

**ACADIA REALTY TRUST
COMPENSATION COMMITTEE CHARTER**

I. PURPOSE

The purpose of the Compensation Committee (“Committee”) of Acadia Realty Trust (“Trust”) is to discharge certain responsibilities of the Board of Trustees of the Trust (“Board”) relating to: (a) the compensation (including base salary, cash bonus, performance based incentive compensation and long term incentive compensation; both equity-based and non-equity based) of the Trust’s Chief Executive Officer (“CEO”); (b) the compensation (including base salary, cash bonus, performance based incentive compensation and long term incentive compensation; both equity-based and non-equity based) of the non-CEO executive officers of the Trust (“executive officers”); (c) implementing and administering the Trust’s incentive compensation and equity-based plans; (d) recommending the appropriate level of compensation for the trustees to the entire Board; and (e) fulfilling the duties set forth below and such other responsibilities as may be delegated to the Committee by the Board from time to time.

II. COMPOSITION

The Committee shall be composed of two or more trustees who are independent, as such term is defined with respect to the Committee in the Securities Exchange Act of 1934 (the “Exchange Act”), the New York Stock Exchange’s Listed Company Manual (the “NYSE Manual”) and other laws and regulations applicable to the Trust and the Committee. Prior to approving a trustee’s appointment to the Committee, the Board (upon advice of the Nominating and Corporate Governance Committee) shall have determined that such trustee satisfies the foregoing independence requirements as well as any additional independence requirements established from time to time by the Board.

The Nominating and Corporate Governance Committee, after consultation with the CEO, shall recommend to the full Board for its approval: (a) which trustees should serve on the Committee; (b) whether additional trustees should be appointed to the Committee; and (c) whether any trustees should be removed from the Committee. The Committee members shall be elected by the Board at the annual meeting or by written consent, and may be removed and replaced in the sole discretion of the Board by majority vote. There shall be a Chair of the Committee, who shall be appointed by majority vote of the members of the Committee. Simultaneous service on more than one of the Board’s committees shall not impair the ability of any trustee to effectively serve on the Committee.

III. COMPENSATION

The Chairman of the Committee and each member of the Committee shall be entitled to

compensation for being the Chairman or member of the Committee, as applicable, and for meeting attendance as such fees are established from time to time by the Board based on recommendations from the Committee. Each member of the Committee shall be entitled to be reimbursed for reasonable out-of-pocket expenses incurred by such member in attending meetings of the Committee and in performing his/her duties as a member of the Committee. No member of the Committee shall receive from the Trust any compensation other than his or her fees for serving as a trustee and a member of the Committee or any other committee of the Board.

IV. MEETINGS

The Committee shall meet at least one (1) time per year, during the last quarter of the fiscal year, and at such other times as determined by the Chairman of the Committee to be necessary or appropriate for the Committee to carry out its duties and responsibilities. Meetings of the Committee shall be called by the Secretary of the Trust upon the request of the Chairman of the Committee, the CEO or a majority of the members of the Committee. Except for the regular annual meeting of the Committee, notice of any meeting of the Committee shall be given in the manner provided for in the Bylaws of the Trust for meetings of the Board and its committees.

The provisions set forth in the Trust's Bylaws for meetings of the Board and its committees shall govern the quorum and voting requirements for all meetings of the Committee.

The Committee shall be required to keep a record of its actions and proceedings and shall report to the Board at the next meeting of the Board following the Committee meeting with such report to include recommendations for Board actions when appropriate.

V. DUTIES, POWERS AND RESPONSIBILITIES

The duties, powers and responsibilities of the Committee shall include the following:

1. Reviewing and assessing the adequacy of this Charter at least annually and recommend any proposed changes to the Board for approval.
2. Preparing and retaining a record of its actions and proceedings for each meeting the Committee holds.
3. Creating and reviewing the Trust's executive compensation programs to ensure the attraction, retention and appropriate reward of executive officers, to motivate their performance in the achievement of the Trust's business objectives, and to align the interests of executive officers with the long-term interests of the Trust's shareholders.
4. Reviewing and approving the Trust's goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those goals and objectives, and, either as a Committee or together with the other independent trustees (as directed by the Board), determining and approving the CEO's

- compensation level based on that evaluation; and in determining the long-term incentive component of CEO compensation, considering the Trust's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, and the awards given to the CEO in past years.
5. Reviewing the Trust's goals and objectives relevant to executive officer compensation, evaluating executive officer performance in light of those goals and objectives, and recommending to the entire Board the executive officers' compensation based on that evaluation; and in recommending to the entire Board the long-term incentive component of executive officer compensation, considering the Trust's performance and relative shareholder return, the value of similar incentive awards to executive officers at comparable companies, and the awards given to the Trust's executive officers in past years.
 6. Recommending the appropriate level of compensation for the trustees to the entire Board.
 7. Adopting, administering and making recommendations to the Board with respect to the Trust's incentive-compensation and equity-based plans.
 8. With respect to compensation and equity-based awards under the Trust's Plans for all employees below executive officer, the CEO is hereby delegated the authority to make such determinations and shall report to the Committee no less than annually with respect to such awards.
 9. Establishing the performance goals for all performance-based plans and awards, reviewing the results to determine whether performance goals have been met, and approving the payments required upon attainment of the goals.
 10. Reviewing and discussing the Compensation Discussion and Analysis (the "CD&A") required to be included in the Company's proxy statement and annual report on Form 10-K by the rules and regulations of the Securities and Exchange Commission (the "SEC") with management, and, based on such review and discussion, determining whether or not to recommend to the Board that the CD&A be so included. The Committee shall produce the annual Compensation Committee Report for inclusion in the Company's proxy statement in compliance with the rules and regulations promulgated by the SEC.
 11. Retaining and terminating, as the Committee deems necessary, one or more consulting firms in connection with trustee, CEO or officer compensation and approving all fees and terms of any such engagement.
 12. Coordinating and reviewing the Company's succession plans relating to the CEO and other executive officers and reporting to the Board at least annually on the status of such plans.
 13. Providing to the Board a report on the Committee's activities at least annually and at such other times as the Committee members deem necessary or appropriate.
 14. Performing such other duties and responsibilities as may be delegated to the Committee by the Board from time to time.

VI. DELEGATION OF AUTHORITY

The Committee shall have the authority to delegate its responsibilities as it deems appropriate from time to time provided that such delegation is not prohibited under the Exchange Act, the NYSE Manual or any other laws or regulations applicable to the Trust or the Committee.

VII. ANNUAL PERFORMANCE EVALUATION

The Committee shall conduct an evaluation of its performance on an annual basis.

VIII. DISCLOSURE OF CHARTER

This Charter will be made available on the Trust's website at www.acadiarealty.com.