UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2020

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to ___________

Commission File No. 1-12504

THE MACERICH COMPANY
(Exact name of registrant as specified in its charter)

Maryland	95-4448705
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
401 Wilshire Boulevard, Suite 700, Santa Monica, California	90401
(Address of principal executive office)	(Zip Code)

(310) 394-6000

(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Securities Act:

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock, $0.01 Par Value	MAC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve (12) months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past ninety (90) days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding twelve (12) months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	x	Accelerated Filer	☐	Non-Accelerated Filer	☐	Smaller Reporting Company	☐
						Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares outstanding as of May 8, 2020 of the registrant's common stock, par value $0.01 per share: 141,534,987 shares

THE MACERICH COMPANY

FORM 10-Q

INDEX

Part I	**Financial Information**	
Item 1.	Financial Statements (Unaudited)	3
	Consolidated Balance Sheets as of March 31, 2020 and December 31, 2019	3
	Consolidated Statements of Operations for the three months ended March 31, 2020 and 2019	4
	Consolidated Statements of Comprehensive Income for the three months ended March 31, 2020 and 2019	5
	Consolidated Statements of Equity for the three months ended March 31, 2020 and 2019	6
	Consolidated Statements of Cash Flows	7
	Notes to Consolidated Financial Statements	9
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	25
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	37
Item 4.	Controls and Procedures	38
Part II	**Other Information**	
Item 1.	Legal Proceedings	38
Item 1A.	Risk Factors	38
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	40
Item 3.	Defaults Upon Senior Securities	40
Item 4.	Mine Safety Disclosures	40
Item 5.	Other Information	40
Item 6.	Exhibits	41
Signature		43

THE MACERICH COMPANY

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands, except par value)

(Unaudited)

	March 31, 2020	December 31, 2019
ASSETS:		
Property, net	$ 6,558,075	$ 6,643,513
Cash and cash equivalents	652,354	100,005
Restricted cash	10,753	14,211
Tenant and other receivables, net	133,589	144,035
Right-of-use assets, net	143,637	148,087
Deferred charges and other assets, net	250,648	277,866
Due from affiliates	9,766	6,157
Investments in unconsolidated joint ventures	1,540,826	1,519,697
Total assets	$ 9,299,648	$ 8,853,571
LIABILITIES AND EQUITY:		
Mortgage notes payable	$ 4,384,680	$ 4,392,599
Bank and other notes payable	1,478,006	817,377
Accounts payable and accrued expenses	66,991	51,027
Lease liabilities	115,899	114,201
Other accrued liabilities	197,040	265,595
Distributions in excess of investments in unconsolidated joint ventures	107,156	107,902
Financing arrangement obligation	225,516	273,900
Total liabilities	6,575,288	6,022,601
Commitments and contingencies		
Equity:		
Stockholders' equity:		
Common stock, $0.01 par value, 250,000,000 shares authorized, 141,572,289 and 141,407,650 shares issued and outstanding at March 31, 2020 and December 31, 2019, respectively	1,416	1,414
Additional paid-in capital	4,590,709	4,583,911
Accumulated deficit	(2,042,688)	(1,944,012)
Accumulated other comprehensive loss	(15,446)	(9,051)
Total stockholders' equity	2,533,991	2,632,262
Noncontrolling interests	190,369	198,708
Total equity	2,724,360	2,830,970
Total liabilities and equity	$ 9,299,648	$ 8,853,571

The accompanying notes are an integral part of these consolidated financial statements.

THE MACERICH COMPANY

CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in thousands, except per share amounts)

(Unaudited)

	For the Three Months Ended March 31,	
	2020	**2019**
Revenues:		
Leasing revenue	$ 210,721	$ 211,008
Other	9,258	5,334
Management Companies	6,973	10,180
Total revenues	226,952	226,522
Expenses:		
Shopping center and operating expenses	70,725	69,604
Leasing expenses	7,425	7,505
Management Companies' operating expenses	16,224	19,014
REIT general and administrative expenses	6,821	6,961
Depreciation and amortization	82,213	81,468
	183,408	184,552
Interest (income) expense:		
Related parties	(44,243)	(10,447)
Other	52,317	48,804
	8,074	38,357
Loss on extinguishment of debt, net	—	351
Total expenses	191,482	223,260
Equity in income of unconsolidated joint ventures	9,698	12,243
Income tax benefit (expense)	266	(346)
Loss on sale or write down of assets, net	(36,703)	(6,316)
Net income	8,731	8,843
Less net income attributable to noncontrolling interests	1,209	1,019
Net income attributable to the Company	$ 7,522	$ 7,824
Earnings per common share—attributable to common stockholders:		
Basic	$ 0.05	$ 0.05
Diluted	$ 0.05	$ 0.05
Weighted average number of common shares outstanding:		
Basic	141,437,000	141,262,000
Diluted	141,437,000	141,262,000

The accompanying notes are an integral part of these consolidated financial statements.

THE MACERICH COMPANY

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Dollars in thousands, except per share amounts)

(Unaudited)

	For the Three Months Ended March 31,	
	2020	**2019**
Net income	$ 8,731	$ 8,843
Other comprehensive loss:		
Interest rate cap/swap agreements	(6,395)	(2,045)
Comprehensive income	2,336	6,798
Less net income attributable to noncontrolling interests	1,209	1,019
Comprehensive income attributable to the Company	$ 1,127	$ 5,779

The accompanying notes are an integral part of these consolidated financial statements.

THE MACERICH COMPANY

CONSOLIDATED STATEMENTS OF EQUITY

(Dollars in thousands, except per share data)

(Unaudited)

Three Months Ended March 31, 2020 and 2019

	Stockholders' Equity							
	Common Stock							
	Shares	Par Value	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
Balance at January 1, 2020	141,407,650	$ 1,414	$ 4,583,911	$ (1,944,012)	$ (9,051)	$ 2,632,262	$ 198,708	$ 2,830,970
Net income	—	—	—	7,522	—	7,522	1,209	8,731
Interest rate cap/swap agreements	—	—	—	—	(6,395)	(6,395)	—	(6,395)
Amortization of share and unit-based plans	80,917	1	5,602	—	—	5,603	—	5,603
Distributions paid ($0.75 per share)	—	—	—	(106,198)	—	(106,198)	—	(106,198)
Distributions to noncontrolling interests	—	—	—	—	—	—	(8,474)	(8,474)
Contributions from noncontrolling interests	—	—	—	—	—	—	125	125
Conversion of noncontrolling interests to common shares	83,722	1	5,796	—	—	5,797	(5,797)	—
Redemption of noncontrolling interests	—	—	(1)	—	—	(1)	(1)	(2)
Adjustment of noncontrolling interests in Operating Partnership	—	—	(4,599)	—	—	(4,599)	4,599	—
Balance at March 31, 2020	141,572,289	$ 1,416	$ 4,590,709	$ (2,042,688)	$ (15,446)	$ 2,533,991	$ 190,369	$ 2,724,360

	Stockholders' Equity							
	Common Stock							
	Shares	Par Value	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
Balance at January 1, 2019	141,221,712	$ 1,412	$ 4,567,643	$ (1,614,357)	$ (4,466)	$ 2,950,232	$ 238,200	$ 3,188,432
Net income	—	—	—	7,824	—	7,824	1,019	8,843
Cumulative effect of adoption of ASC 842	—	—	—	(2,203)	—	(2,203)	—	(2,203)
Interest rate cap/swap agreements	—	—	—	—	(2,045)	(2,045)	—	(2,045)
Amortization of share and unit-based plans	90,074	1	6,664	—	—	6,665	—	6,665
Distributions declared ($0.75 per share)	—	—	—	(106,053)	—	(106,053)	—	(106,053)
Distributions to noncontrolling interests	—	—	—	—	—	—	(8,343)	(8,343)
Conversion of noncontrolling interests to common shares	21,000	—	1,005	—	—	1,005	(1,005)	—
Redemption of noncontrolling interests	—	—	(15)	—	—	(15)	(12)	(27)
Adjustment of noncontrolling interests in Operating Partnership	—	—	(697)	—	—	(697)	697	—
Balance at March 31, 2019	141,332,786	$ 1,413	$ 4,574,600	$ (1,714,789)	$ (6,511)	$ 2,854,713	$ 230,556	$ 3,085,269

The accompanying notes are an integral part of these consolidated financial statements.

THE MACERICH COMPANY

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars in thousands)

(Unaudited)

	For the Three Months Ended March 31,	
	2020	2019
Cash flows from operating activities:		
Net income	$ 8,731	$ 8,843
Adjustments to reconcile net income to net cash provided by operating activities:		
Loss on extinguishment of debt, net	—	351
Loss on sale or write down of assets, net	36,703	6,316
Depreciation and amortization	83,827	83,233
Amortization of premium on mortgage notes payable	(229)	(234)
Amortization of share and unit-based plans	4,224	5,519
Straight-line rent and amortization of above and below market leases	(243)	(2,650)
Provision for doubtful accounts	913	1,826
Income tax (benefit) expense	(266)	346
Equity in income of unconsolidated joint ventures	(9,698)	(12,243)
Distributions of income from unconsolidated joint ventures	—	118
Change in fair value of financing arrangement obligation	(48,384)	(14,265)
Changes in assets and liabilities, net of dispositions:		
Tenant and other receivables	11,673	16,867
Other assets	1,037	9,284
Due from affiliates	(4,766)	5,148
Accounts payable and accrued expenses	15,937	8,715
Other accrued liabilities	(49,759)	(18,334)
Net cash provided by operating activities	49,700	98,840
Cash flows from investing activities:		
Development, redevelopment, expansion and renovation of properties	(26,406)	(28,256)
Property improvements	(1,845)	(8,827)
Proceeds from repayment of notes receivable	—	65,348
Deferred leasing costs	(981)	(8,848)
Distributions from unconsolidated joint ventures	21,693	41,439
Contributions to unconsolidated joint ventures	(33,870)	(63,093)
Proceeds from sale of assets	—	1,015
Net cash used in investing activities	(41,409)	(1,222)

THE MACERICH COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(Dollars in thousands)

(Unaudited)

	For the Three Months Ended March 31,	
	2020	**2019**
Proceeds from mortgages, bank and other notes payable	660,000	425,000
Payments on mortgages, bank and other notes payable	(8,676)	(397,358)
Deferred financing costs	—	(965)
Proceeds from finance lease	4,115	—
Payments on finance leases	(290)	(278)
Payment of finance deposits	—	(4,820)
Redemption of noncontrolling interests	(2)	(27)
Contribution from noncontrolling interests	125	—
Dividends and distributions	(114,672)	(114,396)
Net cash provided by (used in) financing activities	540,600	(92,844)
Net increase in cash, cash equivalents and restricted cash	548,891	4,774
Cash, cash equivalents and restricted cash, beginning of period	114,216	149,301
Cash, cash equivalents and restricted cash, end of period	$ 663,107	$ 154,075
Supplemental cash flow information:		
Cash payments for interest, net of amounts capitalized	$ 52,989	$ 50,650
Non-cash investing and financing transactions:		
Accrued development costs included in accounts payable and accrued expenses and other accrued liabilities	$ 28,250	$ 42,539
Conversion of Operating Partnership Units to common stock	$ 5,797	$ 1,005

The accompanying notes are an integral part of these consolidated financial statements.

1. Organization:

The Macerich Company (the "Company") is involved in the acquisition, ownership, development, redevelopment, management and leasing of regional and community/power shopping centers (the "Centers") located throughout the United States.

The Company commenced operations effective with the completion of its initial public offering on March 16, 1994. As of March 31, 2020, the Company was the sole general partner of and held a 93% ownership interest in The Macerich Partnership, L.P. (the "Operating Partnership"). The Company was organized to qualify as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code").

The property management, leasing and redevelopment of the Company's portfolio is provided by the Company's management companies, Macerich Property Management Company, LLC, a single member Delaware limited liability company, Macerich Management Company, a California corporation, Macerich Arizona Partners LLC, a single member Arizona limited liability company, Macerich Arizona Management LLC, a single member Delaware limited liability company, Macerich Partners of Colorado LLC, a single member Colorado limited liability company, MACW Mall Management, Inc., a New York corporation, and MACW Property Management, LLC, a single member New York limited liability company. All seven of the management companies are collectively referred to herein as the "Management Companies."

All references to the Company in this Quarterly Report on Form 10-Q include the Company, those entities owned or controlled by the Company and predecessors of the Company, unless the context indicates otherwise.

2. Summary of Significant Accounting Policies:

Basis of Presentation:

The accompanying consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. They do not include all of the information and footnotes required by GAAP for complete financial statements and have not been audited by an independent registered public accounting firm.

The Company's sole significant asset is its investment in the Operating Partnership and as a result, substantially all of the Company's assets and liabilities represent the assets and liabilities of the Operating Partnership. In addition, the Operating Partnership has investments in a number of consolidated variable interest entities ("VIEs").

The Operating Partnership's consolidated VIEs included the following assets and liabilities:

	March 31, 2020	December 31, 2019
Assets:		
Property, net	$ 254,911	$ 254,071
Other assets	26,347	30,049
Total assets	$ 281,258	$ 284,120
Liabilities:		
Mortgage notes payable	$ 219,163	$ 219,140
Other liabilities	26,364	32,101
Total liabilities	$ 245,527	$ 251,241

All intercompany accounts and transactions have been eliminated in the consolidated financial statements.

2. Summary of Significant Accounting Policies: (Continued)

The unaudited interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2019. In the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the consolidated financial statements for the interim periods have been made. The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The accompanying consolidated balance sheet as of December 31, 2019 has been derived from the audited financial statements but does not include all disclosures required by GAAP. The following table presents a reconciliation of the beginning of period and end of period cash, cash equivalents and restricted cash reported on the Company's consolidated balance sheets to the totals shown on its consolidated statements of cash flows:

	For the Three Months Ended March 31,	
	2020	2019
Beginning of period		
Cash and cash equivalents	$ 100,005	$ 102,711
Restricted cash	14,211	46,590
Cash, cash equivalents and restricted cash	$ 114,216	$ 149,301
End of period		
Cash and cash equivalents	$ 652,354	$ 111,022
Restricted cash	10,753	43,053
Cash, cash equivalents and restricted cash	$ 663,107	$ 154,075

COVID-19 Pandemic:

On March 11, 2020, the novel coronavirus ("COVID-19") outbreak was declared a pandemic by the World Health Organization. As a result, all of the markets that the Company operates in were subject to stay-at-home orders, and the majority of its properties were temporarily closed in part or completely. The Company has been proactively working with all its stakeholders, including its tenants, lenders and suppliers, to mitigate the impact of the economic shut down.

COVID-19 Lease Accounting:

In April 2020, the Financial Accounting Standards Board (“FASB”) issued a Staff Question-and-Answer (“Q&A”) to clarify whether lease concessions related to the effects of COVID-19 require the application of the lease modification guidance under Accounting Standards Codification ("ASC") 842 "Leases". Under ASC 842, the Company would have to determine, on a lease-by-lease basis, if a lease concession was the result of a new arrangement reached with the tenant or an enforceable right and obligation within the existing lease. The Q&A allows for the bypass of a lease-by-lease analysis, and allows the Company to elect to either apply the lease modification accounting framework or not, to all of its lease concessions with similar characteristics and circumstances. The Company's adoption of the Q&A guidance did not have a material impact on the Company’s consolidated financial statements for the three months ended March 31, 2020.

2. Summary of Significant Accounting Policies: (Continued)

3. Earnings Per Share ("EPS"):

The following table reconciles the numerator and denominator used in the computation of EPS for the three months ended March 31, 2020 and 2019 (shares in thousands):

	For the Three Months Ended March 31,	
	2020	2019
Numerator		
Net income	$ 8,731	$ 8,843
Less net income attributable to noncontrolling interests	(1,209)	(1,019)
Net income attributable to the Company	7,522	7,824
Allocation of earnings to participating securities	(322)	(281)
Numerator for basic and diluted EPS—net income attributable to common stockholders	$ 7,200	$ 7,543
Denominator		
Denominator for basic and diluted EPS—weighted average number of common shares outstanding(1)	141,437	141,262
EPS—net income attributable to common stockholders		
Basic and diluted	$ 0.05	$ 0.05

(1) Diluted EPS excludes 90,619 convertible preferred partnership units for the three months ended March 31, 2020 and 2019, as their impact was antidilutive. Diluted EPS also excludes 10,477,827 and 10,415,190 Operating Partnership units ("OP Units") for the three months ended March 31, 2020 and 2019, respectively, as their impact was antidilutive.

4. Investments in Unconsolidated Joint Ventures:

The Company has made the following recent financings of its unconsolidated joint ventures:

On July 25, 2019, the Company's joint venture in Fashion District Philadelphia amended the existing term loan on the joint venture to allow for additional borrowings up to $100,000 at LIBOR plus 2%. Concurrent with the amendment, the joint venture borrowed an additional $26,000. On August 16, 2019, the joint venture borrowed an additional $25,000. The Company used its share of the additional proceeds to pay down its line of credit and for general corporate purposes.

On September 12, 2019, the Company's joint venture in Tysons Tower placed a new $190,000 loan on the property that bears interest at an effective rate of 3.38% and matures on November 11, 2029. The Company used its share of the proceeds to pay down its line of credit and for general corporate purposes.

On December 18, 2019, the Company's joint venture in One Westside placed a $414,600 construction loan on the redevelopment project. The loan bears interest at LIBOR plus 1.70%, which can be reduced to LIBOR plus 1.50% upon the completion of certain conditions, and matures on December 18, 2024. This loan is expected to fund the joint venture's remaining cost to complete the project.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share and square foot amounts)

(Unaudited)

4. Investments in Unconsolidated Joint Ventures: (Continued)

Combined and condensed balance sheets and statements of operations are presented below for all unconsolidated joint ventures.

Combined and Condensed Balance Sheets of Unconsolidated Joint Ventures:

	March 31, 2020	December 31, 2019
Assets(1):		
Property, net	$ 9,414,762	$ 9,424,591
Other assets	752,159	772,116
Total assets	$ 10,166,921	$ 10,196,707
Liabilities and partners' capital(1):		
Mortgage and other notes payable	$ 6,125,614	$ 6,144,685
Other liabilities	495,817	565,412
Company's capital	1,916,313	1,904,145
Outside partners' capital	1,629,177	1,582,465
Total liabilities and partners' capital	$ 10,166,921	$ 10,196,707
Investments in unconsolidated joint ventures:		
Company's capital	$ 1,916,313	$ 1,904,145
Basis adjustment(2)	(482,643)	(492,350)
	$ 1,433,670	$ 1,411,795
Assets—Investments in unconsolidated joint ventures	$ 1,540,826	$ 1,519,697
Liabilities—Distributions in excess of investments in unconsolidated joint ventures	(107,156)	(107,902)
	$ 1,433,670	$ 1,411,795

(1) These amounts include assets of $2,911,512 and $2,932,401 of Pacific Premier Retail LLC (the "PPR Portfolio") as of March 31, 2020 and December 31, 2019, respectively, and liabilities of $1,709,593 and $1,732,976 of the PPR Portfolio as of March 31, 2020 and December 31, 2019, respectively.

(2) The Company amortizes the difference between the cost of its investments in unconsolidated joint ventures and the book value of the underlying equity into income on a straight-line basis consistent with the lives of the underlying assets. The amortization of this difference was $3,999 and $4,539 for the three months ended March 31, 2020 and 2019, respectively.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share and square foot amounts)

(Unaudited)

4. Investments in Unconsolidated Joint Ventures: (Continued)

Combined and Condensed Statements of Operations of Unconsolidated Joint Ventures:

	PPR Portfolio	Other Joint Ventures	Total
Three Months Ended March 31, 2020			
Revenues:			
Leasing revenue	$ 58,378	$ 172,245	$ 230,623
Other	51	6,888	6,939
Total revenues	58,429	179,133	237,562
Expenses:			
Shopping center and operating expenses	9,642	61,509	71,151
Leasing expenses	473	1,295	1,768
Interest expense	16,094	38,141	54,235
Depreciation and amortization	28,618	68,360	96,978
Total operating expenses	54,827	169,305	224,132
Net income	$ 3,602	$ 9,828	$ 13,430
Company's equity in net income	$ 4,721	$ 4,977	$ 9,698
Three Months Ended March 31, 2019			
Revenues:			
Leasing revenue	$ 46,020	$ 173,524	$ 219,544
Other	182	12,064	12,246
Total revenues	46,202	185,588	231,790
Expenses:			
Shopping center and operating expenses	9,672	59,650	69,322
Leasing expenses	467	1,707	2,174
Interest expense	16,951	36,911	53,862
Depreciation and amortization	25,514	64,467	89,981
Total operating expenses	52,604	162,735	215,339
Loss on sale or write down of assets, net	(6)	(135)	(141)
Net (loss) income	$ (6,408)	$ 22,718	$ 16,310
Company's equity in net (loss) income	$ (1,199)	$ 13,442	$ 12,243

Significant accounting policies used by the unconsolidated joint ventures are similar to those used by the Company.

5. Derivative Instruments and Hedging Activities:

The Company uses an interest rate cap and four interest rate swap agreements to manage the interest rate risk of its floating rate debt. The Company recorded other comprehensive loss related to the marking-to-market of derivative instruments of $6,395 and $2,045 for the three months ended March 31, 2020 and 2019, respectively.

The following derivatives were outstanding at March 31, 2020:

					Fair Value	
Property	**Notional Amount**	**Product**	**LIBOR Rate**	**Maturity**	**March 31, 2020**	**December 31, 2019**
Santa Monica Place	$ 300,000	Cap	4.00 %	12/9/2020	$ —	$ —
The Macerich Partnership, L.P.	$ 400,000	Swaps	2.85 %	9/30/2021	$ (15,446)	$ (9,051)

The above derivative instruments were designated as hedging instruments with an aggregate fair value (Level 2 measurement) and were included in other accrued liabilities. The fair value of the Company's interest rate derivatives was determined using discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves and implied volatilities. The Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements.

Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of current credit spreads, to evaluate the likelihood of default by the Company and its counterparties. The Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its interest rate swap. As a result, the Company determined that its interest rate cap and swap valuations in their entirety are classified in Level 2 of the fair value hierarchy.

6. Property, net:

Property, net consists of the following:

	March 31, 2020	**December 31, 2019**
Land	$ 1,510,948	$ 1,520,678
Buildings and improvements	6,423,348	6,389,458
Tenant improvements	720,414	726,533
Equipment and furnishings(1)	227,117	230,215
Construction in progress	92,042	126,165
	8,973,869	8,993,049
Less accumulated depreciation(1)	(2,415,794)	(2,349,536)
	$ 6,558,075	$ 6,643,513

(1) Equipment and furnishings and accumulated depreciation include the cost and accumulated amortization of ROU assets in connection with finance leases at March 31, 2020 and December 31, 2019 (See Note 8—Leases).

Depreciation expense was $72,687 and $70,717 for the three months ended March 31, 2020 and 2019, respectively.

6. Property, net: (Continued)

The loss on sale or write down of assets, net for the three months ended March 31, 2020 and 2019 consist of the following:

	For the Three Months Ended March 31,	
	2020	2019
Write-down of assets(1)	$ (36,703)	$ (6,850)
Land sales	—	534
	$ (36,703)	$ (6,316)

(1) Includes impairment losses of $30,063 on Wilton Mall and $6,640 on Paradise Valley Mall during the three months ended March 31, 2020. The impairment losses were due to the reduction of the estimated holding periods of the properties. The remaining amount for the three months ended March 31, 2019 represents the write off of development costs.

The following table summarizes certain of the Company's assets that were measured on a nonrecurring basis as a result of the impairment losses recorded for the three months ended March 31, 2020, as described above:

	Total Fair Value Measurement	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Unobservable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
March 31, 2020	$ 140,000	$ —	$ 140,000	$ —

The fair values relating to the impairments were based on sales contracts and are classified within Level 2 of the fair value hierarchy.

7. Tenant and Other Receivables, net:

Included in tenant and other receivables, net is an allowance for doubtful accounts of $5,749 and $4,836 at March 31, 2020 and December 31, 2019, respectively. Also included in tenant and other receivables, net are accrued percentage rents of $1,084 and $9,618 at March 31, 2020 and December 31, 2019, respectively, and a deferred rent receivable due to straight-line rent adjustments of $84,424 and $82,214 at March 31, 2020 and December 31, 2019, respectively.

8. Leases:

Lessor Leases:

The Company leases its Centers under agreements that are classified as operating leases. These leases generally include minimum rents, percentage rents and recoveries of real estate taxes, insurance and other shopping center operating expenses. Minimum rental revenues are recognized on a straight-line basis over the terms of the related leases. Percentage rents are recognized and accrued when tenants' specified sales targets have been met. Estimated recoveries from certain tenants for their pro rata share of real estate taxes, insurance and other shopping center operating expenses are recognized as revenues in the period the applicable expenses are incurred. Other tenants pay a fixed rate and these tenant recoveries are recognized as revenues on a straight-line basis over the term of the related leases.

8. Leases: (Continued)

The following table summarizes the components of leasing revenue for the three months ended March 31, 2020 and 2019:

	For the Three Months Ended March 31,	
	2020	2019
Leasing revenue—fixed payments	$ 159,557	$ 164,061
Leasing revenue—variable payments	51,164	46,947
	$ 210,721	$ 211,008

The following table summarizes the future rental payments to the Company:

Twelve months ending March 31,	
2021	$ 472,786
2022	395,136
2023	338,346
2024	287,879
2025	226,663
Thereafter	635,939
	$ 2,356,749

Lessee Leases:

The Company has certain properties that are subject to non-cancelable operating leases. The leases expire at various times through 2098, subject in some cases to options to extend the terms of the lease. Certain leases provide for contingent rent payments based on a percentage of base rental income, as defined in the lease. In addition, the Company has five finance leases that expire at various times through 2024.

The following table summarizes the lease costs:

	For the Three Months Ended March 31,	
	2020	2019
Operating lease costs	$ 3,938	$ 4,347
Finance lease costs:		
Amortization of ROU assets	475	919
Interest on lease liabilities	142	154
	$ 4,555	$ 5,420

8. Leases: (Continued)

The following table summarizes the future rental payments required under the leases:

	March 31, 2020		December 31, 2019	
Year ending December 31,	Operating Leases	Finance Leases	Operating Leases	Finance Leases
2020	$ 13,037	$ 2,043	$ 17,149	$ 2,106
2021	17,004	10,784	17,004	10,441
2022	16,867	2,762	16,867	2,418
2023	11,055	344	11,055	—
2024	9,068	3,085	9,068	—
Thereafter	131,347	—	131,347	—
Total undiscounted rental payments	198,378	19,018	202,490	14,965
Less imputed interest	(100,100)	(1,397)	(102,085)	(1,169)
Total lease liabilities	$ 98,278	$ 17,621	$ 100,405	$ 13,796
Weighted average remaining term	31.0 years	1.3 years	31.0 years	1.6 years
Weighted average incremental borrowing rate	7.7 %	3.2 %	7.7 %	4.2 %

9. Deferred Charges and Other Assets, net:

Deferred charges and other assets, net consist of the following:

	March 31, 2020	December 31, 2019
Leasing	$ 179,355	$ 202,540
Intangible assets:		
In-place lease values	66,561	78,171
Leasing commissions and legal costs	18,080	20,518
Above-market leases	56,377	59,916
Deferred tax assets	30,789	30,757
Deferred compensation plan assets	44,458	55,349
Other assets	55,018	60,475
	450,638	507,726
Less accumulated amortization(1)	(199,990)	(229,860)
	$ 250,648	$ 277,866

(1) Accumulated amortization includes $56,075 and $66,322 relating to in-place lease values, leasing commissions and legal costs at March 31, 2020 and December 31, 2019, respectively. Amortization expense of in-place lease values, leasing commissions and legal costs was $3,719 and $3,205 for the three months ended March 31, 2020 and 2019, respectively.

9. Deferred Charges and Other Assets, net: (Continued)

The allocated values of above-market leases and below-market leases consist of the following:

	March 31, 2020	December 31, 2019
Above-Market Leases		
Original allocated value	$ 56,377	$ 59,916
Less accumulated amortization	(34,025)	(35,737)
	$ 22,352	$ 24,179
Below-Market Leases(1)		
Original allocated value	$ 80,757	$ 90,790
Less accumulated amortization	(45,947)	(53,727)
	$ 34,810	$ 37,063

(1) Below-market leases are included in other accrued liabilities.

10. Mortgage Notes Payable:

Mortgage notes payable at March 31, 2020 and December 31, 2019 consist of the following:

	Carrying Amount of Mortgage Notes(1)				
Property Pledged as Collateral	March 31, 2020	December 31, 2019	Effective Interest Rate(2)	Monthly Debt Service(3)	Maturity Date(4)
Chandler Fashion Center(5)	$ 255,221	$ 255,174	4.18 %	$ 875	2024
Danbury Fair Mall	192,792	194,718	5.53 %	1,538	2020
Fashion Outlets of Chicago	299,132	299,112	4.61 %	1,145	2031
Fashion Outlets of Niagara Falls USA(6)	105,559	106,398	4.89 %	727	2020
Freehold Raceway Mall(5)	398,420	398,379	3.94 %	1,300	2029
Fresno Fashion Fair	323,708	323,659	3.67 %	971	2026
Green Acres Commons(7)	129,157	128,926	4.29 %	404	2021
Green Acres Mall	275,965	277,747	3.61 %	1,447	2021
Kings Plaza Shopping Center	535,219	535,097	3.71 %	1,629	2030
Oaks, The	185,886	187,142	4.14 %	1,064	2022
Pacific View	117,391	118,202	4.08 %	668	2022
Queens Center	600,000	600,000	3.49 %	1,744	2025
Santa Monica Place(8)	298,005	297,817	2.30 %	772	2022
SanTan Village Regional Center	219,163	219,140	4.34 %	788	2029
Towne Mall	20,168	20,284	4.48 %	117	2022
Tucson La Encantada	63,251	63,682	4.23 %	368	2022
Victor Valley, Mall of	114,748	114,733	4.00 %	380	2024
Vintage Faire Mall	250,895	252,389	3.55 %	1,256	2026
	$ 4,384,680	$ 4,392,599			

(1) The mortgage notes payable also include unamortized deferred finance costs that are amortized into interest expense over the remaining term of the related debt in a manner that approximates the effective interest method. Unamortized deferred finance costs were $15,053 and $16,042 at March 31, 2020 and December 31, 2019, respectively.

(2) The interest rate disclosed represents the effective interest rate, including the impact of debt premium and deferred finance costs.

10. Mortgage Notes Payable: (Continued)

(3) The monthly debt service represents the payment of principal and interest.

(4) The maturity date assumes that all extension options are fully exercised and that the Company does not opt to refinance the debt prior to these dates. These extension options are at the Company's discretion, subject to certain conditions, which the Company believes will be met.

(5) A 49.9% interest in the loan has been assumed by a third party in connection with the Company's joint venture in Chandler Freehold (See Note 12—Financing Arrangement).

(6) The loan includes unamortized debt premium of $541 and $773 at March 31, 2020 and December 31, 2019, respectively. The debt premium represents the excess of the fair value of the loan over the principal value of the loan assumed at acquisition and is amortized into interest expense over the remaining term of the loan in a manner that approximates the effective interest method.

(7) The loan bears interest at LIBOR plus 2.15%. At March 31, 2020 and December 31, 2019, the total interest rate was 4.29% and 4.40%, respectively.

(8) The loan bears interest at LIBOR plus 1.35%. The loan is covered by an interest rate cap agreement that effectively prevents LIBOR from exceeding 4% during the period ending December 9, 2020 (See Note 5—Derivative Instruments and Hedging Activities). At March 31, 2020 and December 31, 2019, the total interest rate was 2.30% and 3.34%, respectively.

Most of the mortgage loan agreements contain a prepayment penalty provision for the early extinguishment of the debt.

The Company's mortgage notes payable are secured by the properties on which they are placed and are non-recourse to the Company.

The Company expects that all loan maturities during the next twelve months will be refinanced, restructured, extended and/or paid off from the Company's line of credit or with cash on hand.

Total interest expense capitalized was $1,295 and $2,710 for the three months ended March 31, 2020 and 2019, respectively.

The estimated fair value (Level 2 measurement) of mortgage notes payable at March 31, 2020 and December 31, 2019 was $4,445,146 and $4,427,790, respectively, based on current interest rates for comparable loans. Fair value was determined using a present value model and an interest rate that included a credit value adjustment based on the estimated value of the property that serves as collateral for the underlying debt.

11. Bank and Other Notes Payable:

Bank and other notes payable consist of the following:

Line of Credit:

The Company has a $1,500,000 revolving line of credit that bears interest at LIBOR plus a spread of 1.30% to 1.90%, depending on the Company's overall leverage level, and was to mature on July 6, 2020. On April 8, 2020, the Company exercised its option to extend the maturity of the facility to July 6, 2021. The line of credit can be expanded, depending on certain conditions, up to a total facility of $2,000,000.

Based on the Company's leverage level as of March 31, 2020, the borrowing rate on the facility was LIBOR plus 1.55%. The Company has four interest rate swap agreements that effectively convert a total of $400,000 of the outstanding balance from floating rate debt of LIBOR plus 1.55% to fixed rate debt of 4.30% until September 30, 2021 (See Note 5—Derivative Instruments and Hedging Activities). As of March 31, 2020 and December 31, 2019, borrowings under the line of credit were $1,480,000 and $820,000, respectively, less unamortized deferred finance costs of $1,994 and $2,623, respectively, at a total interest rate of 3.11% and 3.92%, respectively. As of March 31, 2020 and December 31, 2019, the Company's availability under the line of credit for additional borrowings was $19,719 and $679,719, respectively, The estimated fair value (Level 2 measurement) of the line of credit at March 31, 2020 and December 31, 2019 was $1,503,246 and $826,280, respectively, based on a present value model using a credit interest rate spread offered to the Company for comparable debt.

11. Bank and Other Notes Payable: (Continued)

Prasada Note:

On March 29, 2013, the Company issued a $13,330 note payable that bore interest at 5.25% and was to mature on May 30, 2021. The note payable was collateralized by a portion of a development reimbursement agreement with the City of Surprise, Arizona. On October 7, 2019, the loan was paid off.

As of March 31, 2020 and December 31, 2019, the Company was in compliance with all applicable financial loan covenants.

12. Financing Arrangement:

On September 30, 2009, the Company formed a joint venture whereby a third party acquired a 49.9% interest in Chandler Fashion Center, a 1,318,000 square foot regional shopping center in Chandler, Arizona, and Freehold Raceway Mall, a 1,673,000 square foot regional shopping center in Freehold, New Jersey (collectively referred to herein as "Chandler Freehold"). As a result of the Company having certain rights under the agreement to repurchase the assets after the seventh year of the formation of Chandler Freehold, the transaction did not qualify for sale treatment. The Company, however, is not obligated to repurchase the assets. The Company accounts for its investment in Chandler Freehold as a financing arrangement. The fair value (Level 3 measurement) of the financing arrangement obligation at March 31, 2020 and December 31, 2019 was based upon a terminal capitalization rate of 5.3% and 5.0%, respectively, a discount rate of 6.8% and 6.0%, respectively, and market rents per square foot of $35 to $115. The fair value of the financing arrangement obligation is sensitive to these significant unobservable inputs and a change in these inputs may result in a significantly higher or lower fair value measurement. Distributions to the partner, excluding distributions of excess loan proceeds, and changes in fair value of the financing arrangement obligation are recognized as interest (income) expense in the Company's consolidated statements of operations.

During the three months ended March 31, 2020 and 2019, the Company incurred interest income in connection with the financing arrangement as follows:

	For the Three Months Ended March 31,	
	2020	2019
Distributions of the partner's share of net income	$ 1,464	$ 1,897
Distributions in excess of the partner's share of net income	2,677	1,921
Adjustment to fair value of financing arrangement obligation	(48,384)	(14,265)
	$ (44,243)	$ (10,447)

On June 27, 2019, the Company replaced the existing mortgage note payable on Chandler Fashion Center with a new $256,000 loan. In connection with the refinancing transaction, the Company distributed $27,945 of the excess loan proceeds to its joint venture partner, which was recorded as a reduction to the financing arrangement obligation.

13. Noncontrolling Interests:

The Company allocates net income of the Operating Partnership based on the weighted average ownership interest during the period. The net income of the Operating Partnership that is not attributable to the Company is reflected in the consolidated statements of operations as noncontrolling interests. The Company adjusts the noncontrolling interests in the Operating Partnership at the end of each period to reflect its ownership interest in the Company. The Company had a 93% ownership interest in the Operating Partnership as of March 31, 2020 and December 31, 2019. The remaining 7% limited partnership interest as of March 31, 2020 and December 31, 2019 was owned by certain of the Company's executive officers and directors, certain of their affiliates and other third party investors in the form of OP Units. The OP Units may be redeemed for shares of stock or cash, at the Company's option. The redemption value for each OP Unit as of any balance sheet date is the amount equal to the average of the closing price per share of the Company's common stock, par value $0.01 per share, as reported on the New York Stock Exchange for the 10 trading days ending on the respective balance sheet date. Accordingly, as of March 31, 2020

13. Noncontrolling Interests: (Continued)

and December 31, 2019, the aggregate redemption value of the then-outstanding OP Units not owned by the Company was $71,267 and $277,524, respectively.

The Company issued common and preferred units of MACWH, LP in April 2005 in connection with the acquisition of the Wilmorite portfolio. The common and preferred units of MACWH, LP are redeemable at the election of the holder. The Company may redeem them for cash or shares of the Company's stock at the Company's option and they are classified as permanent equity.

Included in permanent equity are outside ownership interests in various consolidated joint ventures. The joint ventures do not have rights that require the Company to redeem the ownership interests in either cash or stock.

14. Stockholders' Equity:

Stock Dividend

On March 16, 2020, the Company announced a dividend/distribution of $0.50 per share for common stockholders and OP Unit holders of record on April 22, 2020. All dividends/distributions will be paid in a combination of cash and shares of the Company's common stock and OP Units, as applicable, on June 3, 2020. The cash component of the dividend will not exceed 20% in aggregate, or $0.10 per share. The Company plans to use the cash savings from the stock dividend to pay down its line of credit and for general corporate purposes.

Stock Buyback Program

On February 12, 2017, the Company's Board of Directors authorized the repurchase of up to $500,000 of its outstanding common shares as market conditions and the Company’s liquidity warrant. Repurchases may be made through open market purchases, privately negotiated transactions, structured or derivative transactions, including ASR transactions, or other methods of acquiring shares, from time to time as permitted by securities laws and other legal requirements. The program is referred to herein as the "Stock Buyback Program".

There were no repurchases under the Stock Buyback Program during the three months ended March 31, 2020 or 2019. At March 31, 2020, there was $278,707 available under the Stock Buyback Program.

15. Commitments and Contingencies:

As of March 31, 2020, the Company was contingently liable for $40,814 in letters of credit guaranteeing performance by the Company of certain obligations relating to the Centers. The Company does not believe that these letters of credit will result in a liability to the Company.

The Company has entered into a number of construction agreements related to its redevelopment and development activities. Obligations under these agreements are contingent upon the completion of the services within the guidelines specified in the agreements. At March 31, 2020, the Company had $7,290 in outstanding obligations, which it believes will be settled in the next twelve months.

16. Related Party Transactions:

Certain unconsolidated joint ventures have engaged the Management Companies to manage the operations of the Centers. Under these arrangements, the Management Companies are reimbursed for compensation paid to on-site employees, leasing agents and project managers at the Centers, as well as insurance costs and other administrative expenses.

The following are fees charged to unconsolidated joint ventures:

	For the Three Months Ended March 31,	
	2020	2019
Management fees	$ 4,486	$ 4,481
Development and leasing fees	2,084	3,496
	$ 6,570	$ 7,977

Interest income from related party transactions includes $44,243 and $10,447 for the three months ended March 31, 2020 and 2019, respectively, in connection with the Financing Arrangement (See Note 12—Financing Arrangement).

Due from affiliates includes $9,766 and $6,157 of unreimbursed costs and fees from unconsolidated joint ventures due to the Management Companies as of March 31, 2020 and December 31, 2019, respectively.

In addition, due from affiliates included a note receivable from RED/303 LLC ("RED") that bore interest at 5.25% and was to mature on May 30, 2021. Interest income earned on this note was $0 and $48 for the three months ended March 31, 2020 and 2019, respectively. On October 7, 2019, the note receivable was collected in full. RED is considered a related party because it is a partner in a joint venture development project. The note was collateralized by RED's membership interest in the development project.

Also included in due from affiliates was a note receivable from Lennar Corporation that bore interest at LIBOR plus 2% and was to mature upon the completion of certain milestones in connection with the development of Fashion Outlets of San Francisco. As a result of those milestones not being completed, the Company elected to terminate the development agreement and the note was collected in full on February 13, 2019. Interest income earned on this note was $0 and $1,112 for the three months ended March 31, 2020 and 2019, respectively. Lennar Corporation was considered a related party because it was a joint venture partner in the project.

17. Share and Unit-Based Plans:

Under the Long-Term Incentive Plan ("LTIP"), each award recipient is issued a form of units ("LTIP Units") in the Operating Partnership. Upon the occurrence of specified events and subject to the satisfaction of applicable vesting conditions, LTIP Units (after conversion into OP Units) are ultimately redeemable for common stock of the Company, or cash at the Company's option, on a one-unit for one-share basis. LTIP Units receive cash dividends based on the dividend amount paid on the common stock of the Company. The LTIP may include both market-indexed awards and service-based awards.

The market-indexed LTIP Units vest over the service period of the award based on the percentile ranking of the Company in terms of total return to stockholders (the "Total Return") per share of common stock relative to the Total Return of a group of peer REITs, as measured at the end of the measurement period.

17. Share and Unit-Based Plans: (Continued)

During the three months ended March 31, 2020, the Company granted the following LTIP Units:

Grant Date	Units	Type	Fair Value per LTIP Unit	Vest Date
1/1/2020	154,158	Service-based	$ 26.92	12/31/2022
1/1/2020	321,940	Market-indexed	$ 27.80	12/31/2022
3/1/2020	39,176	Service-based	$ 20.42	2/28/2023
3/1/2020	37,592	Market-indexed	$ 21.28	2/28/2023
	552,866			

The fair value of the market-indexed LTIP Units (Level 3) granted on January 1, 2020 was estimated on the date of grant using a Monte Carlo Simulation model that assumed a risk free interest rate of 1.62% and an expected volatility of 26.08%. The fair value of the market-indexed LTIP Units (Level 3) granted on March 1, 2020 was estimated on the date of grant using a Monte Carlo Simulation model that assumed a risk free interest rate of 0.85% and an expected volatility of 28.34%.

The following table summarizes the activity of the non-vested LTIP Units, phantom stock units and stock units:

	LTIP Units		Phantom Stock Units		Stock Units	
	Units	Value(1)	Units	Value(1)	Units	Value(1)
Balance at January 1, 2020	616,219	$ 39.04	7,216	$ 43.29	199,987	$ 43.59
Granted	552,866	26.59	12,637	25.02	120,913	19.45
Vested	(3,408)	66.02	(6,881)	27.12	(63,849)	52.39
Forfeited	—	—	—	—	—	—
Balance at March 31, 2020	1,165,677	$ 33.06	12,972	$ 34.06	257,051	$ 30.05

(1) Value represents the weighted average grant date fair value.

The following table summarizes the activity of the stock options outstanding:

	Stock Options	
	Units	Value(1)
Balance at January 1, 2020	35,565	$ 57.32
Granted	—	—
Exercised	—	—
Balance at March 31, 2020	35,565	$ 57.32

(1) Value represents the weighted average exercise price.

17. Share and Unit-Based Plans: (Continued)

The following summarizes the compensation cost under the share and unit-based plans:

	For the Three Months Ended March 31,	
	2020	2019
LTIP Units	$ 3,214	$ 3,714
Stock units	2,202	2,660
Stock options	—	51
Phantom stock units	187	240
	$ 5,603	$ 6,665

The Company capitalized share and unit-based compensation costs of $1,379 and $1,146 for the three months ended March 31, 2020 and 2019, respectively. Unrecognized compensation costs of share and unit-based plans at March 31, 2020 consisted of $13,133 from LTIP Units, $3,113 from stock units and $442 from phantom stock units.

18. Income Taxes:

The Company has made taxable REIT subsidiary elections for all of its corporate subsidiaries other than its qualified REIT subsidiaries. The elections, effective for the year beginning January 1, 2001 and future years, were made pursuant to Section 856(l) of the Code. The Company's taxable REIT subsidiaries ("TRSs") are subject to corporate level income taxes which are provided for in the Company's consolidated financial statements. The Company's primary TRSs include Macerich Management Company and Macerich Arizona Partners LLC.

The income tax provision of the TRSs are as follows:

	For the Three Months Ended March 31,	
	2020	2019
Current	$ 234	$ —
Deferred	32	(346)
Total income tax benefit (expense)	$ 266	$ (346)

The net operating loss ("NOL") carryforwards generated through the 2017 tax year are scheduled to expire through 2037, beginning in 2025. Net deferred tax assets of $30,789 and $30,757 were included in deferred charges and other assets, net at March 31, 2020 and December 31, 2019, respectively.

The tax years 2016 through 2018 remain open to examination by the taxing jurisdictions to which the Company is subject. The Company does not expect that the total amount of unrecognized tax benefit will materially change within the next twelve months.

19. Subsequent Events:

On April 8, 2020, the Company exercised its option to extend the maturity of its $1,500,000 revolving line of credit to July 6, 2021.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

IMPORTANT INFORMATION RELATED TO FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q of The Macerich Company (the "Company") contains or incorporates statements that constitute forward-looking statements within the meaning of the federal securities laws. Any statements that do not relate to historical or current facts or matters are forward-looking statements. You can identify some of the forward-looking statements by the use of forward-looking words, such as "may," "will," "could," "should," "expects," "anticipates," "intends," "projects," "predicts," "plans," "believes," "seeks," "estimates," "scheduled" and variations of these words and similar expressions. Statements concerning current conditions may also be forward-looking if they imply a continuation of current conditions. Forward-looking statements appear in a number of places in this Form 10-Q and include statements regarding, among other matters:

- expectations regarding the Company's growth;
- the Company's beliefs regarding its acquisition, redevelopment, development, leasing and operational activities and opportunities, including the performance and financial stability of its retailers;
- the Company's acquisition, disposition and other strategies;
- regulatory matters pertaining to compliance with governmental regulations;
- the Company's capital expenditure plans and expectations for obtaining capital for expenditures;
- the Company's expectations regarding income tax benefits;
- the Company's expectations regarding its financial condition or results of operations; and
- the Company's expectations for refinancing its indebtedness, entering into and servicing debt obligations and entering into joint venture arrangements.

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 or the industry to differ materially from the Company's future results, performance or achievements, or those of the industry, expressed or implied in such forward-looking statements. Such factors include, among others, general industry, as well as national, regional and local 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, anchor or tenant bankruptcies, closures, mergers or consolidations, lease rates, terms and payments, interest rate fluctuations, availability, terms 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; the adverse impact of the novel coronavirus ("COVID-19") on the U.S., regional and global economies and the financial condition and results of operations of the Company and its tenants; the liquidity of real estate investments, governmental actions and initiatives (including legislative and regulatory changes); environmental and safety requirements; and terrorist activities or other acts of violence which could adversely affect all of the above factors. You are urged to carefully review the disclosures we make concerning these risks and other factors that may affect our business and operating results, including those made in "Item 1A. Risk Factors" of this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2019, as well as our other reports filed with the Securities and Exchange Commission (the "SEC"), which disclosures are incorporated herein by reference. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. The Company does not intend, and undertakes no obligation, to update any forward-looking information to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, unless required by law to do so.

Management's Overview and Summary

The Company is involved in the acquisition, ownership, development, redevelopment, management and leasing of regional and community/power shopping centers located throughout the United States. The Company is the sole general partner of, and owns a majority of the ownership interests in, The Macerich Partnership, L.P. (the "Operating Partnership"). As of March 31, 2020, the Operating Partnership owned or had an ownership interest in 47 regional shopping centers and five community/power shopping centers aggregating approximately 51 million square feet of gross leasable area. These 52 regional and community/power shopping centers are referred to hereinafter as the "Centers," unless the context otherwise requires. The property management, leasing and redevelopment of the Company's portfolio is provided by the Company's seven management companies (collectively referred to herein as the "Management Companies"). The Company is a self-administered and self-managed real estate investment trust ("REIT") and conducts all of its operations through the Operating Partnership and the Management Companies.

The following discussion is based primarily on the consolidated financial statements of the Company for the three months ended March 31, 2020 and 2019. It compares the results of operations and cash flows for the three months ended March 31, 2020 to the results of operations and cash flows for the three months ended March 31, 2019.

This information should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

Financing Activities:

On January 10, 2019, the Company replaced the existing loan on Fashion Outlets of Chicago with a new $300.0 million loan that bears interest at an effective rate of 4.61% and matures on February 1, 2031. The Company used the net proceeds to pay down its line of credit and for general corporate purposes.

On February 22, 2019, the Company’s joint venture in The Shops at Atlas Park entered into an agreement to increase the total borrowing capacity of the existing loan on the property from $57.8 million to $80.0 million, and to extend the maturity date to October 28, 2021, including extension options. Concurrent with the loan modification, the joint venture borrowed an additional $18.4 million. The Company used its $9.2 million share of the additional proceeds to pay down its line of credit and for general corporate purposes.

On June 3, 2019, the Company’s joint venture in SanTan Village Regional Center replaced the existing loan on the property with a new $220.0 million loan that bears interest at an effective rate of 4.34% and matures on July 1, 2029. The Company used its share of the additional proceeds to pay down its line of credit and for general corporate purposes.

On June 27, 2019, the Company replaced the existing loan on Chandler Fashion Center with a new $256.0 million loan that bears interest at an effective rate of 4.18% and matures on July 5, 2024. The Company used its share of the additional proceeds to pay down its line of credit and for general corporate purposes.

On July 25, 2019, the Company's joint venture in Fashion District Philadelphia amended the existing term loan on the joint venture to allow for additional borrowings up to $100.0 million at LIBOR plus 2.00%. Concurrent with the amendment, the joint venture borrowed an additional $26.0 million. On August 16, 2019, the joint venture borrowed an additional $25.0 million. The Company used its share of the additional proceeds to pay down its line of credit and for general corporate purposes.

On September 12, 2019, the Company’s joint venture in Tysons Tower placed a new $190.0 million loan on the property that bears interest at an effective rate of 3.38% and matures on November 11, 2029. The Company used its share of the proceeds to pay down its line of credit and for general corporate purposes.

On October 17, 2019, the Company’s joint venture in West Acres placed a construction loan on the property that allows for borrowing of up to $6.5 million, bears interest at an effective rate of 3.72% and matures on October 10, 2029. The joint venture intends to use the proceeds from the loan to fund the expansion of the property.

On December 3, 2019, the Company replaced the existing loan on Kings Plaza Shopping Center with a new $540.0 million loan that bears interest at an effective rate of 3.71% and matures on January 1, 2030. The Company used the additional proceeds to pay down its line of credit and for general corporate purposes.

On December 18, 2019, the Company’s joint venture in One Westside placed a $414.6 million construction loan on the redevelopment project (See "Redevelopment and Development Activities"). The loan bears interest at LIBOR plus 1.70%, which can be reduced to LIBOR plus 1.50% upon the completion of certain conditions, and matures on December 18, 2024. The joint venture intends to use the loan proceeds to fund the completion of the project.

Redevelopment and Development Activities:

The Company's joint venture with Hudson Pacific Properties is redeveloping One Westside into 584,000 square feet of creative office space and 96,000 square feet of dining and entertainment space. The entire creative office space has been leased to Google and is expected to be completed in 2022. The total cost of the project is estimated to be between $500.0 million and $550.0 million, with $125.0 million to $137.5 million estimated to be the Company's pro rata share. The Company has funded $54.8 million of the total $219.0 million incurred by the joint venture as of March 31, 2020. The joint venture expects to fund the remaining costs of the development with its new $414.6 million construction loan (See "Financing Activities").

The Company has a 50/50 joint venture with Simon Property Group to develop Los Angeles Premium Outlets, a premium outlet center in Carson, California that is planned to open with approximately 400,000 square feet, followed by an additional 165,000 square feet in the second phase. The Company has funded $36.1 million of the total $72.1 million incurred by the joint venture as of March 31, 2020.

In connection with the closures and lease rejections of several Sears stores owned or partially owned by the Company, the Company anticipates spending between $130.0 million to $160.0 million at the Company's pro rata share to redevelop the Sears stores. The anticipated openings of such redevelopments are expected to occur over several years. The estimated range of redevelopment costs could increase if the Company or its joint venture decides to expand the scope of the redevelopments. The Company has funded $29.0 million at its pro rata share as of March 31, 2020.

Other Transactions and Events:

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. As a result, all of the markets that the Company operates in were subject to stay-at-home orders, and the majority of its properties were temporarily closed in part or completely. The Company has been proactively working with all its stakeholders, including its tenants, lenders and suppliers, to mitigate the impact of the economic shut down. While the ultimate scope and scale of this outbreak is unknown at this time, the Company's financial condition and the results of its operations have been negatively impacted, as the majority of the Company's tenants have delayed April and May rent payments. As a result, on March 27, 2020, the Company withdrew its previously published 2020 earnings guidance, and it has not provided updated earnings guidance. See "Outlook" in Results of Operations for a further discussion of the forward-looking impact of COVID-19 and the Company's strategic plan to mitigate the anticipated negative impact on its financial condition and results of operations.

In April 2020, the Company hosted a webinar for retailers along with its tax advisors and a major commercial bank with which it has a long-term relationship to explain the Coronavirus Aid, Relief and Economic Security Act federal stimulus package and how retailers can access those funds and take advantage of various tax incentives. Nearly 400 retailers either attended live or have viewed the recorded webinar, which is available on the Company's website for continued replay use.

Inflation:

In the last five years, inflation has not had a significant impact on the Company because of a relatively low inflation rate. Most of the leases at the Centers have rent adjustments periodically throughout the lease term. These rent increases are either in fixed increments or based on using an annual multiple of increases in the Consumer Price Index ("CPI"). In addition, approximately 5% to 15% of the leases for spaces 10,000 square feet and under expire each year, which enables the Company to replace existing leases with new leases at higher base rents if the rents of the existing leases are below the then existing market rate. The Company has generally entered into leases that require tenants to pay a stated amount for operating expenses, generally excluding property taxes, regardless of the expenses actually incurred at any Center, which places the burden of cost control on the Company. Additionally, certain leases require the tenants to pay their pro rata share of operating expenses.

Critical Accounting Policies

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Some of these estimates and assumptions include judgments on revenue recognition, estimates for common area maintenance and real estate tax accruals, provisions for uncollectible accounts, impairment of long-lived assets, the allocation of purchase price between tangible and intangible assets, capitalization of costs and fair value measurements. The Company's significant accounting policies are described in more detail in Note 2—Summary of Significant Accounting Policies in the Company's Notes to the Consolidated Financial Statements. However, the following policies are deemed to be critical.

Acquisitions:

The Company allocates the estimated fair value of acquisitions to land, building, tenant improvements and identified intangible assets and liabilities, based on their estimated fair values. In addition, any assumed mortgage notes payable are recorded at their estimated fair values. The estimated fair value of the land and buildings is determined utilizing an "as if vacant" methodology. Tenant improvements represent the tangible assets associated with the existing leases valued on a fair value basis at the acquisition date prorated over the remaining lease terms. The tenant improvements are classified as an asset under property and are depreciated over the remaining lease terms. Identifiable intangible assets and liabilities relate to the value of in-place operating leases which come in three forms: (i) leasing commissions and legal costs, which represent the value associated with "cost avoidance" of acquiring in-place leases, such as lease commissions paid under terms generally experienced in the Company's markets; (ii) value of in-place leases, which represents the estimated loss of revenue and of costs incurred for the period required to lease the "assumed vacant" property to the occupancy level when purchased; and (iii) above or below-market value of in-place leases, which represents the difference between the contractual rents and market rents at the time of the acquisition, discounted for tenant credit risks. Leasing commissions and legal costs are recorded in deferred charges and other assets and are amortized over the remaining lease terms. The value of in-place leases are recorded in deferred charges

and other assets and amortized over the remaining lease terms plus any below-market fixed rate renewal options. Above or below-market leases are classified in deferred charges and other assets or in other accrued liabilities, depending on whether the contractual terms are above or below-market, and the asset or liability is amortized to minimum rents over the remaining terms of the leases. The remaining lease terms of below-market leases may include certain below-market fixed-rate renewal periods. In considering whether or not a lessee will execute a below-market fixed-rate lease renewal option, the Company evaluates economic factors and certain qualitative factors at the time of acquisition such as tenant mix in the Center, the Company's relationship with the tenant and the availability of competing tenant space. The initial allocation of purchase price is based on management's preliminary assessment, which may change when final information becomes available. Subsequent adjustments made to the initial purchase price allocation are made within the allocation period, which does not exceed one year. The purchase price allocation is described as preliminary if it is not yet final. The use of different assumptions in the allocation of the purchase price of the acquired assets and liabilities assumed could affect the timing of recognition of the related revenues and expenses.

The Company immediately expenses costs associated with business combinations as period costs and capitalizes costs associated with asset acquisitions.

Asset Impairment:

The Company assesses whether an indicator of impairment in the value of its properties exists by considering expected future operating income, trends and prospects, as well as the effects of demand, competition and other economic factors. Such factors include projected rental revenue, operating costs and capital expenditures as well as estimated holding periods and capitalization rates. If an impairment indicator exists, the determination of recoverability is made based upon the estimated undiscounted future net cash flows, excluding interest expense. The amount of impairment loss, if any, is determined by comparing the fair value, as determined by a discounted cash flows analysis or a contracted sales price, with the carrying value of the related assets. The Company generally holds and operates its properties long-term, which decreases the likelihood of their carrying values not being recoverable. Properties classified as held for sale are measured at the lower of the carrying amount or fair value less cost to sell.

The Company reviews its investments in unconsolidated joint ventures for a series of operating losses and other factors that may indicate that a decrease in the value of its investments has occurred which is other-than-temporary. The investment in each unconsolidated joint venture is evaluated periodically, and as deemed necessary, for recoverability and valuation declines that are other-than-temporary.

Fair Value of Financial Instruments:

The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity and the reporting entity's own assumptions about market participant assumptions. Level 1 inputs utilize quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability, which is typically based on an entity's own assumptions, as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

The Company calculates the fair value of financial instruments and includes this additional information in the Notes to the Consolidated Financial Statements when the fair value is different than the carrying value of those financial instruments. When the fair value reasonably approximates the carrying value, no additional disclosure is made.

The Company records its Financing Arrangement (See Note 12—Financing Arrangement in the Company's Notes to the Consolidated Financial Statements) obligation at fair value on a recurring basis with changes in fair value being recorded as interest expense in the Company’s consolidated statements of operations. The fair value is determined based on a discounted cash flow model, with the significant unobservable inputs including the multiple of net operating income, discount rate, and market rents. The fair value of the Financing Arrangement obligation is sensitive to these significant unobservable inputs and a change in these inputs may result in a significantly higher or lower fair value measurement.

Results of Operations

Many of the variations in the results of operations, discussed below, occurred because of the transactions affecting the Company's properties described in Management's Overview and Summary above, including the Redevelopment Properties and the Disposition Properties (as defined below).

For purposes of the discussion below, the Company defines "Same Centers" as those Centers that are substantially complete and in operation for the entirety of both periods of the comparison. Non-Same Centers for comparison purposes include those Centers or properties that are going through a substantial redevelopment often resulting in the closing of a portion of the Center ("Redevelopment Properties"), those properties that have recently transitioned to or from equity method joint ventures to or from consolidated assets and properties that have been disposed of ("Disposition Properties"). The Company moves a Center in and out of Same Centers based on whether the Center is substantially complete and in operation for the entirety of both periods of the comparison. Accordingly, the Same Centers consist of all consolidated Centers, excluding the Redevelopment Properties and the Disposition Properties, for the periods of comparison.

For the comparison of the three months ended March 31, 2020 to the three months ended March 31, 2019, the Redevelopment Properties are Paradise Valley Mall and certain ground up developments. For the comparison of the three months ended March 31, 2020 to the three months ended March 31, 2019, there are no Disposition Properties.

Unconsolidated joint ventures are reflected using the equity method of accounting. The Company's pro rata share of the results from these Centers is reflected in the Consolidated Statements of Operations as equity in income of unconsolidated joint ventures.

The Company considers tenant annual sales per square foot (for tenants in place for a minimum of twelve months or longer and 10,000 square feet and under), occupancy rates (excluding large retail stores or "Anchors") and releasing spreads (i.e. a comparison of initial average base rent per square foot on leases executed during the trailing twelve months to average base rent per square foot at expiration for the leases expiring during the trailing twelve months based on the spaces 10,000 square feet and under) to be key performance indicators of the Company's internal growth.

Tenant sales per square foot increased from $746 for the twelve months ended March 31, 2019 to $801 for the twelve months ended February 29, 2020. Given the widespread closure of the majority of the Company's tenants during March 2020 as a result of COVID-19 (See "Other Transactions and Events" in Management's Overview and Summary), tenant sales reporting is reflected as of February 29, 2020. Occupancy rate decreased from 94.7% at March 31, 2019 to 93.1% at March 31, 2020. Releasing spreads remained positive as the Company was able to lease available space at higher average rents than the expiring rental rates, resulting in a releasing spread of $3.60 per square foot ($58.88 on new and renewal leases executed compared to $55.28 on leases expiring), representing a 6.5% increase for the trailing twelve months ended March 31, 2020. The Company continues to renew or replace leases that are scheduled to expire in 2020. However, the Company cannot be certain of the impact COVID-19 will have on its ability to sign, renew or replace 2020 lease expirations. These leases that are scheduled to expire in the next twelve months represent 0.9 million square feet of the Centers, accounting for 14.0% of the gross leasable area ("GLA") of mall stores and freestanding stores, for spaces 10,000 square feet and under, as of March 31, 2020. These calculations exclude Centers under development or redevelopment and property dispositions (See "Redevelopment and Development Activities" in Management's Overview and Summary). The Company has entered into leases for approximately 60% of the expiring square footage in 2020, and has another 25% of its 2020 lease expirations in lease documentation. Also, the Company has approximately 125 leases totaling approximately 860,000 square feet for new stores. After speaking with each prospective tenant of such new stores, only four tenants have currently indicated they no longer planned to open their new store, which equates to only 8,000 square feet of the total 860,000 square foot pipeline of new leases.

During the trailing twelve months ended March 31, 2020, the Company signed 321 new leases and 553 renewal leases comprising approximately 3.4 million square feet of GLA, of which 2.3 million square feet is related to the consolidated Centers. The annual initial average base rent for new and renewal leases was $58.88 per square foot for the trailing twelve months ended March 31, 2020 with an average tenant allowance of $24.35 per square foot.

Outlook

As a result of COVID-19 (See "Other Transactions and Events" in Management's Overview and Summary) and subsequent government mandates, all but a few of the Company's Centers had shuttered, except for the continued operation of essential retail and services, and approximately 74% of the gross leasable area, which was previously occupied prior to the COVID-19 closures, had closed. During the period following the stay-at-home mandates, the Company has continued to employ the appropriate levels of maintenance, cleaning and security protocols to ensure the maximum safety of its tenants, vendors, employees and properties. The Company is now actively planning for the re-opening of its Centers in all facets. Within the past two weeks, the Company has re-opened 13 Centers located in Texas, Colorado, Missouri, Iowa, Indiana and Arizona. By the end of May, the Company anticipates being able to open as permitted approximately 35 Centers. While still uncertain

given the myriad of state and local ordinances, at this time, it is reasonable to assume that the vast majority of the Company's Centers will be open in June. The Company is prepared and ready for re-opening, when permitted to do so.

The Company continues to refine its re-opening plans and guidelines as the COVID-19 outbreak evolves, gathering input and best practices from both international and domestic resources, as well as focusing on the jurisdictional differences in each community and state within which it operates. Those plans are focused on extensive retailer outreach, partnership and support, government compliance, consumer confidence building, promoting mall cleanliness and safety, and developing extensive communication and messaging plans through both digital and on premise mediums catered to all of the Company's local constituents where it does business. The Company anticipates significant near-term changes in operations at its properties as a result of numerous factors, including, among others, the potential for tenants to choose to not re-open, reduced consumer traffic and retail sales, extensive focus on cleanliness and hygiene protocols, requirements for social distancing both within its properties and within its tenant spaces, each of which may impact certain Centers more than others and require extensive coordination with retailers to accommodate new operation strategies, such as curbside pickup.

The Company collected approximately 26% of rents billed for April 2020. As of May 8, 2020, the Company collected approximately 18% of rents billed for May 2020. In addition, a significant portion of the Company's tenants have requested rental assistance, whether in the form of deferral or rent reduction. There is too much uncertainty to assess the impact of these tenant requests. The majority of the Company's leases require continued payment of rent by the Company's tenants during the period of government mandated closures caused by COVID-19. Many of the Company's leases contain co-tenancy clauses, which provide for reduced rent and/or termination rights if Anchors close and/or occupancy falls below threshold levels. The Company does not expect the temporary closures of department stores or small shop leases during the COVID-19 stay-at-home mandates to trigger co-tenancy clauses within its leases. However, it is possible that certain department stores or small shop closures may become permanent following the re-opening of the Company's properties, and that co-tenancy clauses within leases may be triggered as a result. It is too early to determine the impact of any such clauses, if triggered, given that the Company's properties have not yet re-opened.

During 2020, there have been eleven bankruptcy filings involving the Company's tenants, totaling 85 leases and involving approximately 524,000 square feet and $19.9 million of annual leasing revenue at the Company's share. The Company anticipates that there may likely be further bankruptcy filings by tenants at our properties, which could be accelerated as a result of general conditions caused by COVID-19.

While the Company has submitted recovery claims under its insurance coverage due to business interruption from COVID-19, the Company may not be able to collect on these claims given the facts and circumstances regarding the COVID-19 pandemic event.

The Company expects a negative impact to its leasing revenue due to COVID-19, but the impact is not currently estimable.

During this period of disrupted rent collections due to COVID-19, the Company has taken numerous measures to preserve its liquidity, including among others:

- The Company has drawn the majority of the remaining capacity on its $1.5 billion revolving line of credit. As of March 31, 2020, the Company had $735 million of cash, including its pro rata share from its unconsolidated joint ventures. The Company will incur additional interest expense during the period that it continues to carry higher than normal cash balances on its consolidated balance sheet. The period of continued cash retention is uncertain at this time.

- The Company recently announced a reduction to its upcoming quarterly dividend and the use of a stock dividend for at least 80% of that dividend, which if implemented on an annual basis, would allow it to retain approximately $400 million of cash (See Note 14—Stockholders' Equity in the Company's Notes to the Consolidated Financial Statements).

- The Company anticipates spending $60 million in the last three quarters of 2020 on redevelopment, which represents a 60% reduction in previously estimated 2020 redevelopment expenditures for that period of time. This excludes the redevelopment of One Westside, which is fully funded by a non-recourse construction facility.

- The Company has reduced planned capital expenditures at its properties by 65% down to approximately $15 million at the Company's share in 2020.

- The Company has reduced its controllable shopping center expenses by approximately 45% during the period that its properties are substantially closed, except for essential retail and services.

- The Company continues to work with its mortgage lenders to defer debt service payments during the pandemic, while its facing significantly reduced rent collections from its tenants.

Comparison of Three Months Ended March 31, 2020 and 2019

Revenues:

Leasing revenue decreased by $0.3 million, or 0.1%, from 2019 to 2020. The decrease in leasing revenue is attributed to decreases of $0.2 million from the Redevelopment Properties and $0.1 million from the Same Centers. Leasing revenue includes the amortization of above and below-market leases, the amortization of straight-line rents, lease termination income and the provision for bad debts. The amortization of above and below-market leases decreased from $0.6 million in 2019 to $0.4 million in 2020. Straight-line rents decreased from $2.4 million in 2019 to $2.2 million in 2020. Lease termination income increased from $0.6 million in 2019 to $1.2 million in 2020. Provision for bad debts decreased from $1.8 million in 2019 to $0.9 million in 2020.

Management Companies' revenue decreased from $10.2 million in 2019 to $7.0 million in 2020 due to a decrease in development fees and interest income due to the collection of a loan receivable in 2019.

Shopping Center and Operating Expenses:

Shopping center and operating expenses increased $1.1 million, or 1.6%, from 2019 to 2020. The increase in shopping center and operating expenses is attributed to increases of $0.9 million from the Same Centers and $0.2 million from the Redevelopment Properties.

Leasing Expenses:

Leasing expenses decreased from $7.5 million in 2019 to $7.4 million in 2020.

Management Companies' Operating Expenses:

Management Companies' operating expenses decreased $2.8 million from 2019 to 2020 due to a decrease in compensation expense.

REIT General and Administrative Expenses:

REIT general and administrative expenses decreased $0.1 million from 2019 to 2020.

Depreciation and Amortization:

Depreciation and amortization increased $0.7 million from 2019 to 2020. The increase in depreciation and amortization is attributed to increases of $0.6 million from the Same Centers and $0.1 million from the Redevelopment Properties.

Interest (Income) Expense:

Interest expense decreased $30.3 million from 2019 to 2020. The decrease in interest expense was attributed to a decrease of $33.8 million from the Financing Arrangement (See Note 12—Financing Arrangement in the Company's Notes to the Consolidated Financial Statements), offset in part by increases of $2.1 million from the Same Centers, $1.2 million from the Redevelopment Properties and $0.2 million from borrowings under the Company's line of credit. The decrease in interest expense from the Financing Arrangement is primarily due to the change in fair value of the underlying properties and the mortgage notes payable on the underlying properties.

Equity in Income of Unconsolidated Joint Ventures:

Equity in income of unconsolidated joint ventures decreased $2.5 million from 2019 to 2020.

Loss on Sale or Write Down of Assets, net:

Loss on sale or write down of assets, net increased $30.4 million from 2019 to 2020. The increase in loss on sale or write down of assets, net is primarily due to the $36.7 million of impairment losses in 2020, offset in part by the $6.9 million in the write down of development costs in 2019. The impairment losses were due to the reduction in the estimated holding periods of Wilton Mall and Paradise Valley Mall.

Net Income:

Net income decreased $0.1 million from 2019 to 2020.

Funds From Operations ("FFO"):

Primarily as a result of the factors mentioned above, FFO attributable to common stockholders and unit holders—diluted, excluding financing expense in connection with Chandler Freehold increased 0.6% from $121.9 million in 2019 to $122.7 million in 2020. For a reconciliation of net income attributable to the Company, the most directly comparable GAAP financial measure, to FFO attributable to common stockholders and unit holders, excluding financing expense in connection with Chandler Freehold and FFO attributable to common stockholders and unit holders—diluted, excluding financing expense in connection with Chandler Freehold, see "Funds From Operations ("FFO")" below.

Operating Activities:

Cash provided by operating activities decreased $49.1 million from 2019 to 2020. The decrease is primarily due to the $31.4 million decrease in other accrued liabilities and to the other changes in assets and liabilities and the results, as discussed above. The decrease in other accrued liabilities is primarily attributed to a decrease in prepaid rent as a result of COVID-19 (See "Other Transactions and Events" in Management's Overview and Summary).

Investing Activities:

Cash used in investing activities increased $40.2 million from 2019 to 2020. The increase in cash used in investing activities is primarily attributed to decreases in proceeds from notes receivable of $65.3 million and distributions from unconsolidated joint ventures of $19.7 million offset in part by a decrease in contributions to unconsolidated joint ventures of $29.2 million. The decrease in proceeds from notes receivable is due to the collection of the note receivable from the Lennar Corporation in 2019 (See Note 16—Related Party Transactions in the Company's Notes to the Consolidated Financial Statements).

Financing Activities:

Cash provided by financing activities increased $633.4 million from 2019 to 2020. The increase in cash provided by financing activities is primarily due to a decrease in payments on mortgages, bank and other notes payable of $388.7 million and an increase in proceeds from mortgages, bank and other notes payable of $235.0 million. The decrease in payments on mortgages, bank and other notes payable and the increase in proceeds from mortgages, bank and other notes payable are attributed to the Company's plan to increase liquidity in connection with COVID-19 (See "Other Transactions and Events" in Management's Overview and Summary).

Liquidity and Capital Resources

The Company has historically met its liquidity needs for its operating expenses, debt service and dividend requirements for the next twelve months through cash generated from operations, distributions from unconsolidated joint ventures, working capital reserves and/or borrowings under its line of credit. As a result of the uncertain environment resulting from the COVID-19 pandemic (See "Other Transactions and Events" in Management's Overview and Summary), the Company has taken a number of measures to enhance liquidity. These actions ensure that funds are available to meet the Company's obligations for a sustained period of time as the extent and duration of the pandemic's impact becomes clearer. These measures include (i) reduction of the Company's controllable operating expenses, (ii) reduction of planned capital and development expenditures, (iii) reduction of the cash component of its second quarter dividend, (iv) negotiated deferrals of debt service payments, and (v) deferral of real estate taxes to the extent such relief is available. In addition, the Company recently borrowed $550 million on its line of credit. As of March 31, 2020, the Company has approximately $735 million of cash, including the unconsolidated joint ventures at the Company's pro rata share.

The following tables summarize capital expenditures incurred at the Centers (at the Company's pro rata share):

(Dollars in thousands)	For the Three Months Ended March 31, 2020	2019
Consolidated Centers:		
Acquisitions of property, building improvement and equipment	$ 2,381	$ 9,932
Development, redevelopment, expansions and renovations of Centers	16,112	14,414
Tenant allowances	1,081	3,510
Deferred leasing charges	910	1,388
	$ 20,484	$ 29,244
Joint Venture Centers:		
Acquisitions of property, building improvement and equipment	$ 1,844	$ 1,225
Development, redevelopment, expansions and renovations of Centers	29,628	47,888
Tenant allowances	355	1,709
Deferred leasing charges	725	911
	$ 32,552	$ 51,733

The Company expects amounts to be incurred during the next twelve months for tenant allowances and deferred leasing charges to be substantially less than 2019. The Company expects to incur approximately $60.0 million during the remaining period of 2020 for development, redevelopment, expansion and renovations. This amount excludes the Company's share of the remaining development cost of One Westside, which is fully funded by a non-recourse construction facility. Capital for these expenditures, developments and/or redevelopments has been, and is expected to continue to be, obtained from a combination of cash on hand, debt or equity financings, which are expected to include borrowings under the Company's line of credit, from property financings and construction loans, each to the extent available.

The Company has also generated liquidity in the past, and may continue to do so in the future, through equity offerings and issuances, property refinancings, joint venture transactions and the sale of non-core assets. Furthermore, the Company has filed a shelf registration statement, which registered an unspecified amount of common stock, preferred stock, depositary shares, debt securities, warrants, rights, stock purchase contracts and units that may be sold from time to time by the Company.

On March 16, 2020, the Company announced a reduction in its second quarter dividend and that the dividend would be payable with an aggregate combination of 20% cash and 80% shares of the Company's common stock. This will allow the Company to comply with the REIT taxable income distribution requirements, while retaining capital. The decision to use a stock dividend will be reviewed by the Board on a quarterly basis. The combination of the dividend reduction and the stock dividend will result in the Company retaining incremental cash in excess of $98 million on a quarterly basis, and approximately $400 million if implemented annually.

The capital and credit markets can fluctuate and, at times, limit access to debt and equity financing for companies. The Company has been able to access capital; however, there is no assurance the Company will be able to do so in future periods or on similar terms and conditions as a result of COVID-19. Many factors impact the Company's ability to access capital, such as its overall debt level, interest rates, interest coverage ratios and prevailing market conditions. Increases in the Company's proportion of floating rate debt, will cause it to be subject to interest rate fluctuations in the future.

The Company's total outstanding loan indebtedness, which includes mortgages and other notes payable, at March 31, 2020 was $8.7 billion (consisting of $5.9 billion of consolidated debt, less $359.2 million of noncontrolling interests, plus $3.2 billion of its pro rata share of unconsolidated joint venture debt). The majority of the Company's debt consists of fixed-rate conventional mortgage notes collateralized by individual properties. The Company expects that all of the maturities during the next twelve months will be refinanced, restructured, extended and/or paid off from the Company's line of credit or cash on hand.

The Company believes that the pro rata debt provides useful information to investors regarding its financial condition because it includes the Company's share of debt from unconsolidated joint ventures and, for consolidated debt, excludes the Company's partners' share from consolidated joint ventures, in each case presented on the same basis. The Company has several significant joint ventures and presenting its pro rata share of debt in this manner can help investors better understand the Company's financial condition after taking into account the Company's economic interest in these joint ventures. The Company's pro rata share of debt should not be considered as a substitute for the Company's total consolidated debt determined in accordance with GAAP or any other GAAP financial measures and should only be considered together with and as a supplement to the Company's financial information prepared in accordance with GAAP.

The Company has a $1.5 billion revolving line of credit facility that bears interest at LIBOR plus a spread of 1.30% to 1.90%, depending on the Company's overall leverage level, and was to mature on July 6, 2020. On April 8, 2020, the Company exercised its option to extend the maturity of the facility to July 6, 2021. The line of credit can be expanded, depending on certain conditions, up to a total facility of $2.0 billion. All obligations under the facility are unconditionally guaranteed only by the Company. Based on the Company's leverage level as of March 31, 2020, the borrowing rate on the facility was LIBOR plus 1.55%. The Company has four interest rate swap agreements that effectively convert a total of $400.0 million of the outstanding balance from floating rate debt of LIBOR plus 1.55% to fixed rate debt of 4.30% until September 30, 2021. At March 31, 2020, total borrowings under the line of credit were $1.5 billion less unamortized deferred finance costs of $2.0 million with a total interest rate of 3.11%. The Company's availability under the line of credit was $19.7 million at March 31, 2020.

Cash dividends and distributions for the three months ended March 31, 2020 were $114.7 million. A total of $49.7 million was funded by operations. The remaining $65.0 million was funded from cash on hand.

At March 31, 2020, the Company was in compliance with all applicable loan covenants under its agreements.

At March 31, 2020, the Company had cash and cash equivalents of $652.4 million.

Off-Balance Sheet Arrangements:

The Company accounts for its investments in joint ventures that it does not have a controlling interest or is not the primary beneficiary using the equity method of accounting and those investments are reflected on the consolidated balance sheets of the Company as investments in unconsolidated joint ventures.

As of March 31, 2020, one of the Company's joint ventures has $149.6 million of debt that could become recourse to the Company, should the joint venture be unable to discharge the obligation of the related debt.

Additionally, as of March 31, 2020, the Company was contingently liable for $40.8 million in letters of credit guaranteeing performance by the Company of certain obligations relating to the Centers. The Company does not believe that these letters of credit will result in a liability to the Company.

Contractual Obligations:

The following is a schedule of contractual obligations as of March 31, 2020 for the consolidated Centers over the periods in which they are expected to be paid (in thousands):

	Payment Due by Period				
Contractual Obligations	**Total**	**Less than 1 year**	**1 - 3 years**	**3 - 5 years**	**More than five years**
Long-term debt obligations (includes expected interest payments)(1)	$ 6,888,513	$ 908,497	$ 2,409,626	$ 583,191	$ 2,987,199
Lease liabilities(2)	217,396	15,080	47,417	23,552	131,347
Purchase obligations(3)	7,290	7,290	—	—	—
Other long-term liabilities	187,916	115,924	28,199	13,744	30,049
	$ 7,301,115	$ 1,046,791	$ 2,485,242	$ 620,487	$ 3,148,595

(1) Interest payments on floating rate debt were based on rates in effect at March 31, 2020.
(2) See Note 8—Leases in the Company's Notes to the Consolidated Financial Statements.
(3) See Note 15—Commitments and Contingencies in the Company's Notes to the Consolidated Financial Statements.

Funds From Operations ("FFO")

The Company uses FFO in addition to net income to report its operating and financial results and considers FFO and FFO —diluted as supplemental measures for the real estate industry and a supplement to GAAP measures. The National Association of Real Estate Investment Trusts ("Nareit") defines FFO as net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from sales of properties, plus real estate related depreciation and amortization, impairment write-downs of real estate and write-downs of investments in an affiliate where the write-downs have been driven by a decrease in the value of real estate held by the affiliate and after adjustments for unconsolidated joint ventures. Adjustments for unconsolidated joint ventures are calculated to reflect FFO on the same basis.

Beginning during the first quarter of 2018, the Company revised its definition of FFO so that FFO excluded the impact of the financing expense in connection with Chandler Freehold. Beginning in the third quarter of 2019, the Company now presents a separate non-GAAP measure - FFO excluding financing expense in connection with Chandler Freehold. The Company has revised the FFO presentation for the three months ended March 31, 2019 to conform to the current presentation.

The Company accounts for its joint venture in Chandler Freehold as a financing arrangement. In connection with this treatment, the Company recognizes financing expense on (i) the changes in fair value of the financing arrangement obligation, (ii) any payments to the joint venture partner equal to their pro rata share of net income and (iii) any payments to the joint venture partner less than or in excess of their pro rata share of net income. The Company excludes from its definition of FFO the noted expenses related to the changes in fair value and for the payments to the joint venture partner less than or in excess of their pro rata share of net income.

The Company also presents FFO excluding financing expense in connection with Chandler Freehold and loss on extinguishment of debt, net.

FFO and FFO on a diluted basis are useful to investors in comparing operating and financial results between periods. This is especially true since FFO excludes real estate depreciation and amortization, as the Company believes real estate values fluctuate based on market conditions rather than depreciating in value ratably on a straight-line basis over time. The Company believes that such a presentation also provides investors with a meaningful measure of its operating results in comparison to the operating results of other REITs. In addition, the Company believes that FFO excluding financing expense in connection with Chandler Freehold and non-routine costs associated with extinguishment of debt provide useful supplemental information regarding the Company’s performance as they show a more meaningful and consistent comparison of the Company’s operating performance and allows investors to more easily compare the Company’s results. The Company further believes that FFO on a diluted basis is a measure investors find most useful in measuring the dilutive impact of outstanding convertible securities.

The Company believes that FFO does not represent cash flow from operations as defined by GAAP, should not be considered as an alternative to net income as defined by GAAP, and is not indicative of cash available to fund all cash flow needs. The Company also cautions that FFO, as presented, may not be comparable to similarly titled measures reported by other real estate investment trusts.

Funds From Operations ("FFO") (Continued)

Management compensates for the limitations of FFO by providing investors with financial statements prepared according to GAAP, along with this detailed discussion of FFO and a reconciliation of net income to FFO and FFO—diluted. Management believes that to further understand the Company's performance, FFO should be compared with the Company's reported net income and considered in addition to cash flows in accordance with GAAP, as presented in the Company's consolidated financial statements.

The following reconciles net income attributable to the Company to FFO and FFO—diluted attributable to common stockholders and unit holders-basic and diluted, excluding financing expense in connection with Chandler Freehold and loss on extinguishment of debt, net, for the three months ended March 31, 2020 and 2019 (dollars and shares in thousands):

	For the Three Months Ended March 31,	
	2020	2019
Net income attributable to the Company	$ 7,522	$ 7,824
Adjustments to reconcile net income attributable to the Company to FFO attributable to common stockholders and unit holders—basic and diluted:		
Noncontrolling interests in the Operating Partnership	557	577
Loss on sale or write down of assets, net—consolidated assets	36,703	6,316
Add: gain on sale of undepreciated assets—consolidated assets	—	534
Loss on sale or write down of assets—unconsolidated joint ventures, net(1)	—	71
Depreciation and amortization—consolidated assets	82,213	81,468
Less: noncontrolling interests in depreciation and amortization—consolidated assets	(3,789)	(3,645)
Depreciation and amortization—unconsolidated joint ventures(1)	49,509	44,998
Less: depreciation on personal property	(4,326)	(3,865)
FFO attributable to common stockholders and unit holders—basic and diluted	168,389	134,278
Financing expense in connection with Chandler Freehold	(45,707)	(12,344)
FFO attributable to common stockholders and unit holders, excluding financing expense in connection with Chandler Freehold—basic and diluted	122,682	121,934
Loss on extinguishment of debt, net—consolidated assets	—	351
FFO attributable to common stockholders and unit holders, excluding financing expense in connection with Chandler Freehold and loss on extinguishment of debt, net—basic and diluted	$ 122,682	$ 122,285
Weighted average number of FFO shares outstanding for FFO attributable to common stockholders and unit holders—basic and diluted(2)	151,915	151,677

(1) Unconsolidated joint ventures are presented at the Company's pro rata share.

(2) Calculated based upon basic net income as adjusted to reach basic FFO. Includes 10.4 million OP Units for the three months ended March 31, 2020 and 2019, respectively.

The computation of FFO—diluted shares outstanding includes the effect of share and unit-based compensation plans using the treasury stock method. It also assumes the conversion of MACWH, LP common and preferred units to the extent that they are dilutive to the FFO—diluted computation.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company's primary market risk exposure is interest rate risk. The Company has managed and will continue to manage interest rate risk by (1) maintaining a ratio of fixed rate, long-term debt to total debt such that floating rate exposure is kept at an acceptable level, (2) reducing interest rate exposure on certain long-term floating rate debt through the use of interest rate caps and/or swaps with matching maturities where appropriate, (3) using treasury rate locks where appropriate to fix rates on anticipated debt transactions, and (4) taking advantage of favorable market conditions for long-term debt and/or equity.

The following table sets forth information as of March 31, 2020 concerning the Company's long-term debt obligations, including principal cash flows by scheduled maturity, weighted average interest rates and estimated fair value (dollars in thousands):

	Expected Maturity Date							
	For the twelve months ending March 31,							
	2021	2022	2023	2024	2025	Thereafter	Total	Fair Value
CONSOLIDATED CENTERS:								
Long-term debt:								
Fixed rate	$ 591,413	$ 477,471	$ 311,881	$ 6,933	$ 378,205	$ 2,603,289	$ 4,369,192	$ 4,425,896
Average interest rate	4.56 %	4.27 %	4.07 %	3.49 %	4.05 %	3.79 %	3.99 %	
Floating rate	130,000	1,080,000	300,000	—	—	—	1,510,000	1,522,496
Average interest rate	3.73 %	2.52 %	2.05 %	— %	— %	— %	2.53 %	
Total debt—Consolidated Centers	$ 721,413	$ 1,557,471	$ 611,881	$ 6,933	$ 378,205	$ 2,603,289	$ 5,879,192	$ 5,948,392
UNCONSOLIDATED JOINT VENTURE CENTERS:								
Long-term debt (at Company's pro rata share):								
Fixed rate	$ 149,723	$ 43,002	$ 366,514	$ 688,786	$ 33,845	$ 1,747,977	$ 3,029,847	$ 3,066,899
Average interest rate	3.81 %	3.70 %	3.67 %	3.74 %	3.84 %	3.88 %	3.81 %	
Floating rate	—	36,183	150,500	9,400	—	—	196,083	202,799
Average interest rate	— %	3.58 %	3.58 %	3.50 %	— %	— %	3.58 %	
Total debt—Unconsolidated Joint Venture Centers	$ 149,723	$ 79,185	$ 517,014	$ 698,186	$ 33,845	$ 1,747,977	$ 3,225,930	$ 3,269,698

The consolidated Centers' total fixed rate debt at March 31, 2020 and December 31, 2019 was $4.4 billion. The average interest rate on the fixed rate debt at March 31, 2020 and December 31, 2019 was 3.99%. The consolidated Centers' total floating rate debt at March 31, 2020 and December 31, 2019 was $1.5 billion and $850.0 million, respectively. The average interest rate on the floating rate debt at March 31, 2020 and December 31, 2019 was 2.53% and 3.36%, respectively.

The Company's pro rata share of the unconsolidated joint venture Centers' fixed rate debt at March 31, 2020 and December 31, 2019 was $3.0 billion. The average interest rate on the fixed rate debt at March 31, 2020 and December 31, 2019 was 3.81%. The Company's pro rata share of the unconsolidated joint venture Centers' floating rate debt at March 31, 2020 and December 31, 2019 was $196.1 million. The average interest rate on the floating rate debt at March 31, 2020 and December 31, 2019 was 3.58% and 3.69%, respectively.

The Company uses derivative financial instruments in the normal course of business to manage or hedge interest rate risk and records all derivatives on the balance sheet at fair value. Interest rate cap agreements offer protection against floating rates on the notional amount from exceeding the rates noted in the above schedule, and interest rate swap agreements effectively replace a floating rate on the notional amount with a fixed rate as noted above. As of March 31, 2020, the Company has one interest rate cap agreement and four interest rate swap agreements in place (See Note 5—Derivative Instruments and Hedging Activities in the Company's Notes to the Consolidated Financial Statements).

In addition, the Company has assessed the market risk for its floating rate debt and believes that a 1% increase in interest rates would decrease future earnings and cash flows by approximately $17.1 million per year based on $1.7 billion of floating rate debt outstanding at March 31, 2020.

The fair value of the Company's long-term debt is estimated based on a present value model utilizing interest rates that reflect the risks associated with long-term debt of similar risk and duration. In addition, the method of computing fair value for mortgage notes payable included a credit value adjustment based on the estimated value of the property that serves as collateral for the underlying debt (See Note 10—Mortgage Notes Payable and Note 11—Bank and Other Notes Payable in the Company's Notes to the Consolidated Financial Statements).

In the event that LIBOR is discontinued, the interest rate for the variable rate debt of the Company and its joint ventures and the swap rate for the Company's interest rate swaps following such event will be based on an alternative variable rate as specified in the applicable documentation governing such debt or swaps or as otherwise agreed upon. Such an event would not affect the Company's ability to borrow or maintain already outstanding borrowings or swaps, but the alternative variable rate could be higher and more volatile than LIBOR prior to its discontinuance. The Company understands that LIBOR is expected to remain available through the end of 2021, but may be discontinued or otherwise become unavailable thereafter.

Item 4. Controls and Procedures

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934, management carried out an evaluation, under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on their evaluation as of March 31, 2020, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) were effective to ensure that the information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 is (a) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and (b) accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

In addition, there has been no change in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15(d)-15(f) under the Securities Exchange Act of 1934) that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

None of the Company, the Operating Partnership, the Management Companies or their respective affiliates are currently involved in any material legal proceedings, although from time-to-time they are involved in various legal proceedings that arise in the ordinary course of business.

Item 1A. Risk Factors

The following risk factor supplements the risk factors described under "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2019, and should be read in conjunction with the other risk factors presented in the Annual Report on Form 10-K.

The outbreak of the novel coronavirus ("COVID-19") has caused, and could continue to cause, severe disruptions in the U.S., regional and global economies and has impacted, and could continue to materially and adversely impact, our financial condition and results of operations and the financial condition and results of operations of our tenants.

In March 2020, the World Health Organization declared COVID-19 a global pandemic. COVID-19 has caused, and could continue to cause, significant disruptions to the United States and global economy and has contributed to significant volatility and negative pressure in financial markets. The global impact of the outbreak is continually evolving and, as additional cases of the virus are identified, many countries, including the United States, have reacted by instituting quarantines, restrictions on travel and/or mandatory closures of businesses. Certain states and cities, including where the Centers are located, have also reacted by instituting quarantines, restrictions on travel, "stay-at-home" rules, restrictions on types of business that may continue to operate, and/or restrictions on the types of construction projects that may continue.

The extent to which COVID-19 impacts our operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of such pandemic, the actions taken to contain the pandemic or mitigate its impact, and the direct and indirect economic effects of the pandemic and containment measures, among others. The rapid development and fluidity of this situation precludes any prediction as to the full adverse

impact of COVID-19. Nevertheless, COVID-19 has, and may continue to, adversely affect our business, financial condition and results of operations, and it may also have the effect of heightening many of the risks described in the “Risk Factors” section of our Annual Report on Form 10-K for the year ended December 31, 2019, including:

- a complete or partial closure of, or other operational issues at, one or more of our Centers resulting from government or tenant action, which has adversely affected, and is expected to continue to adversely effect, our operations and those of our tenants;
- reduced economic activity impacting the businesses, financial condition and liquidity of our tenants, which could cause one or more of our tenants, including one or more of our Anchors, or one or more of our joint venture partners, to be unable to meet their obligations to us in full, or at all, to otherwise seek modifications of such obligations or to declare bankruptcy;
- decreased levels of consumer spending and consumer confidence during the pandemic, as well as a decrease in individuals’ willingness to frequent our Centers once re-opened as a result of the public health risks and social impacts of such outbreak, which could affect the ability of the Centers to generate sufficient revenues to meet operating and other expenses in the short-term and accelerate a shift to online retail shopping, which, if sustained could result in prolonged decreases in revenue at the Centers even after the immediate impact of the pandemic is resolved;
- inability to renew leases, lease vacant space or re-let space as leases expire on favorable terms, or at all; which could cause interruptions or delays in the receipt of rental payments;
- a potential closure of one or more Anchors at one or more of our properties, which could trigger co-tenancy lease clauses within one or more of our leases at such properties and lead to a decline in revenue and occupancy;
- state, local or industry-initiated efforts, such as a rent freeze for tenants or a suspension of a landlord’s ability to enforce evictions, which may affect our ability to collect rent or enforce remedies for the failure to pay rent;
- severe disruption and instability in the global financial markets or deteriorations in credit and financing conditions, which could make it difficult for us to access debt and equity capital on attractive terms, or at all, and impact our ability to fund business activities and repay debt on a timely basis;
- disruptions in the supply of materials or products or the inability of contractors to perform on a timely basis or at all, which could increase the costs of construction of new or existing projects and cause delays in completing ongoing or future construction, development or re-development projects;
- a potential negative impact on our financial results could adversely impact our compliance with the financial covenants within our credit facility and other debt agreements or cause a failure to meet certain of these financial covenants, which could cause an event of default, which, if not cured or waived, could accelerate some or all of such indebtedness and could have a material adverse effect on us;
- the potential that we may further reduce our dividend and/or continue to pay dividends at least partially in our stock instead of in cash, in which case stockholders may be required to pay U.S. federal income taxes in excess of the cash dividends they receive;
- a potential decline in asset values at one or more of our properties encumbered by mortgage debt, which could inhibit our ability to successfully refinance one or more such properties, result in a default under the applicable mortgage debt agreement and potentially cause the acceleration of such indebtedness;
- a general decline in business activity and demand for real estate transactions, which could adversely affect our ability or desire to make strategic acquisitions or dispositions;
- the potential negative impact on the health of our personnel, particularly if a significant number of our executive management team or key employees are impacted, which could result in a deterioration in our ability to ensure business continuity during a disruption;
- uncertainty as to what conditions must be satisfied before government authorities lift “stay-at-home” orders and public health officials begin the process of gradually allowing non-essential businesses to resume operations and whether government authorities will impose (or suggest) requirements on landlords, such as us, to protect the health and safety

of tenants and customers to our properties, which could result in increased operating costs and demands on our property management teams to ensure compliance with any such requirements; and

- the limited access to our facilities, management, tenants, support staff and professional advisors, which could hamper our ability to comply with regulatory obligations and prevent us from conducting our business as efficiently and effectively as we otherwise would.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On March 2, 2020 and March 23, 2020, the Company, as general partner of the Operating Partnership, issued 2,000 and 81,722 shares of common stock of the Company, respectively, upon the redemption of 83,722 common partnership units of the Operating Partnership. These shares of common stock were issued in private placements to two limited partners of the Operating Partnership, each an accredited investor, pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (1)
January 1, 2020 to January 31, 2020	—	$ —	—	$ 278,707,048
February 1, 2020 to February 29, 2020	—	—	—	$ 278,707,048
March 1, 2020 to March 31, 2020	—	—	—	$ 278,707,048
Total	—	$ —	—	

(1) On February 12, 2017, the Company's Board of Directors authorized the repurchase of up to $500.0 million of the Company's outstanding common shares from time to time as market conditions warrant.

Item 3. Defaults Upon Senior Securities

Not Applicable

Item 4. Mine Safety Disclosures

Not Applicable

Item 5. Other Information

Not Applicable

Item 6. Exhibits

Exhibit Number	Description
2.1	Master Agreement, dated November 14, 2014, by and among Pacific Premier Retail LP, MACPT LLC, Macerich PPR GP LLC, Queens JV LP, Macerich Queens JV LP, Queens JV GP LLC, 1700480 Ontario Inc. and the Company (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date November 14, 2014).
3.1	Articles of Amendment and Restatement of the Company (incorporated by reference as an exhibit to the Company's Registration Statement on Form S-11, as amended (No. 33-68964)) (Filed in paper - hyperlink is not required pursuant to Rule 105 of Regulation S-T).
3.1.1	Articles Supplementary of the Company (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date May 30, 1995) (Filed in paper - hyperlink is not required pursuant to Rule 105 of Regulation S-T).
3.1.2	Articles Supplementary of the Company (with respect to the first paragraph) (incorporated by reference as an exhibit to the Company's 1998 Form 10-K).
3.1.3	Articles Supplementary of the Company (Series D Preferred Stock) (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date July 26, 2002).
3.1.4	Articles Supplementary of the Company (incorporated by reference as an exhibit to the Company's Registration Statement on Form S-3, as amended (No. 333-88718)).
3.1.5	Articles of Amendment of the Company (declassification of Board) (incorporated by reference as an exhibit to the Company's 2008 Form 10-K).
3.1.6	Articles Supplementary of the Company (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date February 5, 2009).
3.1.7	Articles of Amendment of the Company (increased authorized shares) (incorporated by reference as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009).
3.1.8	Articles of Amendment of the Company (to eliminate the supermajority vote requirement to amend the charter and to clarify a reference in Article NINTH) (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date May 30, 2014).
3.1.9	Articles Supplementary of the Company (election to be subject to Section 3-803 of the Maryland General Corporation Law) (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date March 17, 2015).
3.1.10	Articles Supplementary of the Company (Series E Preferred Stock) (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date March 18, 2015).
3.1.11	Articles Supplementary of the Company (reclassification of Series E Preferred Stock to Preferred Stock) (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date May 7, 2015).
3.1.12	Articles Supplementary of the Company (repeal of election to be subject to Section 3-803 of the Maryland General Corporation Law) (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date May 28, 2015).
3.1.13	Articles Supplementary of the Company (opting out of provisions of Subtitle 8 of Title 3 of the Maryland General Corporate Law (MUTA provisions)) (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date April 24, 2019).
3.2	Amended and Restated Bylaws of the Company (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date April 24, 2019).
10.1*	Form of LTIP Unit Award Agreement under 2003 Equity Incentive Plan (Performance-based)
31.1	Section 302 Certification of Thomas O'Hern, Chief Executive Officer
31.2	Section 302 Certification of Scott Kingsmore, Chief Financial Officer
32.1**	Section 906 Certifications of Thomas O'Hern and Scott Kingsmore
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document

Exhibit Number	Description
104	Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101.*).

*Represents a management contract, or compensatory plan, contract or arrangement required to be filed pursuant to Regulation S-K

** Furnished herewith.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE MACERICH COMPANY

By: /s/ SCOTT W. KINGSMORE

Scott W. Kingsmore

Senior Executive Vice President, Treasurer and Chief Financial Officer

(Principal Financial Officer)

Date: May 11, 2020

Exhibit 10.1

THE MACERICH COMPANY [ ] LTIP UNIT AWARD AGREEMENT (PERFORMANCE-BASED)

[ ] LTIP UNIT AWARD AGREEMENT (Performance-Based) made as of the date set forth on Schedule A hereto between The Macerich Company, a Maryland corporation (the "Company"), its subsidiary The Macerich Partnership, L.P., a Delaware limited partnership and the entity through which the Company conducts substantially all of its operations (the "Partnership"), and the party listed on Schedule A (the "Grantee").

RECITALS

A. The Grantee is a key employee of the Company or one of its Subsidiaries or affiliates and provides services to the Partnership.

B. Pursuant to its Long-Term Incentive Plan ("LTIP") the Company can award units of limited partnership interest of the Partnership designated as "LTIP Units" in the Partnership Agreement (as defined herein) under The Macerich Company 2003 Equity Incentive Plan, as amended (the "2003 Plan"), to provide certain key employees of the Company or its Subsidiaries and affiliates, including the Grantee, in connection with their employment with the long-term incentive compensation described in this Award Agreement (this "Agreement" or "Award Agreement"), and thereby provide additional incentive for them to promote the progress and success of the business of the Company and its Subsidiaries and affiliates, including the Partnership, while increasing the total return to the Company's stockholders. [ ] LTIP Units (PB) (as defined herein) have been awarded by the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board") pursuant to authority delegated to it by the Board as set forth in the Committee's charter, including authority to make grants of equity interests in the Partnership which may, under certain circumstances, become exchangeable for shares of the Company's Common Stock reserved for issuance under the 2003 Plan, or any successor equity plan (as any such plan may be amended, modified or supplemented from time to time, collectively the "Stock Plan"). This Agreement evidences an award to the Grantee under the LTIP (this "Award"), which is subject to the terms and conditions set forth herein.

C. The Grantee was selected by the Committee to receive this Award as one of a select group of highly compensated or management employees who, through the effective execution of their assigned duties and responsibilities, are in a position to have a direct and measurable impact on the Company's long-term financial results. Effective as of the grant date specified in Schedule A hereto, the Committee awarded to the Grantee the number of [ ] LTIP Units (PB) (as defined herein) set forth in Schedule A.

NOW, THEREFORE, the Company, the Partnership and the Grantee agree as follows:

1. **Administration**. The LTIP and all awards thereunder, including this Award, shall be administered by the Committee, which in the administration of the LTIP shall have all

the powers and authority it has in the administration of the Stock Plan, as set forth in the Stock Plan. The Committee may from time to time adopt any rules or procedures it deems necessary or desirable for the proper and efficient administration of the LTIP, consistent with the terms hereof and of the Stock Plan. The Committee's determinations and interpretations with respect to the LTIP and this Agreement shall be final and binding on all parties.

2. **Definitions**. Capitalized terms used herein without definitions shall have the meanings given to those terms in the Stock Plan. In addition, as used herein:

"[ ] LTIP Units (PB)" has the meaning set forth in Section 3(a).

"[ ]-2 LTIP Units (PB) has the meaning set forth in Section 3(b).

"Cause" for termination of the Grantee's employment means that the Company, acting in good faith based upon the information then known to the Company, determines that the Grantee has:

(a) failed to perform in a material respect without proper cause his obligations under the Grantee's Service Agreement (if one exists);

(b) been convicted of or pled guilty or *nolo contendere* to a felony; or

(c) committed an act of fraud, dishonesty or gross misconduct which is materially injurious to the Company.

Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Applicable Board (as defined below) or upon the instructions of the Chief Executive Officer of the Company or based upon the advice of counsel or independent accountants for the Company shall be conclusively presumed for purposes of this Agreement to be done, or omitted to be done, by the Grantee in good faith and in the best interests of the Company. The cessation of employment of the Grantee shall not be deemed to be for Cause under clause (a) or (c) above unless and until there shall have been delivered to the Grantee a copy of a resolution duly adopted by the affirmative vote of at least a majority of the entire membership of the Applicable Board (excluding the Grantee and any relative of the Grantee, if the Grantee or such relative is a member of the Applicable Board) at a meeting of the Applicable Board called and held for such purpose (after reasonable notice is provided to the Grantee and the Grantee is given an opportunity, together with counsel for the Grantee, to be heard before the Applicable Board), finding that, in the good faith opinion of the Applicable Board, the Grantee is guilty of the conduct described in clause (a) or (c) above, and specifying the particulars thereof in reasonable detail. For purposes of the definition of Cause, "Applicable Board" means the Board or, if the Company is not the ultimate parent corporation of the Company and its affiliates and is not publicly-traded, the board of directors of the ultimate parent of the Company.

"Change in Control Arrangement" means [The Macerich Company Change in Control Severance Pay Plan For the CEO, President and Senior Executive Vice Presidents][The Macerich

Company Change in Control Severance Pay Plan for Executive Vice Presidents], as may be amended or modified from time to time.

"Change of Control" means any of the following:

(a) The acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 33% or more of either (A) the then-outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (B) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that, for purposes of this definition, the following acquisitions shall not constitute a Change of Control: (i) any acquisition directly from the Company, (ii) any acquisition by the Company, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliate of the Company or successor or (iv) any acquisition by any entity pursuant to a transaction that complies with (c)(i), (c)(ii) and (c)(iii) below;

(b) Individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least two-thirds of the directors then comprising the Incumbent Board (including for these purposes, the new members whose election or nomination was so approved, without counting the member and his predecessor twice) shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(c) Consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or stock of another entity by the Company or any of its subsidiaries (each, a "Business Combination"), in each case unless, following such Business Combination, (i) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets directly or through one or more subsidiaries ("Parent")) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any entity resulting from such Business Combination or a Parent or any

employee benefit plan (or related trust) of the Company or such entity resulting from such Business Combination or Parent) beneficially owns, directly or indirectly, 20% or more of, respectively, the then-outstanding shares of common stock of the entity resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such entity, except to the extent that the ownership in excess of 20% existed prior to the Business Combination, and (iii) at least a majority of the members of the board of directors or trustees of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or

(d) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

"Code" means the Internal Revenue Code of 1986, as amended.

"Common Stock" means shares of the Company's common stock, par value $0.01 per share, either currently existing or authorized hereafter.

"Competitive Activities" means that the Grantee, directly or indirectly, whether as owner, partner, shareholder, consultant, agent, employee, co-venturer or otherwise, engages, participates, assists or invests in any Competing Business (as hereinafter defined). The term "Competing Business" shall mean a publicly-traded real estate investment trust that is identified by the National Association of Real Estate Investment Trusts as a "mall REIT" or "shopping center REIT" (other than the Company or a surviving or resulting entity upon a Change of Control, or any of their respective affiliates). Notwithstanding the foregoing, the Grantee may own equity securities of an entity which constitutes, or is affiliated with, a Competing Business, so long at their value does not exceed two percent (2%) of the aggregate equity market capitalization of the Competing Business.

"Continuous Service" means the continuous service to the Company or any Subsidiary or affiliate, without interruption or termination, in any capacity of employee, or, with the written consent of the Committee, consultant. Continuous Service shall not be considered interrupted in the case of (A) any approved leave of absence, (B) transfers among the Company and any Subsidiary or affiliate, or any successor, in any capacity of employee, or with the written consent of the Committee, consultant, or (C) any change in status as long as the individual remains in the service of the Company and any Subsidiary or affiliate in any capacity of employee, member of the Board or (if the Company specifically agrees in writing that the Continuous Service is not uninterrupted) a consultant. An approved leave of absence shall include sick leave, military leave, or any other authorized personal leave.

"Current Distributions" has the meaning set forth in Section 7(b).

"Contingent Distributions" has the meaning set forth in Section 7(c).

"Disability" means (A) a "permanent and total disability" within the meaning of Section 22(e)(3) of the Code, or (B) the absence of the Grantee from his duties with the

Company on a full-time basis for a period of nine months as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Grantee or his legal representative (such agreements as to acceptability not to be unreasonably withheld). "Incapacity" as used herein shall be limited only to a condition that substantially prevents the Grantee from performing his or her duties.

"Effective Date" means January 1, [ ].

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Fair Market Value" means, as of any given date, the fair market value of a security determined by the Committee using any reasonable method and in good faith (such determination will be made in a manner that satisfies Section 409A of the Code and in good-faith as required by Section 422(c)(1) of the Code); provided that (A) if the security is then listed on a national stock exchange, the fair market value of such security on any date shall be the closing sales price per Share on the principal national stock exchange on which the security is listed on such date (or, if such date is not a trading date on which there was a sale of such security on such exchange, the last preceding date on which there was a sale of such security on such exchange), (B) if the security is not then listed on a national stock exchange but is then traded on an over-the-counter market, the fair market value of such security on any date shall be the average of the closing bid and asked prices for such security in the principal over-the-counter market on which such security is traded on such date (or, if such date is not a trading date on which there was a sale of such security on such market, for the last preceding date on which there was a sale of such security in such market), or (C) if the security is not then listed on a national stock exchange or traded on an over-the-counter market, the fair market value of such security on any date shall be such value as the Committee in its discretion may in good faith determine; provided that, where Shares are so listed or traded, the Committee may make such discretionary determinations where Shares have not been traded for 10 trading days.

"Good Reason" means an action taken by the Company, without the Grantee's written consent thereto, resulting in a material negative change in the employment relationship, to the extent not remedied by the Company within 30 days after receipt by the Company of written notice from the Grantee provided to the Company within 90 days (the "Cure Period") of the Grantee's knowledge of the occurrence of such material negative change in the employment relationship specifying in reasonable detail such occurrence. For these purposes, a "material negative change in the employment relationship" shall include, without limitation, any one or more of the following reasons, set forth in clauses (a) through (e) below:

(a) the assignment to the Grantee of any duties materially inconsistent in any respect with the Grantee's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities, or any other material diminution in such position, authority, duties or responsibilities (whether or not occurring solely as a result of the Company's ceasing to be a publicly traded entity);

(b) a change in the Grantee's principal office location to a location further away from the Grantee's home which is more than 30 miles from the Grantee's current principal office;

(c) the taking of any action by the Company to eliminate benefit plans in which the Grantee participated in or was eligible to participate in immediately prior to a Change of Control without providing substitutes therefor, to materially reduce benefits thereunder or to substantially diminish the aggregate value of the incentive awards or other fringe benefits; provided that if neither a surviving entity nor its parent following a Change of Control is a publicly-held company, the failure to provide stock-based benefits shall not be deemed good reason if benefits of comparable value using recognized valuation methodology are substituted therefor; and provided further that a reduction or elimination in the aggregate of not more than 10% in aggregate benefits in connection with across the board reductions or modifications affecting similarly situated persons of executive rank in the Company or a combined organization shall not constitute Good Reason;

(d) any one or more reductions in the Grantee's Base Salary that, individually or in the aggregate, exceed 10% of the Grantee's Base Salary; or

(e) any material breach by the Company of the Grantee's Service Agreement (if one exists).

In the event that the Company fails to remedy the condition constituting Good Reason during the applicable Cure Period, the Grantee's "separation from service" (within the meaning of Section 409A of the Code) must occur, if at all, within two years following the occurrence of such condition in order for such termination as a result of such condition to constitute a termination for Good Reason. If the Grantee suffers a Disability or dies following the occurrence of such material negative change in the employment relationship and the Grantee has given the Company the requisite written notice but the Company has failed to remedy the situation prior to such physical or mental incapacity or death, the Grantee's physical or mental incapacity or death shall not affect the ability of the Grantee or his heirs or beneficiaries, as applicable, to treat the Grantee's termination of employment as a termination for Good Reason, Retirement, death or Disability. For purposes of the definition of Good Reason, the term "Base Salary" means the annual base rate of compensation payable to Grantee by the Company prior to any reduction thereof, before deductions or voluntary deferrals authorized by the Grantee or required by law to be withheld from the Grantee by the Company. Salary excludes all other extra pay such as overtime, pensions, severance payments, bonuses, equity-based incentives, living or other allowances, and other perquisites.

"LTIP Units" means units of limited partnership interest of the Partnership designated as "LTIP Units" in the Partnership Agreement awarded pursuant to this Agreement under the LTIP having the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption set forth in the Partnership Agreement. Unless the context otherwise requires, the term "[ ] LTIP Units (PB)" shall include all [ ] LTIP Units (PB) and [ ]-2 LTIP Units (PB).

“Partial Service Factor” means a factor carried out to the sixth decimal, but never greater than one (1.000000), determined by dividing (A) the number of calendar days that have elapsed since the Effective Date to and including the date of the Grantee’s Retirement, death or Disability (as applicable) by (B) 365.

“Partnership Agreement” means the Amended and Restated Limited Partnership Agreement of the Partnership, dated as of March 16, 1994, among the Company, as general partner, and the limited partners who are parties thereto, as amended from time to time.

“Peer REIT” means each of the business entities qualified as real estate investment trusts (“REITs”) that are publicly-traded, U.S.-based “equity REITs” and are categorized in the National Association of Real Estate Investment Trusts (“NAREIT”) Index as “Mall” or “Shopping Center” REITs; provided that such business entities must be publicly-traded for the entire Performance Period to constitute a Peer REIT; provided further that if any business entity is delisted due to bankruptcy during the Performance Period it will remain a Peer REIT (such delisted business entities, “Delisted Peer REITs”). If the Committee determines that NAREIT no longer identifies Peer REITs, or that NAREIT’s identification of Peer REITs is no longer suitable for the purposes of this Agreement, then the Committee in its good faith reasonable discretion shall select Peer REITs identified by another reputable business organization for purposes of this Agreement. The Committee does not have the discretion to adjust the Peer REIT Total Return for matters other than as described above.

“Peer REIT Total Return” means, (a) for a Peer REIT other than a Delisted Peer REIT, with respect to the Performance Period, the absolute total stockholder return of the common equity of such Peer REIT during the Performance Period, calculated in the same manner as Total Return is calculated for the Company and (b) for a Delisted Peer REIT, an absolute total stockholder return of -100%.

[“Performance Period” means, the period commencing on (and including) January 1, [ ] and concluding on (and including) the earliest of (a) December 31, [ ] or (b) the date of a Change of Control.] or [“Performance Period” means, the period commencing on (and including) January 1, [ ] and concluding on (and including) December 31, [ ].]

“Person” means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, other entity or “group” (as defined in the Exchange Act).

“Qualified Termination” means a termination of the Grantee’s employment (A) by the Company for no reason or for any reason (other than for Cause, death or Disability), or (B) by the Grantee for Good Reason.

“Qualified Termination Factor” means a factor carried out to the six decimal, but never greater than one (1.000000), determined by dividing (A) the number of days between the Effective Date and the date on which the Grantee’s Qualified Termination occurs divided by (B) 1,095.

"Retirement" means: (A) if the Grantee is a party to a Service Agreement immediately prior to such event, and "Retirement" is defined therein, then "Retirement" shall have the meaning set forth in such Service Agreement, or (B) if the Grantee is not party to a Service Agreement immediately prior to such event and/or the Grantee's Service Agreement does not define "Retirement," then "Retirement" shall mean the Grantee's voluntary termination of employment with the Company and its Subsidiaries on or after the attainment of age 55 and completion of ten (10) years of employment with the Company and/or a Subsidiary, provided that following Retirement the Grantee does not engage in Competitive Activities during the balance of the Performance Period.

"Service Agreement" means, as of a particular date, any employment, consulting or similar service agreement, including, without limitation, management continuity agreement, then in effect between the Grantee, on the one hand, and the Company or one of its affiliates, on the other hand, as amended or supplemented through such date.

"Share" means a share of Common Stock, subject to adjustments pursuant to Section 6.2 of the Stock Plan.

"Share Price" means, as of a particular date, the Fair Market Value of one Share on such date (or, if such date is not a trading day, the most recent trading day immediately preceding such date); provided further, however, that if such date is the date upon which a Transactional Sale Event occurs, the Share Price as of such date shall be equal to the fair market value in cash, as determined by the Committee, of the total consideration paid or payable in the transaction resulting in the Transactional Sale Event for one Share.

"Total Return" means, with respect to the Performance Period, the compounded total annual return that would have been realized by a stockholder who (A) bought one Share on the first day of the Performance Period at the Share Price on the date immediately preceding such day, (B) reinvested each dividend and other distribution declared during such period of time with respect to such Share (and any other Shares previously received upon reinvestment of dividends or other distributions) in additional Shares at the Fair Market Value on the applicable dividend payment date, and (C) sold all the Shares described in clauses (A) and (B) on the last day of the Performance Period at the Share Price on such date. As set forth in, and pursuant to, Section 9 hereof, appropriate adjustments to the Total Return shall be made to take into account all stock dividends, stock splits, reverse stock splits and the other events set forth in Section 9 hereof that occur during the Performance Period. In calculating Total Return, it is the current intention of the Committee to use total return to stockholders data for the Company and the Peer REITs available from one or more third party sources, though the Committee reserves the right in its reasonable discretion to retain the services of a consultant to analyze relevant data or perform necessary calculations for purposes of this Award. If the Committee delegates the calculation of Total Return to a valuation or other expert, including matters such as the determination of dividend reinvestment and the inclusion or exclusion of REITs as Peer REITs, the Committee is entitled to rely on such valuation or other expert.

"Transactional Sale Event" means (A) a Change of Control described in clause (a) of the definition thereof as a result of a tender offer for Shares or (B) a Change of Control described in clause (c) of the definition thereof.

"Units" means Partnership Units (as defined in the Partnership Agreement) that are outstanding or are issuable upon the conversion, exercise, exchange or redemption of any securities of any kind convertible, exercisable, exchangeable or redeemable for Partnership Units.

3. **Award of [ ] LTIP Units (PB)**.

(a) On the terms and conditions set forth in this Agreement, as well as the terms and conditions of the Stock Plan, the Grantee is hereby granted this Award consisting of the number of LTIP Units set forth on Schedule A hereto opposite "[ ] LTIP Units (PB)", which is incorporated herein by reference (the "[ ] LTIP Units (PB)").

(b) If pursuant to Section 4 hereof vesting above 100% of the [ ] LTIP Units (PB) occurs, an additional number of [ ] LTIP Units (PB) shall be granted to the Grantee to cover the excess vesting percentage based on the calculations to be made pursuant to Section 4 hereof (the "[ ]-2 LTIP Units (PB)") and issued under the Partnership Agreement effective as of the last day of the Performance Period. In connection with any such subsequent grant of [ ]-2 LTIP Units (PB) the Grantee shall execute and deliver to the Company and the Partnership such documents, comparable to the documents executed and delivered in connection with the Agreement, as the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws.

(c) If pursuant to Section 3(b) hereof [ ]-2 LTIP Units (PB) are granted and issued to the Grantee, a payment in cash shall be made to the Grantee as soon as practicable after the time of such grant and issuance in an amount equal to (i) the total amount of all distributions paid with respect to one Unit between the date of grant of the [ ] LTIP Units (PB) and the LTIP Unit Distribution Participation Date provided in Section 7(a) multiplied by (ii) the number of [ ]-2 LTIP Units (PB) granted and issued pursuant to Section 3(b) hereof.

(d) [ ] LTIP Units (PB) shall constitute and be treated as the property of the Grantee as of the applicable grant date, subject to the terms of this Agreement and the Partnership Agreement. Every grant of [ ] LTIP Units (PB) to the Grantee pursuant to this Award shall be set forth in minutes of the meetings of the Committee. [ ] LTIP Units (PB) will be: (A) subject to vesting and/or forfeiture to the extent provided in Sections 4 and 5 hereof; and (B) subject to restrictions on transfer as provided in Section 8 hereof.

4. **Vesting of [ ] LTIP Units (PB)**.

(a) Except as otherwise set forth in this Section 4 and Section 5 below, the percentage of the Grantee's [ ] LTIP Units (PB) that will become vested at the end of the Performance Period [(or at such other date as provided in Section 5 hereof)] will be based on the

percentile rank of the Company's Total Return relative to the Peer REIT Total Return for the Peer REITs for the Performance Period as set forth below.

Percentile Rank	**Percentage of Award Vested**
At or above the 75th percentile	150% of the [ ] LTIP Units (PB)
At the 50th percentile	100% of the [ ] LTIP Units (PB)
At the 25th percentile	50% of the [ ] LTIP Units (PB)
Below the 25th percentile	0% of the [ ] LTIP Units (PB)

The percentile rank above shall be calculated using the following conventions:

$$\text{Percentile Rank} = \frac{X}{Y}$$

Where:

X = the number of Peer REITs with a Peer REIT Total Return lower than the Company's Total Return during the Performance Period.

Y = the total number of Peer REITs minus 1.

If Percentile Rank as calculated above is a not a whole number, then the award vesting shall be calculated as if the calculation resulted in a percentile rank equal to the next higher whole integer.

If the percentile rank falls between the 25th and 75th percentiles, the percentage of the Grantee's [ ] LTIP Units (PB) that become vested will be calculated using linear interpolation, such that for every additional percentile of rank between the 25th and 75th percentiles an additional 2% of the [ ] LTIP Units (PB) will be vested. For example: at the 34th percentile rank 68% of the [ ] LTIP Units (PB) will be vested {50% + [(9/25) x (50%)] = 68%}.

Subject to Section 5 hereof, vesting of the Grantee's [ ] LTIP Units (PB) shall occur as of the last day of the Performance Period, provided that the Continuous Service of the Grantee continues through the last day of the Performance Period, regardless of when the Committee completes its determination of percentile rank or any other calculations or assessments related to its determination of the vesting percentage. If, as a result of performance above the 50th percentile, the percentage of the Grantee's [ ] LTIP Unit (PB) that will become vested as of the end of the Performance Period exceeds 100%, then [ ]-2 LTIP Units (PB) shall be granted and issued as of the vesting date pursuant to Section 3(b) above shall be immediately vested upon such grant and issuance.

For the avoidance of doubt, assuming no Change of Control (*i.e.*, the last day of the Performance period is December 31, [ ]), the intent of this Section 4(a) is that (i) the Company's Total Return will be calculated using as the first input the Share Price on December 31, [ ] and as the last input the Share Price on December 31, [ ], and (ii) each Peer REIT's Total Return

will be calculated in the same manner with respect to the common equity of each such Peer REIT.

(b) The Committee may, upon consideration of the statistical data for the Peer REITs relative to Peer REIT Total Return for the Performance Period, exercise its reasonable discretion to allow for vesting of [ ] LTIP Units (PB) under Section 4(a) on a basis other than a strict mathematical calculation of percentile rank to the extent appropriate in light of the circumstances. By way of illustration, the foregoing would allow the Committee to provide for vesting to occur at a particular level if the Peer REIT Total Return of a number of Peer REITs is clustered within a narrow range such that the effect of the precise calculation of percentile rank would be that vesting would not occur or occur at a lower level. The Committee does not have the discretion to adjust downward the vesting of [ ] LTIP Units (PB).

(c) The Grantee agrees to provide Continuous Service to the Company in consideration for the conditional rights to the unvested [ ] LTIP Units (PB). Except as otherwise provided in Section 5 or pursuant to the Stock Pan, the vesting of the [ ] LTIP Units (PB) requires Continuous Service through the last day of the Performance Period as a condition to the vesting of the [ ] LTIP Units (PB). Partial service, even if substantial, during any vesting period will not entitle the Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment or service except as provided in Section 5 below or under the Stock Plan.

(d) Any [ ] LTIP Units (PB) that do not become vested pursuant to this Section 4 or Section 5 below shall, without payment of any consideration by the Partnership, automatically and without notice terminate, be forfeited and be and become null and void as of the end of the Performance Period, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested [ ] LTIP Units (PB).

5. **Change of Control or Termination of Grantee’s Service Relationship**.

(a) If the Grantee is a party to a Service Agreement, the provisions of this Section 5 shall govern the vesting of the Grantee’s [ ] LTIP Units (PB) exclusively in the event of a Change of Control or termination of the Grantee’s service relationship with the Company or any Subsidiary or affiliate, unless the Service Agreement contains provisions that expressly refer to this Section 5 and provides that those provisions of the Service Agreement shall instead govern the vesting of the Grantee’s [ ] LTIP Units (PB). The foregoing sentence will be deemed an amendment to any applicable Service Agreement to the extent required to apply its terms consistently with this Section 5, such that, by way of illustration, any provisions of the Service Agreement with respect to accelerated vesting or payout of the Grantee’s bonus or incentive compensation awards in the event of certain types of terminations of Grantee’s service relationship (such as, for example, termination at the end of the term, termination without Cause by the employer or termination for Good Reason by the employee) shall not (unless the Service Agreement contains provisions that expressly refer to this Section 5 and provides that those provisions of the Service Agreement shall instead govern the vesting of the Grantee’s [ ] LTIP Units (PB)) be interpreted as requiring that any calculations set forth in Section 4 hereof be

performed, or vesting occur with respect to this Award other than as specifically provided in this Section 5. In the event an entity ceases to be a Subsidiary or affiliate of the Company, such action shall be deemed to be a termination of employment of all employees of that entity for purposes of this Agreement resulting in any then unvested [ ] LTIP Units (PB), without payment of any consideration by the Partnership, being automatically and without notice forfeited; provided that the Committee, in its sole and absolute discretion, may make provision in such circumstances for accelerated vesting of some or all of the Grantee's remaining unvested [ ] LTIP Units (PB) that have not previously been forfeited and, if applicable, for the granting of [ ]-2 LTIP Units (PB) effective immediately prior to such event.

(b) [In the event of a Change of Control prior to December 31, [ ], then:

(i) the Performance Period shall end on such date and the calculations provided in Section 4 hereof shall be performed effective as of the date of the Change of Control and following the date of the Change of Control no further calculations pursuant to Section 4 hereof shall be performed with respect to the Grantee; and

(ii) if the [ ] LTIP Units (PB) remain outstanding after a Change of Control or equivalent replacement awards (as defined in Section 5(b)(iv) hereof) are substituted for the [ ] LTIP Units (PB) at the time of the Change of Control, then the number of [ ] LTIP Units (PB) that are determined as of the date of the Change of Control pursuant to the calculations provided in Section 4 shall remain subject to vesting tied to the Grantee's Continuous Service until December 31, [ ] as if no Change of Control had occurred, except that the Grantee shall become fully vested in such [ ] LTIP Units (PB) immediately (A) upon the Grantee's Qualified Termination in connection with or within twenty-four (24) months after the Change of Control, or (B) upon the Grantee's death, Disability or Retirement;

(iii) if neither the [ ] LTIP Units (PB) remain outstanding after a Change of Control nor equivalent replacement awards (as defined in Section 5(b)(iv) hereof) are substituted for the [ ] LTIP Units (PB) at the time of the Change of Control, then the Grantee shall become fully vested in the number of [ ] LTIP Units (PB) that are determined pursuant to the calculations provided in Section 4 as of the date of the Change of Control; and

(iv) an award shall qualify as an "equivalent replacement award" if the following conditions are met in the good faith discretion of the Committee:

(A) the replacement award is of the same type as the [ ] LTIP Units (PB) being replaced, including, without limitation, income tax attributes relating to the extent and timing of recognition of taxable income, gain or loss by the Grantee;

(B) the replacement award has a value equal to the Fair Market Value of the [ ] LTIP Units being replaced as of the effective date of the Change of Control;

(C) the equity securities issuable upon the conversion, exercise, exchange or redemption of the replacement award, or securities underlying the replacement award, as applicable, are listed on a national stock exchange;

(D) the replacement award contains terms relating to vesting (including with respect to the Grantee's Qualified Termination, death, Disability or Retirement) that are substantially identical to those of the [ ] LTIP Units (PB); and

(E) the other terms and conditions of the replacement award are not less favorable to the Grantee than the terms and conditions of the [ ] LTIP Units (PB).]

(i) [if the [ ] LTIP Units (PB) remain outstanding after a Change of Control or equivalent replacement awards (as defined in Section 5(b)(iii) hereof) are substituted for the [ ] LTIP Units (PB) at the time of the Change of Control, then:

(A) the calculations provided in Section 4 hereof shall be performed as of the end of the Performance Period as if the Change of Control had not occurred; and

(B) vesting tied to the Grantee's Continuous Service will occur upon the earlier of (i) the end of the Performance Period or (ii) the date of the Grantee's Qualified Termination, death, Disability or Retirement; provided, however, that the number of performance-vested [ ] LTIP Units (PB) shall not be determined until the end of the Performance Period as provided in Section 4;

(ii) if neither the [ ] LTIP Units (PB) remain outstanding after a Change of Control nor equivalent replacement awards are substituted for [ ] LTIP Units (PB) at the time of the Change of Control, then:

(A) the calculations provided in Section 4 hereof shall be performed effective as of the date of the Change of Control as if the Performance Period ended on such date; and

(B) the Grantee shall become fully vested in the number of [ ] LTIP Units (PB) that are determined pursuant to the calculations provided in Section 4 hereof as of the effective date of the Change of Control; and

(C) if pursuant to the above calculations vesting above 100% of the [ ] LTIP Units (PB) occurs, the appropriate number of [ ]-2 LTIP Units (PB) shall be granted and issued to the Grantee to cover the excess vesting percentage based on such calculations and such [ ]-2 LTIP Units (PB) shall be immediately vested. In connection with any such subsequent grant of [ ]-2 LTIP Units (PB) the Grantee shall execute and deliver to the Company and the Partnership such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or Partnership reasonable request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws;

(i) an award qualifies as an "equivalent replacement award" if the following conditions are met in the good faith discretion of the Committee:

(A) the replacement award is of the same type as the [ ] LTIP Units (PB) being replaced, including, without limitation, income tax attributes relating to the extent and timing of recognition of taxable income, gain or loss by the Grantee;

(B) the equity securities issuable upon the conversion, exercise, exchange or redemption of the replacement award, or securities underlying the replacement award, as applicable, are listed on a national stock exchange;

(C) the replacement award contains terms relating to vesting (including with respect to a Qualified Termination) that are substantially identical to those of the [ ] LTIP Units (PB);

(D) with respect to the measurement of Total Return, the compounded total annual return that would have been realized by a stockholder who bought one Share on the first day of the Performance Period, reinvested all dividends and other distributions, and liquidated the entire investment on the last day of the Performance Period shall be measured assuming that such stockholder participated in the transaction constituting a Change of Control on the terms applicable to the majority of stockholders and had continued to hold the investment (whether in securities of the Company or the surviving or resulting entity after the Change of Control transaction or in other property received as part of the Change of Control transaction (which in the case of cash shall be deemed reinvested at market rates of return for investments with duration and risk appropriate under the circumstances)), with

appropriate adjustments to take into account stock dividends, stock splits, reverse stock splits and the other events set forth in Section 9 that occur during the Performance Period both before, upon and after the effective date of the Change of Control transaction; and

(E) the other terms and conditions of the replacement award are not less favorable to the Grantee than the terms and conditions of the [ ] LTIP Units (PB).]

(c) Except as otherwise provided in Section 5(b), in the event of the Grantee's Qualified Termination, death or Disability or Retirement (as applicable below) prior to the end of the Performance Period, conditioned upon the execution and delivery by the Grantee of a customary release of claims and covenant not to solicit employees of the Company or its Subsidiaries or Affiliates following termination, the Grantee will not forfeit the [ ] LTIP Units (PB) upon such event, but the following provisions of this Section 5(c) shall modify the determination of vesting for the Grantee, subject, in each case, to the provisions of Sections 6.4 and 6.5 of the Stock Plan:

(i) the calculations provided in Section 4 hereof shall be performed as of the end of the Performance Period as if such Qualified Termination, death, Disability or Retirement (as applicable below) had not occurred, and, following such calculations, the Grantee shall become vested in the number of [ ] LTIP Units (PB) determined in accordance with this Section 5(c);

(ii) if the Grantee experiences a Retirement, death or Disability, in each case, prior to the first anniversary of the Effective Date, the number of [ ] LTIP Units (PB) resulting from the calculations provided in Section 4 hereof shall be multiplied by the Partial Service Factor (with the resulting number being rounded to the nearest whole LTIP Unit), and such adjusted number of [ ] LTIP Units (PB) shall become vested and any other [ ] LTIP Units (PB) that are not included in the foregoing calculation shall be immediately forfeited);

(iii) if the Grantee experiences a Retirement, death or Disability, in each case, on or after the first anniversary of the Effective Date, there will be no reduction in the number of [ ] LTIP Units (PB) resulting from the calculations provided in Section 4 hereof, and such unadjusted number of [ ] LTIP Units (PB) shall become vested; and

(iv) if the Grantee experiences a Qualified Termination prior to the end of the Performance Period, the number of [ ] LTIP Units (PB) resulting from the calculations provided in Section 4 hereof shall be multiplied by the Qualified Termination Factor (with the resulting number being rounded to the nearest whole LTIP Unit), and such adjusted number of [ ] LTIP Units (PB) shall become vested and any other [ ] LTIP Units (PB) that are not included in the foregoing calculation shall be immediately forfeited).

(d) If the Grantee becomes engaged in Competitive Activities at any time on or following the effective date of Retirement and before the end of the applicable Performance Period, then the provisions relating to vesting due to Retirement under Section 5(b) or 5(c), as applicable, will not apply, and, upon the date the Grantee becomes engaged in any such Competitive Activities during such period, all [ ] LTIP Units (PB), except for those that, prior to such engagement in Competitive Activities, had previously been vested pursuant to Section 4 hereof during the Grantee's Continuous Service or that otherwise became vested under this Section 5, shall automatically and immediately be forfeited by the Grantee. Any forfeited [ ] LTIP Units (PB) shall, without payment of any consideration by the Partnership, automatically and without notice be and become null and void, and neither the Grantee nor any of his successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such forfeited [ ] LTIP Units (PB).

(e) If the Grantee's employment with the Company or a Subsidiary or affiliate terminates as a result of a retirement under circumstances that do not meet the definition of "Retirement" under this Agreement, the Committee may, on a case-by-case basis and in its sole discretion, provide for accelerated or continued vesting of some or all of the Grantee's unvested [ ] LTIP Units (PB) that have not previously been forfeited and, if applicable, for the granting of [ ]-2 LTIP Units (PB), in each case effective prior to the effective date of retirement**,** but in any such event, the provisions of Section 5(d) will apply as if such retirement was deemed a "Retirement" for purposes of this Agreement, and any such vesting will be conditioned upon the execution and delivery by the Grantee of a customary release of claims and covenant not to solicit employees of the Company or its Subsidiaries or Affiliates following such termination.

(f) In the event of a termination of employment or other cessation of the Grantee's Continuous Service prior to the end of the Performance Period, effective as of the date of such termination or cessation, all [ ] LTIP Units (PB) except for those that had previously vested pursuant to Section 4 hereof and those that otherwise become vested or will continue to vest pursuant to this Section 5 shall automatically and immediately be forfeited by the Grantee. Any forfeited [ ] LTIP Units (PB) shall, without payment of any consideration by the Partnership, automatically and without notice be and become null and void, and neither the Grantee nor any of his successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such forfeited [ ] LTIP Units (PB).

6. **Payments by Award Recipients**. No amount shall be payable to the Company or the Partnership by the Grantee at any time in respect of this Award.

7. **Distributions**. Distributions on [ ] LTIP Units (PB) will be paid in accordance with the Partnership Agreement as modified hereby as follows:

(a) The LTIP Unit Distribution Participation Date (as defined in the Partnership Agreement) shall be (i) the date of grant, with respect to 10% of the [ ] LTIP Units (PB) issued pursuant to this Agreement, and (ii) the last day of the Performance Period, with respect to all other [ ] LTIP Units (PB) issued pursuant to this Agreement (to the extent they became vested in accordance with Sections 4 and 5 hereof). Vested [ ] LTIP Units (PB) shall be entitled to receive the full distribution payable on Units outstanding as of the record date next

following the last day of the Performance Period, whether or not they will have been outstanding for the whole period.

(b) Prior to the last day of the Performance Period, [ ] LTIP Units (PB) not otherwise forfeited in accordance with Section 4 or 5 hereof shall be entitled to receive 10% of regular periodic distributions payable to holders of Units (the "Current Distributions") and 0% of special, extraordinary or other distributions made not in the ordinary course.

(c) An amount equal to (i) the difference between (x) all distributions (regular, special, extraordinary or otherwise) paid with respect to one Unit between the date of grant of the [ ] LTIP Units (PB) and the last day of the Performance Period and (y) the Current Distributions paid with respect to one [ ] LTIP Unit up to the last day of the Performance Period (such difference, the "Contingent Distributions") multiplied by (ii) the number of [ ] LTIP Units (PB) shall be credited to a notional (unfunded) account for the benefit of the Grantee on the books and records of the Partnership subject to vesting. As promptly as practicable after the last day of the Performance Period, an amount equal to the positive difference (if any) between (A) the Contingent Distributions that would have been paid with respect to those [ ] LTIP Units (PB) that have become vested pursuant to Sections 4 or 5 hereof and (B) if any, the Current Distributions paid to the Grantee prior to the last day of the Performance Period in accordance with Section 7(b) in respect of the Unearned [ ] LTIP Units (PB) shall be paid to the Grantee. The "Unearned [ ] LTIP Units (PB)" means the number of [ ] LTIP Units (PB), if any, that are forfeited following vesting pursuant to Sections 4 or 5 hereof. Any portion of the notional account that is not payable to the Grantee shall be forfeited and revert to the Partnership free and clear of any claims by the Grantee.

(d) To the extent that the Partnership makes distributions to holders of Units partially in cash and partially in additional Units or other securities, unless the Committee in its sole discretion determines to allow the Grantee to make a different election, the Grantee shall be deemed to have elected with respect to all [ ] LTIP Units (PB) eligible to receive such distribution to receive 10% of such distribution in cash and 90% in Units, with the cash component constituting the Current Distribution prior to the last day of the Performance Period.

(e) To the extent that the allocations of income, gain, loss and deduction actually reported on each Partner's K-1 for any taxable year differ from the allocations that would have been made for such year if this Amendment has been in effect at such time, the Partnership shall adjust allocations for the current and future taxable periods in such manner as the General Partner deems appropriate to fully offset such difference. The intent of this Section 7(e) is to put each Partner as quickly as possible in the same position as he or she would have been in had this Amendment been in effect at all relevant times. This Section 7(e) shall be interpreted consistently with such intent.

8. **Restrictions on Transfer**. None of the [ ] LTIP Units (PB) shall be sold, assigned, transferred, pledged or otherwise disposed of or encumbered (whether voluntarily or involuntarily or by judgment, levy, attachment, garnishment or other legal or equitable proceeding) (each such action a "Transfer"), or redeemed in accordance with the Partnership Agreement (a) until after they have become vested pursuant to Section 4 or Section 5 other than

in connection with a Change of Control, and (b) unless such Transfer is in compliance with all applicable securities laws (including, without limitation, the Securities Act of 1933, as amended (the "Securities Act")), and such Transfer is in accordance with the applicable terms and conditions of the Partnership Agreement; provided, however, that clause (a) above shall not apply with respect to (i) the conversion into Units of [ ] LTIP Units (PB) that have become vested in accordance with Sections 4 or 5 hereof ("Converted LTIP Units") or (ii) any Transfer either of [ ] LTIP Units (PB) that have become vested in accordance with Sections 4 or 5 hereof or of Converted LTIP Units, so long as such Transfer is (A) permitted under the Partnership Agreement and (B) in connection with donative, estate or tax planning by the Grantee; and provided, further, that the Transferee agrees in writing with the Company and the Partnership not to make any further Transfer of such vested [ ] LTIP Units (PB) or Converted LTIP Units other than as permitted by this Section 8. In connection with any Transfer of [ ] LTIP Units (PB) or Converted LTIP Units, the Partnership may require the Grantee to provide an opinion of counsel, satisfactory to the Partnership, that such Transfer is in compliance with all federal and state securities laws (including, without limitation, the Securities Act). Any attempted Transfer of [ ] LTIP Units (PB) not in accordance with the terms and conditions of this Section 8 shall be null and void, and the Partnership shall not reflect on its records any change in record ownership of any [ ] LTIP Units (PB) as a result of any such Transfer, shall otherwise refuse to recognize any such Transfer and shall not in any way give effect to any such Transfer of any [ ] LTIP Units (PB). The restrictions on Transfer in this Section 8 shall not be interpreted to prohibit the Grantee from designating one or more beneficiaries to receive the Grantee's LTIP Units or Converted LTIP Units that are payable in the event of the Grantee's death. Any such beneficiary designation shall be on a form provided or approved by the Company.

9. **Changes in Capital Structure**. Without duplication with the provisions of Section 6.2 of the Stock Plan, if (a) the Company shall at any time be involved in a merger, consolidation, dissolution, liquidation, reorganization, exchange of shares, sale of all or substantially all of the assets or stock of the Company, spin-off of a Subsidiary, business unit or significant portion of assets or other fundamental transaction similar thereto, (b) any stock dividend, stock split, reverse stock split, stock combination, reclassification, recapitalization, significant repurchases of stock, or other similar change in the capital structure of the Company shall occur, (c) any extraordinary dividend or other distribution to holders of shares of Common Stock or Units other than regular cash dividends shall be made, or (d) any other event shall occur that in each case in the good faith judgment of the Committee necessitates action by way of appropriate equitable adjustment in the terms of this Award, the LTIP or the [ ] LTIP Units (PB), then the Committee shall take such action as it deems necessary to maintain the Grantee's rights hereunder so that they are substantially proportionate to the rights existing under this Award, the LTIP and the terms of the [ ] LTIP Units (PB) prior to such event, including, without limitation: (i) adjustments in the [ ] LTIP Units (PB) and the [ ]-2 LTIP Units (PB), Share Price, Total Return or other pertinent terms of this Award; and (ii) substitution of other awards under the Stock Plan or otherwise. The Grantee shall have the right to vote the [ ] LTIP Units (PB) if and when voting is allowed under the Partnership Agreement, regardless of whether vesting has occurred.

10. **Miscellaneous**.

(a) Amendments; Modifications. This Agreement may be amended or modified only with the consent of the Company and the Partnership; provided that any such amendment or modification materially and adversely affecting the rights of the Grantee hereunder must be consented to by the Grantee to be effective as against him; and provided, further, that the Grantee acknowledges that the Stock Plan may be amended or discontinued in accordance with Section 6.6 thereof and that this Agreement may be amended or canceled by the Committee, on behalf of the Company and the Partnership, for the purpose of satisfying changes in law or for any other lawful purpose, so long as no such action shall impair the Grantee's rights under this Agreement without the Grantee's written consent. Notwithstanding the foregoing, this Agreement may be amended in writing signed only by the Company to correct any errors or ambiguities in this Agreement and/or to make such changes that do not materially adversely affect the Grantee's rights hereunder. No promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, with respect to the subject matter hereof, have been made by the parties which are not set forth expressly in this Agreement. This grant shall in no way affect the Grantee's participation or benefits under any other plan or benefit program maintained or provided by the Company.

(b) Incorporation of Stock Plan and Change in Control Arrangement; Committee Determinations. The provisions of the Stock Plan and Change in Control Arrangement are hereby incorporated by reference as if set forth herein. In the event of a conflict between this Agreement and the Stock Plan or this Agreement and the Change in Control Arrangement, this Agreement shall be controlling and determinative. The Committee will make the determinations and certifications required by this Award as promptly as reasonably practicable following the occurrence of the event or events necessitating such determinations or certifications. In the event of a Change of Control, the Committee will perform any calculations set forth in Section 4 or Section 5 hereof required in connection with such Change of Control and make any determinations relevant to vesting with respect to this Award within a period of time that enables the Company to conclude whether [ ] LTIP Units (PB) become vested or are forfeited and whether any [ ]-2 LTIP Units (PB) need to be granted not later than prior to the effective date of the Change of Control, which determinations could, for the avoidance of doubt, include good faith assumptions.

(c) Status as a Partner. As of the grant date set forth on Schedule A, the Grantee shall be admitted as a partner of the Partnership with beneficial ownership of the number of [ ] LTIP Units (PB) issued to the Grantee as of such date pursuant to Section 3(a) hereof by: (A) signing and delivering to the Partnership a copy of this Agreement; and (B) signing, as a Limited Partner, and delivering to the Partnership a counterpart signature page to the Partnership Agreement (attached hereto as Exhibit A). The Partnership records shall reflect the issuance to the Grantee of [ ]-2 LTIP Units (PB) pursuant to Section 3(b) hereof, if any, whereupon the Grantee shall have the rights of a Limited Partner of the Partnership with respect to the total number of [ ] LTIP Units (PB) then held by the Grantee, as set forth in the Partnership

Agreement, subject, however, to the restrictions and conditions specified herein and in the Partnership Agreement.

(d) Status of [ ] LTIP Units (PB) under the Stock Plan. Insofar as the LTIP has been established as an incentive program of the Company and the Partnership, the [ ] LTIP Units (PB) are both issued as equity securities of the Partnership and granted as awards under the Stock Plan. The Company will have the right at its option, as set forth in the Partnership Agreement, to issue shares of Common Stock in exchange for Units into which [ ] LTIP Units (PB) may have been converted pursuant to the Partnership Agreement, subject to certain limitations set forth in the Partnership Agreement, and such shares of Common Stock, if issued, will be issued under the Stock Plan. The Grantee must be eligible to receive the [ ] LTIP Units (PB) in compliance with applicable federal and state securities laws and to that effect is required to complete, execute and deliver certain covenants, representations and warranties (attached as Exhibit B). The Grantee acknowledges that the Grantee will have no right to approve or disapprove such determination by the Committee.

(e) Legend. The records of the Partnership evidencing the [ ] LTIP Units (PB) shall bear an appropriate legend, as determined by the Partnership in its sole discretion, to the effect that such [ ] LTIP Units (PB) are subject to restrictions as set forth herein, in the Stock Plan and in the Partnership Agreement.

(f) Compliance With Securities Laws. The Partnership and the Grantee will make reasonable efforts to comply with all applicable securities laws. In addition, notwithstanding any provision of this Agreement to the contrary, no [ ] LTIP Units (PB) will become vested or be issued at a time that such vesting or issuance would result in a violation of any such laws.

(g) Investment Representations; Registration. The Grantee hereby makes the covenants, representations and warranties set forth on Exhibit B attached hereto. All of such covenants, warranties and representations shall survive the execution and delivery of this Agreement by the Grantee. The Partnership will have no obligation to register under the Securities Act any [ ] LTIP Units (PB) or any other securities issued pursuant to this Agreement or upon conversion or exchange of [ ] LTIP Units (PB). The Grantee agrees that any resale of the shares of Common Stock received upon the exchange of Units into which [ ] LTIP Units (PB) may be converted shall not occur during the "blackout periods" forbidding sales of Company securities, as set forth in the then applicable Company employee manual or insider trading policy. In addition, any resale shall be made in compliance with the registration requirements of the Securities Act or an applicable exemption therefrom, including, without limitation, the exemption provided by Rule 144 promulgated thereunder (or any successor rule).

(h) Section 83(b) Election. In connection with the issuance of [ ] LTIP Units (PB) under this Award pursuant to Section 3 hereof the Grantee may (but is not required to) make an election to include in gross income in the year of transfer the applicable [ ] LTIP Units (PB) pursuant to Section 83(b) of the Code substantially in the form attached hereto as Exhibit C and, if such an election is made, the Grantee shall provide to the Company a copy

thereof and supply to the Company such other information as the Company is required to maintain or file in accordance with the regulations promulgated thereunder.

(i) Severability. If, for any reason, any provision of this Agreement is held invalid, such invalidity shall not affect any other provision of this Agreement not so held invalid, and each such other provision shall to the full extent consistent with law continue in full force and effect. If any provision of this Agreement shall be held invalid in part, such invalidity shall in no way affect the rest of such provision not held so invalid, and the rest of such provision, together with all other provisions of this Agreement, shall to the full extent consistent with law continue in full force and effect.

(j) Governing Law. This Agreement is made under, and will be construed in accordance with, the laws of the State of Delaware, without giving effect to the principles of conflict of laws of such state.

(k) No Obligation to Continue Position as an Employee, Consultant or Advisor. Neither the Company nor any affiliate is obligated by or as a result of this Agreement to continue to have the Grantee as an employee, consultant or advisor and this Agreement shall not interfere in any way with the right of the Company or any affiliate to terminate the Grantee's service relationship at any time.

(l) Notices. Any notice to be given to the Company shall be addressed to the Secretary of the Company at its principal place of business and any notice to be given the Grantee shall be addressed to the Grantee at the Grantee's address as it appears on the employment records of the Company, or at such other address as the Company or the Grantee may hereafter designate in writing to the other.

(m) Withholding and Taxes. No later than the date as of which an amount first becomes includible in the gross income of the Grantee for income tax purposes or subject to the Federal Insurance Contributions Act withholding with respect to this Award, the Grantee will pay to the Company or, if appropriate, any of its affiliates, or make arrangements satisfactory to the Committee regarding the payment of, any United States federal, state or local or foreign taxes of any kind required by law to be withheld with respect to such amount. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company and its affiliates shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Grantee.

(n) Headings. The headings of paragraphs hereof are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

(o) Counterparts. This Agreement may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

(p) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and any successors to the Company and the Partnership, on the one hand, and any successors to the Grantee, on the other hand, by will or the laws of descent and distribution, but this Agreement shall not otherwise be assignable or otherwise subject to hypothecation by the Grantee.

(q) 409A. To the extent applicable, this Agreement shall be construed, administered and interpreted in accordance with a good faith interpretation of Section 409A of the Code. Any provision of this Agreement that is inconsistent with Section 409A of the Code, to the extent applicable, or that may result in penalties under Section 409A of the Code, shall be amended, in consultation with the Grantee and with the reasonable cooperation of the Grantee and the Company, in the least restrictive manner necessary to (i) exclude the applicable payment or benefit under this Agreement from the definition of “deferred compensation” within the meaning of such Section 409A or (ii) comply with the provisions of Section 409A, other applicable provision(s) of the Code and/or any rules, regulations or other regulatory guidance issued under such statutory provisions, in each case without diminution in the value of the benefits granted hereby to the Grantee. Notwithstanding anything herein to the contrary, in the event the amounts payable under this Agreement are determined to constitute “nonqualified deferred compensation” subject to Section 409A of the Code, then, to the extent the Grantee is a “specified employee” under Section 409A of the Code subject to the six-month delay thereunder, any such vesting or related payments to be made during the six-month period commencing on the Grantee’s “separation from service” (as defined in Section 409A of the Code) shall be delayed until the expiration of such six-month period.

(r) Complete Agreement. This Agreement (together with those agreements and documents expressly referred to herein, for the purposes referred to herein) embody the complete and entire agreement and understanding between the parties with respect to the subject matter hereof, and supersede any and all prior promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, which may relate to the subject matter hereof in any way.

[signature page follows]

IN WITNESS WHEREOF, the undersigned have caused this Award Agreement to be executed as of the 1st day of January, [ ].

THE MACERICH COMPANY

By: _

THE MACERICH PARTNERSHIP, L.P.

By: The Macerich Company,its general partner

By: _

GRANTEE

EXHIBIT A

FORM OF LIMITED PARTNER SIGNATURE PAGE

The Grantee, desiring to become one of the within named Limited Partners of The Macerich Company, L.P., hereby accepts all of the terms and conditions of (including, without limitation, the provisions related to powers of attorney), and becomes a party to, the Agreement of Limited Partnership, dated as of March 16, 1994, of The Macerich Partnership, L.P., as amended (the "Partnership Agreement"). The Grantee agrees that this signature page may be attached to any counterpart of the Partnership Agreement and further agrees as follows (where the term "Limited Partner" refers to the Grantee):

1. The Limited Partner hereby confirms that it has reviewed the terms of the Partnership Agreement and affirms and agrees that it is bound by each of the terms and conditions of the Partnership Agreement, including, without limitation, the provisions thereof relating to limitations and restrictions on the transfer of Partnership Units. Without limitation of the foregoing, the Limited Partner is deemed to have made all of the acknowledgements, waivers and agreements set forth in Sections 10.6 and 13.11 of the Partnership Agreement.

2. The Limited Partner hereby confirms that it is acquiring the Partnership Units for its own account as principal, for investment and not with a view to resale or distribution, and that the Partnership Units may not be transferred or otherwise disposed of by the Limited Partner otherwise than in a transaction pursuant to a registration statement filed by the Partnership (which it has no obligation to file) or that is exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), and all applicable state and foreign securities laws, and the General Partner may refuse to transfer any Partnership Units as to which evidence of such registration or exemption from registration satisfactory to the General Partner is not provided to it, which evidence may include the requirement of a legal opinion regarding the exemption from such registration. If the General Partner delivers to the Limited Partner shares of common stock of the General Partner ("Common Shares") upon redemption of any Partnership Units, the Common Shares will be acquired for the Limited Partner's own account as principal, for investment and not with a view to resale or distribution, and the Common Shares may not be transferred or otherwise disposed of by the Limited Partner otherwise than in a transaction pursuant to a registration statement filed by the General Partner with respect to such Common Shares (which it has no obligation under the Partnership Agreement to file) or that is exempt from the registration requirements of the Securities Act and all applicable state and foreign securities laws, and the General Partner may refuse to transfer any Common Shares as to which evidence of such registration or exemption from such registration satisfactory to the General Partner is not provided to it, which evidence may include the requirement of a legal opinion regarding the exemption from such registration.

3. The Limited Partner hereby affirms that it has appointed the General Partner, any Liquidator and authorized officers and attorneys-in-fact of each, and each of those acting singly, in each case with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead, in accordance with Section 6.10 of the Partnership Agreement, which Section is hereby incorporated by reference. The foregoing

power of attorney is hereby declared to be irrevocable and a power coupled with an interest, and it shall survive and not be affected by the death, incompetency, dissolution, disability, incapacity, bankruptcy or termination of the Limited Partner and shall extend to the Limited Partner's heirs, executors, administrators, legal representatives, successors and assigns.

4. The Limited Partner hereby irrevocably consents in advance to any amendment to the Partnership Agreement, as may be recommended by the General Partner, intended to avoid the Partnership being treated as a publicly-traded partnership within the meaning of Section 7704 of the Internal Revenue Code, including, without limitation, (a) any amendment to the provisions of Section 9.1 or the Redemption Rights Exhibit of the Partnership Agreement intended to increase the waiting period between the delivery of a notice of redemption and the redemption date to up to sixty (60) days or (b) any other amendment to the Partnership Agreement intended to make the redemption and transfer provisions, with respect to certain redemptions and transfers, more similar to the provisions described in Treasury Regulations Section 1.7704 1(f).

5. The Limited Partner hereby appoints the General Partner, any liquidator and authorized officers and attorneys-in-fact of each, and each of those acting singly, in each case with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead, to execute and deliver any amendment referred to in the foregoing paragraph 4(a) on the Limited Partner's behalf. The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, and it shall survive and not be affected by the death, incompetency, dissolution, disability, incapacity, bankruptcy or termination of the Limited Partner and shall extend to the Limited Partner's heirs, executors, administrators, legal representatives, successors and assigns.

6. The Limited Partner agrees that it will not transfer any interest in the Partnership Units (i) through a national, non-U.S., regional, local or other securities exchange or (ii) an over-the-counter market (including an interdealer quotation system that regularly disseminates firm buy or sell quotations by identified brokers or dealers by electronic means or otherwise) or (iii) to or through (a) a person, such as a broker or dealer, that makes a market in, or regularly quotes prices for, interests in the Partnership or (b) a person that regularly makes available to the public (including customers or subscribers) bid or offer quotes with respect to any interests in the Partnership and stands ready to effect transactions at the quoted prices for itself or on behalf of others.

7. The Limited Partner acknowledges that the General Partner shall be a third party beneficiary of the representations, covenants and agreements set forth in Sections 4 and 5 hereof. The Limited Partner agrees that it will transfer, whether by assignment or otherwise, Partnership Units only to the General Partner or to transferees that provide the Partnership and the General Partner with the representations and covenants set forth in Sections 4 and 5 hereof.

8. This Acceptance shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of law.

Signature Line for Limited Partner:

Date: January 1, [ ]

Address of Limited Partner:

EXHIBIT B

GRANTEE'S COVENANTS, REPRESENTATIONS AND WARRANTIES

The Grantee hereby represents, warrants and covenants as follows:

(a) The Grantee has received and had an opportunity to review the following documents (the "Background Documents"):

(i) The Company's latest Annual Report to Stockholders;

(ii) The Company's Proxy Statement for its most recent Annual Meeting of Stockholders;

(iii) The Company's Report on Form 10-K for the fiscal year most recently ended;

(iv) The Company's Form 10-Q, if any, for the most recently ended quarter filed by the Company with the Securities and Exchange Commission since the filing of the Form 10-K described in clause (iii) above;

(v) Each of the Company's Current Report(s) on Form 8-K, if any, filed since the end of the fiscal year most recently ended for which a Form 10-K has been filed by the Company;

(vi) The Partnership Agreement;

(vii) The Stock Plan; and

(viii) The Company's Articles of Amendment and Restatement, as amended.

The Grantee also acknowledges that any delivery of the Background Documents and other information relating to the Company and the Partnership prior to the determination by the Partnership of the suitability of the Grantee as a holder of [ ] LTIP Units (PB) shall not constitute an offer of [ ] LTIP Units (PB) until such determination of suitability shall be made.

(b) The Grantee hereby represents and warrants that

(i) The Grantee either (A) is an "accredited investor" as defined in Rule 501(a) under the Securities Act, or (B) by reason of the business and financial experience of the Grantee, together with the business and financial experience of those persons, if any, retained by the Grantee to represent or advise him with respect to the grant to him of [ ] LTIP Units (PB), the potential conversion of [ ] LTIP Units (PB) into units of limited partnership of the Partnership ("Common Units") and the potential redemption of such Common Units for shares the Company's common stock ("REIT Shares"), has such knowledge, sophistication and experience in financial and business matters and in making investment decisions of this type that the Grantee (I) is capable of evaluating the merits and risks of an investment in the Partnership and potential investment in the Company

and of making an informed investment decision, (II) is capable of protecting his own interest or has engaged representatives or advisors to assist him in protecting his interests, and (III) is capable of bearing the economic risk of such investment.

(ii) The Grantee, after due inquiry, hereby certifies that for purposes of Rule 506(d) and Rule 506(e) of the Securities Act, he is not subject to any felony or misdemeanor conviction related to any securities matter; any federal or state order, judgment, decree or injunction related to any securities, insurance, banking or U.S. Postal Service matter; any SEC disciplinary or cease and desist order; or any suspension, expulsion or bar related to a registered national securities exchange, national or affiliated securities association or member thereof, whether it occurred or was issued before, on or after September 23, 2013, and agrees that he will notify the Company immediately upon becoming aware that the foregoing is not, or is no longer, complete and accurate in every material respect, including as a result of events occurring after the date hereof.

(iii) The Grantee understands that (A) the Grantee is responsible for consulting his own tax advisors with respect to the application of the U.S. federal income tax laws, and the tax laws of any state, local or other taxing jurisdiction to which the Grantee is or by reason of the award of [ ] LTIP Units (PB) may become subject, to his particular situation; (B) the Grantee has not received or relied upon business or tax advice from the Company, the Partnership or any of their respective employees, agents, consultants or advisors, in their capacity as such; (C) the Grantee provides services to the Partnership on a regular basis and in such capacity has access to such information, and has such experience of and involvement in the business and operations of the Partnership, as the Grantee believes to be necessary and appropriate to make an informed decision to accept the award of [ ] LTIP Units (PB); and (D) an investment in the Partnership and/or the Company involves substantial risks. The Grantee has been given the opportunity to make a thorough investigation of matters relevant to the [ ] LTIP Units (PB) and has been furnished with, and has reviewed and understands, materials relating to the Partnership and the Company and their respective activities (including, but not limited to, the Background Documents). The Grantee has been afforded the opportunity to obtain any additional information (including any exhibits to the Background Documents) deemed necessary by the Grantee to verify the accuracy of information conveyed to the Grantee. The Grantee confirms that all documents, records, and books pertaining to his receipt of [ ] LTIP Units (PB) which were requested by the Grantee have been made available or delivered to the Grantee. The Grantee has had an opportunity to ask questions of and receive answers from the Partnership and the Company, or from a person or persons acting on their behalf, concerning the terms and conditions of the [ ] LTIP Units (PB). **The Grantee has relied upon, and is making its decision solely upon, the Background Documents and other written information provided to the Grantee by the Partnership or the Company.**

(iv) The [ ] LTIP Units (PB) to be issued, the Common Units issuable upon conversion of the [ ] LTIP Units (PB) and any REIT Shares issued in connection with the redemption of any such Common Units will be acquired for the account of the

Grantee for investment only and not with a current view to, or with any intention of, a distribution or resale thereof, in whole or in part, or the grant of any participation therein, without prejudice, however, to the Grantee's right (subject to the terms of the [ ] LTIP Units (PB), the Stock Plan, the agreement of limited partnership of the Partnership, the articles of organization of the Company, as amended, and the Award Agreement) at all times to sell or otherwise dispose of all or any part of his [ ] LTIP Units (PB), Common Units or REIT Shares in compliance with the Securities Act, and applicable state securities laws, and subject, nevertheless, to the disposition of his assets being at all times within his control.

(v) The Grantee acknowledges that (A) neither the [ ] LTIP Units (PB) to be issued, nor the Common Units issuable upon conversion of the [ ] LTIP Units (PB), have been registered under the Securities Act or state securities laws by reason of a specific exemption or exemptions from registration under the Securities Act and applicable state securities laws and, if such [ ] LTIP Units (PB) or Common Units are represented by certificates, such certificates will bear a legend to such effect, (B) the reliance by the Partnership and the Company on such exemptions is predicated in part on the accuracy and completeness of the representations and warranties of the Grantee contained herein, (C) such [ ] LTIP Units (PB) or Common Units, therefore, cannot be resold unless registered under the Securities Act and applicable state securities laws, or unless an exemption from registration is available, (D) there is no public market for such [ ] LTIP Units (PB) and Common Units and (E) neither the Partnership nor the Company has any obligation or intention to register such [ ] LTIP Units (PB) or the Common Units issuable upon conversion of the [ ] LTIP Units (PB) under the Securities Act or any state securities laws or to take any action that would make available any exemption from the registration requirements of such laws, except, that, upon the redemption of the Common Units for REIT Shares, the Company may issue such REIT Shares under the Stock Plan and pursuant to a Registration Statement on Form S-8 under the Securities Act, to the extent that (I) the Grantee is eligible to receive such REIT Shares under the Stock Plan at the time of such issuance, (II) the Company has filed a Form S-8 Registration Statement with the Securities and Exchange Commission registering the issuance of such REIT Shares and (III) such Form S-8 is effective at the time of the issuance of such REIT Shares. The Grantee hereby acknowledges that because of the restrictions on transfer or assignment of such [ ] LTIP Units (PB) acquired hereby and the Common Units issuable upon conversion of the [ ] LTIP Units (PB) which are set forth in the Partnership Agreement or this Agreement, the Grantee may have to bear the economic risk of his ownership of the [ ] LTIP Units (PB) acquired hereby and the Common Units issuable upon conversion of the [ ] LTIP Units (PB) for an indefinite period of time.

(vi) The Grantee has determined that the [ ] LTIP Units (PB) are a suitable investment for the Grantee.

(vii) No representations or warranties have been made to the Grantee by the Partnership or the Company, or any officer, director, stockholder, agent, or affiliate of

any of them, and the Grantee has received no information relating to an investment in the Partnership or the [ ] LTIP Units (PB) except the information specified in paragraph (b) above.

(c) So long as the Grantee holds any [ ] LTIP Units (PB), the Grantee shall disclose to the Partnership in writing such information as may be reasonably requested with respect to ownership of [ ] LTIP Units (PB) as the Partnership may deem reasonably necessary to ascertain and to establish compliance with provisions of the Code, applicable to the Partnership or to comply with requirements of any other appropriate taxing authority.

(d) The Grantee hereby agrees to make an election under Section 83(b) of the Code with respect to the [ ] LTIP Units (PB) awarded hereunder, and has delivered with this Agreement a completed, executed copy of the election form attached hereto as Exhibit C. The Grantee agrees to file the election (or to permit the Partnership to file such election on the Grantee's behalf) within thirty (30) days after the award of the [ ] LTIP Units (PB) hereunder with the IRS Service Center at which such Grantee files his personal income tax returns, and to file a copy of such election with the Grantee's U.S. federal income tax return for the taxable year in which [ ] LTIP Units (PB) are issued or awarded to the Grantee.

(e) The address set forth on the signature page of this Agreement is the address of the Grantee's principal residence, and the Grantee has no present intention of becoming a resident of any country, state or jurisdiction other than the country and state in which such residence is sited.

EXHIBIT C

ELECTION TO INCLUDE IN GROSS INCOME IN YEAR OF TRANSFER OF PROPERTY PURSUANT TO SECTION 83(b) OF THE INTERNAL REVENUE CODE

The undersigned hereby makes an election pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, Treasury Regulations Section 1.83-2 promulgated thereunder, and Rev. Proc. 2012-29, 2012-28 IRB, 06/26/2012, to include in gross income as compensation for services the excess (if any) of the fair market value of the property described below over the amount paid for such property.

1. The name, address and taxpayer identification number of the undersigned are:

   Name: _ (the "Taxpayer")

   Address: _

   ____

   Social Security No./Taxpayer Identification No.: _

   Taxable Year: Calendar Year [__]

2. Description of property with respect to which the election is being made:

   The election is being made with respect to _ [ ] LTIP Units (PB) in The Macerich Partnership, L.P. (the "Partnership").

3. The date on which the [ ] LTIP Units (PB) were transferred to the undersigned is _, [__].

4. Nature of restrictions to which the [ ] LTIP Units (PB) are subject:

   (a) Until the [ ] LTIP Units (PB) vest, the Taxpayer may not transfer in any manner any portion of the [ ] LTIP Units (PB) without the consent of the Partnership.

   (b) The Taxpayer's [ ] LTIP Units (PB) vest in accordance with the vesting provisions described in the Schedule attached hereto. Unvested [ ] LTIP Units (PB) are forfeited in accordance with the vesting provisions described in the Schedule attached hereto.

5. The fair market value at time of transfer (determined without regard to any restrictions other than a nonlapse restriction as defined in Treasury Regulations Section 1.83-3(h)) of the [ ] LTIP Units (PB) with respect to which this election is being made was $0 per [ ] LTIP Unit (PB).

6. The amount paid by the Taxpayer for the [ ] LTIP Units (PB) was $0 per [ ] LTIP Unit (PB).

7. The amount to include in gross income is $0.

The undersigned taxpayer will file this election with the Internal Revenue Service office with which taxpayer files his or her annual income tax return not later than 30 days after the date of transfer of the property. A copy of the election also will be furnished to the person for whom the services were performed. Additionally, the undersigned will include a copy of the election with his or her income tax return for the taxable year in which the property is transferred. The undersigned is the person performing the services in connection with which the property was transferred.

Dated: _

SCHEDULE TO 83(b) ELECTION

Vesting Provisions of [ ] LTIP Units (PB)

The [ ] LTIP Units (PB) are subject to performance-based vesting. Performance-based vesting will be from 0-100% based on The Macerich Company's (the "Company") per-share total return to holders of common stock (the "Total Return") for the period from January 1, [ ] through December 31, [ ] (or earlier in certain circumstances). The [ ] LTIP Units (PB) may vest depending on the percentile rank of the Company in terms of Total Return relative to the Total Return of a group of peer REITs (the "Peer REITs"), as measured at the end of the performance period. Vesting of the [ ] LTIP Units (PB) will occur as follows:

Percentile Rank	**Award Vested (*)**
At or above the 75th percentile	150%
At the 50th percentile	100%
At the 25th percentile	50%
Below the 25th percentile	0%

(*) Linear interpolation between the 25th and 75th percentiles.

The above vesting is conditioned upon the Taxpayer remaining an employee of the Company through the applicable vesting date, subject to acceleration under specified circumstances. Unvested [ ] LTIP Units (PB) are subject to forfeiture in the event of failure to vest.

SCHEDULE A TO [ ] LTIP UNIT AWARD AGREEMENT (PERFORMANCE-BASED)

Date of Award Agreement:	January 1, [__]
Name of Grantee:	
Number of [ ] LTIP Units (PB) Subject to Grant:	
Grant Date:	January 1, [__]

Initials of Company representative: _

Initials of Grantee: _

Exhibit 31.1

THE MACERICH COMPANY

SECTION 302 CERTIFICATION

I, Thomas E. O'Hern, certify that:

1. I have reviewed this report on Form 10-Q for the quarter ended March 31, 2020 of The Macerich Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ THOMAS E. O'HERN

Date: May 11, 2020

Chief Executive Officer

Exhibit 31.2

THE MACERICH COMPANY

SECTION 302 CERTIFICATION

I, Scott W. Kingsmore, certify that:

1. I have reviewed this report on Form 10-Q for the quarter ended March 31, 2020 of The Macerich Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ SCOTT W. KINGSMORE

Date: May 11, 2020

Senior Executive Vice President and Chief Financial Officer

Exhibit 32.1

THE MACERICH COMPANY

WRITTEN STATEMENT

PURSUANT TO

18 U.S.C. SECTION 1350

The undersigned, Thomas E. O'Hern and Scott W. Kingsmore, the Chief Executive Officer and Chief Financial Officer, respectively, of The Macerich Company (the "Company"), pursuant to 18 U.S.C. §1350, each hereby certifies that, to the best of his knowledge:

(i) the Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 of the Company (the "Report") fully complies with the requirements of Section 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 11, 2020

/s/ THOMAS E. O'HERN

Chief Executive Officer

/s/ SCOTT W. KINGSMORE

Senior Executive Vice President and Chief Financial Officer