SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

FOR QUARTER ENDED SEPTEMBER 30, 1996 COMMISSION FILE NO. 1-12504

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

MARYLAND
(State or other jurisdiction of incorporation or organization)

95-4448705
(I.R.S. Employer Identification Number)

233 Wilshire Boulevard, Suite 700, Santa Monica, CA 90401
(Address of principal executive office) (Zip code)

Registrant's telephone number, including area code (310) 394-5333

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

Number of shares outstanding of each of the registrant's classes of common stock, as of November 5, 1996.

Common stock, par value $.01 per share: 24,993,266

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 such shorter period that the Registrant was required to file such report) and (2) has been subject to such filing requirements for the past ninety (90) days.

YES X NO

The Macerich Company
Form 10Q

INDEX

CONDENSED CONSOLIDATED BALANCE SHEETS OF THE COMPANY
(Dollars in thousands, except per share amounts)

	September 30, 1996 (Unaudited)	December 31, 1995 (Audited)
ASSETS:		
Property, net	$774,766	$694,900
Cash and cash equivalents	2,631	15,570
Tenant receivables, including accrued overage rents of $3,167 in 1996 and $2,920 in 1995	18,776	15,214
Due from affiliates	3,200	-
Deferred charges and other assets	20,261	20,434
Investment in unconsolidated joint ventures and the management companies	18,098	17,280
Total assets	$837,732	$763,398
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Mortgage notes payable:		
Related parties	$136,032	$136,186
Others	405,866	349,007
Total	541,898	485,193
Bank note payable	34,500	-
Accounts payable	1,501	2,265
Accrued interest expense	2,306	2,015
Other accrued expenses	7,003	4,522
Due to affiliates	-	811
Deferred acquisition liability	5,000	5,000
Other liabilities	9,397	9,507
Total liabilities	601,605	509,313
Minority interest in Operating Partnership	89,402	95,740
Commitments and contingencies		
Stockholders' equity		
Preferred Stock, $.01 par value, 10,000,000 shares authorized - none issued	-	-
Common Stock, $.01 par value, 100,000,000 shares authorized, 19,993,000 outstanding at September 30, 1996 and 19,977,000 at December 31, 1995	200	200
Additional paid in capital	146,525	158,145
Accumulated deficit	-	-
Total stockholders' equity	146,725	158,345
Total liabilities and stockholders' equity	$837,732	$763,398

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS OF THE COMPANY
(Unaudited)
(Dollars in thousands, except per share amounts)

	January 1, 1996 to Sept 30, 1996	January 1, 1995 to Sept 30, 1995
REVENUES:		
Minimum rents	$70,890	$49,535
Percentage rents	4,570	3,837
Tenant recoveries	34,033	19,595
Other	1,642	489
Total Revenues	111,135	73,456
OPERATING COSTS:		
Shopping center expenses	36,076	22,948
General and administrative expense	1,862	1,693
Interest expense	30,490	18,195
Depreciation and amortization	23,799	18,750
Total Expenses	92,227	61,586
Equity in income of unconsolidated joint ventures and the management companies	2,876	2,393
Income of the Operating Partnership	21,784	14,263
Minority interest in net income of Operating Partnership	(8,096)	(5,739)
Extraordinary loss on early extinguishment of debt	(315)	(1,299)
Net income	$13,373	$7,225
Net income per common share	$0.67	$0.50
Dividend/distribution per common share outstanding	$1.26	$1.24
Weighted average number of common shares outstanding	19,993,000	14,375,100
Weighted average number of Operating Units outstanding	32,111,000	25,792,000

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS OF THE COMPANY
(Unaudited)
(Dollars in thousands, except per share amounts)

	Three Months Ended September 30, 1996	Three Months Ended September 30, 1995
REVENUES:		
Minimum rents	$24,249	$17,075
Percentage rents	1,482	1,567
Tenant recoveries	11,451	7,403
Other	567	246
Total Revenues	37,749	26,291
OPERATING COSTS:		
Shopping center expenses	12,279	8,347
General and administrative expense	466	495
Interest expense	10,131	6,674
Depreciation and amortization	8,148	6,478
Total Expenses	31,024	21,994
Equity in income of unconsolidated joint ventures and the management companies	754	769
Income of the Operating Partnership	7,479	5,066
Minority interest in net income of Operating Partnership	(2,820)	(2,245)
Net income	$4,659	$2,821
Net income per common share	$0.23	$0.20
Dividend/distribution per common share outstanding	$0.42	$0.42

THE MACERICH COMPANY (The Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS OF THE COMPANY
(In Thousands)

	January 1, 1996 to Sept 30, 1996	January 1, 1995 to Sept 30, 1995
Cash flows from operating activities:		
Net income	$13,373	$7,225
Adjustments to reconcile net income to net cash provided by operating activities:		
Extraordinary loss on early extinguishment of debt	-	1,299
Loss on sale of assets	315	-
Depreciation and amortization	23,799	18,750
Amortization of discount on trust deed note payable	33	410
Minority interest in the income of the Operating Partnership	8,096	5,739
Changes in assets and liabilities:		
Tenant receivables, net	(3,562)	(3,213)
Other assets	447	2,514
Accounts payable and accrued expenses	2,009	822
Due to affiliates	(1,174)	(467)
Other liabilities	252	(657)
Total adjustments	30,215	25,197
Net cash provided by operating activities	43,588	32,422
Cash flows from investing activities:		
Acquisitions of property and improvements	(67,211)	(8,549)
Renovations and expansions of centers	(5,349)	(4,214)
Additions to tenant improvements	(624)	(1,207)
Deferred charges - leasing costs	(2,707)	(2,152)
Deferred charges - financing costs	(1,981)	(2,801)
Loans to affiliates	(3,200)	-
Proceeds from sale of assets	948	-
Net cash used in investing activites	(80,124)	(18,923)
Cash flows from financing activities:		
Proceeds from notes and mortgages payable	131,544	94,000
Payments on mortgages and notes payable	(67,101)	(75,497)
Equity in income of unconsolidated joint ventures and the management companies	(2,876)	(2,393)
Distributions from joint ventures and management companies	2,058	2,199
Dividends and distributions	(40,028)	(30,618)
Net cash provided by (used in) financing activities	23,597	(12,309)
Net increase (decrease) in cash	(12,939)	1,190
Cash and cash equivalents, beginning of period	15,570	3,823
Cash and cash equivalents, end of period	$2,631	$5,013

Supplemental cash flow information:		
Cash payment for interest	$30,166	$17,115
Non-cash transactions:		
Acquisition of Property by assumption of debt	$25,849	$74,650
Acquisition of Property by issuance of OP units	$600	-

1. Interim Financial Statements and Basis of Presentation:

The accompanying Condensed Consolidated financial statements of The Macerich Company ("financial statements") have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements and have not been audited by independent public accountants.

The unaudited interim financial statements should be read in conjunction with the audited financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 1995. In the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the financial statements for the interim periods have been made. The results for interim periods are not necessarily indicative of the results to be expected for a full year.

Certain reclassifications have been made in the 1995 financial statements to conform to the 1996 financial statement presentation.

2. Organization:

The Macerich Company (the "Company") was incorporated under the General Corporation Law of Maryland on September 9, 1993 and commenced operations effective with the completion of its initial public offering ("IPO") on March 16, 1994. The Company was formed to continue the business of the Macerich Group, which since 1972 has focused on the acquisition, ownership, redevelopment, management and leasing of regional shopping centers located throughout the United States. In 1994, the Company became the sole general partner of The Macerich Partnership L.P., (the "Operating Partnership"). In connection with it's IPO the Company acquired a 56% interest in the Operating Partnership. The Operating Partnership now owns 100% of 17 properties, including three that were acquired in 1995, one in January, 1996 and one in October, 1996. In addition, the Operating Partnership owns interests in four other regional shopping centers. Collectively these properties and interests are referred to as the "Centers". The Company conducts all of its operations through the Operating Partnership and other wholly owned subsidiaries, and the Company's two Management Companies, Macerich Property Management Company and Macerich Management Company, collectively referred to as "the Management Companies".

The Company is a real estate investment trust under the Internal Revenue Code of 1986, as amended, owns approximately 67% of The Operating Partnership and is the sole General Partner. The limited partnership interest not owned by the Company is reflected in these financial statements as Minority Interest.

3. Investments in Unconsolidated Joint Ventures and the Management Companies

The following are the Company's investments in various real estate joint ventures which own regional retail shopping centers. The Operating Partnership is a general partner in these joint ventures. The Operating Partnership's interest in each joint venture is as follows:

Joint Venture	The Operating Partnership's Ownership %
Macerich Northwestern Associates	50%
North Valley Plaza Associates	50%
Panorama City Associates	50%
West Acres Development	19%

The non-voting preferred stock of the Management Companies is owned by the Operating Partnership, which provides the Operating Partnership the right to receive 95% of the distributable cash flow from the Management Companies. The Company accounts for the Management Companies using the equity method of accounting.

Combined and condensed balance sheets and statements of operations are presented below for all unconsolidated joint ventures, and the Management Companies, followed by information regarding the Operating Partnership's beneficial interest in the combined operations. Beneficial interest is calculated based on the Operating Partnership's ownership interests in the joint ventures and the Management Companies.

COMBINED AND CONDENSED BALANCE SHEETS OF JOINT VENTURES AND THE MANAGEMENT COMPANIES

	September 30, 1996	December 31, 1995
Assets:		
Properties, net	$107,015	$104,879
Other assets	14,951	10,923
Total assets	$121,966	$115,802
Liabilities and partners' capital:		
Mortgage notes payable	$82,015	$82,515
Other liabilities	10,953	5,306
The Company's capital	18,098	17,280
Outside Partners' capital	10,900	10,701
Total liabilities and partners' capital	$121,966	$115,802

3. Investments in Unconsolidated Joint Ventures and the Management Companies - Continued

COMBINED STATEMENTS OF OPERATIONS OF JOINT VENTURES AND THE MANAGEMENT COMPANIES

	Three Months Ended September 30, 1996	Three Months Ended September 30, 1995	Nine Months Ended September 30, 1996	Nine Months Ended September 30, 1995
Revenues	$8,782	$7,663	$24,132	$23,766
Expenses:				
Shopping center expenses	3,195	2,092	6,886	6,438
Interest	1,609	1,624	4,822	4,855
Management company expense	871	1,045	2,675	3,275
Depreciation and amortization	1,202	908	3,244	3,108
Total operating costs	6,877	5,669	17,627	17,676
Gain on sale of land	-	2	282	724
Net income	$ 1,905	$ 1,996	$6,787	$ 6,814

Significant accounting policies used by the unconsolidated joint ventures and the Management Companies are similar to those used by the Macerich Company.

Included in mortgage notes payable are amounts due to related parties of $43,500 at September 30, 1996 and December 31, 1995. Interest expense incurred on these borrowings amounted to $748 and $751 for the three months ended September 30, 1996 and 1995, respectively, and $2,236 and $2,234 for the nine months ended September 30, 1996 and 1995, respectively.

The following table sets forth the Operating Partnership's beneficial interest in the joint ventures and the Management Companies:

PRO RATA SHARE OF COMBINED AND STATEMENT OF OPERATIONS OF JOINT VENTURES AND THE MANAGEMENT COMPANIES

	Three Months Ended September 30, 1996	Three Months Ended September 30, 1995	Nine Months Ended September 30, 1996	Nine Months Ended September 30, 1995
Revenues	$3,877	$3,517	$11,369	$11,171
Expenses:				
Shopping center expenses	1,087	860	2,871	2,758
Interest	539	541	1,611	1,615
Management company expense	905	867	2,541	3,111
Depreciation and amortization	592	480	1,524	1,431
Total operating costs	3,123	2,748	8,547	8,915
Gain on sale of land	-	-	54	137
Net income	$754	$769	$2,876	$2,393

4. Property:

Property is comprised of the following:

	Sept 30, 1996	December 31, 1995
Land	$173,049	$155,490
Building Improvements	714,851	636,183
Tenant Improvements	35,354	34,730
Equipment and Furnishings	4,334	3,668
Construction in Progress	6,042	3,927
	933,630	833,998
Less, accumulated depreciation	158,864	139,098
	$774,766	$694,900

5. Deferred Charges And Other Assets:

Deferred charges and other assets include leasing, financing and other assets are:

	Sept 30, 1996	December 31, 1995
Leasing	$27,264	$24,926
Financing	6,561	8,173
	33,825	33,099
Less, accumulated amortization	16,928	16,476
	16,897	16,623
Other assets	3,364	3,811
Total	$20,261	$20,434

6. Notes and Mortgages Payable:

Notes and mortgages payable at September 30, 1996 and December 31, 1995 consists of the following:

Property Pledged As Collateral	Carrying Amount of Notes 1996 Other	1996 Related Party	1995 Other	1995 Related Party	Interest Rate	Payment Terms	Maturity Date
Capitola Mall	-	$38,062	-	$38,250	9.25%	316(f)	2001
Chesterfield Towne Center	$59,156	-	$59,536	-	8.75%	475(h)	2024
Chesterfield Towne Center	5,315	-	5,346	-	9.38%	43(h)	2024
Chesterfield Towne Center	1,926	-	1,938	-	8.88%	16(h)	2024
Crossroads Mall (a)	-	35,970	-	35,936	7.08%	244(f)	2010
Greeley Mall	18,679	-	19,000	-	8.50%	(i)	2003
Green Tree/ Crossroads - OK (b)	-	-	50,000	-	7.45%	interest only	2004
Holiday Village Mall	14	-	73	-	5.50%	7(f)	1996
Holiday Village Mall	-	17,000	-	17,000	6.75%	interest only	2001
Lakewood Mall (c)	127,000	-	127,000	-	7.20%	interest only	2005
Marina Marketplace	21,918	-	-	-	6.35%	173	1997
Northgate Mall	-	25,000	-	25,000	6.75%	interest only	2001
Parklane Mall	-	20,000	-	20,000	6.75%	interest only	2001
Queens Center	65,100	-	-	-	(d)	interest only	1999
Queens Center	-	-	55,800	-	(e)	(e)	1999
Queens Center	-	-	10,200	-	(e)	(e)	1999
The Centre at Salisbury (b)	-	-	21,000	-	7.13%	interest only	2004
Salisbury/Crossroads-OK/ Greentree	103,300	-	-	-	7.11%	interest only(b)	2004
Sassafras Square	3,464	-	-	-	8.54%	31 (j)	1999
Sub-Total	405,872	136,032	349,893	136,186			
Less interest rate arrangements (g)	6	-	886	-			
Total	$405,866	$136,032	$349,007	$136,186			
Bank note payable	$34,500	-	-	-	7.25%	(k)	1997

Weighted average interest rate at September 30, 1996 7.42%

Weighted average interest rate at December 31, 1995 7.52%

Notes:

(a) There is a discount on this note which is being amortized over the life of the loan using the effective interest method. At September 30, 1996 and December 31, 1995 the unamortized discount was $463 and $496, respectively.

(b) On April 16, 1996 these loans were combined and secured by all three properties. The loan amount was increased to $103,300. The average interest rate is 7.11% and the maturity is March, 2004. On October 18, 1996 the loan amount increased to $117,713 at an average interest rate of 7.22%.

6. Mortgage Notes Payable, Continued:

(c) The loan indenture requires the Company to deposit all cash flow from the property operations with a trustee to meet its obligations under the Notes. Cash in excess of the required amount, as defined, is released. Included in cash and cash equivalents is $750 of restricted cash deposited with the trustee at September 30, 1996 and at December 31, 1995.

(d) This loan bears interest at LIBOR plus .45%. Interest only is payable monthly. There is an interest rate cap that provides for a LIBOR strike price of 5.88% on $10,200 of debt through March, 1999. The remaining principal has a LIBOR strike price of 6.45% for 1996, 7.075% for 1997 and 7.7% from January 1, 1998 through maturity.

(e) These loans were paid off on September 30, 1996.

(f) This represents the monthly payment of principal and interest.

(g) Represents the unamortized cost of interest rate arrangements at Crossroads Mall. The estimated market value of these arrangements is $0 at September 30, 1996 and $886 at December 31, 1995.

(h) This amount represents the monthly payment of principal and interest. In addition, contingent interest, as defined in the loan agreement, may be due to the extent that 35% of the amount by which the property's gross receipts (as defined in the loan agreement) exceeds a base amount specified therein. Contingent interest expense recognized by the Company was $245 at September 30, 1996 and $138 at September 30, 1995.

(i) Interest only is payable through March, 1996. Thereafter monthly payments total $187 until maturity at which time the balance is due in full.

(j) Represents the monthly payment of principal and interest.

(k) Represents borrowings under the Company's unsecured working capital line of credit. The total amount of the line is $60,000 and the interest rate is LIBOR plus 1.75% or the prime rate. The borrowings under this line were paid off in full on November 5, 1996.

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

The market value of notes payable at September 30, 1996 and December 31, 1995 is estimated to be approximately $575,000 and $466,000, respectively, based on current interest rates for comparable loans.

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7. Related-Party Transactions:

The Company engages The Management Companies to manage the operations of the unconsolidated joint ventures and other affiliated shopping centers. The Management Companies are reflected under the equity method of accounting for investments.

Certain mortgage notes were held by outside partners of the individual Macerich Group partnerships. Interest expense in connection with these notes was $2,688 and $1,918 for the three months ended September 30, 1996 and 1995, respectively, and $8,105 and $5,681 for the nine months ended September 30, 1996 and for 1995, respectively. Included in accrued interest expense is interest payable to these partners of $492 and $537 at September 30, 1996 and December 31, 1995, respectively.

8. Commitments and contingencies:

Certain partnerships have entered into noncancellable operating ground leases. The leases expire at various times through 2070, subject in some cases to options to extend the terms of the lease. Certain leases provide for contingent rent payments based on a percent of base rent income, as defined. Ground rent expenses were $580, including contingent rents of $0, for the nine months ended September 30, 1996, and $1,669, including contingent rents of $517, for the nine months ended September 30, 1995. Ground rent expenses were $192 and $538 for three months ended September 30, 1996 and September 30, 1995, respectively.

On December 21, 1995, the Company acquired Capitola Mall. As part of the purchase price, the Company will issue $5,000 of Operating Partnership units five years after the acquisition date. The units will be issued at a price equal to the stock price at that time.

Perchloroethylene (PCE) has been detected in soil and groundwater in the vicinity of a dry cleaning establishment at North Valley Plaza. The California Department of Toxic Substance Control (DTSC) has advised the Company that very low levels of Dichlorethylene (1,2,DCE) a degradation byproduct of PCE, have been detected in a water well located 1/4 mile west from the dry cleaners, and the dry cleaning facility may have contributed to the introduction of 1,2 DCE into the water well. According to DTSC, the maximum contaminant level (MCL) for 1,2DCE which is permitted in drinking water is 6 parts per billion (ppb); and that the 1,2DCE was detected in the water well at 1.2 ppb, which is below the MCL. The Company has retained an environmental consultant to investigate the contamination and the Company has initiated testing of the site. Evaluation of this situation is preliminary, and at this time the Company is unable to determine whether any remediation will be required, or if necessary, what the range of remediation costs might be. The joint venture that owns that property has set up a $200 reserve ($145 of which has already been incurred) to cover professional fees and testing costs. The Company intends to look to the responsible parties and insurers if remediation is required.

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8. Commitments and contingencies - Continued:

Toluene, a petroleum constituent, has been detected in one of three groundwater dewatering system holding tanks at the Queens Center. The source of the toluene is currently unknown, but it is possible that an adjacent service station has caused or contributed to the problem. It is also possible that the toluene remains from previous service station operations which occurred on site prior to the development of the site into its current use in the early 1970s. Toluene was detected at levels of 410 and 160 parts per billion (ppb) in samples taken from the tank in October, 1995 and February, 1996, respectively. In May, 1996, two additional samples were collected, one of which contained toluene at .63 ppb, the other sample detected no toluene. Although the Company believes that no remediation will be required, it has set up a $300 reserve to cover professional fees and testing costs. The Company intends to look to the responsible parties and insurers if remediation is required.

Dry cleaning chemicals, including perchloroethylene (PCE) have been detected in soil and groundwater in the vicinity of a dry cleaning establishment at Villa Marina Marketplace. The previous owner of the property has reported the problem to the appropriate government authorities and has agreed to fully assess and remediate the site to the extent required by those authorities subject to a limited indemnity agreement. The previous owner has removed the dominant source of impacted soil and is continuing its efforts to assess the site under the direction of the local regulatory oversight agency. Although the Company believes that it will not be required to participate in assessment or remediation activities, it has set up a $300 reserve ($20 of which has already been incurred), concurrent with its January 25, 1996 acquisition of the Center, to cover professional fees and testing costs.

9. Pro Forma Information:

Villa Marina Marketplace was acquired on January 25, 1996. On a pro forma basis, reflecting this acquisition as if it had occurred on January 1, 1996, the Company would have reflected total revenues of $112.2 million, net income of $13.6 million and net income per share of $0.68 for the nine months ended September 30, 1996.

Valley View Mall was acquired on October 21, 1996. On a pro forma basis, reflecting this acquisition as if it occurred on January 1, 1996, the Company would have total revenues of $122.3 million, net income of $16.8 million and net income per share of $0.72 for the nine months ended September 30, 1996.

10. Subsequent Events:

On October 21, 1996 the Company acquired Valley View Mall, a 1.6 million square foot super regional mall in Dallas, Texas. The purchase price of $85.5 million was paid in cash from the Company's line of credit and from a $60,000 credit facility secured by Valley View Mall. The Company also issued an additional $14.4 million of notes secured by Salisbury, Crossroads-OK and Green Tree malls.

On October 30, 1996 the Company issued 5,000,000 shares of common stock with net proceeds of $106,250. The proceeds were used to pay off $60,000 of debt incurred on the Valley View acquisition, to pay off the Company's line of credit and for general corporate purposes.

Item II

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion is based primarily on the consolidated balance sheet of the Macerich Company ("the Company") as of September 30, 1996, and also compares the activities for the nine months and three months ended September 30, 1996, to the activities for the nine months and three months ended September 30, 1995.

This information should be read in conjunction with the accompanying consolidated financial statements and notes thereto. These financial statements include all adjustments which are, in the opinion of management, necessary to reflect the fair statement of the results for the interim periods presented, and all such adjustments are of a normal recurring nature.

The Company acquired The Centre at Salisbury ("Salisbury") in Salisbury, Maryland on August 15, 1995, Capitola Mall ("Capitola"), in Capitola, California on December 21, 1995, Queens Center ("Queens"), in Queens, New York on December 28, 1995, and on January 25, 1996 the Company acquired Villa Marina Marketplace in Marina del Rey, California. These properties are known as the "Acquisition Centers". Shopping centers owned by the Company for the entire nine month period ended September 30, 1996 and 1995 are referred to as the "Same Centers" for comparison purposes below. The 1996 financial statements include Villa Marina Marketplace from the date of acquisition to September 30, 1996 and include the 1995 Acquisitions from January 1, 1996 through September 30, 1996. As a result of the acquisitions, many of the variations in the results of operations, discussed below, occurred due to the addition of these properties to the portfolio during 1996 and 1995. The Company's ability to acquire additional properties is impacted by many factors, such as availability and cost of capital, overall debt to market capitalization level, interest rates and availability of potential acquisition targets that meet the Company's criteria. Accordingly, management is uncertain as to whether during the balance of 1996, and beyond that, there will be similar acquisitions and corresponding increases in revenues, net income and funds from operations that occurred as a result of the 1996 and 1995 acquisitions. In addition, the Company's success in the highly competitive real estate shopping center business depends upon many other factors, including general economic conditions, the ability of tenants to make rent payments, increases or decreases in operating expenses, occupancy levels, changes in demographics, competition from other centers and forms of retailing and the ability to renew leases or relet space upon the expiration or termination of leases.

The bankruptcy and/or closure of retail stores, particularly anchors, may reduce customer traffic and cash flow generated by a Center. During 1996, Federated Department Stores, Inc. closed the Broadway at Panorama and Weinstocks at Parklane. Although negotiations are underway to replace these anchor tenants, completion of those transactions is not certain and the long-term closure of these or other stores could adversely affect the Company's performance.

Results of Operations - Nine months Ended September 30, 1996 and 1995

Revenues

Minimum and percentage rents together increased $22.1 million to $75.5 million for the nine months ended September 30, 1996 compared to $53.4 million in the nine months ended September 30, 1995. The Acquisition Centers contributed virtually all of this increase.

Tenant recoveries for the nine months ended September 30, 1996 increased by $14.4 million. This was due to the addition of the Acquisition Centers ($13.1 million) and increases in recoveries at the Same Centers of $1.3 million which resulted from higher recoverable expenses.

Expenses

Operating expenses, including shopping center, management, leasing and ground rent expense, increased by $13.1 million for the nine months ended September 30, 1996 compared to the same period in 1995. This increase was due to the addition of the Acquisition Centers ($13.4 million) and increases in Same Centers recoverable expenses of $1.3 million. The increase was offset somewhat by lower ground rent expense of $1.1 million which resulted from the October 1995 acquisition of land at Crossroads-Boulder which was previously ground leased. Depreciation and amortization increased by $5.1 million, $4.3 million related to the Acquisition Centers. Interest expense increased by $12.3 million which resulted primarily from the increased interest expense on debt attributable to the Acquisition Centers.

Income From Unconsolidated Joint Ventures and The Management Companies

The income from unconsolidated joint ventures and management companies increased to $2.9 million compared to $2.4 million for the period ended September 30, 1995. This increase was primarily due to increased net income of the Management Companies.

Loss on Early Extinguishment of Debt

The Company financed the debt secured by Lakewood Mall on September 28, 1995. As a result $1.3 million of unamortized loan costs were written off as an extraordinary item during the nine months ended September 30, 1995.

Net Income

Net income for the period increased to $13.4 million compared to $7.2 million for the nine months ended September 30, 1995. This increase was due to the factors discussed above.

Results of Operations - Three months Ended September 30, 1996 and 1995

Revenues

Minimum and percentage rents together increased $7.1 million. Of this increase approximately $7.2 million related to the Acquisition Centers.

Tenant recoveries increased to $11.5 million in 1996, from $7.4 million in 1995. The Acquisition Centers were responsible for $4.2 million of this increase and the balance of the increase was primarily due to higher Same Centers recoverable expenses.

Expenses

Operating expenses, including shopping center and ground rent expenses, increased by $3.9 million to $12.3 million in 1996, most of the change related to the Acquisition Centers ($4.5 million). The balance of the change was primarily due to lower Same Center recoverable expenses of $0.3 million, and by lower ground lease expense of $0.3 million. Depreciation and amortization for the quarter increased to $8.2 million from $6.5 million for the same period in 1995. Approximately $1.4 million of this increase was attributable to the Acquisition Centers. Interest expense increased from $6.7 million in 1995 to $10.1 million in 1996. Most of the increase related to debt assumed on, or debt incurred to acquire, the Acquisition Centers.

Income From Unconsolidated Joint Ventures and The Management Companies

The income from unconsolidated joint ventures and the Management Companies remained unchanged at $0.8 million in 1995 compared to $0.8 million in 1996.

Net Income

Net income for the period increased to $4.7 million from $2.8 million for the three months ended September 30, 1995. This increase was due to the factors discussed above.

Liquidity and Capital Resources

The Company intends to meet its short term liquidity requirements through cash generated from operations and working capital reserves. The Company anticipates that revenues will continue to provide necessary funds for its operating expenses and debt service requirements, and to pay dividends to stockholders in accordance with REIT requirements. The Company anticipates that cash generated from operations, together with cash on hand, will be adequate to fund capital expenditures which will not be reimbursed by tenants, other than non-recurring capital expenditures. Capital for major expenditures or redevelopments has been, and is expected to continue to be, obtained from equity or debt financings.

The Company believes that it will have access to the capital necessary to expand its business in accordance with its strategies for growth and maximizing Funds from Operations. The Company presently intends to obtain additional capital necessary to expand its business through a combination of additional equity offerings and debt financings.

The Company's total outstanding loan indebtedness at September 30, 1996 was $605.5 million (including its pro rata share of joint venture debt). This equated to a debt to total market capitalization (defined as total debt of the Operating Partnership, including its pro rata share of joint venture debt, plus aggregate market value of outstanding shares of common stock, assuming full conversion of OP Units into stock) rate of 46% at September 30, 1996. Such debt consists primarily of conventional mortgages payable secured by individual properties. In connection with $65 million of the Company's floating rate indebtedness, the Company has entered into interest rate protection agreements that limit the Company's exposure to increases in interest rates.

On October 30, 1996, the Company issued 5,000,000 shares of common stock and raised $106.3 million in net proceeds. The proceeds were used to pay down debt and for general corporate purposes. These transactions reduced the debt to total market capitalization to 40%.

The Company has an unsecured line of credit of $60 million. The outstanding borrowings on the line of credit at September 30, 1996 were $34.5 million. This debt was paid off in full on November 5, 1996, accordingly, there is $60,000 of capacity available on the line as of November 5, 1996. The Company also has a $60 million credit facility, secured by Valley View Mall. The current balance on that facility is $0.

At September 30, 1996 the Company had cash and cash equivalents available of $2.6 million.

Funds From Operations

The Company believes that the most significant measure of its performance is Funds from Operations ("FFO"). FFO is defined by The National Association of Real Estate Investment Trusts ("NAREIT") to be: Net income, excluding gains (or losses) from debt restructuring and sales of property, plus depreciation and amortization of real property and after adjustments for Unconsolidated joint ventures. Adjustments for Unconsolidated partnerships and joint ventures will be calculated to reflect FFO on the same basis. Also, extraordinary items and significant non-recurring events are excluded from the FFO calculation. FFO does not represent cash flow from operations, as defined by generally accepted accounting principles, and is not necessarily indicative of cash available to fund all cash flow needs. The following reconciles net income to the FFO.

	Nine months ended Sept 30,		Three months ended Sept 30,	
	1996	1995	1996	1995
	(amounts in thousands)			
Net income	$13,373	$7,225	$4,659	$2,821
Adjustments to reconcile net income to FFO:				
Loss on early extinguishment of debt	-	1,299	-	-
Loss (gain) on sale of assets	262	(139)	-	-
Minority interest	8,096	5,739	2,820	2,245
Depreciation and amortization on wholly owned properties	23,799	18,750	8,148	6,478
Less amortization of loan costs and financial instruments and depreciation of personal property	(1,896)	(2,804)	(579)	(934)
Pro rata share of joint venture depreciation and amortization of real estate	1,524	1,431	592	480
Total FFO	$45,158	$31,501	$15,640	$11,090
Weighted average number of shares outstanding, assuming full conversion of OP Units	32,111	25,792	32,111	25,814

Included in minimum rents for the nine months ended September 30, 1996 were $1.3 million of rents attributable to the accounting practice of "straight lining of rents." This compares to $0.9 million for the same period in 1995.

Inflation

In the last three years, inflation has not had a significant impact on the Company because of a relatively low inflation rate. Substantially all the leases at the Centers have rent adjustments periodically through the lease term. These rent increases are either in fixed increments or based on increases in the Consumer Price Index. In addition, many of the leases are for terms of less than ten years, 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. Additionally, most of the leases require the tenants to pay their pro rata share of operating expenses. This reduces the Company's exposure to increases in costs and operating expenses resulting from inflation.

PART II

Other Information

Item 1 Legal Proceedings

None

Item 2 Changes in Securities

None

Item 3 Defaults Upon Senior Securities

None

Item 4 Submission of Matters to a Vote of Security Holders

None

Item 5 Other Information

None

Item 6 Exhibits and Reports on Form 8-K

None

Signatures

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/ THOMAS E. O'HERN

Thomas E. O'Hern
Senior Vice President and
Chief Financial Officer

Date: November 14, 1996

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONDENSED CONSOLIDATED BALANCE SHEETS AND CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS FOUND ON PAGES 3 AND 4 OF TEH COMPANY'S FORM 10-Q FOR THE YEAR-TO-DATE, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

9-MOS
DEC-31-1996
SEP-30-1996
2,631
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21,976
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0
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.67