



## Macerich Announces Initial Progress in its Path Forward Strategic Plan

May 16, 2024

### **Macerich Purchases Remaining 40% Share of Arrowhead Towne Center (a Top 10 NOI Center for Macerich) and South Plains Mall from JV Partner, and Commits to the Sale of a Prominent Retail Asset**

SANTA MONICA, Calif., May 16, 2024 (GLOBE NEWSWIRE) – Macerich (NYSE: [MAC](#)), one of the nation's leading owners, operators and developers of major retail properties in top markets, today announced its purchase of the remaining 40% share of both Arrowhead Towne Center (Metro Phoenix) and South Plains Mall (Lubbock, Texas) for \$36.5 million plus the debt, which for Arrowhead is a 7.2% cap rate, from its joint venture partner, a global institutional investor.

This transaction, which closed on May 14, gives Macerich full ownership of both properties.

Additionally, Macerich has executed a contract for the sale of a retail asset in a major market. The transaction is expected to generate approximately \$110 million of net proceeds based on an expected cap rate of 6.5%, and is anticipated to close this summer.

"We are pleased to achieve full ownership of these retail assets via the purchase of the remaining 40% share from our JV partner," said Jack Hsieh, President and Chief Executive Officer, Macerich. "Given the pending, massive microchip investment within the Arrowhead Towne Center market, we believe there are significant positive impacts to our trade area that we will be able to soon capitalize upon. With these transactions, Macerich is acting on its strategic plan that includes disposing of certain assets to reduce our leverage and simplifying our business through selectively consolidating certain JV interests over time."

Located in a high-growth area of Metro Phoenix, the 1.1 million-square-foot, super-regional Arrowhead Towne Center is a market-dominant, top 10 NOI center for MAC and a top 10 sales PSF center at well over \$1,100 PSF – second only to Scottsdale Fashion Square among Macerich's Phoenix market assets. Currently 100% leased, Arrowhead Towne Center is anchored by Dillard's, Macy's, JCPenney, DICK's Sporting Goods, AMC Theatres and a brand-new Round1 Spo-Cha.

The buoyant trade area consists of 1.6 million people and is home to the new Taiwan Semiconductor Manufacturing Company site consisting of three fabs, opening in phases beginning in 2025 and bringing TSMC's total investment in Arizona to more than \$65 billion. The three fabs are expected to create 6,000 direct high-tech, high-wage jobs, more than 20,000 accumulated unique construction jobs, and tens of thousands of indirect supplier and consumer jobs.

Arrowhead Towne Center's trade area also boasts three top-ranked universities and 13,000 K-12 students. More than one-third of Phoenix Metro residents live in this area, and over 43% of the county's growth over the next 25 years will take place here.

South Plains Mall is a 1.1 million square foot super-regional shopping center in Lubbock, Texas, home to Texas Tech University and its \$4.3 billion annual economic impact. The vast trade area covers more than 40,000 square miles and 35 counties. Lubbock's population is growing at 6% annually, double the national average. Longtime anchor Dillard's is currently investing more than \$40 million in a new flagship store set to open in Q4 2024 on the site of the former Sears parcel to consolidate its two existing locations.

#### **Upcoming Investor Outreach**

Macerich is scheduled to participate in the following events:

- ICSC Las Vegas in Las Vegas, Nevada, May 19-20, 2024
- Nareit's REITweek: 2024 Investor Conference will be held at the New York Hilton Midtown in New York City from June 4 to 5, 2024. The conference will include a company presentation on June 4, 2024, at 11:45 a.m. Eastern Time. Additional details about the presentation, including a live audio webcast, will be available to the public on the Investor Relations website, [investing.macerich.com](https://investing.macerich.com).

#### **About Macerich**

Macerich is a fully integrated, self-managed and self-administered real estate investment trust (REIT). As a leading owner, operator and developer of high-quality retail real estate in densely populated and attractive U.S. markets, Macerich's portfolio is concentrated in California, the Pacific Northwest, Phoenix/Scottsdale, and the Metro New York to Washington, D.C. corridor. Developing and managing properties that serve as community cornerstones, Macerich currently owns 47 million square feet of real estate consisting primarily of interests in 43 retail centers. Macerich is firmly dedicated to advancing environmental goals, social good and sound corporate governance. A recognized leader in sustainability, Macerich has achieved a #1 Global Real Estate

Sustainability Benchmark (GRESB) ranking for the North American retail sector for nine consecutive years (2015-2023). For more information, please visit [www.Macerich.com](http://www.Macerich.com).

Macerich uses, and intends to continue to use, its Investor Relations website, which can be found at [investing.macerich.com](http://investing.macerich.com), as a means of disclosing material nonpublic information and for complying with its disclosure obligations under Regulation FD. Additional information about Macerich can be found through social media platforms such as LinkedIn. Reconciliations of non-GAAP financial measures, including NOI and FFO, to the most directly comparable GAAP measures are included in the earnings release and supplemental filed on Form 8-K with the SEC, which are posted on the Investor Relations website at [investing.macerich.com](http://investing.macerich.com).

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