 1, 2005 and requires the monthly payment of interest at a variable-rate of LIBOR plus 175 basis points and principal amortized over 30 years. After September 2001, the debt can be prepaid without prepayment or yield maintenance fees. As of December 31, 2000, $35,814 was outstanding under the Line.

(In thousands, except per share amounts)

6. Mortgage Loans, continued

On March 23, 2000, the Company fully repaid $4,600 of outstanding debt with a bank which was collateralized by one of the Company's properties.

On February 8, 2000, the Company closed on a revolving credit facility with a bank, which provides for the borrowing of up to $7,400. The variable-rate facility, which is secured by one of the Company's properties, matures in March 2003 and requires the monthly payment of interest at the rate of LIBOR plus 150 basis points (the rate increases by an additional 25 basis points if the amount outstanding under the facility exceeds 50% of the value of the collateral). The monthly repayment of principal amortized over 25 years is required only if the Company draws the full amount available under the facility. As of December 31, 2000, the Company had $3,500 outstanding under this facility.

On January 31, 2000, the Company repaid $23,090 of outstanding debt with a life insurance company from working capital. The remaining outstanding debt of $30,735 with this lender was fully repaid with the proceeds from the March 30, 2000 bank financing as described above.

The following table summarizes the Company's mortgage indebtedness as of December 31, 2000 and 1999:

	December 31, 2000	December 31, 1999	Interest Rate
Mortgage notes payable - variable-rate			
General Electric Capital Corp.	$ --	$ 7,126	--
Fleet Bank, N.A.	4,110	3,966	8.51% (LIBOR + 1.75%)
Fleet Bank, N.A.	9,216	9,326	8.54% (LIBOR + 1.78%)
Sun America Life Insurance Company	13,774	13,931	8.55% (LIBOR + 2.05%)
Sun America Life Insurance Company	9,856	9,979	8.55% (LIBOR + 2.05%)
KBC Bank	14,238	14,508	8.07% (LIBOR + 1.25%)
Fleet Bank, N.A.	3,500	--	8.13% (LIBOR + 1.50%)
Fleet Bank, N.A.	8,965	--	8.49% (LIBOR + 1.75%)
Metropolitan Life Insurance Company	10,800	--	8.80% (LIBOR + 2.00%)
First Union National Bank	13,636	13,750	8.21% (LIBOR + 1.45%)
Dime Savings Bank of NY	35,814	--	8.56% (LIBOR + 1.75%)
Total variable-rate debt	123,909	72,586	
Mortgage notes payable - fixed rate			
Sun America Life Insurance Company	17,999	42,143	7.75%
Huntoon Hastings Capital Corp.	6,222	6,222	7.50%
North Fork Bank	9,887	5,000	7.75%
Anchor National Life Insurance Company	3,775	3,866	7.93%
Lehman Brothers Holdings, Inc.	17,792	17,973	8.32%
Mellon Mortgage Company	7,442	7,566	9.60%
Northern Life Insurance Company	2,895	3,173	7.70%
Reliastar Life Insurance Company	1,996	2,189	7.70%
Metropolitan Life Insurance Company	25,148	--	8.13%
Bank of America, N.A.	11,100	--	7.55%
Bank of America, N.A.	5,550	--	7.55%
Morgan Stanley Mortgage Capital	43,397	44,092	8.84%
Nomura Asset Capital Corporation	--	22,335	9.02%
John Hancock Mutual Life Insurance Company	--	53,878	9.11%
Metropolitan Life Insurance Company	--	41,000	7.75%
M&T Real Estate Inc.	--	4,628	8.18%
Total fixed-rate debt	153,203	254,065	
	$277,112	$326,651	

(In thousands, except per share amounts)

6. Mortgage Loans, continued

	Maturity	Properties Encumbered	Payment Terms
Mortgage notes payable - variable-rate			
General Electric Capital Corp.	--	--	--
Fleet Bank, N.A.	03/15/02	(1)	(2)
Fleet Bank, N.A.	05/31/02	(3)	(2)
Sun America Life Insurance Company	08/01/02	(4)	(2)
Sun America Life Insurance Company	10/01/02	(5)	(2)
KBC Bank	12/31/02	(6)	(2)
Fleet Bank, N.A.	03/01/03	(7)	(2)
Fleet Bank, N.A.	08/01/03	(8)	(2)
Metropolitan Life Insurance Company	11/01/03	(9)	(24)
First Union National Bank	01/01/05	(10)	(2)
Dime Savings Bank of NY	04/01/05	(11)	(2)
Mortgage notes payable - fixed rate			
Sun America Life Insurance Company	01/10/01	(12)	$161(2)
Huntoon Hastings Capital Corp.	09/01/02	(13)	(14)
North Fork Bank	12/01/02	(15)	$76(2)
Anchor National Life Insurance Company	01/01/04	(16)	$33(2)
Lehman Brothers Holdings, Inc.	03/01/04	(17)	$139(2)
Mellon Mortgage Company	05/23/05	(18)	$70(2)
Northern Life Insurance Company	12/01/08	(19)	$41(2)
Reliastar Life Insurance Company	12/01/08	(19)	$28(2)
Metropolitan Life Insurance Company	11/01/10	(20)	$197(2)
Bank of America, N.A.	01/01/11	(21)	$78(2)
Bank of America, N.A.	01/01/11	(22)	$39(2)
Morgan Stanley Mortgage Capital	11/01/21	(23)	$380(2)
Nomura Asset Capital Corporation	--	--	--
John Hancock Mutual Life Insurance Company	--	--	--
Metropolitan Life Insurance Company	--	--	--
M&T Real Estate Inc.	--	--	--

Notes:

(1) Town Line Plaza

(2) Monthly principal and interest

(3) Smithtown Shopping Center

(4) Merrillville Plaza

(5) Village Apartments

(6) Marley Run Apartments

(7) Marketplace of Absecon

(8) Soundview Marketplace

(9) Green Ridge Plaza
Luzerne Street Plaza
Valmont Plaza

(10) 239 Greenwich Avenue

(11) Ledgewood Mall
New Louden Center
Route 6 Plaza
Bradford Towne Centre
Berlin Shopping Center

(12) Bloomfield Town Square
Walnut Hill Shopping Center

(note 20)

(13) Gateway Shopping Center

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

(15) The Branch Shopping Center

(16) Pittston Plaza

(17) Glen Oaks Apartments

(18) Mad River Station Shopping Center

(19) Manahawkin Shopping Center

(20) Crescent Plaza
East End Centre

(21) GHT Apartments

(22) Colony Apartments

(23) Midway Plaza

Kings Fairgrounds
Shillington Plaza

Dunmore Plaza
Kingston Plaza
25th Street Shopping Center
Circle Plaza
Northside Mall
Monroe Plaza
New Smyrna Beach
Mountainville Plaza
Cloud Springs Plaza
Birney Plaza
Troy Plaza
Martintown Plaza
Plaza 15
Ames Plaza

(24) Interest only until 5/02; monthly Principal and interest thereafter

(In thousands, except per share amounts)

6. Mortgage Loans, continued

The scheduled principal repayments of all mortgage indebtedness as of December 31, 2000 are as follows:

2001	$ 21,595
2002	69,291
2003	25,916
2004	23,440
2005	56,912
Thereafter	79,958
	$277,112

7. Minority Interests

Minority interest represents the limited partners' interest of 6,804,144 and 10,484,143 Common Operating Partnership ("Common OP") Units in the Operating Partnership at December 31, 2000 and 1999, respectively, and 2,212 units of Preferred Limited Partnership Interests designated as Series A Preferred Units ("Preferred OP Units") issued November 16, 1999 in connection with the acquisition of all the partnership interests of the limited partnership which owns the Pacesetter Park Shopping Center (note 2).

The Preferred OP Units, which have a stated value of $1,000 each, are entitled to a quarterly preferred distribution of the greater of (i) $22.50 (9% annually) per Preferred OP Unit or (ii) the quarterly distribution attributable to a Preferred OP Unit if such unit were converted into a Common OP Unit. The Preferred OP Units are currently convertible into Common OP Units based on the stated value divided by $7.50. After the seventh anniversary following their issuance, either the Company or the holders can call for the conversion of the Preferred OP Units at the lesser of $7.50 or the market price of the Common Shares as of the conversion date.

On December 12, 2000 and August 15, 2000, 220,300 and 3,459,699 Common OP Units, respectively, were converted into Common Shares by certain limited partners.

Minority interests at December 31, 2000 and 1999 also include an aggregate amount of $2,197 and $2,223, respectively, representing interests held by third parties in four of the properties acquired in the RDC Transaction in which the Company has a majority ownership position.

8. Related Party Transactions

During 1998, the Company entered into the following transactions with Mr. Slomowitz, a former trustee and former principal shareholder, in connection with the RDC Transaction: (i) repaid a $3,030 note related to the Company's 1996 purchase of the Union Plaza, (ii) paid $600 in severance pay, (iii) paid $100 on the closing of the RDC Transaction and agreed to pay $100 on each of the following two anniversary dates of the closing of the RDC Transaction for his agreement not to compete with the Company and for certain consulting services, (iv) granted ten year options to purchase 300,000 Common Shares at an exercise price of $9.00 per Common Share, (v) cancelled formerly issued options to purchase 200,000 Common Shares at $12.00 per Common Share and (vi) agreed to pay a brokerage commission of 2% of the sales price of nine designated properties currently comprising a portion of the Company's portfolio, provided such commissions would not exceed $600 in the aggregate.

On December 30, 1999, the Company and Mr. Slomowitz terminated certain of the obligations described above which were incurred in connection with the RDC Transaction. The principal terms included cancellation of the lease for the Company's prior headquarters in a building owned by Mr. Slomowitz. Rent expenses for this office space was $119 and $112 for the years ended December 31, 1999 and 1998, respectively. The Company paid Mr. Slomowitz the sum of $329 in connection with the lease cancellation. Additionally, Mr. Slomowitz terminated his options to acquire 301,000 common shares and waived the final $100 installment payment due August, 2000. The Company agreed to indemnify Mr. Slomowitz with respect to certain contingent liabilities. Mr. Slomowitz retains the right to continue to guarantee Company debt up to $55,000.

(In thousands, except per share amounts)

8. Related Party Transactions, continued

Mr. Slomowitz also removed all restrictions on the sale of any properties which he had originally contributed to the Company, waived his claims for present and future brokerage commissions and agreed to absorb up to $1,250 of tax liabilities resulting in event of the sale thereof. Mr. Slomowitz also resigned from the Company's Board of Trustees effective December 8, 1999.

On July 16, 1999, and April 9, 1999, Mr. Slomowitz converted 600,000 and 100,000 Common OP Units, respectively, into Common Shares.

In connection with the RDC Transaction, the Company acquired certain property management contracts for 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% to 3.5% of collections. Such fees aggregated $853, $639 and $225 for the years ended December 31, 2000, 1999 and 1998, respectively. Management fees earned under management contracts on properties owned by Mr. Slomowitz aggregated $8 for the year ended December 31, 1998.

In connection with the RDC Transaction, the Company is obligated, for a period of five years following the transaction, to reimburse the partners of the real estate partnerships which contributed properties as part of the transaction, for any tax liabilities resulting from the sale of any of the contributed properties. As a result, in connection with the sale of a portion of the Abington Towne Center (note 2), the Company estimated that it was obligated to reimburse the partners of the partnership which contributed this property a total of approximately $640. Of this amount, Mssrs. Dworman and Berstein are owed approximately $275 as a result of their interests in the contributing partnership. The total estimated obligation was included in the determination of the gain on sale of the property.

9. Tenant Leases

Space in the shopping centers and other retail properties is leased to various tenants under operating leases which usually grant tenants renewal options and generally provide for additional rents based on certain operating expenses as well as tenants' sales volume.

Minimum future rentals to be received under non-cancelable leases for shopping centers and other retail properties as of December 31, 2000 are summarized as follows:

2001	$ 51,025
2002	47,495
2003	44,179
2004	39,308
2005	32,589
Thereafter	201,162
	$415,758

Minimum future rentals above include a total of $5,110 for four tenants (with six leases), which have filed for bankruptcy protection. None of these leases have been rejected nor affirmed. During the years ended December 31, 2000, 1999 and 1998, no single tenant collectively accounted for more than 10% of the Company's total revenues.

(In thousands, except per share amounts)

10. Lease Obligations

The Company leases land at six of its shopping centers, which are accounted for as operating leases and generally provide the Company with renewal options. The leases terminate during the years 2016 to 2066. Four of these leases provide the Company with options to renew for additional terms aggregating from 20 to 44 years. The Company leases space for its New York City corporate office for a term expiring in 2002. Future minimum rental payments required for leases having remaining non-cancelable lease terms in excess of one year are as follows:

2001	$ 714
2002	668
2003	642
2004	642
2005	642
Thereafter	20,641
	$23,949

11. Share Incentive Plan

During 1999, the Company adopted the 1999 Share Incentive Plan (the "1999 Plan") which replaced both the 1994 Share Option Plan and the 1994 Non-Employee Trustees' Share Option Plan. The 1999 Plan authorizes the issuance of options equal to up to 8% of the total Common Shares outstanding from time to time on a fully diluted basis. However, not more than 4,000,000 of the Common Shares in the aggregate may be issued pursuant to the exercise of options and no participant may receive more than 5,000,000 Common Shares during the term of the 1999 Plan. Options are granted by the Share Option Plan Committee (the "Committee"), which currently consists of two non-employee Trustees, and will not have an exercise price less than 100% of the fair market value of the Common shares and a term of greater than 10 years at the grant date. Vesting of options is at the discretion of the Committee with the exception of options granted to non-employee Trustees, which vest in five equal annual installments beginning on the date of grant. Pursuant to the 1999 Plan, non-employee Trustees receive an automatic grant of 1,000 options following each Annual Meeting of Shareholders. As of December 31, 2000, the Company has issued 2,115,600 options to officers and employees, which are for ten-year terms and vest in three equal annual installments beginning on the grant date. In addition, 9000 options have been issued to non-employee Trustees.

The 1999 Plan also provides for the granting of Share Appreciation Rights, Restricted Shares and Performance Units/Shares. Share Appreciation Rights provide for the participant to receive, upon exercise, cash and/or Common Shares, at the discretion of the committee, equal to in value to the excess of the option exercise price over the fair market value of the Common Shares at the exercise date. The Committee will determine the award and restrictions placed on Restricted Shares, including the dividends thereon and the term of such restrictions. The Committee also determines the award and vesting of Performance Units and Performance Shares based on the attainment of specified performance objectives of the Company within a specified performance period. As of December 31, 2000, the Company issued 86,063 Restricted Shares to employees, which vest equally over three years. No awards of Share Appreciation Rights or Performance Units/Shares were granted for the years ended December 31, 2000 and 1999.

(In thousands, except per share amounts)

11. Share Incentive Plan, continued

The Company accounts for stock-based compensation pursuant to Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25"), and related interpretations. Under APB 25, no compensation expense has been recognized in the accompanying financial statements related to the issuance of stock options because the exercise price of the Company's employee stock options equaled or exceeded the market price of the underlying stock on the date of grant. The alternative fair value accounting provided for under Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"), has not been elected by the Company.

Accordingly, pro forma information regarding net income and earnings per share as required by SFAS 123 has been determined as if the Company had accounted for its employee stock options under the fair value method. The fair value for these options was estimated at the date of the grant using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	Year ended December 31, 2000	1999	1998
Risk-free interest rate	4.9%	6.4%	5.2%
Dividend Yield	7.8%	9.5%	9.4%
Expected Life	7.7 years	8.6 years	9.7 Years
Expected volatility	30.0%	32.4%	37.7%

For purposes of pro forma disclosure, the estimated fair value of the options are amortized to expense over the options vesting period. For the years ended December 31, 2000 and 1999, pro forma net income is $19,038, or $0.72 per Share, and $6,573, or $0.26 per Common Share, respectively. For the year ended December 31, 1998, the Company has elected not to present proforma information because the impact on the reported net loss per Common Share is immaterial.

Changes in the number of shares under all option arrangements are summarized as follows:

	Year ended December 31, 2000	1999	1998
Outstanding at beginning of period	2,071,600	300,000	329,500
Granted	55,000	2,071,600	305,000
Option price per share granted	$5.00-$5.75	$4.89-$7.50	$8.88-$9.00
Cancelled	2,000	300,000	334,500
Exercisable at end of period	2,108,200	1,368,733	300,000
Exercised	--	--	--
	--	--	--
Expired	--	--	--
Outstanding at end of period	2,124,600	2,071,600	300,000
Option prices per share outstanding	$4.89-$7.50	$4.89-$7.50	$9.00

As of December 31, 2000 the outstanding options had a weighted average remaining contractual life of approximately 7.7 years.

(In thousands, except per share amounts)

12. Employee 401(k) Plan

The Company maintains a 401(k) plan for employees under which the Company currently matches 50% of a plan participant's contribution up to 6% of the employee's annual salary. A plan participant may contribute up to a maximum of 15% of their compensation but not in excess of $11 for the year ended December 31, 2000. The Company contributed $143, $93 and $77 for the years ended December 31, 2000, 1999 and 1998, respectively.

13. Dividends and Distributions Payable

On December 13, 2000, the Company declared a cash dividend for the quarter ended December 31, 2000 of $0.12 per Common Share. The dividend was paid on January 15, 2001 to shareholders of record as of December 29, 2000.

The Company has determined that the cash distributed to the shareholders is characterized as follows for federal income tax purposes:

	2000	1999	1998
Ordinary income	100%	41%	n/a
Return of capital	-	59%	n/a
	100%	100%	n/a

14. Fair Value of Financial Instruments

Statement of Financial Accounting Standards No. 107 "Disclosures About Fair Value of Financial Instruments", requires disclosure on the fair value of financial instruments. Certain of the Company's assets and liabilities are considered financial instruments. Fair value estimates, methods and assumptions are set forth below.

Cash and Cash Equivalents, Cash in Escrow, Rents Receivable, Prepaid Expenses, Other Assets, Accounts Payable and Accrued Expenses, Dividends Payable and Other Liabilities. The carrying amount of these assets and liabilities approximates fair value due to the short-term nature of such accounts.

Mortgage Notes Payable

As of December 31, 2000 and 1999, the Company has determined the estimated fair value of its mortgage notes payable are approximately $287,588 and $326,797, respectively, by discounting future cash payments utilizing a discount rate equivalent to the rate at which similar mortgage notes payable would be originated under conditions then existing.

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

15. Summary of Quarterly Financial Information (unaudited)

The separate results of operations of the Company for the years ended December 31, 2000 and 1999 are as follows:

	March 31, 2000	June 30, 2000	September 30, 2000	December 31, 2000	Total for Year
Revenue	$23,863	$24,969	$23,489	$24,437	$96,758
Income before minority interest	$2,701	$4,238	$1,527	$17,333	$25,799
Net income	$1,874	$2,964	$1,105	$13,964	$19,907
Net income per Common Share - basic and diluted	$0.07	$0.12	$0.04	$0.49	$0.75
Cash dividends declared per Common Share	$0.12	$0.12	$0.12	$0.12	$0.48
Weighted average Common Shares outstanding - basic and diluted	25,476,098	25,241,794	26,789,666	28,218,059	26,437,265

	March 31, 1999	June 30, 1999	September 30, 1999	December 31, 1999	Total for Year
Revenue	$22,251	$21,904	$24,428	$ 24,126	$92,709
Income before minority interest	$ 1,141	$ 1,886	$ 4,362	$ 2,936	$10,325
Net income	$ 765	$ 1,289	$ 3,083	$ 2,058	$ 7,195
Net income per Common Share - basic and diluted	$ 0.03	$ 0.05	$ 0.12	$ 0.08	$ 0.28
Cash dividends declared per Common Share	$ 0.12	$ 0.12	$ 0.12	$ 0.12	$ 0.48
Weighted average Common Shares outstanding - basic and diluted	25,419,215	25,510,424	25,988,860	25,908,199	25,708,787

16. Legal Proceedings

On November 20, 1995, Jack Wertheimer, a former President of the Company, filed a complaint against the Company, its Trustees, including Mr. Slomowitz, and the Company's former in-house General Counsel and former Chief Financial Officer in the United States District Court for the Middle District of Pennsylvania. The complaint, which was filed in connection with the termination of Mr. Wertheimer's employment, included many of the allegations raised in a state court proceeding commenced by Mr. Wertheimer in November 1994. The Federal court complaint also included a civil RICO action in which Mr. Wertheimer alleged that the Board of Trustees of the Company conspired with Mr. Slomowitz to terminate Mr. Wertheimer's employment as part of the Mr. Slomowitz's breach of his duty of good faith and fair dealing. Further, Mr. Wertheimer alleged that the above defendants engaged in securities fraud in connection with the initial public offering and that Mr. Slomowitz defrauded or overcharged the Company in corporate transactions. The Federal complaint sought treble damages under RICO, as well as damages arising from Mr. Wertheimer's alleged termination of employment, invasion of privacy, intentional infliction of emotional distress, fraud and misrepresentation.

On December 31, 1998, the Company and Mr. Wertheimer settled this litigation and entered into an agreement whereby the Company paid Mr. Wertheimer $1,000 on December 31, 1998 and $900 on April 1, 1999 and agreed to pay him five annual payments of $200 which commenced January 10, 2000. Pursuant to this agreement, the Company has obtained a standby letter of credit to collateralize the remaining future payments.

The Company is involved in other various matters of litigation arising in the normal course of business. While the Company is unable to predict with certainty the amounts involved, the Company's management and counsel are of the opinion that, when such litigation is resolved, the Company's resulting liability, if any, will not have a significant effect on the Company's consolidated financial position.

17. Contingencies

Upon conducting environmental site inspections in connection with obtaining the Morgan Stanley Mortgage Capital ("Morgan Stanley") financing during October 1996, certain environmental contamination was identified at the Troy Plaza in Troy, New York. The Company entered into a voluntary remedial agreement with the State of New York for the remediation of the property. During 2000, the Company satisfied all conditions to the voluntary remedial agreement and received final approval from the State of New York. All remaining amounts held by Morgan Stanley pertaining to environmental remediation were released in October 2000.

Management is not aware of any other environmental liability that they believe would have a material adverse impact on the Company's financial position or results of operations. Management is unaware of any instances in which it would incur significant environmental costs if any or all properties were sold, disposed of or abandoned.

(In thousands, except per share amounts)

18. Extraordinary Item - Loss on Early Extinguishment of Debt

The consolidated statements of operations for the year ended December 31, 1998 includes the write-off of $707 in net deferred financing fees as a result of the repayment of the related mortgage debts.

19. Pro Forma Information

The following unaudited pro forma condensed consolidated information for the year ended December 31, 1998 is presented as if the RDC Transaction had occurred on January 1, 1997.

Revenue	$ 84,053
Loss income before extraordinary item	$ (5,886)
Net loss income	$ (6,067)
Net (loss) income per Common Share-basic and diluted	$ (0.24)
Weighted average number of Common Shares outstanding	24,677,928
Weighted average number of Common Shares outstanding-assuming dilution	24,677,928

20. Subsequent Events

On January 8, 2001, the Company partially repaid $10,087 of fixed-rate mortgage debt, which was secured by two of the Company's properties, with a life insurance company. Following this repayment from working capital, the remaining balance of $7,912 was converted to a variable-rate facility which is secured by one of the Company's properties, requires the monthly payments of interest at LIBOR plus 200 basis points and principal amortized over 25 years, and matures January 10, 2002.

On January 4, 2001, the Company announced that Kenneth F. Bernstein, President, was elected by the Board of Trustees to the additional post of Chief Executive Officer and that Ross Dworman, former Chairman and Chief Executive Officer, is to remain as Chairman of the Board.

ACADIA REALTY TRUST
SCHEDULE III-REAL ESTATE AND ACCUMULATED DEPRECIATION
December 31, 2000

Description	Encumbrances	Land	Buildings & Improvements	Costs capitalized Subsequent to Acquisition	Land
Shopping Centers					
Circle Plaza Shamokin Dam, PA	(1)	$ -	$ 3,435	$ 152	$ 2
Martintown Plaza North Augusta, SC	(1)	-	4,625	1,648	-
Midway Plaza Opelika, AL	(1)	196	1,647	3,171	196
Northside Mall Dothan, AL	(1)	1,604	7,080	4,103	1,604
New Smyrna Beach New Smyrna Beach FL	(1)	246	2,219	3,982	246
King's Fairground Danville, VA	(1)	-	1,426	338	-
Cloud Springs Plaza Ft Ogelthorpe, GA	(1)	159	2,712	1,177	159
Crescent Plaza Brockton, MA	8,882	1,147	7,425	512	1,147
New Louden Centre Latham, NY	(2)	505	4,161	10,130	505
Ledgewood Mall Ledgewood, NJ	(2)	619	5,434	31,415	619
Troy Plaza Troy, NY	(1)	479	1,976	1,094	479
Birney Plaza Moosic, PA	(1)	210	2,979	803	210
Dunmore Plaza Dunmore, PA	(1)	100	506	137	100
Mark Plaza Edwardsville, PA	-	-	4,268	4,111	-
Kingston Plaza Kingston, PA	(1)	305	1,745	463	284
Luzerne Street Plaza Scranton, PA	1,600	35	315	1,208	35
Blackman Plaza Wilkes- Barre, PA	-	120	-	1,383	120
East End Centre Wilkes-Barre, PA	16,266	1,086	8,661	3,559	1,086
Greenridge Plaza Scranton, PA	6,100	1,335	6,314	655	1,335
Plaza 15 Lewisburg, PA	(1)	171	81	1,481	171

[RESTUB]

Description	Buildings & Improvements	Total	Accumulated Depreciation	Date of Acquisition (a) Construction (c)
Shopping Centers				
Circle Plaza Shamokin Dam, PA	$ 3,585	$ 3,587	$ 1,470	1978(c)
Martintown Plaza North Augusta, SC	6,273	6,273	2,755	1985(a)
Midway Plaza Opelika, AL	4,818	5,014	2,384	1984(a)
Northside Mall Dothan, AL	11,192	12,796	4,653	1986(a)
New Smyrna Beach New Smyrna Beach FL	6,201	6,447	3,338	1983(a)
King's Fairground Danville, VA	1,764	1,764	552	1992(a)
Cloud Springs Plaza Ft Ogelthorpe, GA	3,889	4,048	1,795	1985(a)
Crescent Plaza Brockton, MA	7,937	9,084	3,207	1984(a)
New Louden Centre Latham, NY	14,291	14,796	4,871	1982(a)
Ledgewood Mall Ledgewood, NJ	36,849	37,468	16,238	1983(a)
Troy Plaza Troy, NY	3,070	3,549	1,692	1982(a)
Birney Plaza Moosic, PA	3,782	3,992	3,374	1968(c)
Dunmore Plaza Dunmore, PA	643	743	331	1975(a)
Mark Plaza Edwardsville, PA	8,379	8,379	4,140	1968(c)
Kingston Plaza Kingston, PA	2,229	2,513	1,324	1982(c)
Luzerne Street Plaza Scranton, PA	1,523	1,558	865	1983(a)
Blackman Plaza Wilkes- Barre, PA	1,383	1,503	122	1968(c)
East End Centre Wilkes-Barre, PA	12,220	13,306	5,834	1986(c)
Greenridge Plaza Scranton, PA	6,969	8,304	3,176	1986(c)
Plaza 15 Lewisburg, PA	1,562	1,733	609	1976(c)

ACADIA REALTY TRUST
SCHEDULE III-REAL ESTATE AND ACCUMULATED DEPRECIATION
December 31, 2000

Description	Encumbrances	Land	Buildings & Improvements	Costs capitalized Subsequent to Acquisition	Land
Shopping Centers (cont.)					
Plaza 422 Lebanon, PA	-	190	3,004	517	190
Tioga West Tunkhannock,PA	-	48	1,238	3,215	48
Mountainville Plaza Allentown, PA	(1)	420	2,390	486	420
Monroe Plaza Stroudsburg, PA	(1)	70	2,083	288	150
Ames Plaza Shamokin, PA	(1)	57	1,958	316	57
Route 6 Mall Honesdale , PA	(2)	-	-	12,696	1,664
Pittston Mall Pittston , PA	3,775	1,500	-	5,956	1,521
Valmont Plaza West Hazelton , PA	3,100	522	5,591	1,030	522
Manahawkin Stafford Township, NJ	4,891	2,360	9,396	4,890	3,065
Twenty Fifth Street Easton, PA	(1)	2,280	9,276	199	2,280
Berlin Shopping Centre Berlin, NJ	(2)	1,331	5,351	205	1,331
Shillington Plaza Reading, PA	(1)	809	3,268	322	809
Union Plaza New Castle, PA	-	-	-	19,127	4,312
Bradford Towne Centre Towanda, PA	(2)	-	-	16,100	817
Atrium Mall Abington, PA	-	799	3,197	24	799
Bloomfield Town Square Bloomfield Hills, MI	8,894	3,443	13,774	245	3,443
Walnut Hill Plaza Woonsocket, RI	9,104	3,122	12,488	418	3,122
Elmwood Park Plaza Elmwood Park, NJ	-	3,248	12,992	218	3,248
Merrillville Plaza Hobart, IN	13,775	4,288	17,152	829	4,288
Soundview Marketplace Port Washington, NY	8,965	2,428	9,711	1,332	2,428
Marketplace of Absecon Absecon, NJ	3,500	2,573	10,294	2,316	2,577

[RESTUB]

Description	Buildings & Improvements	Total	Accumulated Depreciation	Date of Acquisition (a) Construction (c)
Shopping Centers (cont.)				
Plaza 422 Lebanon, PA	3,521	3,711	2,168	1972(c)
Tioga West Tunkhannock,PA	4,453	4,501	2,246	1965(c)
Mountainville Plaza Allentown, PA	2,876	3,296	1,649	1983(a)
Monroe Plaza Stroudsburg, PA	2,291	2,441	1,120	1964(c)
Ames Plaza Shamokin, PA	2,274	2,331	1,772	1966(c)
Route 6 Mall Honesdale , PA	11,032	12,696	2,385	1995(c)
Pittston Mall Pittston , PA	5,935	7,456	1,114	1995(c)
Valmont Plaza West Hazelton , PA	6,621	7,143	3,257	1985(a)
Manahawkin Stafford Township, NJ	13,581	16,646	2,167	1993(a)
Twenty Fifth Street Easton, PA	9,475	11,755	2,314	1993(a)
Berlin Shopping Centre Berlin, NJ	5,556	6,887	1,322	1994 (a)
Shillington Plaza Reading, PA	3,590	4,399	724	1994 (a)
Union Plaza New Castle, PA	14,815	19,127	1,987	1996 (c)
Bradford Towne Centre Towanda, PA	15,283	16,100	3,483	1994 (c)
Atrium Mall Abington, PA	3,221	4,020	193	1998(a)
Bloomfield Town Square Bloomfield Hills, MI	14,019	17,462	834	1998(a)
Walnut Hill Plaza Woonsocket, RI	12,906	16,028	948	1998(a)
Elmwood Park Plaza Elmwood Park, NJ	13,210	16,458	772	1998(a)
Merrillville Plaza Hobart, IN	17,981	22,269	1,137	1998(a)
Soundview Marketplace Port Washington, NY	11,043	13,471	712	1998(a)
Marketplace of Absecon Absecon, NJ	12,606	15,183	704	1998(a)

ACADIA REALTY TRUST
SCHEDULE III-REAL ESTATE AND ACCUMULATED DEPRECIATION
December 31, 2000

Description	Encumbrances	Land	Buildings & Improvements	Costs capitalized Subsequent to Acquisition	Land
Shopping Centers (cont.)					
Hobson West Plaza Naperville, IL	-	1,793	7,172	353	1,793
Smithtown Shopping Center Smithtown, NY	9,216	3,229	12,917	933	3,229
Town Line Plaza Rocky Hill, CT	4,110	878	3,510	6,578	909
Branch Shopping Center Village of the Branch, NY	9,887	3,156	12,545	100	3,156
The Caldor Shopping Center Methuen, MA	-	956	3,826	0	956
Gateway Mall Burlington, VT	6,222	1,273	5,091	-	1,273
Mad River Station Dayton, OH	7,442	2,350	9,404	53	2,350
Pacesetter Park Shopping Center Ramapo, NY	-	1,475	5,899	212	1,475
239 Greenwich Greenwich, CT	13,636	1,817	15,846	163	1,817
Residential Properties					
Gate House, Holiday House, Tiger Village Columbia, MO	11,100	2,312	9,247	910	2,312
Village Apartments Winston Salem, NC	9,856	3,429	13,716	615	3,429
Colony Apartments Columbia, MO	5,550	1,118	4,470	264	1,118
Properties under development	-	-	-	6,301	-
	$ 277,112 (5)	$ 61,591	$ 293,815	$ 158,733	$ 69,206

[RESTUB]

Description	Buildings & Improvements	Total	Accumulated Depreciation	Date of Acquisition (a) Construction (c)
Shopping Centers (cont.)				
Hobson West Plaza Naperville, IL	7,525	9,318	503	1998(a)
Smithtown Shopping Center Smithtown, NY	13,850	17,079	1,028	1998(a)
Town Line Plaza Rocky Hill, CT	10,057	10,966	1,020	1998(a)
Branch Shopping Center Village of the Branch, NY	12,645	15,801	746	1998(a)
The Caldor Shopping Center Methuen, MA	3,826	4,782	227	1998(a)
Gateway Mall Burlington, VT	5,091	6,364	96	1999(a)
Mad River Station Dayton, OH	9,457	11,807	436	1999(a)
Pacesetter Park Shopping Center Ramapo, NY	6,111	7,586	166	1999(a)
239 Greenwich Greenwich, CT	16,009	17,826	527	1999(c)
Residential Properties				
Gate House, Holiday House, Tiger Village Columbia, MO	10,157	12,469	703	1998(a)
Village Apartments Winston Salem, NC	14,331	17,760	958	1998(a)
Colony Apartments Columbia, MO	4,734	5,852	313	1998(a)
Properties under development	6,301	6,301	-	
	444,933	$ 514,139	$ 102,461	

Acadia Realty Trust
Notes To Schedule 3
December 31, 2000

1. These seventeen properties serve as collateral for the financing with Morgan Stanley (note 6).

2. These five properties serve as collateral for the financing with Dime Savings Bank (note 6).

3. Depreciation and investments in buildings and improvements reflected in the statements of operations is calculated over the estimated useful life of the assets as follows:

Buildings	30 to 40 years
Improvements	Shorter of lease term or useful life

4. The aggregate gross cost of property included above for Federal income tax purposes was $453,994 as of December 31, 2000.

5. Total encumbrances include $14,238 and $17,792 for Marley Run Apartments and Glen Oaks Apartments which are separately disclosed as Property held for sale in the balance sheet.

6.(a) Reconciliation of Real Estate Properties:

The following table reconciles the real estate properties from January 1, 1998 to December 31, 2000:

	For the year ended December 31, 2000	1999	1998
Balance at beginning of period	$ 569,521	$ 551,249	$ 311,688
Other improvements	13,998	19,728	16,647
Properties acquired	-	25,905	254,164
Adjustment of carrying value of property held for sale	-	-	(11,560)
Property held for sale	(54,819)	(27,301)	(11,991)
Fully depreciated assets written off	(11)	(60)	(3,350)
Sale of property	(14,550)	-	(4,349)
Balance at end of period	$ 514,139	$ 569,521	$ 551,249

(b) Reconciliation of accumulated Depreciation:

The following table reconciles accumulated depreciation from January 1, 1998 to December 31, 2000:

	For the year ended December 31, 2000	1999	1998
Balance at beginning of period	$ 90,932	$ 87,202	$ 83,326
Sale of property	(453)	-	(2,035)
Property held for sale	(5,374)	(14,074)	(4,918)
Fully depreciated assets written off	(11)	(60)	(3,350)
Depreciation related to real estate	17,367	17,864	14,179
Balance at end of period	$ 102,461	$ 90,932	$ 87,202