UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of Earliest Event Reported): December 20, 2012

ACADIA REALTY TRUST

(Exact name of registrant as specified in its charter)

Maryland (State or other jurisdiction of incorporation)

1-12002 (Commission File Number) 23-2715194 (I.R.S. Employer Identification No.)

1311 Mamaroneck Avenue

Suite 260

White Plains, New York 10605

(Address of principal executive offices) (Zip Code)

(914) 288-8100

(Registrant's telephone number, including area code)

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

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

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

[] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.01 Completion of Acquisition or Disposition of Assets.

As previously disclosed, on December 14, 2012, subsidiaries of Acadia Strategic Opportunity Fund II, LLC ("Fund II") and Acadia Strategic Opportunity Fund III LLC ("Fund III") and collectively with Fund II, the "Funds"), which are subsidiaries of Acadia Realty Trust (the "Company"), entered into a purchase and sale agreement (the "Agreement"), to sell 14 self-storage properties (the "Portfolio") for an aggregate sales price of approximately \$293.9 million to SP Holdings I LLC ("SP Holdings"), an unaffiliated entity. Prior to the closing of the transaction, SP Holdings assigned the contract to the ultimate acquiring entity, in which Fund III has a less than 0.5% interest. On December 20, 2012, the Funds completed the sale of 12 of the 14 properties for approximately \$261.6 million. The sale of the remaining two properties is expected to be completed within the next 60 days, although this remains subject to customary closing conditions and, accordingly, no assurance can be given as to the timing or successful completion of the sale of all or a portion of the remaining two properties. Fund III has retained an ownership interest in the self-storage management company that it previously acquired in connection with its ownership of the self-storage portfolio that will continue as manager of the Portfolio.

The Funds received net proceeds of approximately \$120.1 million after the repayment of \$130.6 million of outstanding mortgage debt, payments to noncontrolling interest holders, and closing costs.

A copy of the Agreement will be filed as an exhibit to the Company's annual report on Form 10-K for the year ending December 31, 2012. The above description is a summary of the Agreement and is qualified in its entirety by the complete text of the Agreement.

In connection with the disposition of the Portfolio, the Company is hereby filing, as Exhibit 99.1 hereto, an unaudited pro forma consolidated balance sheet of the Company as of September 30, 2012, and unaudited pro forma consolidated statements of income for each of the nine months ended September 30, 2012 and 2011, and for each of the fiscal years ended December 31, 2011, 2010, and 2009 assuming the transaction occurred on January 1, 2009. Exhibit 99.1 is hereby incorporated by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number Description

99.1 Unaudited Pro Forma Consolidated Financial Statements of Acadia Realty Trust

SIGNATURES

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

ACADIA REALTY TRUST

(Registrant)

Date: December 27, 2012 By:/s/ Jonathan Grisham

Name: Jonathan Grisham Sr. Vice President and Chief Financial Officer

99.1 Unaudited Pro Forma Consolidated Financial Statements of Acadia Realty Trust

EXHIBIT INDEX

ACADIA REALTY TRUST AND SUBSIDIARIES UNAUDITED PRO FORMA FINANCIAL INFORMATION

As previously disclosed, on December 14, 2012, subsidiaries of Acadia Strategic Opportunity Fund II, LLC ("Fund II") and Acadia Strategic Opportunity Fund III LLC ("Fund III") and collectively with Fund II, the "Funds"), which are subsidiaries of Acadia Realty Trust (the "Company"), entered into a purchase and sale agreement (the "Agreement"), to sell 14 self-storage properties (the "Portfolio") for an aggregate sales price of approximately \$293.9 million to SP Holdings I LLC ("SP Holdings"), an unaffiliated entity. Prior to the closing of the transaction, SP Holdings assigned the contract to the ultimate acquiring entity, in which Fund III has a less than 0.5% interest. On December 20, 2012, the Funds completed the sale of 12 of the 14 properties for approximately \$261.6 million. The sale of the remaining two properties is expected to be completed within the next 60 days, although this remains subject to customary closing conditions and, accordingly, no assurance can be given as to the timing or successful completion of the sale of all or a portion of the remaining two properties. Fund III has retained an ownership interest in the self-storage management company that it previously acquired in connection with its ownership of the self-storage portfolio that will continue as manager of the Portfolio.

The accompanying Unaudited Pro Forma Consolidated Financial Statements are presented as if the entire Portfolio had been sold as of December 20, 2012. The Unaudited Pro Forma Consolidated Balance Sheet as of September 30, 2012 is presented as if the sale of the Portfolio occurred on September 30, 2012. The Unaudited Pro Forma Consolidated Statements of Income for each of the nine months ended September 30, 2012 and 2011, and for each of the fiscal years ended December 31, 2011, 2010, and 2009 are presented assuming the transaction occurred on January 1, 2009. The accompanying Unaudited Pro Forma Consolidated Financial Statements should be read in conjunction with the Company's 2011 Annual Report on Form 10-K and the Company's Quarterly Report on Form 10-Q for the nine months ended September 30, 2012.

Pro forma information is intended to provide investors with information about the continuing impact of a transaction by showing how a specific transaction might have affected historical financial statements, illustrating the scope of the change in the historical financial position and results of operations. The adjustments made to historical financial information give effect to events that are directly attributable to the sale, are factually supportable, and expected to have a continuing impact. The Unaudited Pro Forma Consolidated Financial Statements are prepared in accordance with Article 11 of Regulation S-X.

The Unaudited Pro Forma Consolidated Financial Statements set forth below are not fact and there can be no assurance that the Company's results will not differ significantly from those set forth below or that the impact of the sale will not differ significantly from those presented below. Accordingly, the Unaudited Pro Forma Consolidated Financial Statements are presented for illustrative purposes only and do not purport to represent, and are not necessarily indicative of, what our actual financial position and results of operations would have been had the sale occurred on the dates indicated, nor are they indicative of our future financial position or results of operations. Readers are cautioned not to place undue reliance on such information and the Company makes no representations regarding the information set forth below or its ultimate performance compared to it.

ACADIA REALTY TRUST AND SUBSIDIARIES UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET As of September 30, 2012

(Amount in thousands, except share and per share data)	in thousands, except share and per share data) His			Disposition of Portfolio (b)		Company Pro Forma	
ASSETS							
Operating real estate							
Land	\$	355,586	\$	(61,484)	\$	294,102	
Building and improvements		1,107,680		(159,467)		948,213	
Construction in progress		10,244		(3,386)		6,858	
1 0	_	1,473,510	_	(224,337)		1,249,173	
Less: accumulated depreciation		203,404		(19,388)		184,016	
Net operating real estate	_	1,270,106	_	(204,949)		1,065,157	
Real estate under development		229,808		(53)		229,755	
Notes receivable, net		78,826		_		78,826	
Investments in and advances to unconsolidated affiliates		88,572		_		88,572	
Cash and cash equivalents		85,297				85,297	
Cash in escrow		19,030		(683)		18,347	
Rents receivable, net		30,549		(1,403)		29,146	
Deferred charges, net		30,326		(1,696)		28,630	
Acquired lease intangibles, net		29,066		(_,;;;)		29,066	
Prepaid expenses and other assets		38,003		(1,253)		36,750	
Total assets	\$	1,899,583	\$	(210,037)	\$	1,689,546	
LIABILITIES							
Mortgage notes payable	\$	871,243	\$	(61,838)	\$	809,405	
Convertible notes payable		930		<u> </u>		930	
Distributions in excess of income from, and investments in, unconsolidated							
affiliates		22,409		_		22,409	
Accounts payable and accrued expenses		34,691		(1,495)		33,196	
Dividends and distributions payable		8,757		_		8,757	
Acquired lease and other intangibles, net		9,420		-		9,420	
Other liabilities		23,514		(828)		22,686	
Total liabilities		970,964		(64,161)		906,803	
EQUITY							
Shareholders' equity Common shares, \$.001 par value, authorized 100,000,000 shares; issued and outstanding 47,138,544		47				47	
Additional paid-in capital		450,163				450,163	
Accumulated other comprehensive loss		(4,763)				(4,763	
Retained earnings		33,269		(27,804)		5,465	
Total shareholders' equity		478,716	_	(27,804)		450,912	
Noncontrolling interests Total equity		449,903		(118,072)		331,831 782,743	
Total equity	ď	928,619	¢	(145,876)	¢	1,689,546	
Total liabilities and equity	\$	1,899,583	\$	(210,037)	\$	1,009,546	

ACADIA REALTY TRUST AND SUBSIDIARIES

UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF INCOME For the Nine Months Ended September 30, 2012

Remail ancome \$ 9,723" \$ 1,010" \$ 5,96 Interest income 5,96 — \$ 5,96 Expess erimbusements 17,973 (164) 17,003 Other 2,247 (19,60) 1,003 Total revores 12,472 (19,60) 1,003 Operating Property operating 2,142 (19,60) 2,272 Red sens taxes 15,903 (1,579) 4,142 Conceral and antimistrative 18,134 (10,40) 8,142 Conceral and amministrative 2,925 (3,585) 5,274 Total operating expenses 8,774 (13,603) 7,391 Total operating stomens of unconsolidated affiliates 1,937 4,144 1,44	(dollars in thousands, except per share amounts)	Company Historical (aa)	Disposi	tion of Portfolio (bb)		Company Pro Forma
Renal income \$ 97,237 \$ 18,100 \$ 79,337 Intension come 5,996 — \$ 5,996 — \$ 5,996 Expense reimbursements 17,973 (1,603) — 1,203 Other 3,536 (1,603) — 1,203 Total revenues 12,422 (19,607) — 2,293 Property operating 2,1462 (8,685) — 2,292 Cher operating 2,2462 — — 2,292 — 2,292 Real estate taxes 15,903 (1,614) — 1,104 Experical and administrative 18,115 (1,614) — 1,104 Deporating income 36,968 (3,585) — 5,741 Operating income 36,968 (6,004) — 3,964 Equity in earnings of unconsolidated affiliates 1,979 — 6 1,939 Operating income 2,267 2,689 2,389 Equity in earnings of unconsolidated affiliates 1,132 3,359 1,91 Operating income 2,262 2,689 2,389 Income tax provision 3,132 3,91 <th></th> <th> (uu)</th> <th></th> <th>(55)</th> <th></th> <th>1101011111</th>		 (uu)		(55)		1101011111
Interest informe 5,906 — 5,000 5,000 1,700 2,700		\$ 97,237	\$	(18,100)	\$	79,137
Expense reimbursements 17,973 (16) 17,000 Other 3,363 (1,600) 1,943 Todal revense 124,742 (1,805) 1,943 Operating Other operating 2,928 6,668 22,727 Cher operating 15,903 (1,670) 4,042 General and administrative 15,903 (1,670) 4,042 Operating capturents 8,774 (1,363) 5,25,41 Total operating expenses 8,774 (1,363) 3,201 Operating income 3,935 (6,004) 3,904 Operating income 3,936 (6,004) 3,904 Operating income 1,937 2,92 3,90 Other interest income 1,937 2,60 3,90 Other interest income 1,242 3,30 3,90 Income from continuing operations before income tax 1,242 3,30 3,90 Income from continuing operations 8,38 9 9 8,93 Operating income from discontinue	Interest income	•		_		
Other 3,536 (1,603) 1,038 Total revenes 12,422 (1,965) 104,875 Operating Expenses 21,462 (8,685) 12,777 Other operating 21,462 (8,685) 12,777 Che operating 21,929 — 2,929 General and administrative 18,154 (140) 18,140 Deprectation and amortization 29,326 (3,385) 2,574 Total operating expenses 6,064 (3,086) 7,911 Operating income 36,968 (6,040) 30,006 Operating income 31,91 — 1,91 Operating income 31,91 — 1,91 Operating income 31,91 — 1,91 Operating income form continuing operations before income taxes 1,262 3,315 9,10 Income from continuing operations 1,242 3,315 9,10 Income from discontinued operations 7,83 — 9,83 Salion sale of property 2,83 — 9,83	Expense reimbursements			(164)		
Operating Expenses 124,424 (19,867) 10,405 Operating Expenses 21,462 (8,685) 12,777 Other operating 2,929 — 2,929 Real estate taxes 15,933 (1,579) 14,324 General and administrative 81,815 (13,863) 25,741 Deperating expenses 87,774 (13,863) 73,911 Operating income 36,968 (6,004) 30,964 Equity in earnings of unconsolidated affiliates 13,97 — 1,917 Other interest income 13,16 — 1,917 Equity in earnings of unconsolidated affiliates 13,97 — 1,917 Other interest income 13,12 — 1,918 Equity in earnings of unconsolidated affiliates 12,12 3,158 2,936 2,396 Income from continuing operations before income taxes 12,627 3,936 2,309 1,313 1,60 1,313 1,60 1,313 1,60 1,31 1,60 1,313 1,60 1,313 1,60 <t< td=""><td></td><td>3,536</td><td></td><td>(1,603)</td><td></td><td></td></t<>		3,536		(1,603)		
Property operating 21,462 (8,685) 12,777 Other operating 2,929 — 2,929 Real estate taxes 15,903 (1,579) 14,324 General and administrative 18,154 (14) 18,144 Depreciation and amortization 29,326 (3,585) 25,741 Total operating expenses 36,797 (13,603) 73,911 Operating income 36,969 (6,004) 30,964 Equity in earnings of unconsolidated affiliates 1,97 — 1,97 Other interest income 131 — 1,98 Claim of finance expense (26,675) 2,68 (23,986) Chrome from continuing operations before income taxes 12,124 (3,315) 9,106 Income from continuing operations before income taxes 12,124 (3,315) 9,106 Income from continuing operations 7,83 — 8,20 Discontinued Operations 7,83 — 9,36 Gair on sale of property 8,58 — 9,36 Net income f	Total revenues	 124,742		(19,867)		104,875
Other operating 2,929 — 2,929 Real estate taxes 15,903 (1,579) 14,324 General and administrative 18,154 (1,67) 18,164 Depreciation and amortization 29,326 3,585 25,741 Total operating expenses 87,774 (13,863) 73,911 Operating income 36,968 (6,004) 30,964 Equity in earnings of unconsolidated affiliates 1,997 — 131 Other interest income 131 — 131 Interest and other finance expense (26,675) 2,669 (23,986) Income from continuing operations before income taxes 12,421 3,315 9,106 Income from continuing operations 1,137 3,306 1,7975 Discontinued Operations 7,835 — 8,836 Gain on sale of property 8,585 — 8,836 Gain on sale of property 8,585 — 8,936 Net income 2,036 3,308 — 9,336 Net income from discon	Operating Expenses	 				
Real estate taxes 15,903 (1,509) 14,324 General and administrative 18,154 (14) 18,140 Depreciation and amortization 29,325 3,5855 25,741 Total operating expenses 87,774 (13,663) 73,911 Operating income 36,968 (6,004) 30,968 Equity in earnings of unconsolidated affiliates 1,997 — 1,997 Other interest income 131 — 1,301 Income from continuing operations before income taxes 12,421 3,315 9,106 Income from continuing operations before income taxes 11,313 (6) 1,313 1,60 1,313 Income from continuing operations before income taxes 12,421 3,309 7,975 3,700 7,976 Decenting income from discontinued operations 78 — 8,835 — 9,836 9,365 9,365 9,365 9,365 9,365 9,365 9,365 9,365 9,365 9,365 9,365 9,365 9,365 9,365 9,365 9,365	Property operating	21,462		(8,685)		12,777
General and administrative 18,154 (14) 18,140 Depreciation and amoritzation 29,326 (3,585) 25,741 Total operating seyenses 87,774 (13,663) 30,914 Opperating income 36,686 (6,004) 30,946 Equity in carnings of unconsolidated affiliates 1,997 — 1,997 Other interest income 131 — 131 Income text and other finance expense (26,675) 2,689 (23,986) Income from continuing operations before income taxes 1,137 (6) 1,313 Income from continuing operations 11,284 (3,305) 7,976 Description of from discontinued operations 783 — 8,856 Income from discontinued operations 3,835 — 9,865 Income from discontinued operations 3,835 — 9,865 Income from discontinued operations 5,381 2,678 8,855 Income from discontinued operations 7,604 — 7,604 Net income from continuing operations 7,604	Other operating	2,929		_		2,929
Deperciation and amortization 29,366 (3,586) 25,741 Total operating expenses 87,774 (13,863) 73,911 Operating income 36,968 (6,004) 30,968 Equity in earnings of unconsolidated affiliates 1,979 General (6,004) 131 Description of unconsolidated affiliates 131 General (7,004) 23,968 Increase and other finance expense (26,675) 2,689 (23,966) Income from continuing operations before income taxes 12,421 (3,30) 9,103 Income from continuing operations 11,281 (3,30) 7,975 Description of General discontinued operations 78 3,30 7,975 Discontinued Operations 78 3 9 8,585 Sian on sale of property 8,585	Real estate taxes	15,903		(1,579)		14,324
Total operating expenses 87,774 (13,863) 73,911 Operating income 36,968 (6,004) 30,964 Equity in earnings of unconsolidated affiliates 1,997 — 1,997 Other interest income 131 — 131 Interest and other finance expense (26,675) 2,689 (23,986) Income from continuing operations before income taxes 11,242 (3,315) 9,106 Income from continuing operations before income taxes 11,242 (3,315) 9,106 Income from continuing operations 11,327 (6) 1,131 Income from continuing operations 783 — 783 Discontinued Operations 783 — 883 783 — 883 Income from discontinued operations 8,585 — 9,368 — 9,368 Income from discontinued operations 5,381 2,678 8,559 Obstitution operations 5,381 2,678 8,559 Discontinued operations 5,381 2,678 4,559	General and administrative	18,154		(14)		18,140
Operating income 36,968 (6,004) 30,964 Equity in earnings of unconsolidated affiliates 1,997 — 1,997 Other interest income 131 — 131 Interest and other finance expense (26,675) 2,689 (23,986) Income from continuing operations before income taxes 12,421 (3,315) 9,106 Income from continuing operations 11,137 (6) 1,131 Income from continuing operations 11,284 (3,309) 7,975 ***********************************	Depreciation and amortization	29,326		(3,585)		25,741
Equity in earnings of unconsolidated affiliates 1,997 — 1,997 Other interest income 131 — 131 Interest and other finance expense (26,675) 2,689 (23,986) Income from continuing operations before income taxes 12,421 (3,315) 9,106 Income tray provision 1,137 (6) 1,131 Income from continuing operations 11,284 (3,309) 7,975 Discontinued Operations 783 — 883 Gain on sale of property 8,585 — 893 Net income 20,552 (3,309) 17,343 Net income from discontinued operations 9,368 — 9,368 Net income from controlling interests 7,604 — 9,368 Net income loss attributable to noncontrolling interests 7,604 — 9,368 Discontinued operations 5,381 2,678 8,599 Net income loss attributable to noncontrolling interests 8,223 2,678 4,568 Net income jone attributable to common Shareholders 8,03<	Total operating expenses	 87,774		(13,863)	-	73,911
Other interest income 131 — 131 Interest and other finance expense (26,675) 2,689 (23,986) Income from continuing operations before income taxes 12,421 (3,315) 9,106 Income from continuing operations 1,137 (6) 1,131 Income from continuing operations 11,284 (3,30) 7,975 Discontinued Operations 783 — 783 Gain on sale of property 8,585 — 9,368 Income from discontinued operations 9,368 — 9,368 Net income 20,652 (3,30) 17,343 Net income from discontinued operations 5,381 2,678 8,585 Net income from discontinued operations 5,381 2,678 8,585 Net (income) loss attributable to noncontrolling interests (2,622) 2,678 4,576 Net (income) loss attributable to Common Shareholders 18,429 6,031 17,794 Basic Earnings per Share 9 18,242 6,001 0,004 Basic Earnings per Share 9	Operating income	36,968		(6,004)		30,964
Interest and other finance expense (26,675) 2,689 (23,986) Income from continuing operations before income taxes 12,421 (3,315) 9,106 Income tax provision 11,324 (3,309) 7,975 Income from continuing operations 11,284 (3,309) 7,975 Discontinued Operations 783 — 783 Gain on sale of property 8,585 — 8,585 Income from discontinued operations 9,368 — 9,368 Net income 20,652 (3,309) 17,343 Monothrolling interests (7,604) — (7,604) Net (income) loss attributable to noncontrolling interests (2,223) 2,678 8,59 Net income attributable to Common Shareholders 18,429 6(3) 17,79 Basic Earnings per Share 8 9,37 9 6 17,70 Income from continuing operations 9,38 9 10,30 17,79 17,70 Pacification of the continuing operations 9,38 9 10,30 17,70 17,70	Equity in earnings of unconsolidated affiliates	1,997		_		1,997
1,421 3,315 9,106 1,131 1,137 (6) 1,131 1,130 1,137 (6) 1,131 1,130 1,134 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 (3,309) 7,975 1,131 1,284 7,985 7,885 1,131 1,284 7,985 7,885 1,131 1,284 7,985 7,885 1,131 1,284 7,985 7,885 1,131 1,284 7,985 7,985 1,131 1,131 7,985 7,985 1,131 1,131 7,985 7,985 1,131 1,131 7,985 7,985 1,131 1,131 7,985 7,985 1,131 1,131 7,985 7,985 1,131 1,131 7,985 7,985 1,131 1,131 7,985 7,985 7,985 1,131 1,131 7,985 7,985 1,131 1,131 7,985 7,985 1,131 1,131	Other interest income	131		_		131
Income tax provision 1,137 (6) 1,131 Income from continuing operations 11,284 (3,309) 7,975 Discontinued Operations 783 — 783 Gain on sale of property 8,585 — 8,585 Income from discontinued operations 9,368 — 9,368 Net income 20,652 (3,309) 17,343 Noncitrolling interests 5,381 2,678 8,059 Discontinued operations 7,604 — 7,604 Net (income) loss attributable to noncontrolling interests (2,223) 2,678 45,798 Net income attributable to Common Shareholders 8 18,429 6 (301) 17,798 Basic Earnings per Share S 0,37 (0,011) 0,04 Income from continuing operations 0,04 — 0,04 Basic Earnings per Share 0 0,04 — 0,04 Basic Earnings per Share 0 0 0 0 0 Basic Earnings per Share 0 0 0	Interest and other finance expense	(26,675)		2,689		(23,986)
Income from continuing operations	Income from continuing operations before income taxes	12,421		(3,315)		9,106
Discontinued Operations 783 783 783 783 783 783 783 783 783 783 783 783 783 783 783 88,585 ———————————————————————————————————	Income tax provision	1,137		(6)		1,131
Operating income from discontinued operations 783 — 783 Gain on sale of property 8,585 — 8,585 Income from discontinued operations 9,368 — 9,368 Net income 20,652 (3,309) 17,343 Noncontrolling interests 5,381 2,678 8,059 Discontinued operations (7,604) — (7,604) Net (income) loss attributable to noncontrolling interests (2,223) 2,678 455 Net income attributable to Common Shareholders \$ 18,429 (631) \$ 17,798 Basic Earnings per Share 9 0,04 — 0,04 Income from discontinued operations 9 0,41 9 0,04 Basic earnings per Share \$ 0,41 9 0,04 0,04 0,04 Busic earnings per Share \$ 0,41 \$ 0,01 \$ 0,04 0,04 0,04 0,04 0,04 0,04 0,04 0,04 0,04 0,04 0,04 0,04 0,04 0,04 0,04 0,04 0,04<	Income from continuing operations	11,284		(3,309)		7,975
Gain on sale of property 8,585 — 8,585 Income from discontinued operations 9,368 — 9,368 Net income 20,652 (3,309) 17,343 Noncontrolling interests 5,381 2,678 8,059 Discontinued operations (7,604) — (7,604) Net (income) loss attributable to noncontrolling interests (2,223) 2,678 455 Net income attributable to Common Shareholders 8 18,429 6631 \$ 17,798 Basic Earnings per Share 8 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations 9 0.41 \$ 0.01 \$ 0.40 Basic earnings per Share \$ 0.41 \$ (0.01) \$ 0.40 Diluted Earnings per Share \$ 0.37 \$ (0.01) \$ 0.36 The come from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations \$ 0.	Discontinued Operations					
Income from discontinued operations 9,368 — 9,368 Net income 20,652 (3,309) 17,343 Noncontrolling interests S 381 2,678 8,059 Continuing operations 5,381 2,678 8,059 Discontinued operations (7,604) — (7,604) Net (income) loss attributable to noncontrolling interests (2,223) 2,678 455 Net income attributable to Common Shareholders 18,429 (631) 17,798 Basic Earnings per Share 0.37 (0.01) 0.36 Income from discontinued operations 0.04 — 0.04 Diluted Earnings per Share 0.04 (0.01) 0.04 Diluted Earnings per Share 0.37 (0.01) 0.36 Income from continuing operations 0.04 — 0.04	Operating income from discontinued operations	783		_		783
Net income 20,652 (3,309) 17,343 Noncontrolling interests 5,381 2,678 8,059 Discontinued operations (7,604) — (7,604) Net (income) loss attributable to noncontrolling interests (2,223) 2,678 455 Net income attributable to Common Shareholders \$ 18,429 \$ (631) \$ 17,798 Basic Earnings per Share \$ 0,37 \$ (0.01) \$ 0.36 Income from discontinued operations \$ 0,41 \$ (0.01) \$ 0.40 Basic earnings per Share \$ 0,41 (0.01) \$ 0.40 Diluted Earnings per Share \$ 0,37 \$ (0.01) \$ 0.36 Income from continuing operations \$ 0,37 \$ (0.01) \$ 0.40 Diluted Earnings per Share \$ 0,37 \$ (0.01) \$ 0.36 Income from continuing operations \$ 0,37 \$ (0.01) \$ 0.36 Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36	Gain on sale of property	8,585		_		8,585
Noncontrolling interests Sale	Income from discontinued operations	9,368		_		9,368
Continuing operations 5,381 2,678 8,059 Discontinued operations (7,604) — (7,604) Net (income) loss attributable to noncontrolling interests (2,223) 2,678 455 Net income attributable to Common Shareholders \$ 18,429 (631) 17,798 Basic Earnings per Share S 0.37 (0.01) 0.36 Income from discontinued operations 0.04 — 0.04 Basic earnings per Share \$ 0.41 (0.01) 0.40 Diluted Earnings per Share \$ 0.37 (0.01) 0.36 Income from continuing operations 0.37 (0.01) 0.36 Income from discontinued operations 0.03 0.37 0.01 0.36	Net income	20,652		(3,309)		17,343
Discontinued operations (7,604) — (7,604) Net (income) loss attributable to noncontrolling interests (2,223) 2,678 455 Net income attributable to Common Shareholders \$ 18,429 (631) 17,798 Basic Earnings per Share * 0.37 (0.01) 0.36 Income from discontinued operations 0.04 — 0.04 Basic earnings per share 0.41 (0.01) 0.40 Diluted Earnings per Share 0.37 (0.01) 0.36 Income from continuing operations 0.37 (0.01) 0.36 Income from discontinued operations 0.04 — 0.04	Noncontrolling interests					
Net (income) loss attributable to noncontrolling interests (2,223) 2,678 455 Net income attributable to Common Shareholders \$ 18,429 \$ (631) \$ 17,798 Basic Earnings per Share Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations \$ 0.04 — 0.04 Basic earnings per share \$ 0.41 \$ (0.01) \$ 0.40 Diluted Earnings per Share Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations \$ 0.37 \$ (0.01) \$ 0.36	Continuing operations	5,381		2,678		8,059
Net income attributable to Common Shareholders \$ 18,429 \$ (631) \$ 17,798 Basic Earnings per Share Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations 0.04 — 0.04 Basic earnings per share \$ 0.41 \$ (0.01) \$ 0.40 Diluted Earnings per Share \$ 0.37 \$ (0.01) \$ 0.36 Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations 0.04 — 0.04	Discontinued operations	(7,604)		_		(7,604)
Basic Earnings per Share Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations 0.04 — 0.04 Basic earnings per share \$ 0.41 \$ (0.01) \$ 0.40 Diluted Earnings per Share Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations 0.04 — 0.04	Net (income) loss attributable to noncontrolling interests	 (2,223)		2,678	-	455
Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations 0.04 — 0.04 Basic earnings per share \$ 0.41 \$ (0.01) \$ 0.40 Diluted Earnings per Share S 0.37 \$ (0.01) \$ 0.36 Income from continuing operations \$ 0.04 — 0.04 Income from discontinued operations 0.04 — 0.04	Net income attributable to Common Shareholders	\$ 18,429	\$	(631)	\$	17,798
Diluted Earnings per Share \$ 0.04 — 0.04 Income from discontinued operations \$ 0.41 \$ (0.01) \$ 0.40 Diluted Earnings per Share Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations 0.04 — 0.04	Basic Earnings per Share	 -				
Basic earnings per share \$ 0.41 \$ (0.01) \$ 0.40 Diluted Earnings per Share Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations 0.04 — 0.04	Income from continuing operations	\$ 0.37	\$	(0.01)	\$	0.36
Basic earnings per share \$ 0.41 \$ (0.01) \$ 0.40 Diluted Earnings per Share Income from continuing operations \$ 0.37 \$ (0.01) \$ 0.36 Income from discontinued operations 0.04 — 0.04	Income from discontinued operations	0.04		<u> </u>		0.04
Income from continuing operations\$0.37\$(0.01)\$0.36Income from discontinued operations0.04——0.04		\$ 0.41	\$	(0.01)	\$	0.40
Income from discontinued operations 0.04 _ 0.04	Diluted Earnings per Share					
•	Income from continuing operations	\$ 0.37	\$	(0.01)	\$	0.36
Diluted earnings per share \$ 0.41 \$ (0.01) \$ 0.40	Income from discontinued operations	0.04		_		0.04
	Diluted earnings per share	\$ 0.41	\$	(0.01)	\$	0.40

ACADIA REALTY TRUST AND SUBSIDIARIES

UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF INCOME For the Nine Months Ended September 30, 2011

(dellars in the records accept you show amounts)		Company Historical	Disposit	ion of Portfolio		Company Pro Forma
(dollars in thousands, except per share amounts)		(aa)		(00)		Pro Forma
Revenues Rental income	¢	01 741	ď	(16.260)	¢	CF 201
	\$	81,741	\$	(16,360)	\$	65,381
Interest income		9,493		(205)		9,493
Expense reimbursements		16,049		(205)		15,844
Other		3,018		(1,261)		1,757
Total revenues	<u> </u>	110,301		(17,826)		92,475
Operating Expenses		20.000		(0.505)		40.400
Property operating		20,888		(8,705)		12,183
Other operating		665				665
Real estate taxes		13,683		(2,114)		11,569
General and administrative		17,149		(11)		17,138
Depreciation and amortization		23,960		(3,355)		20,605
Total operating expenses		76,345		(14,185)		62,160
Operating income		33,956		(3,641)		30,315
Equity in earnings of unconsolidated affiliates		3,025		_		3,025
Other interest income		219		_		219
Gain on debt extinguishment		1,268		_		1,268
Interest and other finance expense		(27,450)		2,825		(24,625)
Income from continuing operations before income taxes		11,018		(816)		10,202
Income tax provision		(4)		(3)		(7)
Income from continuing operations		11,022		(813)		10,209
Discontinued Operations						
Operating income from discontinued operations		2,745		_		2,745
Loss on impairment of asset		(6,925)		_		(6,925)
Gain on sale of property		32,498				32,498
Income from discontinued operations		28,318				28,318
Net income		39,340		(813)		38,527
Noncontrolling interests						
Continuing operations		5,035		658		5,693
Discontinued operations		(707)		_		(707)
Net (income) loss attributable to noncontrolling interests		4,328		658		4,986
Net income attributable to Common Shareholders	\$	43,668	\$	(155)	\$	43,513
Basic Earnings per Share						
Income from continuing operations	\$	0.40	\$	_	\$	0.40
Income from discontinued operations		0.68		_		0.68
Basic earnings per share	\$	1.08	\$	_	\$	1.08
Diluted Earnings per Share						
Income from continuing operations	\$	0.40	\$	_	\$	0.40
Income from discontinued operations		0.68		_		0.68
Diluted earnings per share	\$	1.08	\$		\$	1.08

ACADIA REALTY TRUST AND SUBSIDIARIES UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF INCOME For the Year Ended December 31, 2011

(dellars in the records present our shows amounts)		Company Historical	Disposition of Portfolio		Company Pro Forma
(dollars in thousands, except per share amounts) Revenues		(aa)	(bb)		Pro Forma
Rental income	\$	112,223	(22,051)	\$	90,172
Interest income	Ψ	11,429	(22,031)	Ψ	11,429
Expense reimbursements		22,388	(258)		22,130
Lease termination income		96	(250)		96
Management fee income		1,677	(2)		1,675
Other		2,348	(1,747)		601
Total revenues		150,161	(24,058)		126,103
Operating Expenses		130,101	(24,030)		120,103
Property operating		29,371	(12,154)		17,217
Real estate taxes		18,686	(2,765)		15,921
General and administrative		23,086	(12)		23,074
Depreciation and amortization		32,986	(4,547)		28,439
Total operating expenses		104,129	(19,478)		84,651
Operating income		46,032	(4,580)		41,452
Equity in earnings of unconsolidated affiliates		1,555	(1,555)		1,555
Other interest income		276	<u> </u>		276
Gain on debt extinguishment		1,268	_		1,268
Interest and other finance expense		(37,109)	3,736		(33,373)
Income from continuing operations before income taxes		12,022	(844)		11,178
Income tax provision		474	(3)		471
Income from continuing operations		11,548	(841)		10,707
Discontinued Operations	<u></u>	<u> </u>			•
Operating income from discontinued operations		2,262	_		2,262
Loss on impairment of asset		(6,925)	_		(6,925)
Gain on sale of property		46,830	_		46,830
Income from discontinued operations		42,167			42,167
Net income		53,715	(841)		52,874
Noncontrolling interests		<u> </u>			<u> </u>
Continuing operations		8,514	678		9,192
Discontinued operations		(10,674)	_		(10,674)
Net (income) loss attributable to noncontrolling interests		(2,160)	678		(1,482)
Net income attributable to Common Shareholders	\$	51,555	\$ (163)	\$	51,392
Basic Earnings per Share				_	
Income from continuing operations	\$	0.50	\$ —	\$	0.50
Income from discontinued operations		0.77	<u>—</u>		0.77
Basic earnings per share	\$	1.27	\$ —	\$	1.27
Diluted Earnings per Share					
Income from continuing operations	\$	0.49	\$ —	\$	0.49
Income from discontinued operations	*	0.77		Ť	0.77
Diluted earnings per share	\$	1.26	\$ <u> </u>	\$	1.26
- marca cumingo per onuic	*	1.20		*	1.20

ACADIA REALTY TRUST AND SUBSIDIARIES UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF INCOME For the Year Ended December 31, 2010

		Company Historical		Disposition of Portfolio	Company		
(dollars in thousands, except per share amounts)		(aa)		(bb)		Pro Forma	
Revenues	ф	07.475		(20.405)	ф	77.070	
Rental income	\$	97,475		(20,405)	\$	77,070	
Interest income		19,161		(2)		19,159	
Expense reimbursements		20,499		(220)		20,279	
Lease termination income		290				290	
Management fee income		1,424		(1.645)		1,424	
Other		2,196		(1,645)		551	
Total revenues		141,045		(22,272)		118,773	
Operating Expenses		20.222		(40,000)		10.015	
Property operating		29,223		(10,608)		18,615	
Real estate taxes		17,255		(3,065)		14,190	
General and administrative		20,220		(9)		20,211	
Depreciation and amortization		28,808		(4,765)		24,043	
Total operating expenses		95,506		(18,447)		77,059	
Operating income		45,539		(3,825)		41,714	
Equity in earnings of unconsolidated affiliates		10,971		_		10,971	
Other interest income		408				408	
Gain on bargain purchase		33,805		0.511		33,805	
Interest and other finance expense		(40,498)		9,511		(30,987)	
Income from continuing operations before income taxes		50,225		5,686		55,911	
Income tax provision		2,890				2,890	
Income from continuing operations		47,335		5,686		53,021	
Discontinued Operations		2.222				2.222	
Operating income from discontinued operations		3,332		<u> </u>		3,332	
Income from discontinued operations		3,332				3,332	
Net income		50,667		5,686		56,353	
Noncontrolling interests				((
Continuing operations		(19,075)		(4,563)		(23,638)	
Discontinued operations		(1,535)				(1,535)	
Net income attributable to noncontrolling interests		(20,610)		(4,563)		(25,173)	
Net income attributable to Common Shareholders	\$	30,057	\$	1,123	\$	31,180	
Basic Earnings per Share							
Income from continuing operations	\$	0.70	\$	0.03	\$	0.73	
Income from discontinued operations		0.05		_		0.05	
Basic earnings per share	\$	0.75	\$	0.03	\$	0.78	
Diluted Earnings per Share							
Income from continuing operations	\$	0.70	\$	0.03	\$	0.73	
Income from discontinued operations		0.04		_		0.04	
Diluted earnings per share	\$	0.74	\$	0.03	\$	0.77	

ACADIA REALTY TRUST AND SUBSIDIARIES UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF INCOME For the Year Ended December 31, 2009

(dollars in thousands, except per share amounts)		Company Historical (aa)	Disposition of Portfolio (bb)		Company Pro Forma
Revenues	<u> </u>	(dd)	(00)	_	FIU FUIIIIa
Rental income	\$	86,021	(10,855)	\$	75,166
Interest income	Ψ	19,698	(4)	Ψ	19,694
Expense reimbursements		19,435	(260)		19,175
Lease termination income		2,751	(200)		2,751
Management fee income		1,961			1,961
Other		4,579	(1,310)		3,269
Total revenues		134,445	(12,429)		122,016
Operating Expenses		134,443	(12,423)		122,010
Property operating		28,143	(9,323)		18,820
Real estate taxes		15,848	(2,345)		13,503
General and administrative		22,006	(2,343)		22,004
Depreciation and amortization		27,612	(3,967)		23,645
Abandonment of project costs		2,487	(5,507)		2,487
Reserve for notes receivable		1,734			1,734
Total operating expenses		97,830	(15,637)		82,193
Operating income		36,615	3,208		39,823
Equity in losses of unconsolidated affiliates		(1,529)			(1,529)
Impairment of investment in unconsolidated affiliate		(3,768)	<u> </u>		(3,768)
Other interest income		642			642
Gain on debt extinguishment		7,057			7,057
Interest and other finance expense		(35,632)	8,146		(27,486)
Income from continuing operations before income taxes		3,385	11,354		14,739
Income tax provision		1,541	(3)		1,538
Income from continuing operations		1,844	11,357		13,201
Discontinued Operations		1,5			15,201
Operating income from discontinued operations		3,719			3,719
Gain on sale of property		7,143			7,143
Income from discontinued operations		10,862			10,862
Net income		12,706	11,357		24,063
Noncontrolling interests		12,700			_ 1,000
Continuing operations		24,730	(9,203)		15,527
Discontinued operations		(6,303)	(3,203)		(6,303)
Net loss (income) attributable to noncontrolling interests		18,427	(9,203)		9,224
Net income attributable to Common Shareholders	\$	31,133	\$ 2,154	\$	33,287
Basic Earnings per Share	<u> </u>	31,133	Ψ 2,134	Ψ	33,207
Income from continuing operations	\$	0.70	\$ 0.06	\$	0.76
Income from discontinued operations	φ 	0.70	ψ 0.00	Ф	0.76
Basic earnings per share	\$	0.12	\$ 0.06	\$	0.12
	Ą	0.02	Ψ 0.00	Ф	0.00
Diluted Earnings per Share	ф	0.70	Φ 0.00	¢	0.50
Income from continuing operations	\$	0.70	\$ 0.06	\$	0.76
Income from discontinued operations	ė	0.12	<u> </u>	d.	0.12
Diluted earnings per share	\$	0.82	\$ 0.06	\$	0.88

 $The \ accompanying \ notes \ are \ an \ integral \ part \ of \ these \ unaudited \ pro \ forma \ consolidated \ financial \ statements.$

ACADIA REALTY TRUST AND SUBSIDIARIES NOTES TO UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Adjustments to Unaudited Pro Forma Consolidated Balance Sheet

- (a) Represents the historical consolidated balance sheet of the Company as of September 30, 2012.
- (b) Reflects the disposition of the Portfolio and removal of the book value of the net assets and liabilities of the Portfolio.

Note 2 - Adjustments to Unaudited Pro Forma Consolidated Statements of Income

- (aa) Represents the unaudited historical consolidated statement of income for the Company for each of the nine months ended September 30, 2012 and 2011, and the audited historical consolidated statements of income for the Company for each of the fiscal years ended December 31, 2011, 2010, and 2009.
- (bb) Represents the unaudited historical statement of income for the Portfolio for each of the nine months ended September 30, 2012 and 2011, and the audited historical statements of income for the Portfolio for each of the fiscal years ended December 31, 2011, 2010, and 2009.