



Macerich To Acquire Westside Pavillion In Los Angeles, CA

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SANTA MONICA, CA. (7/1/98) -- A subsidiary of The Macerich Company (NYSE Symbol: MAC) announced plans to acquire Westside Pavilion, a 750,000 square foot regional mall. The mall is located in the upscale Westside of Los Angeles at the intersection of Westwood Boulevard and Pico Boulevard. The property is anchored by a 138,000 square foot Nordstrom and a 220,000 square foot Robinsons-May and serves the communities of Beverly Hills, Bel Air, Brentwood, Santa Monica, Pacific Palisades and Westwood. The property is a three level enclosed mall with a dramatic atrium skylight running the entire length of the building and was designed by world-renowned architect Jon Jerde. The purchase price was \$170.5 million. The seller was a group of pension funds. The 1997 net operating income from the property was \$14.6 million. The transaction is expected to close within the next several days.

The purchase price was funded from the company's line of credit and a new \$100 million mortgage placed on the property at closing. The mortgage has a fixed interest rate of approximately 6.65% and has a 10 year term.

The mall is very productive with mall store sales at approximately \$360 per square foot and the main mall occupancy at 98%. Westside Pavilion features such upscale retailers as Guess, Guess for Men, Bebe, Hugo Boss by Le Prestige, Banana Republic Men's, Banana Republic Women's, Gap, Gap Kids, BCBG, Bombay Company, Garden Botanika, Gymboree, Nine West, Rampage, Speedo, and bisou bisou. Total sales at the center exceed \$240 million.

"Westside Pavilion is the only regional mall with a Nordstrom store in the entire Westside of Los Angeles. The mall services a highly affluent trade area with an estimated 645,000 people with an average household income of nearly \$87,000 within a five mile trade area. The main mall is extremely productive in terms of net operating income, tenant sales and occupancy levels. We believe that there is substantial upside in this asset that can be attained by raising the performance of Phase II of the mall to the same levels." Commented Arthur Coppola, President and Chief Executive Officer of Macerich.

With the acquisition of Westside Pavilion, The Macerich Company now owns 6.5 million square feet of gross leaseable area in Orange, Los Angeles and Ventura Counties.

The Macerich Company is a fully integrated, self-administered and self-managed Real Estate Investment Trust, which focuses on the acquisition and redevelopment of regional malls and community centers throughout the United States. In the past 11 months, Macerich has acquired interests in 18 malls totaling 16 million square feet. The company now owns interests in 40 malls and four community centers totaling 35 million square feet. Total acquisitions completed in the past 11 months represent shopping centers with a value of approximately \$1.5 billion. The company is the sole general partner and owns a 78% ownership interest in The Macerich Partnership, L.P.