



New Wing at Washington Square Opens 100%-Leased; One-Third of Merchants are New to Portland, Ore. Market

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TIGARD, Ore. (1/10/06)--Washington Square ushered in the 2005 holiday shopping season by introducing a fully-leased, 80,000-square-foot expansion area that was designed to meet lifestyle retailer demand and increase market share of an upscale super-regional mall that was already the dominant shopping center in the Portland, Ore. area.

Traffic at the 1.38 million-square-foot center rose by 25% over the comparable 2004 period on the November 18th grand opening weekend, according to The Macerich Company (NYSE: MAC), which co-owns the property with the Cadillac Fairview subsidiary of the Ontario Teachers Pension Plan Board. Traffic increased 20% over the prior year period the following weekend, which began with 'Black Friday.'

"This grand opening was the culmination of a smoothly executed initiative which went off without a hitch and sparked a response among shoppers and tenants that surpassed our already high expectations," said John Genovese, Macerich senior vice president, real estate. "Moreover, the cooperation of the City of Tigard was instrumental in making this project a success. From planning to issuing permits, the city government worked with us every step of the way."

Bruce Johnston, vice president, leasing for Macerich's Northern California/Pacific Northwest property group, added that the grand opening traffic counts indicated that the company attained the objective it set for the expansion area. "Our goal was to take the center's appeal to upscale customers to new heights with an expanded mix of lifestyle tenants, as well as to create space for merchants who see the great potential of the Oregon market and view Washington Square as the place to capitalize on it," he noted. Johnston pointed out that average mall store sales at Washington Square are currently tracking at more than \$640 per square foot.

Of the 30 merchants in the expansion area, 10 are first-to-market. They include The Cheesecake Factory, Sephora, Pottery Barn Kids, Janie & Jack, Janeville, Naartjie, Occhiali Da Sole, Painted With Oil, Teavana, and SOMA by Chico's (which will open this spring).

Other notable tenants added in the wing include Abercrombie & Fitch and its Abercrombie children's format (both of which are also slated to open in spring), as well as Bebe, Godiva Chocolatier, Papyrus, Starbucks, White House/Black Market, and Williams-Sonoma Grande Cuisine.

The addition was built over surface parking situated between the mall's Nordstrom and Meier & Frank department stores. To compensate for the loss of those spaces, the project included the construction of a four-level garage that opened in November 2004 and a three-level parking garage adjacent to the expansion area that was built partially underground to provide certain tenants with storefront exposure facing Route 217. Skybridge connections link the four-level garage to Nordstrom, as well as to Sears.

Under the project's design, additional exposure was afforded to nine tenants who have both mall and exterior storefronts—with the outside storefronts spanning two stories. Among those merchants, four have entrances to both the interior mall and adjacent parking fields.

Inside, the upscale design of the new wing is consistent with the look of the existing mall. Features and amenities include carpeted areas with plush soft seating (which were also added throughout the entire property); new interior landscaping; tall storefronts; a new centrally located guest services/security kiosk; and new men's, women's and family restrooms, and a baby-nursing area.

The opening of the expansion was officially celebrated on Friday, Nov. 18 with an evening of preview shopping, live music, wine tasting, hors d'oeuvres and a fashion show presented by Nordstrom. Approximately 850 guests attended the event, with ticket sales raising over \$55,000 for The Susan G. Komen Breast Cancer Foundation, Oregon and SW Washington Affiliate, and the Junior League of Portland.

Looking ahead, additional plans are being formulated for other parts of the property. As previously announced, an agreement to recapture Mervyn's 90,000-square-foot building will present new remerchandising opportunities over the next two years. "We're also looking at integrating such mixed-use components as a hotel and residential units on the site," said Genovese. "Washington Square is one of our most successful centers and, as such, we will continue to consider supporting its position in the market with carefully strategized enhancements."

Washington Square serves a trade area with approximately 617,000 residents in 239,000 households, with average household income exceeding \$82,000. The trade area's population is forecast to increase another 9.1% over the next five years.

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The Macerich Company, headquartered in Santa Monica, 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 81% ownership interest in The Macerich Partnership, L.P. Macerich now owns interests in properties totaling approximately 79 million square feet consisting primarily of interests in 75 regional malls. Additional information about The Macerich Company can be obtained from the Company's website at www.macerich.com.

SOURCE: The Macerich Company

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