



Macerich Completes Purchase of Biltmore Fashion Park

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Luxury Open-Air Center Added to Macerich's Phoenix Portfolio

SANTA MONICA, Calif., Dec 19, 2003 /PRNewswire-FirstCall via Comtex/ -- The Macerich Partnership L.P., the operating partnership of The Macerich Company (NYSE: MAC), today announced the acquisition of Biltmore Fashion Park in Phoenix from Taubman Centers, Inc. (NYSE: TCO). The property will be owned by a 50/50 joint venture between Macerich and an institutional investment partner.

The total consideration for the acquisition was approximately \$158.5 million, which was comprised of \$51 million in cash, 705,636 Macerich operating partnership units and the assumption of \$77.4 million of property level fixed rate debt.

Located on 31 acres at the prime northeast corner of 24th Street and Camelback Road in Phoenix, Biltmore Fashion Park is a 611,000 square foot open-air center anchored by Saks Fifth Avenue and Macy's. The center is currently 90% leased, and shop tenants generate sales of approximately \$470 per square foot. Leading specialty retailers in the center include Tommy Bahama, Allen-Edmonds, Polo by Ralph Lauren, Gucci, Escada, Stuart Weitzman, Cole-Hahn, Cartier and Elizabeth Arden Salon.

"The addition of Biltmore Fashion Park to our Westcor Region portfolio will bring Arizona's two major fashion malls, including Scottsdale Fashion Square, which is only five miles away from Biltmore, under common ownership and create even greater opportunities," said Arthur Coppola, president and chief executive officer of Macerich. "Historically, there has been competitive tension between Biltmore and Scottsdale Fashion and there have been numerous radius clauses imposed by both landlords. Combining these two properties under common ownership will give us the opportunity to provide Valley shoppers and tourists the next tier of quality shopping and the opportunity for specialty shops and restaurants eager to expand into the Arizona marketplace to deal in an optimum environment from both the consumers' and the retailers' viewpoints."

The acquisition of Biltmore expands Macerich's Phoenix portfolio to seven malls with over 8 million square feet of gross leaseable area generating shop sales in excess of \$420 per square foot. "The timing of this acquisition is particularly opportune for Macerich since the Phoenix retail marketplace has enjoyed a very strong 2003 with comparable tenant sales in our Phoenix portfolio rising 6% in the third quarter alone."

The Macerich Company is a fully integrated self-managed and self-administered real estate investment trust, which focuses on the acquisition, leasing, management, development and redevelopment of regional malls throughout the United States. The Company is the sole general partner and owns an 82% ownership interest in The Macerich Partnership, L.P. Macerich now owns approximately 59 million square feet of gross leaseable area consisting primarily of interests in 58 regional malls. Additional information about The Macerich Company can be obtained from the Company's web site at www.macerich.com.

Note: This release contains statements that constitute forward-looking statements. Stockholders are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company to vary materially from those anticipated, expected or projected. Such factors include, among others, general industry, economic and business conditions, which will, among other things, affect demand for retail space or retail goods, availability and creditworthiness of current and prospective tenants, tenant bankruptcies, lease rates and terms, interest rate fluctuations, availability and cost of financing and operating expenses; adverse changes in the real estate markets including, among other things, competition from other companies, retail formats and technology, risks of real estate development and redevelopment, acquisitions and dispositions; governmental actions and initiatives; environmental and safety requirements; and terrorist activities which could adversely affect all of the above factors. The reader is directed to the Company's various filings with the Securities and Exchange Commission, for a discussion of such risks and uncertainties.

SOURCE The Macerich Company

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