



## Simon DeBartolo Group And The Macerich Company Announce Portfolio Acquisition

December 29, 1997

Indianapolis--December 29, 1997-- /PR Newswire/ -- Simon DeBartolo Group, Inc. [NYSE: SPG] and the Macerich Company [NYSE: MAC] today announced the formation of a 50/50 joint venture to acquire a portfolio of twelve regional malls. The seller is ERE Yarmouth on behalf of one of its pension fund clients.

The properties in the portfolio comprise 10.7 million square feet of gross leasable area [GLA] and are located in eight states. Occupancy of the portfolio is approximately 89% and sales per square foot for the malls are trending over \$260 for 1997.

The acquisition has been approved by each company's Board of Directors and a contract has been signed. Completion of the acquisition is subject to customary closing conditions. The transaction is expected to be completed in February 1998.

Under terms of the contract, the venture will pay \$974.5 million for the portfolio, including the assumption of \$485 million of debt which bears interest at a current blended rate of 7% and matures in 2003 and 2006. The initial unleveraged yield from this transaction based upon in-place income is 8.75% and the venture expects the yield to be in excess of 9% for the first year of operations.

"This transaction adds still another solid collection of strong-performing assets to the SDG portfolio and reinforces our role as the industry's leading consolidator," said David Simon, Chief Executive Officer of Simon DeBartolo Group. "These are regional malls facing little competition within their various markets and are consistent with our strategy to own market-dominant assets. Macerich has an excellent reputation for enhancing value of middle-market malls as we are very excited about forging this joint venture relationship with them. This acquisition also affords SDG the opportunity to strengthen the Simon Brand Venture initiatives by adding 12 properties and approximately 100 million annual shopping visits to our portfolio."

"The combination of Macerich, with its strength in the Western U.S., and Simon DeBartolo Group, with its size and the unique presence in the Midwest and East, creates a powerful partnership which we expect to gain operation synergies and maximize results from these already dominant properties," stated Arthur Coppola, President and Chief Executive Officer of the The Macerich Company. "Eight of the twelve properties in this portfolio are super regional centers, and three of the other properties are the only regional center within a 50 mile trade area. These assets are well positioned for growth and they are benefiting from over \$150 million of capital invested to expand and renovate them over the past four years."

"This portfolio has been an outstanding investment for our client and the fundamentals for continuing performance are in place," said Douglas Healy, Executive Vice President of ERE Yarmouth.

### The properties to be acquired are:

Property Name	Location	Total GLA	Anchors
Empire Mall	Sioux Falls, SD	1,305,040	Younkers, JCPenney, Sears, Dayton's, Kohl's, Target
Eastland Mall	Evansville, IN	1,085,124	JCPenney, Lazerus, Famous Barr, DeJong
NorthPark Mall	Davenport, IA	1,057,080	Younkers, VonMaur, JCPenney, Sears, Montgomery Ward
Granite Run Mall	Media, PA	1,048,157	JCPenney, Sears, Boscov's
SouthPark Mall	Moline, IL	1,034,542	JCPenney, Sears, Younkers, VonMaur, Montgomery Ward
SouthRidge Mall	Des Moines, IA	1,023,393	Sears, Younkers, JCPenney, Target, Montgomery Ward
Mesa Mall	Grand Junction, CO	850,370	Sears, Herberger's, JCPenney, Mervyn's, Target
Rushmore Mall	Rapid City, SD	828,995	JCPenney, Sears, Herbergers's, Target
Southern Hills Mall	Sioux City, IA	752,768	Younkers, Sears, Target

Lindale Mall	Cedar Rapids, IA	694,992	Younkers, VonMaur, Sears
Lake Square Mall	Leesburg, FL	560,324	Belk-Lindsey, Sears, JCPenney, Target
Valley Mall	Harrisonburg, VA	482,332	JCPenney, Legget, Watson's, Wal-Mart

Simon DeBartolo Group, Inc. , headquartered in Indianapolis, Indiana, is a self-administered and self-managed real estate investment trust which, through its subsidiary partnerships, is engaged in the ownership, development, management, leasing, acquisition and expansion of income-producing properties. It currently owns or has an interest in 200 properties which consist of existing regional malls, community shopping centers and specialty and mixed-use properties and together with its affiliated management company, owns or manages approximately 144 million square feet of gross leasable area in 34 states.

Simon Brand Ventures [SBV], a division of SDG, is the world's largest and most sophisticated mall marketing initiative. Comprised of alliances with nationally recognized brands such as Visa USA, Microsoft, HFS,CUC, Olsten, AmeriCash, SMARTALK, and Diebold, SBV is designed to deliver greater buying power to Simon shoppers. Additional Simon DeBartolo Group information is available on the company's website at [www.simon.com](http://www.simon.com).

The Macerich Company is a fully-integrated, self administrated and self-managed real estate investment trust, which focuses on the acquisition and redevelopment of regional malls throughout the United States. The company owns 25 malls and three community centers totaling 22.1 million square feet. Additional information about Macerich can be obtained by accessing the company's web site at [www.macerich.com](http://www.macerich.com).

ERE Yarmouth is a leading U.S. institutional real estate advisor and manager with \$30 billion in assets under management. Their firm is a member of the Lend Lease Group, a global financial services and real estate company based in Sydney, Australia.

Note: Statements in this press release which are not historical may be deemed forward-looking statements within the meaning of the federal securities laws. Although Simon DeBartolo and Macerich believe the expectation reflected in any forward-looking statements are based on reasonable assumption, it can give no assurance that its expectation will be attained. The reader is directed to both companies' various filings with the Securities and Exchange Commision, including quarterly reports on Form 10-Q, reports on Form 8-K, and annual reports on Form 10-K for a discussion of such risks and uncertainties.

SOURCE: Simon DeBartolo Group, Inc.