



MACERICH PATH FORWARD

July 2024



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This document contains statements that constitute forward-looking statements which can be identified by the use of words, such as “will,” “expects,” “anticipates,” “assumes,” “believes,” “estimated,” “guidance,” “projects,” “scheduled” and similar expressions that do not relate to historical matters, and includes expectations regarding the Company’s future operational results as well as development, redevelopment and expansion activities. 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 to vary materially from those anticipated, expected or projected. Such factors include, among others, general industry, as well as global, national, regional and local economic and business conditions, including the impact of rising interest rates and inflation, 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 cost of operating and capital 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 (including rising inflation, supply chain disruptions and construction delays), and acquisitions and dispositions; the adverse impacts from any future pandemic, epidemic or outbreak of any highly infectious disease 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. The reader is directed to the Company’s various filings with the Securities and Exchange Commission, including the Annual Report on Form 10-K for the year ended December 31, 2023, for a discussion of such risks and uncertainties, which discussion is 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.



MISSION STATEMENT

**Own and operate thriving retail centers that bring our communities together
and create long-term value for shareholders, partners, and customers**

VALUES

Characteristics vital to the success of and at Macerich

Excellence

Empowerment

Integrity

Relationships

Optimism

Fun



PATH FORWARD

What are we solving for?

- ✓ Deleverage the capital structure to a low-to-mid 6x range over the next three to four years
- ✓ Invest in and fortify Fortress and Steady Eddy Portfolio
- ✓ Proactively consolidate selected joint venture assets that are core to the overall strategy
- ✓ Deliver clean FFO/share launch point of ~\$1.80/share over the next three to four years
- ✓ Achieve outstanding operational results through rigorous internal process improvements
- ✓ Position the company to take an offensive stance on acquisitions, reinvestment, and selected development



PATH FORWARD

Simple and executable plan

How do we get there?

1

SIMPLIFYING THE BUSINESS

- ✓ Refresh ranking of the portfolio to focus on criteria beyond sales per square foot
- ✓ Enhance the portfolio through asset sales and give-backs
- ✓ Proactively consolidate selected joint ventures
- ✓ Formalize capital allocation strategy

2

OPERATIONAL PERFORMANCE IMPROVEMENT

- ✓ Proactively replace obsolete anchor spaces with a continued focus on anchors of the future
 - ✓ Funded via cash flow growth and prudent capital allocation
- ✓ Drive NOI growth among Eastern Seaboard assets back to pre-COVID levels; ~ \$65 million⁽¹⁾ target NOI growth, largely through plans already in place
- ✓ Continue to augment existing \$68 million incremental rent revenue from executed lease pipeline
- ✓ Improve permanent occupancy across the go-forward portfolio
- ✓ Achieve outstanding operational results by evaluating and realigning internal processes, including offshoring, CRM integration, and implementing more automated systems

3

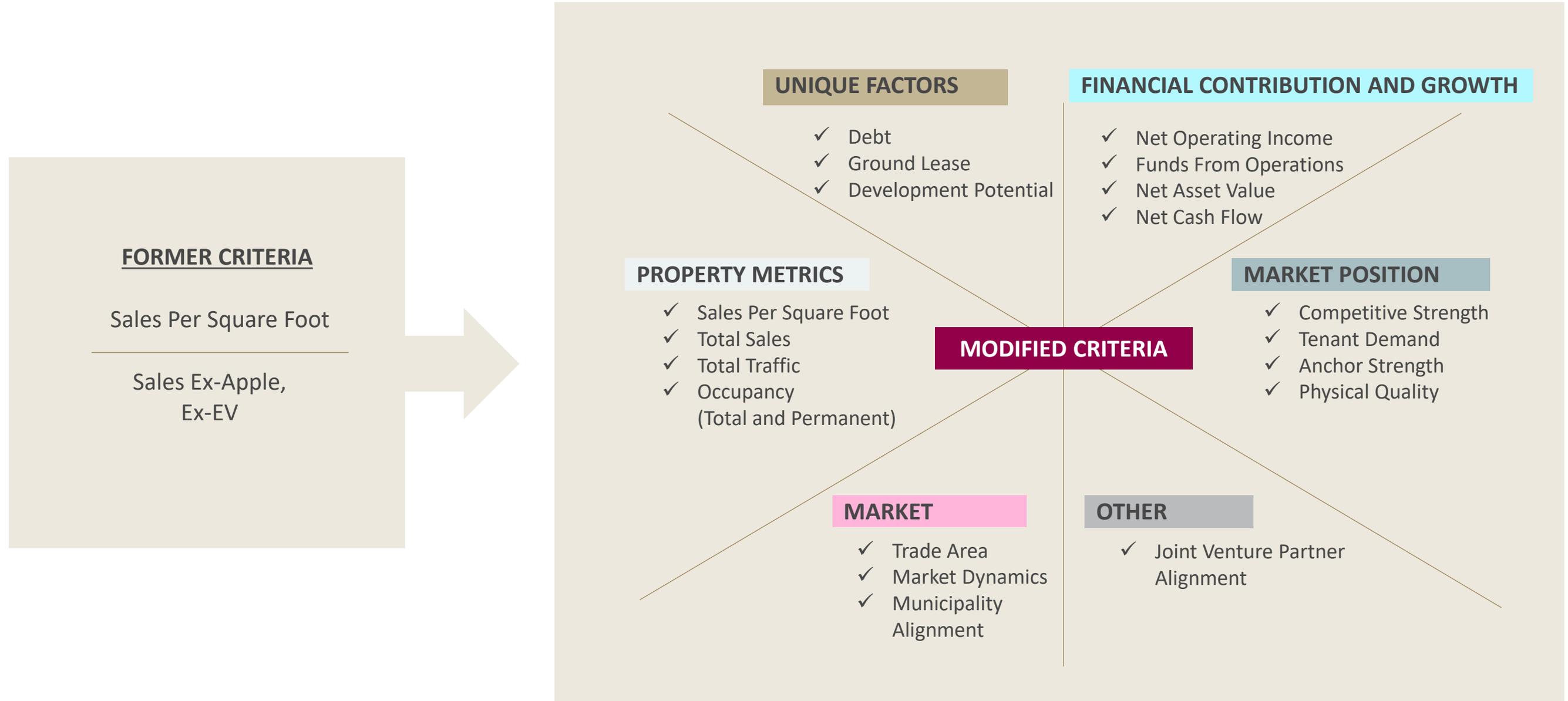
LEVERAGE REDUCTION

- ✓ Organic NOI growth – ~1x turn leverage reduction
 - ✓ Enhance and grow Macerich's existing free cash flow generation of ~\$300 million per year
- ✓ Asset sales with accretive proceeds, asset give-backs result in ~1x turn leverage reduction
 - ✓ Sale of non-mall assets
 - ✓ Free-standing, triple-net parcels at attractive valuations
 - ✓ Assets with negative equity that may be sold or given back to secured lenders represent an estimated ~.4x turn of this leverage reduction
- ✓ Opportunistic equity issuance based on progress milestones – ~2/3x turn leverage reduction
 - ✓ Given existing sufficient liquidity position and annual free cash flow generation this will be opportunistically timed as part of the broader de-leveraging strategy

(1) This includes an estimated **\$24 million** that is embedded within the signed, not opened lease pipeline, which totals \$68 million



EXPANDED ASSET RANKING CRITERIA





REFRESHED PORTFOLIO GROUPS & ASSET RANKINGS

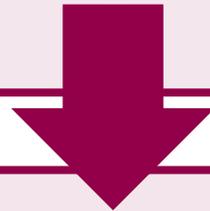
Re-ranking provides improved clarity as to capital allocation priorities



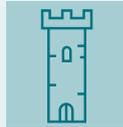
Fortress

Generating substantial economic outcomes and powerful performance metrics

5 assets



Green Acres Mall
Valley Stream, NY



Fortress Potential

Specific strategic plans to grow into Fortress assets

3 assets



Los Cerritos Center
Cerritos, CA



Steady Eddy

Stable cash flow generators with solid market position and performance metrics, supporting our company objectives

21 assets



Queens Center
Queens, NY



Eddies

Contributes cashflow to support company objectives but warrants limited capital investment based on underlying debt or ownership structure, or lower performance metrics

14 assets



Tysons Corner Center
Tysons Corner, VA



EXECUTION CREATES GROWTH OPPORTUNITIES

Executing strategic plan and asset prioritization creates a more focused platform for growth

Key Metric	Current Portfolio	Current Portfolio	Current Portfolio Excluding Eddies ⁽¹⁾
	2019	2023/2024	2023/2024
Total SF Leased	3.4M	4.2M	3.1M
Same Center NOI	0.7%	4.5%	4.0%
Occupancy	94.0%	93.5%	95.4%
Perm Occupancy	87.6%	85.2%	88.5%
Base Rent Releasing Spread	4.7%	17.2%	22.7%
Avg. Annual Traffic	6.9M	6.6M	7.1M
Sales PSF	\$801	\$836	\$919
NOI @ Share	\$868M	\$821M	\$694M
Debt Yield	12.4%	11.9%	11.9%

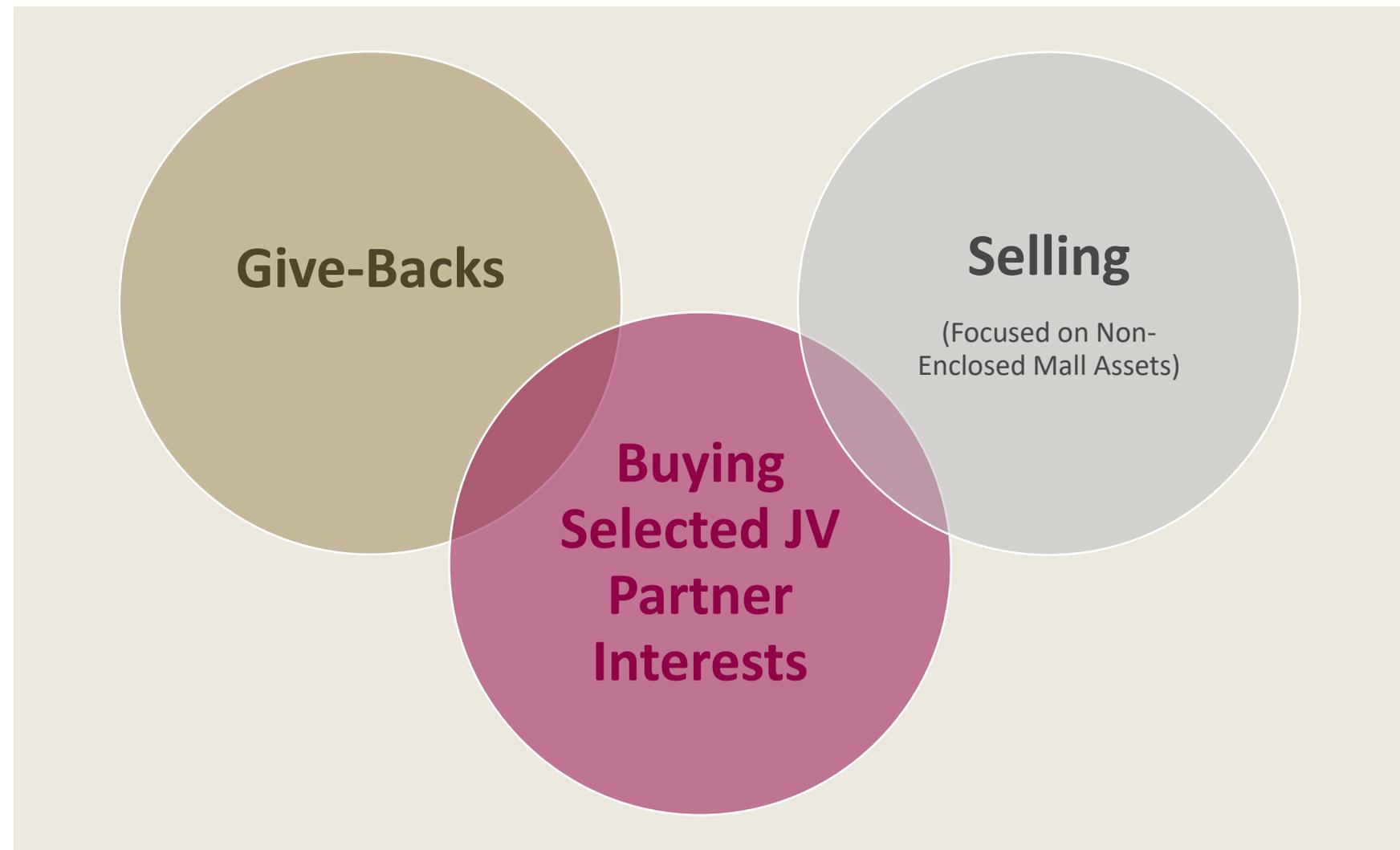
(1) Represents portfolio excluding Eddie Group assets



OPTIMIZE THE PORTFOLIO

Asset sales with accretive proceeds, asset give-backs result in ~1x turn leverage reduction

- ✓ Asset disposition program is expected to reduce debt by nearly \$2 billion and generate \$450-500 million of liquidity
- ✓ Asset sales may include free-standing, triple-net parcels at attractive valuations
- ✓ Give-backs are expected to reduce leverage by ~.4x turn reduction (*of the total expected ~1x turn reduction*) and reduce debt by over \$800 million (*of the total estimated nearly \$2 billion debt reduction*)





EASTERN 6 - NOI GROWTH DRIVERS

In-place plans and executed new leases for Eastern Seaboard assets are expected to drive an estimated \$65 million (~25%) of NOI growth over the next four years⁽¹⁾

1



TYSONS CORNER CENTER

- ✓ Primark (LL Bean redevelopment)
- ✓ Revitalization of East end
- ✓ Continue momentum from redevelopment to attract top brands to the market

2



QUEENS CENTER

- ✓ Primark, Zara, H&M
- ✓ Consistently high occupancy
- ✓ Scarcity of space to drive rents

3



KINGS PLAZA

- ✓ Redevelop vacant Best Buy
- ✓ Consistently high occupancy
- ✓ Scarcity of space to drive rents

This collection of high-quality assets still trails pre-pandemic 2019 by ~\$39 million due primarily to anchor turnover and frictional downtime as we re-position key tenancies.

4



DANBURY FAIR

- ✓ Target, Round1, Live Uno (residential)
- ✓ High occupancy
- ✓ Scarcity of space to drive rents

5



FREEHOLD RACEWAY MALL

- ✓ Continue to transform tenant mix with House of Sport, Apple, Lululemon, Lidl
- ✓ Pending anchor backfills – Dave & Busters, Freehold Athletic Club

6



GREEN ACRES MALL

- ✓ **Over \$20M** of projected NOI growth estimated over next four years, inclusive of pending redevelopment

(1) This includes an estimated \$24 million that is embedded within the signed, not opened lease pipeline, which totals \$68 million



GREEN ACRES REDEVELOPMENT HIGHLIGHTS

400K SF project set to introduce new retailers, premier eateries, grocery, entertainment, and a streetscape that elevates curb appeal

2.1M

Total GLA

\$1B

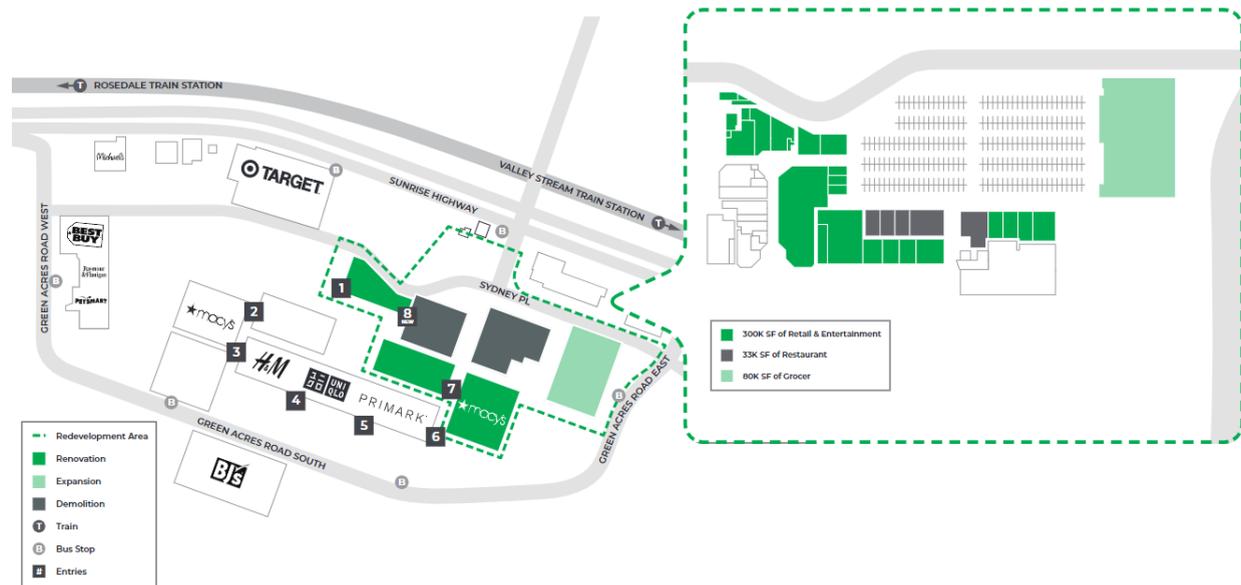
Annual Sales

18.4M

Annual Visitors

+400K

Redev Square Footage of Grocery, Entertainment, Retail, and Dining





GREEN ACRES REDEVELOPMENT HIGHLIGHTS

New center entry faces inbound of highly trafficked Sunrise Highway that flows drivers to the main entrance; opening 2026



TOTAL ESTIMATED COST

\$120M - \$140M

PROJECTED YIELD

13% - 14%

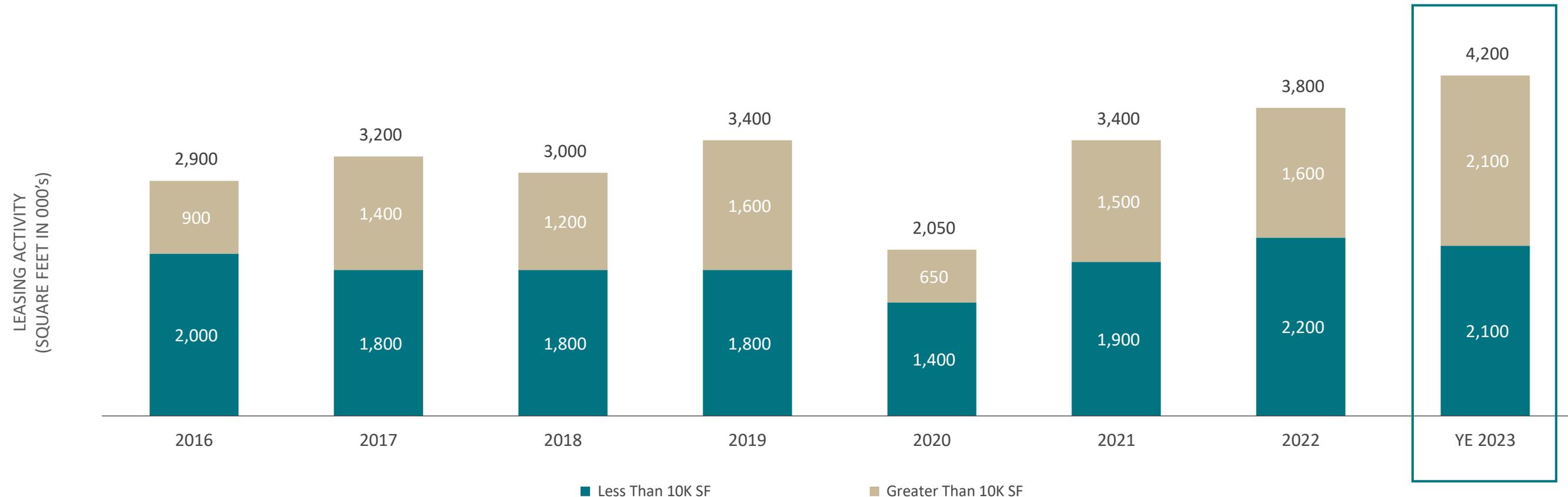


2023: RECORD-SETTING LEASING ACTIVITY IN MAC HISTORY



Strong leasing demand for both smaller and larger boxes

4.2 million sq. ft. of leases signed - **the highest volume in Macerich's 30-year history since IPO** - and 1.6 million sq. ft. of stores opened in 2023, representing 80% more square footage opened than in 2022





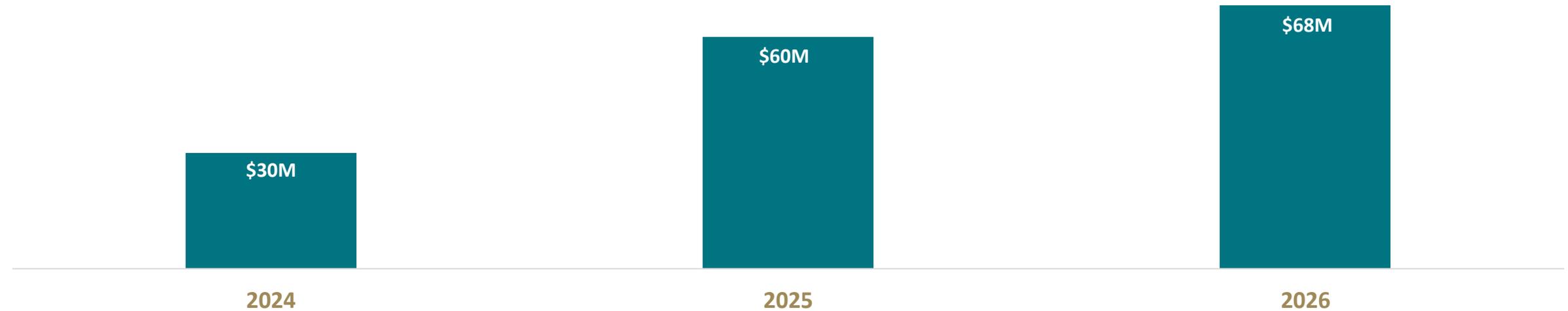
ROBUST LEASE PIPELINE - NOI GROWTH DRIVERS

Our leasing pipeline for new store openings includes approximately **\$68 million** of future incremental annual gross rent from:

- 1 Leases that are executed but not yet rent-commenced (represents the vast majority of lease pipeline)
- 2 Deals that are approved/committed but are still in lease documentation are not yet signed

Lease pipeline continues to grow, replenish, and new stores will provide significant rent growth in coming years

Annual Gross Rent at MAC's Share,
cumulative by year
(\$ in millions)



Data as of 3/28/24

This chart represents approximate estimates of incremental, annual gross rent from future new stores in excess of the annual gross rent paid by any existing, in-place tenants for those same spaces. The chart:

1. Includes leases that are part of smaller redevelopments
2. Does not include the impact of renewals of existing leases
3. This includes the incremental annual gross rent impact for any new stores that have commenced on or after January 1, 2023. The impact to 2024 is already embedded within the company's 2024 earnings guidance



NEW STORES AND USES - NOI GROWTH DRIVERS

Fresh, new uses and brands will continue to elevate and diversify our tenant mix and drive NOI growth

New store openings and coming soon (2023-2026)

TRADITIONAL

Retail: Apple, Alo Yoga, Artizia, Arc'teryx, Vuori, Hermès, Louis Vuitton, Lululemon, Chanel Beauty, Mango, Mizzen+Main, TravisMathew, Zimmermann, Sandro, Maje, Frame, Creed, Carhartt, Gorjana, Princess Polly

Entertainment: Dave & Busters, Level99, Pinstripes, Round1/Spo-Cha, Urban Air Adventure Park, Launch Entertainment Park

Food & Beverage: Ambrogio15, Bonesaw Brewery, Catch, Din Tai Fung, Éléphante, Maggiano's, Moxies, North Italia, Sizzle Korean BBQ, Cheesecake Factory

Experiential: CAMP, Dr. Seuss, World of Barbie, Candytopia

Large-Format: Dick's Sporting Goods/**House of Sport**, **Target**, **Scheels**, Primark, DSW, Five Below

Grocery: 99 Ranch, Seafood City, Shop Rite, Whole Foods, Lidl

Home Furnishings: RH, Arhaus, Ashley Furniture, Bob's Discount Furniture

DIVERSIFICATION WITH NEW SECTORS

Office: Troon, Radix Law Firm, Baird, Allison

Co-Working: Industrious, Kiln

Hotel: Caesars Republic

Residential: National Resources/Live Uno

Hospital/Medical: Tia, One Medical, Forward, MemorialCare

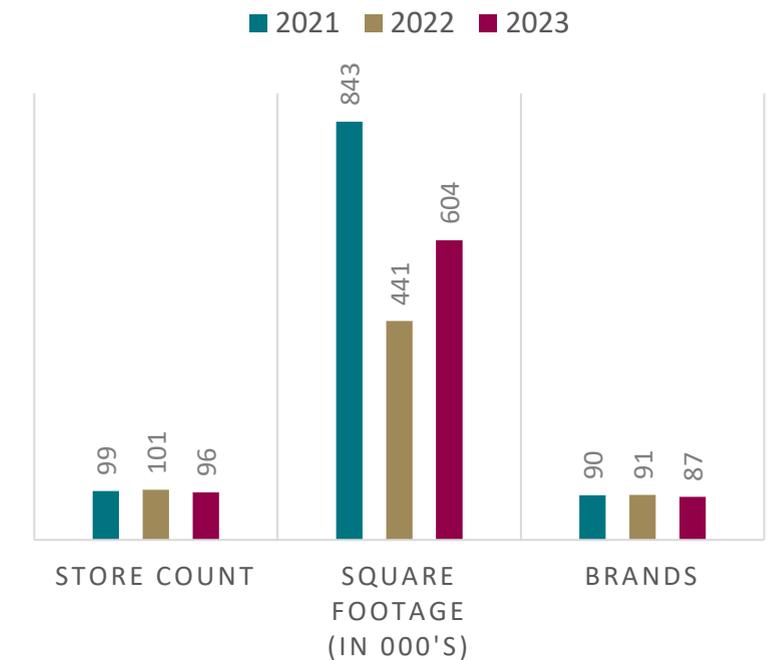
Fitness: Life Time, Beyond Yoga, Club Studio, Freehold Athletic Club

Education/Trade Schools: Big Blue Swim School

Electric Vehicle: Lucid Motors, Polestar, Rivian

Museums: Arte Museum, Cayton Children's

New – to – Macerich Brands (2021-2023)



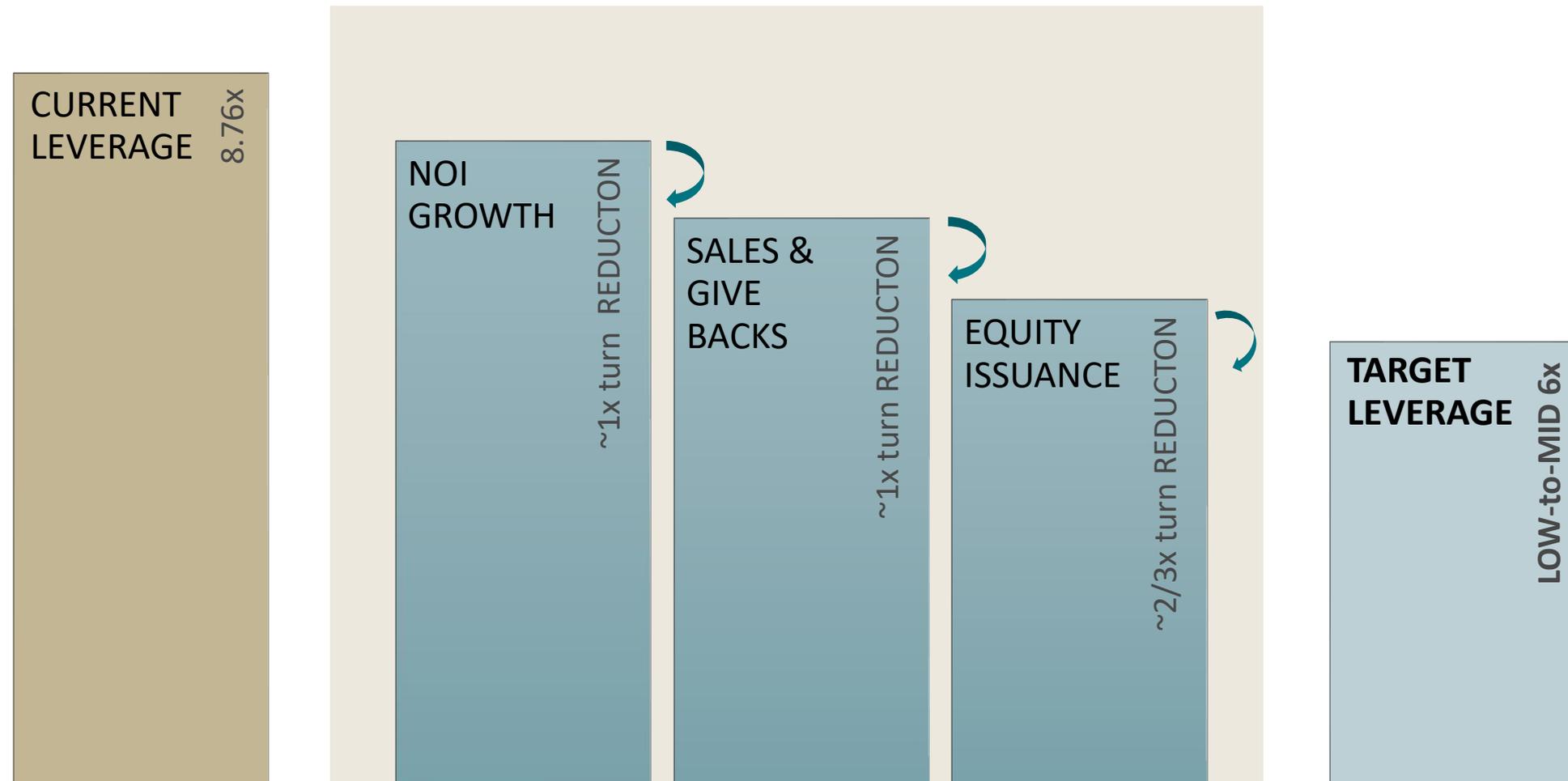
This freshness and newness is an ideal replacement source for stale brands and for converting temporary occupancy to permanent



PILLARS TO REDUCING LEVERAGE

Three-pronged plan to delever:

- ✓ NOI growth – ~1x turn leverage reduction
- ✓ Asset sales with accretive proceeds, asset give-backs – ~1x turn leverage reduction
- ✓ Opportunistic equity issuance based on progress milestones – ~2/3x turn leverage reduction





FFO AND LEVERAGE BRIDGE (2023 – 2028)

Simple and executable plan

	FFO		LEVERAGE (Net Debt to EBITDA)	
2023 reported FFO	\$ 1.80	\$ 1.80		
(1) Add-back: 2023 unrealized losses on non-real estate investments	0.04	0.04		
2023 Actual	1.84	1.84	8.76	8.76 (2)
Capital Transaction Activity:				
(3) Dispositions and acquisitions of JV partner interests in certain assets	(0.18)	(0.14)	(0.99)	(0.79)
(4) Issue common equity	(0.08)	(0.04)	(0.75)	(0.55)
Estimated FFO/share after capital transaction activity	1.58	1.66	7.02	7.42
Operating Activity:				
(5) EBITDA growth	0.35	0.45	(1.08)	(0.78)
(6) Development Net Operating Income	0.23	0.29	(0.34)	(0.26)
(7) Loan activity	(0.40)	(0.34)	0.06	0.08
Other	(0.04)	(0.04)	0.19	0.19
Share count increase from stock-based compensation plans	(0.07)	(0.07)	n/a	n/a
	0.07	0.29	(1.17)	(0.77)
2028 Estimate Ranges Average	\$ 1.65	\$ 1.95	5.85	6.65
		\$ 1.80		6.25

NOTES:

- 1) Conforms to Macerich's FFO definition, which excludes unrealized gains and losses on non-real estate investments.
- 2) See Exhibit for calculation of Net Debt to EBITDA as of December 31, 2023.
- 3) Includes an estimated twelve asset sale/giveback transactions and two JV partner acquisitions. Asset sales estimate ~\$450-500M of incremental proceeds at a *weighted average cap rate* of ~8% and are estimated to **reduce leverage by ~1x turn**. Give-backs are estimated to reduce leverage by ~.4x turn
- 4) At the midpoint, assumes **~\$500 million of stock issued** and proceeds used to repay debt at ~7%
- 5) Assumes an average same-center NOI growth rate of **~2.50%-3.0%** from 2023-2028. Macerich's signed, not open lease pipeline is expected to produce ~\$68 million of incremental rent at Macerich's share from new leases vs the existing in-place leases
- 6) Average annual development expenditures assumed from 2024-2028 are ~\$175,000 to \$200,000/year. Major projects include, among others: Scottsdale Fashion Square - Nordstrom wing renovation/re-leasing and mixed-use addition, Green Acres mall redevelopment, FlatIron Crossing (incl. residential), Los Cerritos - redevelopment of former Sears parcel, Kierland residential, and numerous anchor redevelopments/replacements
- 7) Loan activity includes the estimated impact from refinancings, loan repayments (other than debt repaid with common equity issuance, as noted above), revolving line of credit activity, and capitalized interest. Refinancings between 2024-2028 assume a weighted average interest rate of ~6.6% and a weighted average debt yield of ~12.5%



LEVERAGE EXHIBIT

Net Debt To EBITDA As of December 31, 2023 (\$\$ in 000's, at MACERICH'S SHARE)

Debt		\$ 6,919,600 (1)
Less: Cash, including joint ventures at Macerich's share		(157,700) (1)
Restricted Cash, including joint ventures	(139,400)	(1)
Exclude: Restricted Cash that is not loan cash collateral	8,100	
(2) Less Restricted Cash - loan cash collateral		<u>(131,300)</u>
Net Debt		<u>6,630,600</u>
EBITDA (T-12 months)	722,000	(1)
Add-back: Leasing Expenses	39,200	(1)
(3) Forward adjustment for acquisitions and dispositions	(4,200)	
EBITDA (T-12 months)		<u>\$ 757,000</u>
Net Debt to EBITDA		<u><u>8.76x</u></u>

NOTES:

- 1) Source: Macerich 8-K Supplemental as of December 31, 2023
- 2) This represents Restricted Cash that is held by lenders for various purposes, which effectively serves as cash collateral to the underlying loan until the cash is recouped into liquid resources by the borrower
- 3) This represents the net forward EBITDA adjustment to properly account for trailing twelve-month EBITDA for: A) the acquisitions of: i) Freehold Raceway Mall, and ii) five former Sears parcels at Chandler Fashion Center, Danbury Fair Mall, Freehold Raceway Mall, Los Cerritos Center and Washington Square Mall; and B) the dispositions of i) Flagstaff Marketplace, ii) Superstition Springs Power Center, iii) Towne Mall and iv) One Westside