



Macerich Acquires The Citadel Mall In Colorado Springs, Colorado

December 19, 1997

(Santa Monica, CA) December 19, 1997-A subsidiary of The Macerich Company (NYSE Symbol:MAC) has acquired The Citadel, a 1,094,000 square foot super regional mall in Colorado Springs, Colorado. The total purchase price of \$108 million was funded by a concurrently placed loan of \$75.6 million plus \$32.4 million in cash. The loan bears interest at 7.2 percent and matures in 2007. The 1997 net operating income is estimated at \$8.7 million. The property was purchased from TriState Joint Venture, a Maryland joint venture partnership, comprised of an affiliate of Teachers Insurance and Annuity Association and an affiliate of The Rouse Company.

The mall is anchored by Foley's, J.C. Penney, Dillard's and Mervyn's. The Citadel also has an extremely strong roster of national specialty retailers including Abercrombie & Fitch, Bath and Body Works, The Disney Store, Eddie Bauer, GAP and GAP Kids, Gymboree, Franklin Quest and Northern Reflections. The center continues to prosper from a \$20 million renovation and expansion in 1995 which included the addition of Dillard's. Annual sales per square foot exceed \$300. The current occupancy level is 90 percent.

Colorado Springs is the second largest metropolitan area in the state of Colorado. The effective trade area includes 476,000 people. The area has experienced 21% population growth from 1990 to 1996.

"The Citadel is the dominant, super regional mall in the Colorado Springs market and with its strong sales volumes, solid anchor mix and the rapidly growing trade area, we are optimistic about the mall's future growth," commented Edward Coppola, executive vice president of Macerich. This acquisition further expands Macerich's presence in the inter mountain region and strategically fits with our properties in Colorado, Nevada, Utah and Montana. Macerich now owns 8 properties totaling approximately 5.2 million square feet in the inter mountain region.

This acquisition represents the ninth regional mall acquired by Macerich in the last 15 months. These acquisitions total approximately \$627 million and have increased the company's total gross leasable area to 22.1 million square feet, a 149 percent increase over the company's portfolio at the time of its IPO in March, 1994.

The Macerich Company currently owns interest in 26 malls and three community centers. 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. Additional information can be obtained by accessing the company's website @ www.macerich.com.