



Subsidiaries Of The Macerich Company Announced That They Have Acquired The Village At Corte Madera

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SANTA MONICA, CA. , (8/10/98) Subsidiaries of The Macerich Company, (NYSE Symbol: MAC) announced that they have acquired a 100% interest in The Village at Corte Madera, a 428,000 square foot regional mall in Corte Madera, California. The mall, located in the San Francisco Bay area, is anchored by Nordstrom and Macy's and generates over \$200 million in annual retail sales. The sellers included a partnership, a group of pension funds and two individuals.

In addition, a subsidiary of Macerich will acquire Carmel Plaza, a 115,000 square foot center in Carmel, California. Carmel Plaza, anchored by Saks Fifth Avenue, is the dominant fashion retail complex on the Monterey Peninsula. The sellers are Carmel Land Company, L.L.C. and Carmel Plaza Associates, L.L.C.

The combined purchase price for the properties totaled approximately \$165.5 million, consisting of the assumption of \$40 million of debt, \$117.5 million in cash and \$8 million in operating partnership units of The Macerich Partnership, L.P. The anticipated first year unleveraged return on these acquisitions is approximately 7.5%.

The Village at Corte Madera is located on Highway 101 in Corte Madera, California and is approximately eight miles south of Macerich's Northgate Mall in San Rafael. The mall enjoys excellent demographics, with 140,000 people in its trade area and an average household income of approximately \$89,000. The department stores have annual sales averaging approximately \$500 per square foot. The mall's shops are 96% occupied with annual tenant sales of \$470 per square foot. The Village at Corte Madera has a strong tenant mix including Crate & Barrel, Restoration Hardware, Williams Sonoma, bebe, Liz Claiborne, Talbot's, Eddie Bauer, Gap & Gap Kids.

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Carmel Plaza is 98.3% occupied and includes upscale national retailers such as Ann Taylor, Banana Republic, Talbots, Sharper Image and Louis Vitton. The specialty store 1997 sales per square foot were approximately \$350.

"The Village at Corte Madera is a gem that cements our presence in the Marin County marketplace and the overall San Francisco Bay area," comments Macerich president and chief executive officer, Art Coppola. "Within Marin, this gives us a rare franchise in which we control the undisputed No.1 and No.2 retail properties in the county. Geographically, we've created a bookend effect with Corte Madera in the south and Northgate in the north." "It is also a timely acquisition," he continues, "as the addition of this prominent south county anchor comes at a time when we are exploring the possibility of strengthening our franchise in the north through the addition of a fourth department store at Northgate. Carmel Plaza is the jewel of the Ocean Avenue retail district in Carmel-by-the-Sea. While it is a small property, it enjoys a true franchise in this affluent and historic village."

Macerich now owns the preeminent upscale retail complexes in Marin and Contra Costa counties. The Macerich-owned Broadway Plaza in Walnut Creek is also anchored by Macy's and Nordstrom and there is a tremendous synergy in the tenant mix between Corte Madera and Broadway Plaza. Both centers have tenant sales in excess of \$450 per square foot.

With the acquisition of The Village at Corte Madera and Carmel Plaza, Macerich now owns six retail centers totaling 4.1 million square feet of gross leasable area in the San Francisco Bay area.

The Macerich Company is a fully integrated self-managed and self-administered real estate investment trust, which focuses on the acquisition and redevelopment of regional malls and community centers throughout the United States. In the past twelve months, Macerich has acquired interests in 20 retail centers totaling 17 million square feet. The company now owns interests in 41 regional malls and 5 community centers totaling 35 million square feet. The total acquisitions completed in the past year represent shopping centers with a value of approximately \$1.7 billion. The company is the sole general partner and owns a 77% ownership interest in The Macerich Partnership, L.P. Additional information about The Macerich Company can be obtained on the company's web site at www.macerich.com.