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 September 30, 2007

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, including 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)

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 o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large accelerated filer x Accelerated filer o Non-accelerated filer o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES o NO x

Number of shares outstanding of the registrant's common stock, as of November 1, 2007 Common Stock, par value $.01 per share: 72,518,069 shares

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THE MACERICH COMPANY

FORM 10-Q

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THE MACERICH COMPANY

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands, except share amounts)

	September 30, 2007 (Unaudited)	December 31, 2006
ASSETS:		
Property, net	$ 6,045,958	$ 5,755,283
Cash and cash equivalents	42,850	269,435
Restricted cash	69,209	66,376
Marketable securities	29,368	30,019
Tenant receivables, net	127,868	117,855
Deferred charges and other assets, net	323,233	307,825
Loans to unconsolidated joint ventures	488	708
Due from affiliates	2,263	4,282
Investments in unconsolidated joint ventures	818,723	1,010,380
Total assets	$ 7,459,960	$ 7,562,163
LIABILITIES, PREFERRED STOCK AND COMMON STOCKHOLDERS' EQUITY:		
Mortgage notes payable:		
Related parties	$ 226,745	$ 151,311
Others	3,073,368	3,179,787
Total	3,300,113	3,331,098
Bank and other notes payable	1,824,366	1,662,781
Accounts payable and accrued expenses	92,523	86,127
Other accrued liabilities	250,464	212,249
Preferred stock dividends payable	6,804	6,199
Total liabilities	5,474,270	5,298,454
Minority interest	330,573	387,183
Commitments and contingencies		
Class A participating convertible preferred units	213,786	213,786
Class A non-participating convertible preferred units	16,459	21,501
Series A cumulative convertible redeemable preferred stock, $.01 par value, 3,627,131 shares authorized, issued and outstanding at September 30, 2007 and December 31, 2006, respectively	98,934	98,934
Common stockholders' equity:		
Common stock, $.01 par value, 145,000,000 shares authorized, 71,712,556 and 71,567,908 shares issued and outstanding at September 30, 2007 and December 31, 2006, respectively	716	716
Additional paid-in capital	1,630,093	1,717,498
Accumulated deficit	(298,095)	(178,249)
Accumulated other comprehensive (loss) income	(6,776)	2,340
Total common stockholders' equity	1,325,938	1,542,305
Total liabilities, preferred stock and common stockholders' equity	$ 7,459,960	$ 7,562,163

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 September 30,		For the Nine Months Ended September 30,	
	2007	2006	2007	2006
Revenues:				
Minimum rents	$ 130,371	$ 115,877	$ 380,256	$ 354,555
Percentage rents	4,992	4,702	11,620	9,618
Tenant recoveries	70,623	64,250	206,416	187,219
Management Companies	9,242	8,023	27,595	22,650
Other	8,756	9,225	25,554	21,814
Total revenues	223,984	202,077	651,441	595,856
Expenses:				
Shopping center and operating expenses	73,831	67,478	211,224	193,321
Management Companies' operating expenses	17,908	14,455	54,182	41,295
REIT general and administrative expenses	1,992	2,551	11,777	9,540
Depreciation and amortization	60,171	53,542	177,665	168,965
	153,902	138,026	454,848	413,121
Interest expense:				
Related parties	3,772	2,730	9,634	8,142
Other	56,210	64,623	180,165	196,141
	59,982	67,353	189,799	204,283
Total expenses	213,884	205,379	644,647	617,404
Minority interest in consolidated joint ventures	(721)	(870)	(2,237)	(1,872)
Equity in income of unconsolidated joint ventures	18,648	18,490	52,128	57,367
Income tax (provision) benefit	(429)	(535)	478	(219)
Gain on sale of assets	147	538	4,181	37
Loss on early extinguishment of debt	—	(29)	(877)	(1,811)
Income from continuing operations	27,745	14,292	60,467	31,954
Discontinued operations:				
(Loss) gain on sale of assets	(905)	46,214	(2,325)	72,167
Income from discontinued operations	237	1,562	60	9,241
Total (loss) income from discontinued operations	(668)	47,776	(2,265)	81,408
Income before minority interest and preferred dividends	27,077	62,068	58,202	113,362
Less: minority interest in Operating Partnership	3,070	8,901	5,935	15,131
Net income	24,007	53,167	52,267	98,231
Less: preferred dividends	6,727	6,199	18,971	18,139
Net income available to common stockholders	$ 17,280	$ 46,968	$ 33,296	$ 80,092
Earnings per common share—basic:				
Income from continuing operations	$ 0.25	$ 0.10	$ 0.49	$ 0.16
Discontinued operations	(0.01)	0.56	(0.03)	0.97
Net income	$ 0.24	$ 0.66	$ 0.46	$ 1.13
Earnings per common share—diluted:				
Income from continuing operations	$ 0.25	$ 0.10	$ 0.49	$ 0.16
Discontinued operations	(0.01)	0.56	(0.03)	0.97
Net income	$ 0.24	$ 0.66	$ 0.46	$ 1.13
Weighted average number of common shares outstanding:				
Basic	71,674,000	71,479,000	71,625,000	70,587,000
Diluted	84,529,000	85,021,000	84,706,000	84,216,000

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

THE MACERICH COMPANY

CONSOLIDATED STATEMENT OF COMMON STOCKHOLDERS' EQUITY

(Dollars in thousands, except per share data)

(Unaudited)

	Common Stock		Additional		Accumulated Other	Total Common
	Shares	Par Value	Paid-in Capital	Accumulated Deficit	Comprehensive (Loss) income	Stockholders' Equity
Balance January 1, 2007	71,567,908	$ 716	$ 1,717,498	$ (178,249)	$ 2,340	$ 1,542,305
Comprehensive income:						
Net income	—	—	—	52,267	—	52,267
Reclassification of deferred losses	—	—	—	—	723	723
Interest rate swap/cap agreements	—	—	—	—	(9,839)	(9,839)
Total comprehensive income	—	—	—	52,267	(9,116)	43,151
Amortization of share and unit-based plans	213,996	2	15,859	—	—	15,861
Exercise of stock options	13,500	—	387	—	—	387
Employee stock purchases	8,113	—	557	—	—	557
Distributions paid ($2.13) per share	—	—	—	(153,142)	—	(153,142)
Preferred dividends	—	—	—	(18,971)	—	(18,971)

Conversion of partnership units and Class A non-participating convertible preferred units	716,039	6	19,322	—	—	19,328
Repurchase of common shares	(807,000)	(8)	(74,962)	—	—	(74,970)
Purchase of capped calls on convertible senior notes	—	—	(59,850)	—	—	(59,850)
Change in accounting principle due to adoption of FIN 48	—	—	(1,574)	—	—	(1,574)
Adjustment to reflect minority interest on a pro rata basis for period end ownership percentage of Operating Partnership units	—	—	12,856	—	—	12,856
Balance September 30, 2007	71,712,556	$ 716	$ 1,630,093	$ (298,095)	$ (6,776)	$ 1,325,938

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 Nine Months Ended September 30,	
	2007	**2006**
Cash flows from operating activities:		
Net income available to common stockholders	$ 33,296	$ 80,092
Preferred dividends	18,971	18,139
Net income	52,267	98,231
Adjustments to reconcile net income to net cash provided by operating activities:		
Loss on early extinguishment of debt	877	1,811
Gain on sale of assets	(4,181)	(37)
Loss (gain) on sale of assets of discontinued operations	2,325	(72,167)
Depreciation and amortization	177,665	179,070
Amortization of net premium on mortgage and bank and other notes payable	(7,668)	(9,014)
Amortization of share and unit-based plans	11,119	6,533
Minority interest in Operating Partnership	5,935	15,131
Minority interest in consolidated joint ventures	2,237	2,284
Equity in income of unconsolidated joint ventures	(52,128)	(57,367)
Distributions of income from unconsolidated joint ventures	4,118	3,213
Changes in assets and liabilities, net of acquisitions:		
Tenant receivables, net	(10,371)	(5,982)
Other assets	(16,867)	(466)
Accounts payable and accrued expenses	8,925	(5,653)
Due from affiliates	1,989	(260)
Other accrued liabilities	31,829	(16,422)
Net cash provided by operating activities	208,071	138,905
Cash flows from investing activities:		
Acquisitions of property, development, redevelopment and property improvements	(434,133)	(492,578)
Issuance of note receivable	—	(10,000)
Purchase of marketable securities	—	(30,307)
Maturities of marketable securities	912	184
Deferred leasing costs	(24,359)	(20,359)
Distributions from unconsolidated joint ventures	248,176	162,519
Contributions to unconsolidated joint ventures	(18,532)	(24,681)
Repayments of loans to unconsolidated joint ventures	220	600
Proceeds from sale of assets	15,814	237,938
Restricted cash	(2,833)	(7,769)
Net cash used in investing activities	(214,735)	(184,453)
Cash flows from financing activities:		
Proceeds from mortgages and bank and other notes payable	1,648,068	1,451,321
Payments on mortgages and bank and other notes payable	(1,527,438)	(2,013,456)
Deferred financing costs	(1,919)	(6,559)
Purchase of Capped Calls	(59,850)	—
Repurchase of common stock	(74,970)	—
Proceeds from share and unit-based plans	944	408
Net proceeds from stock offering	—	746,804
Dividends and distributions	(186,390)	(208,126)
Dividends to preferred stockholders / preferred unit holders	(18,366)	(17,910)
Net cash used in financing activities	(219,921)	(47,518)
Net decrease in cash	(226,585)	(93,066)
Cash and cash equivalents, beginning of period	269,435	155,113
Cash and cash equivalents, end of period	$ 42,850	$ 62,047
Supplemental cash flow information:		
Cash payments for interest, net of amounts capitalized	$ 210,803	$ 230,547
Non-cash transactions:		
Increase in other accrued liabilities and additional paid-in capital recorded upon adoption of FIN 48	$ 1,574	$ —
Acquisition of property by assumption of mortgage note payable	$ 4,300	$ —
Reclassification from other accrued liabilities to additional paid-in capital recorded upon adoption of SFAS No. 123(R)	$ —	$ 6,000
Accrued development costs included in accounts payable and accrued expenses and other accrued liabilities	$ 30,259	$ 7,334

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 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 September 30, 2007, the Company is the sole general partner of and holds an 85% ownership interest in The Macerich Partnership, L.P. (the "Operating Partnership"). The interests in the Operating Partnership are known as OP Units. OP Units not held by the Company are redeemable, subject to certain restrictions, on a one-for-one basis for the Company's common stock or cash at the Company's option.

The Company is organized to qualify as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended. The 15% limited partnership interest of the Operating Partnership not owned by the Company is reflected in these financial statements as minority interest in the Operating Partnership.

The property management, leasing and redevelopment of the Company's portfolio is provided by the Company's management companies, Macerich Property Management Company, LLC, ("MPMC, LLC") a single member Delaware limited liability company, Macerich Management Company ("MMC"), a California corporation, Westcor Partners, L.L.C., a single member Arizona limited liability company, Macerich Westcor Management LLC, a single member Delaware limited liability company, Westcor Partners of Colorado, LLC, a 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. The two MACW management companies are collectively referred to herein as the "Wilmorite Management Companies." The three Westcor management companies are collectively referred to herein as the "Westcor Management Companies." All seven of the management companies are collectively referred to herein as the "Management Companies."

2. Basis of Presentation:

The accompanying consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles ("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 independent public accountants.

The accompanying consolidated financial statements include the accounts of the Company and the Operating Partnership. Investments in entities that are controlled by the Company or meet the definition of a variable interest entity in which an enterprise absorbs the majority of the entity's expected losses, receives a majority of the entity's expected residual returns, or both, as a result of ownership, contractual or other financial interests in the entity are consolidated; otherwise they are accounted for under the equity method and are reflected as "Investments in unconsolidated joint ventures."

The unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2006. In the opinion of management, all adjustments

2. Basis of Presentation: (Continued)

(consisting of normal recurring adjustments) necessary for a fair presentation of the financial statements for the interim periods have been made. The preparation of 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 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, 2006 has been derived from the audited financial statements, but does not include all disclosures required by GAAP.

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

Recent Accounting Pronouncements:

In February 2006, the Financial Accounting Standards Board ("FASB") issued Statement on Financial Accounting Standards ("SFAS") No. 155, "Accounting for Certain Hybrid Financial Instruments—An Amendment of FASB Statements No. 133 and 140." This statement amended SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," and SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." SFAS No. 155 permits fair value remeasurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation. This statement also established a requirement to evaluate interests in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial instruments that contain an embedded derivative requiring bifurcation. The adoption of this statement on January 1, 2007 did not have a material effect on the Company's results of operations or financial condition.

In June 2006, the FASB issued Interpretation No. 48, "Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109" ("FIN 48"). This interpretation clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with SFAS No. 109, "Accounting for Income Taxes." This Interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. This Interpretation also provides guidance on derecognition of previously recognized income tax benefits, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The Company adopted this statement on January 1, 2007. See Note 18—Income Taxes for the impact of the adoption of FIN 48 on the Company's results of operations or financial condition.

In September 2006, the FASB issued SFAS No. 157, “Fair Value Measurements.” SFAS No. 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The Company is required to adopt SFAS No. 157 for the year 2008 and does not expect its adoption to have a material effect on the Company’s results of operations or financial condition.

In September 2006, the Securities and Exchange Commission issued Staff Accounting Bulletin (“SAB”) No. 108. SAB No. 108 establishes a framework for quantifying materiality of financial statement

2. Basis of Presentation: (Continued)

misstatements. The adoption of SAB No. 108 on January 1, 2007 did not have a material impact on the Company’s consolidated results of operations or financial condition.

In February 2007, the FASB issued SFAS No. 159, “The Fair Value Option for Financial Assets and Financial Liabilities—including an amendment of FASB Statement No. 115.” SFAS No. 159 allows for the measurement of many financial instruments and certain other items at fair value. The Company is required to adopt SFAS No. 159 for the year 2008. The Company is currently evaluating the impact of adoption of this statement on its results of operations or financial condition.

Fair Value of Financial Instruments

The Company calculates the fair value of financial instruments and includes this additional information in the notes to 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 estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Company could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

3. Earnings per Share:

The computation of basic earnings per share (“EPS”) is based on net income available to common stockholders and the weighted average number of common shares outstanding for the three and nine months ended September 30, 2007 and 2006. The computation of diluted earnings per share includes the effect of dilutive securities using the “if-converted” method and dilutive effect of employee stock options calculated using the treasury stock method. The OP Units and MACWH, LP common units not held by the Company have been included in the diluted EPS since they may be redeemed on a one-for-one basis for common stock or cash, at the Company’s option. The following table computes the basic and diluted earnings per share calculation (dollars and shares in thousands):

	For the Three Months Ended September 30,					
	2007			2006		
	Net Income	Shares	Per Share	Net Income	Shares	Per Share
Net income	$ 24,007			$ 53,167		
Less: preferred dividends(1)	6,727			6,199		
Basic EPS:						
Net income available to common stockholders	17,280	71,674	$ 0.24	46,968	71,479	$ 0.66
Diluted EPS:						
Conversion of partnership units	3,070	12,546		8,901	13,247	
Employee stock options	—	309		—	295	
Net income available to common stockholders	$ 20,350	84,529	$ 0.24	$ 55,869	85,021	$ 0.66

3. Earnings per Share: (Continued)

	For the Nine Months Ended September 30,					
	2007			2006		
	Net Income	Shares	Per Share	Net Income	Shares	Per Share
Net income	$ 52,267			$ 98,231		

Less: preferred dividends(1)	18,971			18,139		
Basic EPS:						
Net income available to common stockholders	33,296	71,625	$ 0.46	80,092	70,587	$ 1.13
Diluted EPS:						
Conversion of partnership units	5,935	12,775		15,131	13,337	
Employee stock options	—	306		—	292	
Net income available to common stockholders	$ 39,231	84,706	$ 0.46	$ 95,223	84,216	$ 1.13

(1) Preferred dividends include convertible preferred unit dividends of $3,825 and $3,624 for the three months ended September 30, 2007 and 2006, and $10,919 and $10,631 for the nine months ended September 30, 2007 and 2006, respectively.

The minority interest in the Operating Partnership as reflected in the Company's consolidated statements of operations has been allocated for EPS calculations as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2007	2006	2007	2006
Income from continuing operations	$ 3,170	$ 1,429	$ 6,278	$ 2,196
Discontinued operations:				
(Loss) gain on sale of assets	(135)	7,228	(352)	11,467
Income from discontinued operations	35	244	9	1,468
Total	$ 3,070	$ 8,901	$ 5,935	$ 15,131

4. Investments in Unconsolidated Joint Ventures:

The following are the Company's investments in unconsolidated joint ventures. The Operating Partnership's interest in each joint venture property as of September 30, 2007 was as follows:

Joint Venture	Partnership's Ownership %(1)
Biltmore Shopping Center Partners LLC	50.0%
Camelback Colonnade SPE LLC	75.0%
Chandler Festival SPE, LLC	50.0%
Chandler Gateway SPE LLC	50.0%
Chandler Village Center, LLC	50.0%
Coolidge Holding LLC	37.5%
Corte Madera Village, LLC	50.1%
Desert Sky Mall—Tenants in Common	50.0%
East Mesa Land, L.L.C.	50.0%
East Mesa Mall, L.L.C.—Superstition Springs Center	33.3%
Jaren Associates #4	12.5%
Kierland Tower Lofts, LLC	15.0%
Macerich Northwestern Associates	50.0%
MetroRising AMS Holding LLC	15.0%
New River Associates—Arrowhead Towne Center	33.3%
NorthPark Land Partners, LP	50.0%
NorthPark Partners, LP	50.0%
Pacific Premier Retail Trust	51.0%
PHXAZ/Kierland Commons, L.L.C.	24.5%
Propcor Associates	25.0%
Propcor II Associates, LLC—Boulevard Shops	50.0%
SanTan Village Phase 2 LLC	34.9%
Scottsdale Fashion Square Partnership	50.0%
SDG Macerich Properties, L.P.	50.0%
The Market at Estrella Falls LLC	35.1%
Tysons Corner Holdings LLC	50.0%
Tysons Corner LLC	50.0%
Tysons Corner Property Holdings II LLC	50.0%
Tysons Corner Property Holdings LLC	50.0%
Tysons Corner Property LLC	50.0%
W.M. Inland, L.L.C.	50.0%
West Acres Development, LLP	19.0%
Westcor/Gilbert, L.L.C.	50.0%
Westcor/Goodyear, L.L.C.	50.0%
Westcor/Queen Creek Commercial LLC	37.6%

Westcor/Queen Creek LLC	37.6%
Westcor/Queen Creek Medical LLC	37.6%

4. Investments in Unconsolidated Joint Ventures: (Continued)

Joint Venture	Partnership's Ownership %(1)
Westcor/Queen Creek Residential LLC	37.6%
Westcor/Surprise Auto Park LLC	33.3%
Westcor/Surprise LLC	33.3%
Westpen Associates	50.0%
WM Ridgmar, L.P.	50.0%

(1) The Operating Partnership's ownership interest in this table reflects its legal ownership interest but may not reflect its economic interest since each joint venture has various agreements regarding cash flow, profits and losses, allocations, capital requirements and other matters.

The Company generally accounts for its investments in joint ventures using the equity method of accounting unless the Company has a controlling interest in the joint venture or is the primary beneficiary in a variable interest entity. Although the Company has a greater than 50% interest in Pacific Premier Retail Trust, Camelback Colonnade SPE LLC and Corte Madera Village, LLC, the Company shares management control with the partners in these joint ventures and accounts for these joint ventures using the equity method of accounting.

4. Investments in Unconsolidated Joint Ventures: (Continued)

Combined and Condensed Balance Sheets of Unconsolidated Joint Ventures:

	September 30, 2007	December 31, 2006
Assets(1):		
Properties, net	$ 4,249,548	$ 4,251,765
Other assets	440,670	429,028
Total assets	$ 4,690,218	$ 4,680,793
Liabilities and partners' capital(1):		
Mortgage notes payable(2)	$ 3,859,229	$ 3,515,154
Other liabilities	175,032	140,889
The Company's capital(3)	379,758	559,172
Outside partners' capital	276,199	465,578
Total liabilities and partners' capital	$ 4,690,218	$ 4,680,793

(1) These amounts include the assets and liabilities of the following significant joint ventures:

	SDG Macerich Properties, L.P.	Pacific Premier Retail Trust	Tysons Corner LLC
As of September 30, 2007:			
Total Assets	$ 901,080	$ 1,021,317	$ 637,255
Total Liabilities	$ 822,213	$ 850,050	$ 364,316
As of December 31, 2006:			
Total Assets	$ 924,720	$ 1,027,132	$ 644,545
Total Liabilities	$ 823,327	$ 848,070	$ 371,360

(2) Certain joint ventures have debt that could become recourse debt to the Company should the joint venture be unable to discharge the obligations of the related debt. As of September 30, 2007 and December 31, 2006, the total amount of debt that could become recourse to the

Company was $8,602 and $8,570, respectively.

(3) The Company's investment in unconsolidated joint ventures was $438,965 and $451,208 more than the underlying equity as reflected in the joint ventures' financial statements as of September 30, 2007 and December 31, 2006, respectively. This represents the difference between the cost of the investment and the book value of the underlying equity of the joint venture. The Company is amortizing this difference into income on a straight-line basis, consistent with the depreciable lives on property. The amortization of this difference was $2,407 and $5,024 for the three months ended September 30, 2007 and 2006, and $8,859 and $12,039 for the nine months ended September 30, 2007 and 2006, respectively.

4. Investments in Unconsolidated Joint Ventures: (Continued)

Combined and Condensed Statements of Operations of Unconsolidated Joint Ventures:

	SDG Macerich Properties, L.P.	Pacific Premier Retail Trust	Tysons Corner LLC	Other Joint Ventures	Total
Three Months Ended September 30, 2007					
Revenues:					
Minimum rents	$ 23,189	$ 30,894	$ 17,157	$ 60,695	$ 131,935
Percentage rents	1,166	1,546	560	4,019	7,291
Tenant recoveries	12,591	13,411	7,808	30,069	63,879
Other	1,017	1,033	495	8,804	11,349
Total revenues	37,963	46,884	26,020	103,587	214,454
Expenses:					
Shopping center and operating expenses	14,506	14,019	6,833	37,423	72,781
Interest expense	11,716	12,367	4,129	28,125	56,337
Depreciation and amortization	7,987	8,184	5,036	20,424	41,631
Total operating expenses	34,209	34,570	15,998	85,972	170,749
Loss on sale of assets	—	—	—	(9)	(9)
Net income	$ 3,754	$ 12,314	$ 10,022	$ 17,606	$ 43,696
Company's equity in net income	$ 1,877	$ 6,267	$ 5,011	$ 5,493	$ 18,648
Three Months Ended September 30, 2006					
Revenues:					
Minimum rents	$ 23,063	$ 30,482	$ 14,752	$ 63,275	$ 131,572
Percentage rents	796	1,429	540	4,538	7,303
Tenant recoveries	12,732	12,532	7,228	29,520	62,012
Other	1,218	1,047	487	5,791	8,543
Total revenues	37,809	45,490	23,007	103,124	209,430
Expenses:					
Shopping center and operating expenses	14,149	13,896	6,228	36,879	71,152
Interest expense	11,869	12,742	4,310	24,711	53,632
Depreciation and amortization	7,195	7,385	4,728	22,936	42,244
Total operating expenses	33,213	34,023	15,266	84,526	167,028
Gain (loss) on sale of assets	2	—	—	(4)	(2)
Net income	$ 4,598	$ 11,467	$ 7,741	$ 18,594	$ 42,400
Company's equity in net income	$ 2,300	$ 5,838	$ 3,870	$ 6,482	$ 18,490

4. Investments in Unconsolidated Joint Ventures: (Continued)

	SDG Macerich Properties, L.P.	Pacific Premier Retail Trust	Tysons Corner LLC	Other Joint Ventures	Total
Nine Months Ended September 30, 2007					

Revenues:					
Minimum rents	$ 69,116	$ 92,602	$ 47,857	$ 181,731	$ 391,306
Percentage rents	2,892	4,003	646	8,655	16,196
Tenant recoveries	36,308	38,213	23,424	88,257	186,202
Other	2,805	2,981	1,412	17,315	24,513
Total revenues	111,121	137,799	73,339	295,958	618,217
Expenses:					
Shopping center and operating expenses	43,647	39,490	19,435	105,357	207,929
Interest expense	34,775	36,984	12,498	78,334	162,591
Depreciation and amortization	22,707	23,504	15,401	67,691	129,303
Total operating expenses	101,129	99,978	47,334	251,382	499,823
(Loss) gain on sale of assets	(4,751)	—	—	763	(3,988)
Net income	$ 5,241	$ 37,821	$ 26,005	$ 45,339	$ 114,406
Company's equity in net income	$ 2,621	$ 19,254	$ 13,002	$ 17,251	$ 52,128
Nine Months Ended September 30, 2006					
Revenues:					
Minimum rents	$ 70,296	$ 92,376	$ 43,252	$ 165,355	$ 371,279
Percentage rents	2,405	4,085	780	9,386	16,656
Tenant recoveries	35,371	36,598	21,742	81,211	174,922
Other	2,830	2,915	1,454	15,552	22,751
Total revenues	110,902	135,974	67,228	271,504	585,608
Expenses:					
Shopping center and operating expenses	43,179	38,146	18,646	97,865	197,836
Interest expense	32,312	38,426	12,816	62,714	146,268
Depreciation and amortization	21,719	21,876	15,016	56,262	114,873
Total operating expenses	97,210	98,448	46,478	216,841	458,977
Gain on sale of assets	2	—	—	901	903
Net income	$ 13,694	$ 37,526	$ 20,750	$ 55,564	$ 127,534
Company's equity in net income	$ 6,847	$ 19,030	$ 10,375	$ 21,115	$ 57,367

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

Included in mortgage notes payable are amounts due to affiliates of Northwestern Mutual Life ("NML") of $127,576 and $132,170 as of September 30, 2007 and December 31, 2006, respectively. NML is considered a related party because it is a joint venture partner with the Company in Macerich Northwestern Associates. Interest expense incurred on these borrowings amounted to $2,164 and $2,285 for the three months ended September 30, 2007 and 2006 and $6,530 and $6,830 for the nine months ended September 30, 2007 and 2006, respectively.

5. Derivative Instruments and Hedging Activities

The Company recognizes and measures all derivatives in the consolidated financial statements at fair value. The Company uses derivative financial instruments in the normal course of business to manage or reduce its exposure to adverse fluctuations in interest rates. The Company designs its hedges to be effective in reducing the risk exposure that they are designated to hedge. Any instrument that meets the cash flow hedging criteria in SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," is formally designated as a cash flow hedge at the inception of the derivative contract. On an ongoing quarterly basis, the Company adjusts its balance sheet to reflect the current fair value of its derivatives. To the extent they are effective, changes in fair value of derivatives are recorded in comprehensive income. Ineffective portions, if any, are included in net income. No ineffectiveness was recorded in net income during the three or nine months ended September 30, 2007 or 2006. If any derivative instrument used for risk management does not meet the hedging criteria, it is marked-to-market each period in the consolidated statements of operations. As of September 30, 2007, three of the Company's derivative instruments were not designated as a cash flow hedge. Changes in the market value of these derivative instruments are recorded in the consolidated statements of operations.

As of September 30, 2007 and December 31, 2006, the Company had $529 and $1,252, respectively, reflected in other comprehensive income related to treasury rate locks settled in prior years. The Company reclassified $245 and $339 for the three months ended September 30, 2007 and 2006 and $723 and $1,008 for the nine months ended September 30, 2007 and 2006, respectively, related to treasury rate lock transactions settled in prior years from accumulated other comprehensive (loss) income to earnings. It is anticipated that an additional $243 will be reclassified during the remainder of the current year.

Interest rate swap and cap agreements are purchased by the Company from third parties to manage the risk of interest rate changes on some of the Company's floating rate debt. Payments received as a result of these agreements are recorded as a reduction of interest expense. The fair value of the instrument is included in deferred charges and other assets if the fair value is an asset or in other accrued liabilities if the fair value is a deficit. The Company recorded other comprehensive (loss) income related to the marking-to-market of interest rate swap/cap agreements of ($17,593) and ($11,348) for the three months ended September 30, 2007 and 2006 and ($9,839) and $90 for the nine months ended September 30, 2007 and 2006, respectively. The amount expected to be reclassified to interest expense in the next 12 months is immaterial.

6. Property:

Property consists of the following:

	September 30, 2007	December 31, 2006
Land	$ 1,157,095	$ 1,147,464
Building improvements	4,827,750	4,743,960
Tenant improvements	250,665	231,210
Equipment and furnishings	86,150	82,456
Construction in progress	585,358	294,115
	6,907,018	6,499,205
Less accumulated depreciation	(861,060)	(743,922)
	$ 6,045,958	$ 5,755,283

Depreciation expense was $45,647 and $39,867 for the three months ended September 30, 2007 and 2006 and $132,809 and $118,523 for the nine months ended September 30, 2007 and 2006, respectively.

Gain on sale of assets consists of the following:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2007	2006	2007	2006
Building, improvements and equipment	$ —	$ 22	$ 35	$ (600)
Land	147	516	4,146	637
	$147	$538	$4,181	$ 37

7. Marketable Securities:

Marketable securities consist of the following:

	September 30, 2007	December 31, 2006
Government debt securities, at par value	$ 30,954	$ 31,866
Less discount	(1,586)	(1,847)
	29,368	30,019
Unrealized gain	1,015	514
Fair value	$ 30,383	$ 30,533

Future contractual maturities of marketable securities at September 30, 2007 are as follows:

1 year or less	$ 1,217
2 to 5 years	4,000
6 to 10 years	25,737
	$30,954

7. Marketable Securities: (Continued)

The proceeds from maturities and interest receipts from the marketable securities are restricted to the service of the $27,832 note on which the Company remains obligated following the sale of Greeley Mall on July 27, 2006 (See Note 10—Bank and Other Notes Payable).

8. Deferred Charges And Other Assets:

Deferred charges and other assets are summarized as follows:

	September 30, 2007	December 31, 2006
Leasing	$ 111,579	$ 115,657
Financing	47,033	40,906
Intangible assets resulting from SFAS No. 141 allocations:		

In-place lease values	200,497	207,023
Leasing commissions and legal costs	35,440	36,177
	394,549	399,763
Less accumulated amortization(1)	(158,686)	(171,073)
	235,863	228,690
Other assets	87,370	79,135
	$ 323,233	$ 307,825

(1) Accumulated amortization includes $92,813 and $86,172 relating to intangibles resulting from SFAS No. 141 allocations at September 30, 2007 and December 31, 2006, respectively.

The allocated values of above market leases included in other assets and the below market leases included in other accrued liabilities, related to SFAS No. 141, consist of the following:

	September 30, 2007	December 31, 2006
Above Market Leases		
Original allocated value	$ 65,752	$ 64,718
Less accumulated amortization	(36,856)	(36,058)
	$ 28,896	$ 28,660
Below Market Leases		
Original allocated value	$ 156,667	$ 150,300
Less accumulated amortization	(88,767)	(77,261)
	$ 67,900	$ 73,039

9. Mortgage Notes Payable:

Mortgage notes payable consist of the following:

	Carrying Amount of Mortgage Notes(a)						
	September 30, 2007		December 31, 2006			Monthly	
Property Pledged as Collateral	Other	Related Party	Other	Related Party	Interest Rate	Payment Term(b)	Maturity Date
Borgata(c)	$ —	$ —	$ 14,885	$ —	5.39%	$ —	—
Capitola Mall	—	39,746	—	40,999	7.13%	380	2011
Carmel Plaza	26,362	—	26,674	—	8.18%	202	2009
Casa Grande(d)	45,544	—	7,304	—	6.67%	253	2009
Chandler Fashion Center	170,584	—	172,904	—	5.48%	1,043	2012
Chesterfield Towne Center(e)	56,077	—	57,155	—	9.07%	548	2024
Danbury Fair Mall	178,095	—	182,877	—	4.64%	1,225	2011
Deptford Mall(f)	172,500	—	100,000	—	5.41%	778	2013
Eastview Commons	8,891	—	9,117	—	5.46%	66	2010
Eastview Mall	101,484	—	102,873	—	5.10%	592	2014
Fiesta Mall	84,000	—	84,000	—	4.88%	341	2015
Flagstaff Mall	37,000	—	37,000	—	4.97%	153	2015
FlatIron Crossing	188,580	—	191,046	—	5.23%	1,102	2013
Freehold Raceway Mall	179,164	—	183,505	—	4.68%	1,184	2011
Fresno Fashion Fair	63,850	—	64,595	—	6.52%	437	2008
Great Northern Mall	40,455	—	40,947	—	5.19%	234	2013
Greece Ridge Center(g)	72,000	—	72,000	—	6.40%	384	2008
Hilton Village(h)	8,600	—	—	—	5.21%	37	2012
La Cumbre Plaza(i)	30,000	—	30,000	—	6.63%	166	2008
La Encantada(j)	—	78,000	51,000	—	5.60%	364	2012
Marketplace Mall	39,633	—	40,473	—	5.30%	267	2017
Northridge Mall(k)	81,476	—	82,514	—	4.84%	453	2009
Oaks, The(l)	—	—	92,000	—	5.37%	—	—
Pacific View	89,211	—	90,231	—	7.16%	649	2011
Panorama Mall(m)	50,000	—	50,000	—	5.98%	249	2010
Paradise Valley Mall(n)	—	—	74,990	—	5.89%	—	—
Paradise Valley Mall	21,466	—	22,154	—	5.89%	183	2009
Pittsford Plaza	24,770	—	25,278	—	5.02%	159	2013
Pittsford Plaza(o)	5,485	—	—	—	6.19%	28	2013
Prescott Gateway	60,000	—	60,000	—	5.78%	289	2011
Queens Center	90,913	—	92,039	—	6.88%	633	2009
Queens Center	108,999	108,999	110,313	110,312	7.00%	1,501	2013
Rimrock Mall	42,988	—	43,452	—	7.45%	320	2011
Salisbury, Center at	115,000	—	115,000	—	5.79%	555	2016
Santa Monica Place	79,291	—	80,073	—	7.70%	606	2010
Shoppingtown Mall	45,046	—	46,217	—	5.01%	319	2011
South Plains Mall	58,979	—	59,681	—	8.22%	454	2009
South Towne Center	64,000	—	64,000	—	6.61%	353	2008
Towne Mall	14,954	—	15,291	—	4.99%	100	2012
Twenty Ninth Street(p)	108,302	—	94,080	—	5.95%	537	2009
Valley River Center(q)	120,000	—	100,000	—	5.59%	558	2016
Valley View Center	125,000	—	125,000	—	5.72%	596	2011
Victor Valley, Mall of	51,522	—	52,429	—	4.60%	304	2008
Village Fair North	10,964	—	11,210	—	5.89%	82	2008
Vintage Faire Mall	64,638	—	65,363	—	7.89%	508	2010

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

9. Mortgage Notes Payable: (Continued)

	Carrying Amount of Mortgage Notes(a)						
	September 30, 2007		December 31, 2006		Interest	Monthly Payment	Maturity
Property Pledged as Collateral	Other	Related Party	Other	Related Party	Rate	Term(b)	Date
Westside Pavilion	92,419	—	93,513	—	6.67%	628	2008
Wilton Mall	45,126	—	46,604	—	4.79%	349	2009
	$ 3,073,368	$ 226,745	$ 3,179,787	$ 151,311			

(a) The mortgage notes payable balances include the unamortized debt premiums (discount). Debt premiums (discount) represent the excess (deficiency) of the fair value of debt over (under) the principal value of debt assumed in various acquisitions and are amortized into interest expense over the remaining term of the related debt in a manner that approximates the effective interest method. The interest rate represents the effective interest rate, including the debt premium (discount).

Debt premiums (discounts) consist of the following:

Property Pledged as Collateral	September 30, 2007	December 31, 2006
Borgata	$ —	$ 245
Danbury Fair Mall	14,471	17,634
Eastview Commons	624	776
Eastview Mall	1,806	2,018
Freehold Raceway Mall	13,231	15,806
Great Northern Mall	(171)	(191)
Marketplace Mall	1,691	1,813
Paradise Valley Mall	—	2
Paradise Valley Mall	465	685
Pittsford Plaza	899	1,025
Shoppingtown Mall	4,004	4,813
Towne Mall	488	558
Victor Valley, Mall of	135	377
Village Fair North	73	146
Wilton Mall	3,096	4,195
	$ 40,812	$ 49,902

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

(c) This loan was paid off in full on July 11, 2007.

(d) The construction loan allows for total borrowings of up to $110,000, and bears interest at LIBOR plus a spread of 1.20% to 1.40% depending on certain conditions. The loan matures in August 2009, with two one-year extension options. At September 30, 2007 and December 31, 2006, the total interest rate was 6.67% and 6.75%, respectively.

(e) In addition to monthly principal and interest payments, 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 exceeds a base amount. Contingent interest expense recognized by the Company was $109 and $75 for the three months ended September 30, 2007 and 2006, and $300 and $287 for the nine months ended September 30, 2007 and 2006, respectively.

(f) On May 23, 2007, the Company borrowed an additional $72,500 under the loan agreement at a fixed rate of 5.38%. The total interest rate at September 30, 2007 and December 31, 2006, was 5.41% and 5.58%, respectively.

(g) The floating rate loan bears interest at LIBOR plus 0.65%. The Company has stepped interest rate cap agreements over the term of the loan that effectively prevent LIBOR from exceeding 7.95%. At September 30, 2007 and December 31, 2006, the total interest rate was 6.4% and 6.0%, respectively. In July 2007, the loan was extended until November 6, 2008.

(h) On September 5, 2007, the Company purchased the 50% outside ownership interests in the property, and now consolidates the $8,600 loan that bears interest at a fixed rate of 5.21% and matures on February 1, 2012.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

9. Mortgage Notes Payable: (Continued)

(i) The floating rate loan bears interest at LIBOR plus 0.88% .In July 2007, the Company extended the maturity to August 9, 2008, and has an option to extend the maturity for an additional year. The Company has an interest rate cap agreement over the loan term which effectively prevents LIBOR from exceeding 7.12%. At September 30, 2007 and December 31, 2006, the total interest rate was 6.63% and 6.23%, respectively.

(j) On March 23, 2007, the Company paid off the $51,000 interest only loan on the property. On May 15, 2007, the Company placed a new $78,000 loan on the property that bears interest at a fixed rate of 5.60% and matures on June 1, 2012.

(k) The loan bore interest at LIBOR plus 2.0% for six months and then converted at January 1, 2005 to a fixed rate loan at 4.94%. The effective interest rate over the entire term is 4.84%.

(l) The loan was paid off in full on February 2, 2007.

(m) The floating rate loan bears interest at LIBOR plus 0.85% and matures in February 2010. There is an interest rate cap agreement on this loan which effectively prevents LIBOR from exceeding 6.65%. At September 30, 2007 and December 31, 2006, the total interest rate was 5.98% and 6.23%, respectively.

(n) The loan was paid off in full on January 2, 2007.

(o) On July 3, 2007, the Company obtained a construction loan that provides for borrowings of up to $15,000, bears interest at a fixed rate of 6.19% and matures on January 1, 2013.

(p) The construction loan allows for total borrowings of up to $115,000, and bears interest at LIBOR plus a spread of 1.1% to 1.25% depending on certain conditions. The loan matures in June 2009, with a one-year extension option. At September 30, 2007 and December 31, 2006, the total interest rate was 5.95% and 6.67%, respectively.

(q) Concurrent with the acquisition of this property, the Company placed a $100,000 loan that bears interest at 5.58% and matures on February 16, 2016. On January 23, 2007, the Company exercised an earn-out provision under the loan agreement and borrowed an additional $20,000 at a fixed rate of 5.64%. The total interest rate at September 30, 2007 and December 31, 2006, was 5.59% and 5.58%, respectively.

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

Total interest expense capitalized was $9,836 and $4,443 for the three months ended September 30, 2007 and 2006 and $24,127 and $10,583 and for the nine months ended September 30, 2007 and 2006, respectively.

The fair value of mortgage notes payable is estimated to be approximately $3,376,929 and $3,368,727, at September 30, 2007 and December 31, 2006, respectively, based on current interest rates for comparable loans.

10. Bank and Other Notes Payable:

Bank and other notes payable consist of the following:

Convertible Senior Notes

On March 16, 2007, the Company issued $950,000 in convertible senior notes (“Senior Notes”) that are to mature on March 15, 2012. The Senior Notes bear interest at 3.25%, payable semiannually, are senior unsecured debt of the Company and are guaranteed by the Operating Partnership. Prior to December 14, 2011, upon the occurrence of certain specified events, the Senior Notes will be convertible at the option of holder into cash, shares of the Company’s common stock or a combination of cash and shares of the Company’s common stock, at the election of the Company, at an initial conversion rate of 8.9702

10. Bank and Other Notes Payable: (Continued)

shares per $1 principal amount. On and after December 15, 2011, the Senior Notes will be convertible at any time prior to the second business day preceding the maturity date at the option of the holder at the initial conversion rate. The initial conversion price of approximately $111.48 per share represents a 20% premium over the closing price of the Company’s common stock on March 12, 2007. The initial conversion rate is subject to adjustment in certain circumstances. Holders of the Senior Notes will not have the right to require the Company to repurchase the Senior Notes prior to maturity except in connection with the occurrence of certain fundamental change transactions. The carrying value of the Senior Notes at September 30, 2007, includes an unamortized discount of $8,466 incurred at issuance and is amortized into interest expense over the term of the Senior Notes in a manner that approximates the effective interest method. As of September 30, 2007, the effective interest rate was 3.48%.

In connection with the issuance of the Senior Notes, the Company purchased two capped calls (“Capped Calls”) from affiliates of the initial purchasers of the Senior Notes. The Capped Calls effectively increased the conversion price of the Senior Notes to approximately $130.06, which represents a 40% premium to the March 12, 2007 closing price of $92.90 per common share of the Company. The Capped Calls are expected to generally reduce the potential dilution upon exchange of the Senior Notes in the event the market value per share of the Company’s common stock, as measured under the terms of the relevant settlement date, is greater than the strike price of the Capped Calls. If, however, the market value per share of the Company’s common stock exceeds $130.06 per common share, then the dilution mitigation under the Capped Calls will be capped, which means there would be dilution from exchange of the Senior Notes to the extent that the market value per share of the Company’s common stock exceeds $130.06. The cost of the Capped Calls was approximately $59,850 and was recorded as a charge to “Additional paid-in capital”.

Line of Credit

The Company has a $1,500,000 revolving line of credit that matures on April 25, 2010 with a one-year extension option. The interest rate fluctuates from LIBOR plus 0.75% to LIBOR plus 1.10% depending on the Company’s overall leverage. The Company has an interest rate swap agreement that effectively fixed the interest rate on $400,000 of the outstanding balance of the line of credit at 6.23% until April 25, 2011. As of September 30, 2007 and December 31, 2006, borrowings outstanding were $405,000 and $934,500 at an average interest rate, excluding the $400,000 swapped portion, of 6.03% and 6.60%, respectively.

Term Notes

On May 13, 2003, the Company issued $250,000 in unsecured notes that were to mature in May 2007 with a one-year extension option and bore interest at LIBOR plus 2.50%. These notes were repaid in full on March 16, 2007, from the proceeds of the Senior Notes offering. At December 31, 2006, all of the notes were outstanding at an interest rate of 6.94%.

On April 25, 2005, the Company obtained a five-year, $450,000 term loan bearing interest at LIBOR plus 1.50%. In November 2005, the Company entered into an interest rate swap agreement that effectively

fixed the interest rate of the term loan at 6.30% from December 1, 2005 to April 25, 2010. As of September 30, 2007 and December 31, 2006, the entire term loan was outstanding with an effective interest rate of 6.30%.

On July 27, 2006, concurrent with the sale of Greeley Mall (See Note 14—Discontinued Operations), the Company provided marketable securities to replace Greeley Mall as collateral for the mortgage note payable on the property (See Note 7—Marketable Securities). As a result of this transaction, the debt was reclassified to bank and other notes payable. This note bears interest at 6.18% and matures in September 2013. As of September 30, 2007 and December 31, 2006, the note had a balance outstanding of $27,832 and $28,281, respectively. The fair value is estimated to be $29,291 and $29,288 at September 30, 2007 and December 31, 2006, respectively, based on current interest rates on comparable loans.

As of September 30, 2007 and December 31, 2006, the Company was in compliance with all applicable loan covenants.

11. 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 fees were charged to unconsolidated joint ventures:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2007	2006	2007	2006
Management Fees				
MMC	$2,622	$2,601	$ 7,728	$ 7,632
Westcor Management Companies	1,722	1,677	4,983	5,016
Wilmorite Management Companies	416	480	1,189	1,192
	$4,760	$4,758	$ 13,900	$ 13,840
Development and Leasing Fees				
MMC	$ 156	$ 87	$ 339	$ 576
Westcor Management Companies	2,595	1,556	6,983	3,239
Wilmorite Management Companies	—	7	50	79
	$2,751	$1,650	$ 7,372	$ 3,894

Certain mortgage notes on the properties are held by NML (See Note 9—Mortgage Notes Payable). Interest expense in connection with these notes was $3,772 and $2,730 for the three months ended September 30, 2007 and 2006, and $9,634 and $8,142 for the nine months ended September 30, 2007 and 2006, respectively. Included in accounts payable and accrued expenses is interest payable to these partners of $1,113 and $793 at September 30, 2007 and December 31, 2006, respectively.

11. Related-Party Transactions: (Continued)

As of September 30, 2007 and December 31, 2006, the Company had loans to unconsolidated joint ventures of $488 and $708, respectively. Interest income associated with these notes was $11 and $14 for the three months ended September 30, 2007 and 2006 and $33 and $59 for the nine months ended September 30, 2007 and 2006, respectively. These loans represent initial funds advanced to development stage projects prior to construction loan funding. Correspondingly, loan payables in the same amount have been accrued as an obligation by the various joint ventures.

Due from affiliates of $2,263 and $4,282 at September 30, 2007 and December 31, 2006, respectively, represents unreimbursed costs and fees due from unconsolidated joint ventures under management agreements.

Certain Company officers and affiliates have guaranteed mortgages of $21,750 at one of the Company's joint venture properties.

12. Stock Repurchase Program:

On March 16, 2007, the Company repurchased 807,000 shares for $74,970 concurrent with the Senior Notes offering (See Note 10—Bank and Other Notes Payable). These shares were repurchased pursuant to the Company's stock repurchase program authorized by the Company's Board of Directors on March 9, 2007. This repurchase program ended on March 16, 2007 because the maximum shares allowed to be repurchased under the program was reached.

13. Acquisitions:

The following were acquisitions completed by the Company in 2007 and 2006:

Valley River:

On February 1, 2006, the Company acquired Valley River Center, an 835,694 square foot super-regional mall in Eugene, Oregon. The total purchase price was $187,500 and concurrent with the acquisition, the Company placed a $100,000 ten-year loan on the property. On January 23, 2007, the Company exercised an earn-out provision under the loan agreement and borrowed an additional $20,000. The balance of the purchase price was funded by cash and borrowings under the Company's line of credit. The results of Valley River Center's operations have been included in the Company's consolidated financial statements since the acquisition date.

Federated:

On July 26, 2006, the Company purchased 11 department stores located in 10 of its Centers from Federated Department Stores, Inc. (“Federated”) for approximately $100,000. The purchase price consisted of a $93,000 cash payment at closing and a $7,000 cash payment on March 29, 2007 paid in connection with a development work commitment by Federated. The Company’s share of the purchase price of $81,043 was funded in part from the proceeds of sales of properties and from borrowings under the Company’s line of credit. The balance of the purchase price was paid by the Company’s joint venture partners where four of the eleven stores are located. The purchase price allocation included in the

13. Acquisitions: (Continued)

Company’s balance sheet as of September 30, 2007 and December 31, 2006 was based upon the receipt of a third-party valuation report.

Deptford:

On December 1, 2006, the Company acquired Deptford Mall, a 1,039,840 square foot super-regional mall in Deptford, New Jersey. The total purchase price was $240,055. The purchase price was funded by cash and borrowings under the Company’s line of credit. Subsequently in 2006, the Company placed a $100,000 six-year loan on the property. On May 23, 2007, the Company borrowed an additional $72,500 under the loan agreement. The proceeds from the two borrowings were used to pay down the Company’s line of credit. The results of Deptford Mall’s operations have been included in the Company’s consolidated financial statements since the acquisition date. The purchase price allocation included in the Company’s balance sheet as of December 31, 2006 was based on information available at that time. Subsequent adjustment to the allocation was made during the three months ended March 31, 2007 based upon the receipt of a third-party valuation report.

Hilton Village:

On September 5, 2007, the Company purchased the 50% outside ownership interest in Hilton Village, a 96,546 square foot specialty center in Scottsdale, Arizona. The total purchase price of $13,500 was funded by cash, borrowings under the Company’s line of credit and the assumption of a mortgage note payable. The Center was previously accounted for under the equity method as an investment in unconsolidated joint ventures. The results of Hilton Village’s operations have been included in the Company’s consolidated financial statements since the acquisition date.

14. Discontinued Operations:

The following were dispositions completed by the Company in 2006:

On June 9, 2006, the Company sold Scottsdale/101 for $117,600 resulting in a gain on sale of asset of $62,633. The Company’s share of the gain was $25,802 in 2006. The Company’s pro rata share of the proceeds were used to pay down the Company’s line of credit.

On July 13, 2006, the Company sold Park Lane Mall for $20,000 resulting in a gain on sale of asset of $5,853 in 2006.

On July 27, 2006, the Company sold Holiday Village and Greeley Mall in a combined sale for $86,800, resulting in a gain on sale of asset of $28,711 in 2006. Concurrent with the sale, the Company defeased the mortgage note payable on Greeley Mall. As a result of the defeasance, the lender’s secured interest in the property was replaced with a secured interest in marketable securities (See Note 7—Marketable Securities). This transaction did not meet the criteria for extinguishment of debt under SFAS No. 140, “Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities.”

On August 11, 2006, the Company sold Great Falls Marketplace for $27,500 resulting in a gain on sale of asset of $11,826 in 2006.

14. Discontinued Operations: (Continued)

The proceeds from the sale of Park Lane Mall, Holiday Village, Greeley Mall and Great Falls Marketplace were used in part to fund the Company’s pro rata share of the purchase price of the Federated stores acquisition (See Note 13—Acquisitions) and pay down the Company’s line of credit.

On December 29, 2006, the Company sold Citadel Mall, Northwest Arkansas Mall and Crossroads Mall in a combined sale for $373,800, resulting in a gain of $132,671 in 2006. The proceeds were used to pay down the Company’s line of credit and pay off the mortgage note payable on Paradise Valley Mall (See Note 9—Mortgage Notes Payable).

The Company has classified the results of operations for the three and nine months ended September 30, 2007 and 2006 for all of the above dispositions as discontinued operations.

Loss on sale of assets from discontinued operations of $905 and $2,325 for the three and nine months ended September 30, 2007, consisted of additional costs related to properties sold in 2006.

Revenues and income from discontinued operations were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2007	2006	2007	2006
Revenues:				
Scottsdale/101	$ 10	$ (11)	$ 53	$ 4,632
Park Lane Mall	—	106	14	1,505
Holiday Village	27	353	160	2,823
Greeley Mall	—	443	(4)	4,345
Great Falls Marketplace	—	230	—	1,559
Citadel Mall	—	4,165	47	12,319
Northwest Arkansas Mall	—	3,075	33	9,595
Crossroads Mall	—	2,789	(26)	8,635
	$ 37	$ 11,150	$ 277	$ 45,413
Income from discontinued operations:				
Scottsdale/101	$ 4	$ 13	$ 13	$ 325
Park Lane Mall	—	(62)	19	31
Holiday Village	18	125	132	1,101
Greeley Mall	178	(85)	(80)	593
Great Falls Marketplace	(2)	124	(2)	928
Citadel Mall	68	741	(66)	1,863
Northwest Arkansas Mall	(1)	691	22	2,420
Crossroads Mall	(28)	15	22	1,980
	$237	$ 1,562	$ 60	$ 9,241

15. Commitments and Contingencies:

The Company has certain properties that are subject to non-cancelable operating ground leases. The leases expire at various times through 2097, 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 agreements. Ground rent expenses were $961 and $1,253 for the three months ended September 30, 2007 and 2006, and $2,679 and $3,367 for the nine months ended September 30, 2007 and 2006, respectively. No contingent rent was incurred in either period.

As of September 30, 2007 and December 31, 2006, the Company was contingently liable for $6,935 and $6,087, respectively, 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. In addition, the Company has a $24,000 letter of credit that serves as collateral to a liability assumed in the acquisition of Shoppingtown Mall in 2005.

16. Share and Unit-Based Plans:

The Company has established share and unit-based compensation plans for the purpose of attracting and retaining executive officers, directors and key employees. The share-based compensation plans provide for grants of stock awards, stock options, operating partnership units and phantom stock units. In addition, the Company has established an Employee Stock Purchase Plan to allow employees to purchase the Company's common stock at a discount.

On January 1, 2006, the Company adopted SFAS No. 123(R), "Share-Based Payment," to account for its share and unit-based compensation plans using the modified-prospective method. Accordingly, prior period amounts have not been restated. Under SFAS No. 123(R), an equity instrument is not recorded to common stockholders' equity until the related compensation expense is recorded over the requisite service period of the award. The Company records compensation cost on a straight-line basis for awards, excluding the market-indexed awards under the Long-Term Incentive Plan ("LTIP"). Compensation cost for the market-indexed LTIP awards are recognized under the graded attribution method.

Prior to the adoption of SFAS No. 123(R), and in accordance with the previous accounting guidance, the Company recognized compensation expense and an increase to additional paid in capital for the fair value of vested stock awards and stock options. In addition, the Company recognized compensation expense and a corresponding liability for the fair value of vested stock units issued under the Eligible Directors' Deferred Compensation/Phantom Stock Plan.

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

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2007	2006	2007	2006
LTIP units	$ 2,172	$ —	$ 6,220	$ —
Stock awards	3,164	3,108	9,160	9,095
Stock options	44	—	44	—
Phantom stock units	147	133	437	399
	$ 5,527	$ 3,241	$ 15,861	$ 9,494

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

The following table summarizes the activity of LTIP unit awards:

	Number of Units	Weighted Average Grant Date Fair Value
Balance at January 1, 2007	215,709	$ 52.18
Granted	57,258	$ 64.35
Vested	—	$ —
Forfeited	—	$ —
Balance at September 30, 2007	272,967	$ 54.73

As of September 30, 2007, there was $8,039 of unrecognized compensation cost related to non-vested LTIP units, which is expected to be recognized over the three year period ending December 31, 2009.

The following table summarizes the activity of non-vested stock awards:

	Number of Shares	Weighted Average Grant Date Fair Value
Balance at January 1, 2007	392,294	$ 61.06
Granted	150,057	$ 92.36
Vested	(201,311)	$ 56.89
Forfeited	(4,770)	$ 76.05
Balance at September 30, 2007	336,270	$ 78.38

The following table summarizes the activity of stock options:

	Number of Options	Weighted Average Exercise Price
Balance at January 1, 2007	2,500	$ 39.43
Granted	100,000	$ 82.14
Exercised	—	—
Forfeited	—	—
Balance at September 30, 2007	102,500	$ 81.10

On September 4, 2007, the Company granted 100,000 stock options to an officer under the 2003 Equity Incentive Plan. The options have an exercise price of $82.14 per share and a ten-year term. Options vest $33\frac{1}{3}\%$ on each of the three subsequent anniversaries of the date of grant and are generally contingent upon the officer’s employment with the Company.

THE MACERICH COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Dollars in thousands, except per share amounts)
(Unaudited)

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

The Company has estimated the fair value of the stock option award at $17.87 per share using the Black-Scholes Option Pricing Model based upon the following assumptions: volatility of 22.83%, dividend yield of 3.46%, risk free rate of 4.56%, a current value of $82.14 and an expected term of eight years. The assumptions for volatility and dividend yield were based on the Company’s historical experience as a publicly traded company, the current value was based on the closing price on the date of grant, and the risk free rate was based upon the interest rate of the 10-year treasury bond on the date of grant.

The Company recognizes compensation cost using the straight-line method over the three-year vesting period.

The following table summarizes the activity of the non-vested phantom stock units:

	Number of Units	Weighted Average Grant Date Fair Value
Balance at January 1, 2007	—	$ —
Granted	12,355	$ 84.40
Vested	(5,135)	$ 85.13
Forfeited	—	$ —
Balance at September 30, 2007	7,220	$ 83.87

17. Cumulative Convertible Redeemable Preferred Stock:

On February 25, 1998, the Company issued 3,627,131 shares of Series A cumulative convertible redeemable preferred stock ("Series A Preferred Stock") for proceeds totaling $100,000 in a private placement. The preferred stock can be converted on a one for one basis into common stock and will pay a quarterly dividend equal to the greater of $0.46 per share, or the dividend then payable on a share of common stock.

No dividends will be declared or paid on any class of common or other junior stock to the extent that dividends on Series A Preferred Stock have not been declared and/or paid.

The holder of the Series A Preferred Stock has redemption rights if a change in control of the Company occurs, as defined under the Articles Supplementary. Under such circumstances, the holder of the Series A Preferred Stock is entitled to require the Company to redeem its shares, to the extent the Company has funds legally available therefor, at a price equal to 105% of its liquidation preference plus accrued and unpaid dividends. The Series A Preferred Stock holder also has the right to require the Company to repurchase its shares if the Company fails to be taxed as a REIT for federal tax purposes at a price equal to 115% of its liquidation preference plus accrued and unpaid dividends, to the extent funds are legally available therefor.

On October 18, 2007, the holder of the Series A Preferred Stock converted 560,000 shares to common shares.

18. Income Taxes:

The Company elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended, commencing with its taxable year ended December 31, 1994. To qualify as a REIT, the Company must meet a number of organizational and operational requirements, including a requirement that it distribute at least 90% of its taxable income to its stockholders. It is management's current intention to adhere to these requirements and maintain the Company's REIT status. As a REIT, the Company generally will not be subject to corporate level federal income tax on net income it distributes currently to its stockholders. If the Company fails to qualify as a REIT in any taxable year, then it will be subject to federal income taxes at regular corporate rates (including any applicable alternative minimum tax) and may not be able to qualify as a REIT for four subsequent taxable years. Even if the Company qualifies for taxation as a REIT, the Company may be subject to certain state and local taxes on its income and property and to federal income and excise taxes on its undistributed taxable income, if any.

Each partner is taxed individually on its share of partnership income or loss, and accordingly, no provision for federal and state income tax is provided for the Operating Partnership in the consolidated financial statements.

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 Internal Revenue 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 Westcor Partners, L.L.C.

The income tax benefit (expense) of the TRSs is as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2007	2006	2007	2006
Current	$ —	$ —	$ (17)	$ (20)
Deferred	(429)	(535)	495	(199)
	$ (429)	$ (535)	$ 478	$ (219)

SFAS No. 109 requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The deferred tax assets and liabilities of the TRSs relate primarily to differences in the book and tax bases of property and to operating loss carryforwards for federal and state income tax purposes. A valuation allowance for deferred tax assets is provided if the Company believes it is more likely than not that all or some portion of the deferred tax assets will not be realized. Realization of deferred tax assets is dependent on the Company generating sufficient taxable income in future periods. The net operating loss carryforwards are currently scheduled to expire through 2026, beginning in 2011. Net deferred tax assets were $12,037 and $11,227 at September 30, 2007 and December 31, 2006, respectively.

18. Income Taxes: (Continued)

The Company adopted the provisions of FIN 48 on January 1, 2007. The adoption of this standard did not have a material impact on the Company's results of operations or financial condition. At the adoption date of January 1, 2007, the Company had $1,574 of unrecognized tax benefit, all of which would affect the Company's effective tax rate if recognized, and which was recorded as a charge to additional paid-in capital. At September 30, 2007, the Company had $1,769 of unrecognized tax benefit. As a result of tax positions taken during the current period, an increase in the unrecognized tax benefit of $173 and a decrease in the unrecognized tax benefit of $275 (relating to the expiration of the statute of limitations for the 2003 tax year) were included in the Company's consolidated statements of operations.

The tax years 2004-2006 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 change within the next 12 months.

19. Segment Information:

The Company currently operates in one business segment, the acquisition, ownership, development, redevelopment, management and leasing of regional and community shopping centers. Additionally, the Company operates in one geographic area, the United States.

20. Subsequent Events:

On October 26, 2007, the Company declared a dividend/distribution of $0.80 per share for common stockholders, OP unit holders and Series A Preferred stock holders of record on November 15, 2007. In addition, MACWH, LP declared a distribution of $1.06 per unit for its participating convertible preferred unit holders, $1.05 for its non-participating convertible preferred unit holders and $0.80 per unit for its common unit holders of record on November 15, 2007. All dividends/distributions will be paid on December 7, 2007.

On October 18, 2007, the holder of the Series A Preferred Stock converted 560,000 shares to common shares. See Note 17—Cumulative Convertible Redeemable Preferred Stock.

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

This quarterly report on the Form 10-Q of The Macerich Company (the "Company") contains or incorporates statements that constitute forward-looking statements. Those statements appear in a number of places in this Form 10-Q and include statements regarding, among other matters, the Company's growth, acquisition, redevelopment and development opportunities, the Company's acquisition and other strategies, regulatory matters pertaining to compliance with governmental regulations and other factors affecting the Company's financial condition or results of operations. Words such as "expects," "anticipates," "intends," "projects," "predicts," "plans," "believes," "seeks," "estimates," and "should" and variations of these words and similar expressions, are used in many cases to identify these forward-looking statements. 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 industry to vary 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 the matters described herein and in the matters described under the caption "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2006, which matters are incorporated herein by reference. The Company will not update any forward-looking information to reflect actual results or changes in the factors affecting the forward-looking information.

Management's Overview and Summary

The Company is involved in the acquisition, ownership, development, redevelopment, management, and leasing of regional and community 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., a Delaware limited partnership (the "Operating Partnership"). As of September 30, 2007, the Operating Partnership owned or had an ownership interest in 73 regional shopping centers and 18 community shopping centers aggregating approximately 78 million square feet of gross leasable area. These 91 regional and community shopping centers are referred to hereinafter as the "Centers", unless the context otherwise requires. 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 Company's Management Companies.

The following discussion is based primarily on the consolidated financial statements of the Company for the three and nine months ended September 30, 2007 and 2006. This information should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

Acquisitions and dispositions:

The financial statements reflect the following acquisitions, dispositions and changes in ownership subsequent to the occurrence of each transaction.

On February 1, 2006, the Company acquired Valley River Center, an 835,694 square foot super-regional mall in Eugene, Oregon. The total purchase price was $187.5 million and concurrent with the acquisition, the Company placed a $100.0 million ten-year loan on the property. The balance of the purchase price was funded by cash and borrowings under the Company's line of credit.

On June 9, 2006, the Company sold Scottsdale/101, a 564,000 square foot center in Phoenix, Arizona. The sale price was $117.6 million from which $56.0 million was used to payoff the mortgage on the property. The Company's share of the realized gain was $25.8 million.

On July 13, 2006, the Company sold Park Lane Mall, a 370,000 square foot center in Reno, Nevada, for $20 million resulting in a gain of $5.9 million.

On July 26, 2006, the Company purchased 11 department stores located in 10 of its Centers from Federated Department Stores, Inc. ("Federated") for approximately $100.0 million. The purchase price consisted of a $93.0 million cash payment at closing and a $7.0 million cash payment on March 29, 2007 in connection with a commitment by Federated to perform development work at certain Company properties. The Company's share of the purchase price was $81.0 million and was funded from the proceeds of sales of Park Lane Mall, Greeley Mall, Holiday Village and Great Falls Marketplace, and from borrowings under the Company's line of credit. The balance of the purchase price was paid by the Company's joint venture partners where four of the eleven stores are located.

On July 27, 2006, the Company sold Holiday Village, a 498,000 square foot center in Great Falls, Montana and Greeley Mall, a 564,000 square foot center in Greeley, Colorado, in a combined sale for $86.8 million, resulting in a gain of $28.7 million.

On August 11, 2006, the Company sold Great Falls Marketplace, a 215,000 square foot community center in Great Falls, Montana, for $27.5 million resulting in a gain of $11.8 million.

On December 1, 2006, the Company acquired Deptford Mall, a two-level 1.0 million square foot super-regional mall in Deptford, New Jersey. The total purchase price of $240.1 million was funded by cash and borrowings under the Company's line of credit. On December 7, 2006, the Company placed a $100.0 million six-year loan bearing interest at a fixed rate of 5.44% on the property. On May 23, 2007, the Company borrowed an additional $72.5 million under the loan agreement.

On December 29, 2006, the Company sold Citadel Mall, a 1,095,000 square foot center in Colorado Springs, Colorado, Crossroads Mall, a 1,268,000 square foot center in Oklahoma City, Oklahoma and Northwest Arkansas Mall, a 820,000 square foot center in Fayetteville, Arkansas, in a combined sale for $373.8 million, resulting in a gain of $132.7 million. The net proceeds were used to pay down the Company's line of credit and pay off the Company's $75.0 million loan on Paradise Valley Mall.

On September 5, 2007, the Company purchased the 50% outside ownership interest in Hilton Village, a 97,000 square foot specialty center in Scottsdale, Arizona, for $13.5 million which was funded by cash, borrowings under the Company's line of credit and the assumption of a mortgage note payable.

Deptford Mall is referred herein as the "2006 Acquisition Center" for the purposes of comparing the results for the three months ended September 30, 2007 to the three months ended September 30, 2006. Valley River Center and Deptford Mall are referred to herein as the "2006 Acquisition Centers" for the purposes of comparing the results of the nine months ended September 30, 2007 to the nine months ended September 30, 2006.

Redevelopment:

The grand opening of the first phase of Twenty Ninth Street, an 817,085 square foot shopping district in Boulder, Colorado, took place on October 13, 2006. The balance of the project was substantially completed in the Summer of 2007.

On November 1, 2006, the Company received Phoenix City Council approval to add up to five mixed-use towers of up to 165 feet at Biltmore Fashion Park. Biltmore Fashion Park is an established luxury destination for first-to-market, high-end and luxury tenants in the metropolitan Phoenix market. The mixed-use towers are planned to be built over time based upon demand.

On January 22, 2007, the Fairfax County Board of Supervisors approved plans for a transit-oriented development at Tysons Corner Center in McLean, Virginia. The expansion will add 3.5 million square feet of mixed-use space to the existing 2.2 million square foot regional shopping center. The project is planned to be built in phases over the next 10 years based on market demand and the expansion of the area's light rail system. Completion of the entitlement process for Phase I, totaling roughly 1.4 million square feet, is

anticipated for the first quarter of 2008. The first phase of the project is anticipated to begin development in late 2009.

In March 2007, the Company submitted its entitlement requests to redevelop Santa Monica Place, a 540,000 square foot shopping center in Santa Monica, California. In 2006, the Company acquired one of the two anchor spaces at Santa Monica Place as a result of its Federated acquisition. The redevelopment is estimated to be completed in late 2009.

The first phase of SanTan Village in Gilbert, Arizona, opened on October 26, 2007. The 1.2 million square foot open-air super regional shopping center opened with over 90% of the retail space committed with Dillard's and more than 85 specialty retailers joining Harkins Theatres, which opened in March 2007. Approximately 100 retailers are expected to be open in 2007, with the balance of the project opening in phases throughout 2008. Future phases include Dick's Sporting Goods, Best Buy, Barnes & Noble and up to 13 restaurants.

The first phase of The Promenade at Casa Grande, a 1 million square foot, 130 acre department store anchored hybrid lifestyle center, will open November 16, 2007 in fast-growing Pinal County, Arizona. Ninety percent committed, the first phase of the project will open with approximately 550,000 square feet of mini-majors, including Dillard's, Target, JCPenney, Bed, Bath & Beyond, Cost Plus World Market, Fashion Bug, Olive Garden, Mimi's Café and Sports Authority. The project's second phase, complementary small shops and restaurants, is expected to open in Spring 2008. The Promenade at Casa Grande is 51% owned by the Company.

Flagstaff Mall's 435,000 square foot lifestyle expansion began opening in phases on October 19, 2007. Phase I of The Marketplace at Flagstaff Mall delivered approximately 240,000 square feet of new retail space including Best Buy, Cost Plus World Market, Home Depot, Linen's n Things, Marshall's, Old Navy, Petco and Shoe Pavilion. Phase II, which will consist of village shops, an entertainment plaza and pad space, is expected to be complete in 2009-2010.

On November 8, 2007, Freehold Raceway Mall will open the first phase of a combined expansion and renovation project that will add 96,000 square feet of new retail and restaurant uses to this high-performing regional center in New Jersey. The expansion, which is 85% committed, will add nine new-to-market additions including: Borders, The Cheesecake Factory, P.F. Chang's, Jared The Gallaria of Jewelry, The Territory Ahead, Ann Taylor, Chico's, Coldwater Creek and White House/Black Market. The balance of the project is expected to open throughout 2008.

Scottsdale Fashion Square, the 2 million square foot luxury flagship, is undergoing a $130 million redevelopment and expansion. Phase I of the redevelopment and expansion began in September 2007 with demolition of the vacant anchor space acquired as a result of the Federated-May merger and an adjacent parking structure. A 60,000 square foot Barneys New York, the high-end retailer's first Arizona location, will anchor an additional 100,000 square

feet of up to 30 new luxury shops, which is planned to open Fall 2009 in an urban setting on Scottsdale Road. New first-to-market deals recently announced include Bottega Veneta, Grand Lux Café, Salvatore Ferragamo, CH Carolina Herrera, A|X Armani Exchange and Michael Kors.

Construction continues on the combined redevelopment, expansion and interior renovation of The Oaks, an upscale 1.1 million square foot super-regional shopping center in California's affluent Thousand Oaks. The project is expected to be completed in Fall 2008. The market's first Nordstrom department store is under construction.

The Company completed the site plan approval process for the 106 acre, 1 million square foot regional shopping center at the core of Estrella Falls on October 22, 2007. Infrastructure development for the 330 acre mixed-use development is underway and the project's multi-phased opening is expected to

begin Fall 2008 with the adjacent 500,000 square foot power center that is currently under construction. The mall is projected to open in phases beginning in 2009.

The "Redevelopment Centers" include Twenty Ninth Street, The Oaks, Santa Monica Place and Westside Pavilion Adjacent.

Inflation:

In the last three 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 through 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, about 6%-13% of the leases 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. Additionally, historically the majority of the leases required the tenants to pay their pro rata share of operating expenses. In January 2005, the Company began entering 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. This change shifts the burden of cost control to the Company.

Seasonality:

The shopping center industry is seasonal in nature, particularly in the fourth quarter during the holiday season when retailer occupancy and retail sales are typically at their highest levels. In addition, shopping malls achieve a substantial portion of their specialty (temporary retailer) rents during the holiday season and the majority of percentage rent is recognized in the fourth quarter. As a result of the above, earnings are generally higher in the fourth quarter.

Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted 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, and estimates for environmental matters. The Company's significant accounting policies are described in more detail in Note 2 to the audited Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2006. However, the following policies are deemed to be critical.

Revenue Recognition

Minimum rental revenues are recognized on a straight-line basis over the term of the related lease. The difference between the amount of rent due in a year and the amount recorded as rental income is referred to as the "straight lining of rent adjustment." Currently, 40% of the mall and freestanding leases contain provisions for CPI rent increases periodically throughout the term of the lease. The Company believes that using an annual multiple of CPI increases, rather than fixed contractual rent increases, results in revenue recognition that more closely matches the cash revenue from each lease and will provide more consistent rent growth throughout the term of the leases. Percentage rents are recognized when the tenants' specified sales targets have been met. Estimated recoveries from tenants for real estate taxes,

insurance and other shopping center operating expenses are recognized as revenues in the period the applicable expenses are incurred.

Property

Costs related to the development, redevelopment, construction and improvement of properties are capitalized. Interest incurred on development, redevelopment and construction projects is capitalized until construction is substantially complete.

Maintenance and repairs expenses are charged to operations as incurred. Costs for major replacements and betterments, which includes HVAC equipment, roofs, parking lots, etc., are capitalized and depreciated over their estimated useful lives. Gains and losses are recognized upon disposal or retirement of the related assets and are reflected in earnings.

Property is recorded at cost and is depreciated using a straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	5-40 years
Tenant improvements	5-7 years
Equipment and furnishings	5-7 years

Accounting for Acquisitions

The Company accounts for all acquisitions in accordance with Statement of Financial Accounting Standards ("SFAS") No. 141, "Business Combinations." The Company will first determine the value of the land and buildings utilizing an "as if vacant" methodology. The Company will then assign a fair value to any debt assumed at acquisition. The balance of the purchase price will be allocated to tenant improvements and identifiable intangible assets or liabilities. Tenant improvements represent the tangible assets associated with the existing leases valued on a fair market 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 an estimate of renewal of the acquired leases. 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 rental revenue over the remaining terms of the leases.

When the Company acquires real estate properties, the Company allocates the purchase price to the components of these acquisitions using relative fair values computed using estimates and assumptions. These estimates and assumptions impact the amount of costs allocated between various components as well as the amount of costs assigned to individual properties in multiple property acquisitions. These allocations also impact depreciation expense and gains or loses recorded on future sales of properties. Generally, the Company engages a valuation firm to assist with these allocations.

Asset Impairment

The Company assesses whether the value of its long-lived assets has been impairment by considering factors such as expected future operating income, trends and prospects, as well as the effects of demand, competition and other economic factors. Such factors include the tenant's ability to perform their duties and pay rent under the terms of the leases. The Company may recognize an impairment loss if the cash flows are not sufficient to cover its investment. Such a loss would be determined as the difference between the carrying value and the fair value of a Center.

Deferred Charges

Costs relating to obtaining tenant leases are deferred and amortized over the initial term of the agreement using the straight-line method. Costs relating to financing of shopping center properties are deferred and amortized over the life of the related loan using the straight-line method, which approximates the effective interest method. In-place lease values are amortized over the remaining lease term plus an estimate of renewal. Leasing commissions and legal costs are amortized on a straight-line basis over the individual remaining lease years. The ranges of the terms of the agreements are as follows:

Deferred lease costs	1-15 years
Deferred financing costs	1-15 years
In-place lease values	Remaining lease term plus an estimate for renewal
Leasing commissions and legal costs	5-10 years

Results of Operations

Many of the variations in the results of operations, discussed below, occurred due to the transactions described above including the 2006 Acquisition Center(s) and the Redevelopment Centers. For the comparison of the three and nine months ended September 30, 2007 to the three and nine months ended September 30, 2006, the "Same Centers" include all consolidated Centers, excluding 2006 Acquisition Center(s) and the Redevelopment Centers.

Comparison of the Three Months Ended September 30, 2007 and 2006

Revenues

Minimum and percentage rents (collectively referred to as "rental revenue") increased by $14.8 million, or 12.3%, from 2006 to 2007. Rental revenue increased $7.3 million from the Same Centers, $4.1 million from the 2006 Acquisition Center and $3.4 million from the Redevelopment Centers.

The amortization of above and below market leases, which is recorded in rental revenue, increased to $3.2 million in 2007 from $3.0 million in 2006. The increase in amortization is primarily due to the accelerated amortization of leases terminated in 2006. The amortization of straight-lined rents, included in rental revenue, was $3.2 million in 2007 compared to $2.2 million in 2006. Lease termination income, included in rental revenue, was $3.7 million in 2007 compared to $0.7 million in 2006.

Tenant recoveries increased $6.4 million, or 10.0%, from 2006 to 2007. Approximately $2.7 million of the increase in tenant recoveries related to the 2006 Acquisition Center, $2.2 million related to the Same Centers and $1.4 million related to the Redevelopment Centers.

Management Companies' Revenues

Management Companies' revenues increased by $1.2 million from 2006 to 2007, primarily due to increased management fees received from the joint venture Centers and increased development fees from joint ventures.

Shopping Center and Operating Expenses

Shopping center and operating expenses increased $6.4 million, or 9.4%, from 2006 to 2007. Approximately $2.8 million of the increase in shopping center and operating expenses related to the 2006 Acquisition Center, $2.1 million related to the Same Centers and $1.5 million related to the Redevelopment Centers.

Management Companies' Operating Expenses

Management Companies' operating expenses increased to $17.9 million in 2007 from $14.5 million in 2006, in part as a result of the additional costs of managing the joint venture Centers and third party managed properties.

REIT General and Administrative Expenses

REIT general and administrative expenses decreased by $0.6 million in 2007 from 2006, primarily due to a decreased share and unit-based compensation expense in 2007.

Depreciation and Amortization

Depreciation and amortization increased $6.6 million in 2007 from 2006. Approximately $3.0 million of the increase in depreciation and amortization related to the Redevelopment Centers, $2.3 million related to the 2006 Acquisition Center and $0.7 million related to the Same Centers.

Interest Expense

Interest expense decreased $7.4 million in 2007 from 2006. The decrease in interest expense was primarily attributed to a decrease of $6.8 million from the line of credit, $4.4 million from the term loans, $4.0 million from the Same Centers and $2.5 million from the Redevelopment Centers. The decrease in interest expense was offset in part by an increase of $8.1 million due to the issuance of $950.0 million of convertible senior notes on March 16, 2007 and an $2.4 million increase from the 2006 Acquisition Center. The decrease in interest on the line of credit was due to a decrease in average outstanding borrowings during 2007 due to the issuance of the senior notes and a decrease in interest rates due to the $400 million swap and lower LIBOR rates and spreads. The decrease in interest on the term loans was due to the repayment of the $250 million loan in 2007 and the repayment of the $619 million term loan in 2006. (See "Liquidity and Capital Resources"). The above interest expense items are net of capitalized interest of $9.8 million in 2007, up from $4.4 million in 2006 due to increases in redevelopment activity.

Equity in Income of Unconsolidated Joint Ventures

The equity in income of unconsolidated joint ventures increased $0.2 million in 2007 from 2006. The increase in equity in income of unconsolidated joint ventures is primarily attributed to an increase in rental revenues in 2007.

Discontinued Operations

The Company recorded a loss of $0.7 million in 2007 and $47.8 million of income in 2006 from discontinued operations. The decrease in income primarily relates to the gain on the sales of Park Lane

Mall, Holiday Village, Greeley Mall, Great Falls Marketplace, Citadel Mall, Crossroads Mall and Northwest Arkansas Mall in 2006 (See "Management's Overview and Summary—Acquisitions and dispositions"). As result of these sales, the Company classified the results of operations for these properties to discontinued operations for all periods presented.

Minority Interest in the Operating Partnership

The minority interest in the Operating Partnership represents the 14.9% weighted average interest of the Operating Partnership not owned by the Company during 2007 compared to the 15.6% not owned by the Company during 2006. The change in ownership interest is primarily due to the stock offering by the Company in 2006, the redemption of OP Units in 2007 and the repurchase of 807,000 shares in 2007 (See Note 12—Stock Repurchase Program of the Company's Consolidated Financial Statements).

Funds From Operations

Primarily as a result of the factors mentioned above, Funds from Operations ("FFO")—diluted increased 28.2% to $111.0 million in 2007 from $86.6 million in 2006. For the reconciliation of FFO and FFO-diluted to net income available to common stockholders, see "Funds from Operations."

Comparison of the Nine Months Ended September 30, 2007 and 2006

Revenues

Rental revenue increased by $27.7 million, or 7.6%, from 2006 to 2007. The increase in rental revenue is attributed to an increase of $13.4 million from the 2006 Acquisition Centers, $8.5 million from the Redevelopment Centers and $5.7 million from the Same Centers.

The amortization of above and below market leases, which is recorded in rental revenue, decreased to $8.9 million in 2007 from $10.3 million in 2006. The decrease in amortization is primarily due to the accelerated amortization of leases terminated in 2006. The amortization of straight-lined rents, included in rental revenue, was $6.8 million in 2007 compared to $6.2 million in 2006. Lease termination income, included in rental revenue, was $8.8 million in 2007 and 2006.

Tenant recoveries increased $19.2 million, or 10.3%, from 2006 to 2007. The increase in tenant recoveries is attributed to an increase of $8.2 million from the 2006 Acquisition Centers, $7.6 million from the Same Centers and $3.4 million from the Redevelopment Centers.

Management Companies' Revenues

Management Companies' revenues increased by $4.9 million from 2006 to 2007, primarily due to increased management fees received from the joint venture Centers, additional third party management contracts and increased development fees from joint ventures.

Shopping Center and Operating Expenses

Shopping center and operating expenses increased $17.9 million, or 9.3%, from 2006 to 2007. Approximately $7.8 million of the increase in shopping center and operating expenses related to the 2006 Acquisition Centers, $5.8 million related to the Same Centers and $4.3 million related to the Redevelopment Centers.

Management Companies' Operating Expenses

Management Companies' operating expenses increased to $54.2 million in 2007 from $41.3 million in 2006, in part as a result of the additional costs of managing the joint venture Centers and third party managed properties.

REIT General and Administrative Expenses

REIT general and administrative expenses increased by $2.2 million in 2007 from 2006, primarily due to increased share and unit-based compensation expense in 2007.

Depreciation and Amortization

Depreciation and amortization increased $8.7 million in 2007 from 2006. The increase in depreciation and amortization is primarily attributed to an increase of $8.2 million at the 2006 Acquisition Centers and $6.6 million at the Redevelopment Centers offset in part by a decrease of $6.4 million at the Same Centers.

Interest Expense

Interest expense decreased $14.5 million in 2007 from 2006. The decrease in interest expense was primarily attributed to a decrease of $11.5 million from the line of credit, $10.9 million from term loans, $7.0 million from the Same Centers, and $5.9 million from the Redevelopment Centers. The decrease in interest expense was offset in part by an increase of $17.7 million due to the issuance of $950.0 million of convertible senior notes on March 16, 2007 and an increase of $4.1 million from the 2006 Acquisition Centers. The decrease in interest on the line of credit was due to a decrease in average outstanding borrowings during 2007 due to the issuance of the senior notes and a decrease in interest rates. The decrease in interest on term loans was due to the repayment of the $250 million loan in 2007 and the repayment of the $619 million term loan in 2006. (See "Liquidity and Capital Resources"). The above interest expense items are net of capitalized interest of $24.1 million in 2007, up from $10.6 million in 2006 due to increases in redevelopment activity.

Equity in Income of Unconsolidated Joint Ventures

The equity in income of unconsolidated joint ventures decreased $5.2 million in 2007 from 2006. The decrease in equity in income of unconsolidated joint ventures is due in part to a $2.4 million loss on sale of assets at the SDG Macerich Properties, L.P. joint venture and $3.1 million in additional interest expense and depreciation at other joint ventures due to the completion of development projects.

Loss on Early Extinguishment of Debt

The Company recorded a $0.9 million loss from the early extinguishment of the $250 million term loan in 2007. In 2006, the Company recorded a loss from the early extinguishment of debt of $1.8 million related to the pay off of the $619 million term loan.

Discontinued Operations

The Company recorded a loss of $2.3 million in 2007 and $81.4 million of income in 2006 from discontinued operations. The decrease in income is primarily related to the recognition of gain on the sales of Scottsdale/101, Park Lane Mall, Holiday Village, Greeley Mall, Great Falls Marketplace, Citadel Mall, Crossroads Mall and Northwest Arkansas Mall in 2006 (See "Management's Overview and Summary—Acquisitions and dispositions"). As result of these sales, the Company classified the results of operations for these properties to discontinued operations for all periods presented.

Minority Interest in the Operating Partnership

The minority interest in the Operating Partnership represents the 15.1% weighted average interest of the Operating Partnership not owned by the Company during 2007 compared to the 15.9% not owned by the Company during 2006. The change in ownership interest is primarily due to the stock offering by the Company in 2006, the redemption of OP Units in 2007 and the repurchase of 807,000 shares in 2007 (See Note 12—Stock Repurchase Program of the Company's Consolidated Financial Statements).

Funds From Operations

Primarily as a result of the factors mentioned above, FFO—diluted increased 13.8% to $298.2 million in 2007 from $262.0 million in 2006. For the reconciliation of FFO and FFO-diluted to net income available to common stockholders, see "Funds from Operations."

Operating Activities

Cash flow from operations increased to $208.1 million in 2007 from $138.9 million in 2006. The increase was primarily due to changes in assets and liabilities in 2007 compared to 2006 and due to the results at the Centers as discussed above.

Investing Activities

Cash used in investing activities increased to $214.7 million in 2007 from $184.4 million in 2006. The increase in cash used in investing activities was due to a decrease in cash proceeds from the sale of assets, offset in part, by an increase in cash distributions from unconsolidated joint ventures and a decrease in capital expenditures.

Financing Activities

Cash flow used in financing activities increased to $219.9 million in 2007 from $47.5 million in 2006. The increase in cash used in financing activities was primarily attributed to $59.8 million for the purchase of the Capped Calls in connection with the issuance of the convertible senior notes and $75.0 million for the repurchase of the Company's common stock in 2007, offset in part by the $950 million convertible senior notes issuance in 2007 and the $746.8 million in proceeds from the common stock offering in 2006 (See "Liquidity and Capital Resources").

Liquidity and Capital Resources

The Company intends to meet its short term liquidity requirements through cash generated from operations, working capital reserves, property secured borrowings, unsecured corporate borrowings and borrowings under the revolving line of credit. 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.

The following tables summarize capital expenditures incurred at the Centers for the nine months ended September 30:

	For the Nine Months Ended September 30,	
	2007	2006
(Dollars in thousands)		
Consolidated Centers:		
Acquisitions of property and equipment	$ 29,262	$ 334,888
Development, redevelopment and expansion of Centers	378,694	101,991
Renovations of Centers	19,057	37,573
Tenant allowances	15,018	20,608
Deferred leasing charges	17,135	17,380
	$ 459,166	$ 512,440
Joint Venture Centers (at Company's pro rata share):		
Acquisitions of property and equipment	$ 4,347	$ 24,324
Development, redevelopment and expansion of Centers	20,691	39,047
Renovations of Centers	8,880	6,973
Tenant allowances	9,726	8,186
Deferred leasing charges	2,887	3,093
	$ 46,531	$ 81,623

Management expects similar levels to be incurred in future years for tenant allowances and deferred leasing charges and to incur between $400 million to $600 million in the next twelve months for development, redevelopment, expansion and renovations. Capital for major expenditures or major developments and redevelopments has been, and is expected to continue to be, obtained from equity or debt financings which include borrowings under the Company's line of credit and construction loans. However, 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.

The Company's total outstanding loan indebtedness at September 30, 2007 was $6.9 billion (including $1.8 billion of its pro rata share of joint venture debt). This equated to a debt to Total Market Capitalization (defined as total debt of the Company, 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, MACWH, LP units and preferred stock into common stock) ratio of approximately 46.4% at September 30, 2007. The majority of the Company's debt consists of fixed-rate conventional mortgages payable collateralized by individual properties.

The Company filed a shelf registration statement, effective June 6, 2002, to sell securities. The shelf registration is for a total of $1.0 billion of common stock, common stock warrants or common stock rights. The Company sold a total of 15.2 million shares of common stock under this shelf registration on November 27, 2002. The aggregate offering price of this transaction was approximately $440.2 million, leaving approximately $559.8 million available under the shelf registration statement. In addition, the Company filed another shelf registration statement, effective October 27, 2003, to sell up to $300 million of preferred stock. On January 12, 2006, the Company filed a shelf registration statement registering an unspecified amount of common stock that it may offer in the future.

On March 16, 2007, the Company issued $950 million in convertible senior notes ("Senior Notes") that are to mature on March 15, 2012. The Senior Notes bear interest at 3.25%, payable semiannually, are senior to unsecured debt of the Company and are guaranteed by the Operating Partnership. Prior to December 14, 2011, upon the occurrence of certain specified events, the Senior Notes will be convertible at

the option of holder into cash, shares of the Company's common stock or a combination of cash and shares of the Company's common stock, at the election of the Company, at an initial conversion rate of 8.9702 shares per $1,000 principal amount. On and after December 15, 2011, the Senior Notes will be convertible at any time prior to the second business day preceding the maturity date at the option of the holder at the initial conversion rate. The initial conversion price of approximately $111.48 per share represents a 20% premium over the closing price of the Company's common stock on March 12, 2007. The initial conversion rate is subject to adjustment in certain circumstances. Holders of the Senior Notes do not have the right to require the Company to repurchase the Senior Notes prior to maturity except in connection with the occurrence of certain fundamental change transactions.

In connection with the issuance of the Senior Notes, the Company purchased two capped calls ("Capped Calls") from affiliates of the initial purchasers of the Senior Notes. The Capped Calls effectively increase the conversion price of the Senior Notes to approximately $130.06, which represents a 40%

premium to the March 12, 2007 closing price of $92.90 per common share of the Company.

The Company has a $1.5 billion revolving line of credit that matures on April 25, 2010 with a one-year extension option. The interest rate fluctuates between LIBOR plus 0.75% to LIBOR plus 1.10% depending on the Company's overall leverage. In September 2006, the Company entered into an interest rate swap agreement that effectively fixed the interest rate on $400.0 million of the outstanding balance of the line of credit at 6.23% until April 25, 2011. As of September 30, 2007 and December 31, 2006, borrowings outstanding were $405.0 million and $934.5 million at an average interest rate, net of the $400.0 million swapped portion, of 6.03% and 6.60%, respectively. On March 16, 2007, the Company repaid $541.5 million of borrowings outstanding from the proceeds of the Senior Notes (See Note 10—Bank and Other Notes Payable of the Company's Consolidated Financial Statements).

On May 13, 2003, the Company issued $250.0 million in unsecured notes maturing in May 2007 with a one-year extension option bearing interest at LIBOR plus 2.50%. On April 25, 2005, the Company modified these unsecured notes and reduced the interest rate to LIBOR plus 1.50%. On March 16, 2007, the Company repaid the notes from the proceeds of the Senior Notes (See Note 10—Bank and Other Notes Payable of the Company's Consolidated Financial Statements). At December 31, 2006, all of the notes were outstanding at an interest rate of 6.94%.

On April 25, 2005, the Company obtained a five year, $450.0 million term loan bearing interest at LIBOR plus 1.50%. In November 2005, the Company entered into an interest rate swap agreement that effectively fixed the interest rate of the $450.0 million term loan at 6.30% from December 1, 2005 to April 15, 2010. At September 30, 2007 and December 31, 2006, the entire loan was outstanding with an interest rate of 6.30%.

At September 30, 2007, the Company was in compliance with all applicable loan covenants.

At September 30, 2007, the Company had cash and cash equivalents available of $42.9 million.

Off-Balance Sheet Arrangements

The Company has an ownership interest in a number of joint ventures as detailed in Note 4 to the Company's Consolidated Financial Statements included herein. The Company accounts for those investments 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." A pro rata share of the mortgage debt on these properties is shown in Item 3. Quantitative and Qualitative Disclosure about Market Risk.

In addition, certain joint ventures also have debt that could become recourse debt to the Company or its subsidiaries, in excess of it's pro rata share, should the joint ventures be unable to discharge the obligations of the related debt.

The following reflects the maximum amount of debt principal that could be recourse to the Company at September 30, 2007 (in thousands):

Property	Recourse Debt	Maturity Date
Boulevard Shops	$ 4,280	12/16/2007
Chandler Village Center	4,322	12/19/2007
	$ 8,602	

Additionally, as of September 30, 2007, the Company is contingently liable for $6.9 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.

Long-term contractual obligations

The following is a schedule of long-term contractual obligations for the consolidated Centers as of September 30, 2007, 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)	$ 5,406,117	$ 311,495	$ 859,007	$ 2,833,793	$ 1,401,822
Operating lease obligations	258,635	5,267	10,624	10,718	232,026
Purchase obligations	159,306	159,306	—	—	—
Other long-term liabilities	349,791	349,791	—	—	—
	$ 6,173,849	$ 825,859	$ 869,631	$ 2,844,511	$ 1,633,848

Funds From Operations

The Company uses Funds from Operations ("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 Generally Accepted Accounting Principles ("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 extraordinary items and sales of depreciated operating properties, plus real estate related depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures are calculated to reflect FFO on the same basis. FFO and FFO on a fully 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. FFO on a fully diluted basis is one of the measures investors find most useful in measuring the dilutive impact of outstanding convertible securities. 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. FFO, as presented, may not be comparable to similarly titled measures reported by other real estate investment trusts. The reconciliation of FFO and FFO-diluted to net income available to common stockholders is provided below.

The following reconciles net income available to common stockholders to FFO and FFO-diluted (dollars in thousands):

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2007	2006	2007	2006
Net income—available to common stockholders	$ 17,280	$ 46,968	$ 33,296	$ 80,092
Adjustments to reconcile net income to FFO—basic:				
Minority interest in the Operating Partnership	3,070	8,901	5,935	15,131
Loss (gain) on sale of consolidated assets	758	(46,560)	(1,889)	(109,020)
Add: minority interest share of gain (loss) on sale of consolidated joint ventures	39	(192)	388	36,816
Gain on undepreciated consolidated assets	150	2,339	811	5,715
Less minority interest on sale of undepreciated assets	(39)		(361)	
Loss (gain) on sale of assets from unconsolidated entities (pro rata)	4	(1)	2,024	(245)
Add: (loss) gain on undepreciated assets on unconsolidated assets (pro rata)	(4)	—	346	244
Depreciation and amortization on consolidated assets	60,173	56,120	177,665	179,071
Less: depreciation and amortization allocable to minority interests on consolidated joint ventures	(1,019)	(1,128)	(3,346)	(4,351)
Depreciation and amortization on joint ventures (pro rata)	23,422	21,045	68,506	62,209
Less: depreciation on personal property and amortization of loan costs and interest rate caps	(4,437)	(3,472)	(12,076)	(11,139)
FFO—basic	99,397	84,020	271,299	254,523
Additional adjustments to arrive at FFO—diluted:				
Impact of convertible preferred stock	2,902	2,575	8,052	7,508
Impact of convertible debt	8,686	—	18,855	—
FFO—diluted	$ 110,985	$ 86,595	$ 298,206	$ 262,031
Weighted average number of FFO shares outstanding for:				
FFO—basic(1)	84,219	84,726	84,400	83,924
Adjustments for the impact of dilutive securities in computing FFO-diluted:				
Convertible preferred stock	3,627	3,627	3,627	3,627
Stock options	309	295	306	292
Convertible debt	8,522	—	6,212	—
FFO—diluted(2)	96,677	88,648	94,545	87,843

(1) Calculated based upon basic net income as adjusted to reach basic FFO. As of September 30, 2007 and 2006, 12.5 million and 13.2 million OP Units were outstanding, respectively.

(2) The computation of FFO—diluted shares outstanding includes the effect of outstanding common stock options and restricted stock using the treasury method. It also assumes the conversion of MACWH, LP common and preferred units and the Senior Notes to the extent that they are dilutive to the FFO computation (See Note 10—Bank and Other Notes Payable of the Company's Consolidated Financial Statements). The preferred stock can be converted on a one-for-one basis for common stock. The then outstanding preferred shares are assumed converted for purposes of FFO-diluted as they are dilutive to that calculation. The MACWH, LP preferred units were antidilutive to the calculations at September 30, 2007 and 2006 and were not included in the above calculations. The Senior Notes were dilutive to the calculations for the three and nine months ended September 30, 2007.

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 appropriately matching maturities, (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 September 30, 2007 concerning the Company's long term debt obligations, including principal cash flows by scheduled maturity, weighted average interest rates and estimated fair value ("FV") (dollars in thousands):

	For the years ending September 30,							
	2008	2009	2010	2011	2012	Thereafter	Total	FV
CONSOLIDATED CENTERS:								
Long term debt:								
Fixed rate(1)	$ 264,095	$ 380,095	$ 152,576	$ 1,549,172	$ 1,141,828	$ 1,325,867	$ 4,813,633	$ 4,861,965
Average interest rate	5.84%	6.37%	6.03%	5.98%	3.93%	5.73%	5.45%	
Floating rate	30,000	225,846	50,000	5,000	—	—	310,846	310,846
Average interest rate	6.63%	6.24%	5.98%	6.02%			6.23%	
Total debt—Consolidated Centers	$ 294,095	$ 605,941	$ 202,576	$ 1,554,172	$ 1,141,828	$ 1,325,867	$ 5,124,479	$ 5,172,811
JOINT VENTURE CENTERS:								
Long term debt (at Company's pro rata share):								
Fixed rate	$ 63,347	$ 215,128	$ 117,630	$ 45,648	$ 194,395	$ 991,741	$ 1,627,889	$ 1,666,818
Average interest rate	5.86%	5.49%	6.79%	6.98%	6.67%	5.55%	5.82%	
Floating rate	74,784	52,644	—	66,300	—	—	193,728	193,728

Average interest rate	6.84%	6.90%		6.22%			6.64%	
Total debt—Joint Venture Centers	$ 138,131	$ 267,772	$ 117,630	$ 111,948	$ 194,395	$ 991,741	$ 1,821,617	$ 1,860,546

(1) Fixed rate debt includes the $450 million floating rate term note and $400 million of the line of credit. These amounts have effective fixed rates over the remaining terms due to swap agreements as discussed below.

The consolidated Centers' total fixed rate debt at September 30, 2007 and December 31, 2006 was $4.8 billion and $3.8 billion, respectively. The average interest rate on fixed rate debt at September 30, 2007 and December 31, 2006 was 5.45% and 5.99%, respectively. The consolidated Centers' total floating rate debt at September 30, 2007 and December 31, 2006 was $310.8 million and $1.2 billion, respectively. The average interest rate on floating rate debt at September 30, 2007 and December 31, 2006 was 6.23% and 6.59%, respectively. The increase in total fixed rate debt and decrease in floating rate debt at the consolidated Centers was primarily due to the issuance of the $950 million Senior Notes and the use of the proceeds, in part, to pay off the $250 million floating rate term notes and to pay down the Company's line of credit. (See Note 10—Bank and Other Notes Payable of the Company's Consolidated Financial Statements).

The Company's pro rata share of the joint venture Centers' fixed rate debt at September 30, 2007 and December 31, 2006 was $1.6 billion and $1.5 billion, respectively. The average interest rate on fixed rate debt at September 30, 2007 and December 31, 2006 was 5.82% and 5.84%, respectively. The Company's pro rata share of the joint venture Centers' floating rate debt at September 30, 2007 and December 31, 2006 was $193.7 million and $198.4 million, respectively. The average interest rate on the floating rate debt at September 30, 2007 and December 31, 2006 was 6.64% and 6.33%, 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 in accordance with SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" (See Note 5—Derivative Instruments and Hedging Activities of the Company's Consolidated Financial Statements).

The following derivatives were outstanding at September 30, 2007 (amounts in thousands):

Property/Entity	Notional Amount	Product	Rate	Maturity	Company's Ownership	Fair Value(1)
Camelback Colonnade	$ 41,500	Cap	8.54%	11/15/2008	75%	$ —
Desert Sky Mall	51,500	Cap	7.65%	3/15/2008	50%	—
Greece Ridge Center	72,000	Cap	7.95%	12/15/2008	100%	—
La Cumbre Plaza	30,000	Cap	7.12%	8/9/2008	100%	—
Metrocenter Mall	37,380	Cap	7.25%	2/15/2008	15%	—
Metrocenter Mall	11,500	Cap	5.25%	2/15/2008	15%	—
Panorama Mall	50,000	Cap	6.65%	3/1/2008	100%	—
Superstition Springs Center	67,500	Cap	8.63%	9/9/2008	33.33%	—
Metrocenter Mall	112,000	Swap	3.86%	2/15/2008	15%	77
The Operating Partnership	450,000	Swap	4.80%	4/15/2010	100%	(3,166)
The Operating Partnership	400,000	Swap	5.08%	4/25/2011	100%	(6,594)

(1) Fair value at the Company's ownership percentage.

Interest rate cap agreements ("Cap") offer protection against floating rates on the notional amount from exceeding the rates noted in the above schedule and interest rate swap agreements ("Swap") effectively replace a floating rate on the notional amount with a fixed rate as noted above.

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 $5.0 million per year based on $504.6 million outstanding of floating rate debt at September 30, 2007.

The fair value of the Company's long term debt is estimated based on discounted cash flows at interest rates that management believes reflect the risks associated with long term debt of similar risk and duration.

Item 4. Controls and Procedures

Management, including our Chief Executive Officer and Chief Financial Officer, does not expect that its disclosure controls and procedures or its internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their cost. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

However, based on their evaluation as of September 30, 2007, 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) is accumulated and communicated to the Company's management , including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. There has been no change in the Company's internal control over financial reporting 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.

Item 4T. Controls and Procedures

Not applicable

PART II OTHER INFORMATION

Item 1. Legal Proceedings

None of the Company, the Operating Partnership, Macerich Property Management Company, LLC, Macerich Management Company, the Westcor Management Companies, the Wilmorite Management Companies or their respective subsidiaries are currently involved in any material litigation nor, to the Company's knowledge, is any material litigation currently threatened against such entities or the Centers, other than routine litigation arising in the ordinary course of business, most of which is expected to be covered by liability insurance.

Item 1A. Risk Factors

There have been no material changes to the risk factors relating to the Company set forth under the caption "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2006.

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

(a) On October 18, 2007, the Company issued 560,000 shares of common stock of the Company upon the conversion of 560,000 shares of a holder's 3,627,131 shares of Series A Cumulative Preferred Stock of the Company. These shares of common stock were issued in a private placement to this holder, an accredited investor, pursuant to Section 4(2) of the Securities Act of 1933, as amended.

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

3.1*	Articles of Amendment and Restatement of the Company
3.1.1**	Articles Supplementary of the Company
3.1.2***	Articles Supplementary of the Company (Series A Preferred Stock)
3.1.3****	Articles Supplementary of the Company (Series C Junior Participating Preferred Stock)
3.1.4*****	Articles Supplementary of the Company (Series D Preferred Stock)
3.1.5#	Articles Supplementary of the Company (reclassification of shares)
3.2##	Amended and Restated By-Laws of the Company, as adopted on February 8, 2007
4.1###	Form of Common Stock Certificate
4.2####	Form of Preferred Stock Certificate (Series A Preferred Stock)
4.2.1###	Form of Preferred Stock/Right Certificate (Series C Junior Participating Preferred Stock)
4.2.2#####	Form of Preferred Stock Certificate (Series D Preferred Stock)

4.3###	Agreement dated as of November 10, 1998 between the Company and Computershare Investor Services as successor to EquiServe Trust Company, N.A., as successor to First Chicago Trust Company of New York, as Rights Agent
4.4#*	Indenture, dated as of March 16, 2007, among the Company, the Operating Partnership and Deutsche Bank Trust Company Americas (includes form of the Notes and Guarantee)
4.5#*	Registration Rights Agreement, dated as of March 16, 2007, among the Company, J.P. Morgan Securities Inc. and Deutsche Bank Securities Inc.
10.1	First Amendment dated as of July 3, 2007 to the $1,500,000 Second Amended and Restated Revolving Loan Facility Credit Agreement
10.2	Amended and Restated Cash Bonus/Restricted Stock and LTIP Unit Award Program under the 2003 Equity Incentive Plan
10.3	Form of Restricted Stock Award Agreement (2007)
10.4	Form of LTIP Award Agreement (Time–Vested–2007)
31.1	Section 302 Certification of Arthur Coppola, Chief Executive Officer
31.2	Section 302 Certification of Thomas O'Hern, Chief Financial Officer
32.1	Section 906 Certification of Arthur Coppola, Chief Executive Officer and Thomas O'Hern, Chief Financial Officer

*	Previously filed as an exhibit to the Company's Registration Statement on Form S-11, as amended (No. 33-68964), and incorporated herein by reference.
**	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date May 30, 1995, and incorporated herein by reference.
***	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date February 25, 1998, and incorporated herein by reference.
****	Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 1998, and incorporated herein by reference.
*****	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date July 26, 2002, and incorporated herein by reference.
#	Previously filed as an exhibit to the Company's Registration Statement on Form S-3, as amended (No. 333-88718), and incorporated herein by reference.
##	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date February 8, 2007, and incorporated herein by reference.
###	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date November 10, 1998, as amended, and incorporated herein by reference.
####	Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 1997, and incorporated herein by reference.
#####	Previously filed as an exhibit to the Company's Registration Statement on Form S-3 (No. 333-107063), and incorporated herein by reference.
#*	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date March 16, 2007, and incorporated herein by reference.

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/ THOMAS E. O'HERN
Thomas E. O'Hern
Executive Vice President and
Chief Financial Officer

Date: November 6, 2007

Exhibit 10.1

EXECUTION COPY

FIRST AMENDMENT TO THE $1,500,000,000 SECOND AMENDED AND RESTATED REVOLVING LOAN FACILITY CREDIT AGREEMENT

This FIRST AMENDMENT TO THE $1,500,000,000 SECOND AMENDED AND RESTATED REVOLVING LOAN FACILITY CREDIT AGREEMENT (this "First Amendment") is made and dated as of the 3rd day of July, 2007, by and among THE MACERICH PARTNERSHIP, L.P., a limited partnership organized under the laws of the state of Delaware ("Macerich Partnership"), AS BORROWER; THE MACERICH COMPANY, a Maryland corporation ("MAC"); MACERICH WRLP II CORP., a Delaware corporation ("Macerich WRLP II Corp."); MACERICH WRLP II LP, a Delaware limited partnership ("Macerich WRLP II LP"); MACERICH WRLP CORP., a Delaware corporation ("Macerich WRLP Corp."); MACERICH WRLP LLC, a Delaware limited liability company ("Macerich WRLP LLC"); MACERICH TWC II CORP., a Delaware corporation ("Macerich TWC Corp."); MACERICH TWC II LLC, a Delaware limited liability company ("Macerich TWC LLC"); MACERICH WALLEYE LLC, a Delaware limited liability company ("Macerich Walleye LLC"); IMI WALLEYE LLC, a Delaware limited liability company ("IMI Walleye LLC"); and WALLEYE RETAIL INVESTMENTS LLC, a Delaware limited liability company ("Walleye Investments LLC"), AS GUARANTORS; THE LENDERS FROM TIME TO TIME PARTY HERETO (collectively and severally, the "Lenders"); and DEUTSCHE BANK TRUST COMPANY AMERICAS, a New York banking corporation, as administrative agent for the Lenders (in such capacity, the "Administrative Agent" or "DBTCA") and as collateral agent for the Benefited Creditors.

RECITALS

A. Pursuant to that certain Second Amended and Restated Credit Agreement, dated as of July 20, 2006, as amended or otherwise modified to date (the "Credit Agreement"), by and among the Borrower, MAC, the lenders from time to time party thereto (the "Existing Lenders"), and the Administrative Agent, the Existing Lenders have made $1,500,000,000 of revolving credit facilities available to the Borrower and certain subsidiaries and affiliates of the Borrower. Initially capitalized terms used herein and not otherwise defined have the respective meanings given to such terms in the Credit Agreement.

B. The Borrower has requested that certain modifications to the Credit Agreement as more fully set forth herein.

C. The Lenders party hereto and the Borrower have agreed to amend the Credit Agreement and DBTCA has agreed to act as administrative agent on behalf of the Lenders and as collateral agent on behalf of the Benefited Creditors on the terms and subject to the conditions set forth herein and in the other Loan Documents.

NOW, THEREFORE, in consideration of the foregoing Recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT

1. Amendments to Annex I of the Credit Agreement. Effective as of the date hereof, Annex I of the Credit Agreement is hereby amended as follows:

(a) The definition of "Affiliate Guarantors" is hereby amended by deleting the words "Macerich Great Falls Limited Partnership, a California limited partnership" and "Macerich Oklahoma Limited Partnership, a California limited partnership" from that definition.

(b) The definition of "Applicable Base Rate" is hereby amended in its entirety to read as follows:

"Applicable Base Rate" shall mean, with respect to any Base Rate Loan for the Interest Period applicable to such Base Rate Loan, the floating rate per annum equal to the daily average Base Rate in effect during the applicable calculation period plus the percentage (per annum) set forth below which corresponds to the applicable ratio of Total Liabilities to Gross Asset Value (expressed as a percentage) as measured at the end of each Fiscal Quarter:

Ratio of Total Liabilities to Gross Asset Value	Base Rate Spread
Less than 60%	0%
Greater than or equal to 60%	.10%

Notwithstanding the foregoing, if the Compliance Certificate is not delivered pursuant to the Credit Agreement for purposes of calculating the ratio of Total Liabilities to Gross Asset Value (or if such calculation cannot be made for any other reason), then the "Base Spread" above shall be .10%. Any change in the Applicable Base Rate resulting from a change in the ratio of Total Liabilities to Gross Asset Value shall not take effect until the fifth Business Day after the Compliance Certificate with respect to a Fiscal Quarter is (or is required to be) delivered.

(c) The definition of "Applicable LIBO Rate" is hereby amended in its entirety to read as follows:

"Applicable LIBO Rate" shall mean, with respect to any LIBO Rate Loan for the Interest Period applicable to such LIBO Rate Loan, the per annum rate equal to the Reserve Adjusted LIBO Rate plus the percentage (per annum) set forth below which corresponds to the applicable ratio of Total Liabilities to Gross Asset Value (expressed as a percentage) as measured at the end of each Fiscal Quarter:

Ratio of Total Liabilities to Gross Asset Value	LIBO Spread
Less than 50%	0.75%
Greater than or equal to 50% but less than 55%	0.90%
Greater than or equal to 55% but less than 60%	1.00%
Greater than or equal to 60%	1.10%

Notwithstanding the foregoing, if the Compliance Certificate is not delivered pursuant to the Credit Agreement for purposes of calculating the ratio of Total Liabilities to Gross Asset Value (or if such calculation cannot be made for any other reason), then the "LIBO Spread" above shall be 1.1%. Any change in the Applicable LIBO Rate resulting from a change in the ratio of Total Liabilities to Gross Asset Value shall not take effect until the fifth Business Day after the Compliance Certificate with respect to a Fiscal Quarter is (or is required to be) delivered.

(d) The definition of "Applicable Unused Line Fee Percentage" is hereby amended in its entirety to read as follows:

"Applicable Unused Line Fee Percentage" means, for any day, with respect to the unused line fee payable under Section 2.11 of the Credit Agreement, the applicable rate per annum set forth below under the caption "Unused Line Fee Rate" based upon the average daily Usage Percentage during the immediately preceding month or shorter period if calculated on the Commitment Termination Date:

Usage Percentage	Unused Line Fee Rate
Less than 50%	0.15%
Greater than or equal to 50%	0.10%

2. Amendment Effective. This First Amendment will be effective when:

(a) this First Amendment has been duly executed and delivered by Borrower, the Administrative Agent, the Collateral Agent and the Lenders; and

(b) the Borrower has paid the reasonable fees and expenses of the Administrative Agent in connection with this First Amendment.

3. Covenants, Representations and Warranties of the Borrower.

(a) The Borrower and each other Borrower Party (by its execution of this First Amendment), reaffirm all terms, covenants, representations and warranties (except to the extent such representations and warranties pertain solely to an earlier date as set forth in the Loan Documents) that they made in the Loan Documents, as Modified by this First Amendment.

(b) The Borrower represents and warrants to the Lenders, the Administrative Agent and the Collateral Agent that (i) The Borrower has the legal power and authority to enter into this First Amendment without consent or approval by any third party and (ii) this First Amendment constitutes the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except, in each case, as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles affecting enforceability.

(c) The Borrower represents and warrants to the Lenders, the Administrative Agent and the Collateral Agent that, as of the date hereof, (i) no Default or Event of Default has occurred and is continuing; (ii) no Default or Event of Default will occur as a result of the execution, delivery and performance by the Borrower of this Amendment; (iii) the Borrower has not given any notice of any uncured Default under the Credit Agreement; and (iv) there are no legal proceedings commenced or threatened by any Borrower Party against the Lenders, the Administrative Agent or the Collateral Agent.

(d) The Borrower confirms and acknowledges that, as of the date hereof, neither it nor any other Borrower Party has any offsets, defenses, claims, counterclaims, setoffs, or other basis for reduction with respect to any of the obligations.

4. Effect Upon Loan Documents.

(a) Except as specifically set forth in this First Amendment, the Loan Documents shall remain in full force and effect and are hereby ratified and confirmed.

(b) The parties hereto specifically acknowledge and agree that the Credit Agreement, as hereby amended, is in full force and effect in accordance with its terms and has not been Modified, except pursuant to this First Amendment.

(c) All references to the "Credit Agreement" in the Credit Agreement and any other Loan Document shall mean and refer to the Credit Agreement, as Modified hereby.

(d) This First Amendment shall be a Loan Document for all purposes under the Credit Agreement.

(e) Except to the extent expressly set forth herein, the execution, delivery and effectiveness of this First Amendment shall not operate as a waiver of any right, power or remedy of any Lender, the Administrative Agent or the Collateral Agent under the Loan Documents, or any other document, instrument or agreement executed and/or delivered in connection therewith.

5. Governing Law. THIS FIRST AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK; PROVIDED, HOWEVER, THAT AGENTS AND LENDERS SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

6. Counterparts. This First Amendment may be executed by one or more of the parties to this First Amendment in any number of separate counterparts, each of which, when so executed, shall be deemed an original, and all of such counterparts taken together shall be deemed to constitute but one and the same instrument.

[***Signatures Begin on Next Page***]

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to the $1,500,000,000 Second Amended and Restated Revolving Loan Facility Credit Agreement to be executed as of the day and year first above written.

BORROWER:

THE MACERICH PARTNERSHIP, L.P.,
a Delaware limited partnership

By: The Macerich Company,
a Maryland corporation,
Its general partner

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President, Secretary and General Counsel

GUARANTORS:

THE MACERICH COMPANY,
a Maryland corporation

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President, Secretary and General Counsel

---

MACERICH TWC II CORP.,
a Delaware corporation

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President, Secretary and General Counsel

MACERICH TWC II LLC,
a Delaware limited liability company

By: The Macerich Partnership, L.P.,
a Delaware limited partnership,
Its sole member

By: The Macerich Company,
a Maryland corporation,
Its general partner

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President,
Secretary and General
Counsel

MACERICH WRLP CORP.,
a Delaware corporation

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President, Secretary and
General Counsel

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MACERICH WRLP, LLC,
a Delaware limited liability company

By: The Macerich Partnership, L.P.,
a Delaware limited partnership,
Its sole member

By: The Macerich Company,
a Maryland corporation,
Its general partner

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President,
Secretary and General
Counsel

MACERICH WRLP II CORP.,
a Delaware corporation

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President, Secretary and
General Counsel

MACERICH WRLP II, LP,
a Delaware limited liability company

By: Macerich WRLP II Corp.,
a Delaware corporation,
Its general partner

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President, Secretary
and General Counsel

MACERICH WALLEYE LLC,
a Delaware limited liability company

By: The Macerich Partnership, L.P.,
a Delaware limited partnership,
Its sole member

By: The Macerich Company,
a Maryland corporation,
Its general partner

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President, Secretary and General Counsel

IMI WALLEYE LLC,
a Delaware limited liability company

By: The Macerich Partnership, L.P.,
a Delaware limited partnership,
Its sole member

By: The Macerich Company,
a Maryland corporation,
Its general partner

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President, Secretary and General Counsel

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MACERICH WESTSIDE ADJACENT LIMITED PARTNERSHIP,
a California limited partnership

By: Macerich Westside Adjacent GP Corp.,
a Delaware corporation,
Its general partner

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President, Secretary and General Counsel

MACERICH SASSAFRAS LIMITED PARTNERSHIP,
a California limited partnership

By: Macerich Sassafras GP Corp.,
a Delaware corporation,
Its general partner

By: /s/ Richard A. Bayer
Name: Richard A. Bayer

Title: Executive Vice President, Secretary and General Counsel

NORTHGATE MALL ASSOCIATES,
a California general partnership

By: The Macerich Company,
a Maryland corporation,
Its general partner

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President, Secretary and General Counsel

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WALLEYE RETAIL INVESTMENTS LLC,
a Delaware limited liability company

By: Macerich Walleye LLC,
a Delaware limited liability company,
Its managing member

By: The Macerich Partnership, L.P.,
a Delaware limited partnership,
Its sole member

By: The Macerich Company,
a Maryland corporation,
Its general partner

By: /s/ Richard A. Bayer
Name: Richard A. Bayer
Title: Executive Vice President, Secretary and General Counsel

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LENDERS AND AGENTS:

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Administrative Agent and a Lender

By: /s/ James Rolison
Name: James Rolison
Title: Director

By: /s/ Linda Wang
Name: Linda Wang
Title: Director

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Comerica Bank

By: /s/ James Graycheck
Name: JAMES GRAYCHECK
Title: VICE PRESIDENT

GOLDMAN SACHS CREDIT PARTNERS L.P.

By: /s/ Douglas Tansey
Name: Douglas Tansey
Title: Authorized Signatory

Emigrant Realty Finance, LLC

By: /s/ David J. Feingold
Name: David J. Feingold
Title: Managing Director

BARCLAYS BANK PLC

By: /s/ Esther Carr
Name: Esther Carr
Title: Manager

HUA NAN COMMERCIAL BANK, LTD.
NEW YORK AGENCY

By: /s/ Henry Hsieh
Name: Henry Hsieh
Title: Assistant Vice President

E. Sun Commercial Bank, Ltd., Los Angeles Branch

By: /s/ Benjamin Lin
Name: Benjamin Lin
Title: EVP & General Manager

[MIDFIRST BANK, a federally chartered savings association]

By: /s/ Todd G. Wright
Todd G. Wright
Vice President

Union Bank of California

By: /s/ Gilbert Rosas
Name: Gilbert Rosas
Title: Vice President

People’s United Bank

By: /s/ Maurice Fry
Name: Maurice Fry

Title: Vice President

Mega International Commercial Bank Co., Ltd., Los Angeles Branch

By: /s/ Chia Jang Liu
Name: Chia Jang Liu
Title: SVP & General Manager

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/ Bryan Stevens
Name: Bryan Stevens
Title: Vice President

Chang Hwa Commercial Bank, Ltd., New York Branch

By: /s/ Jim C.Y. Chen
Name: Jim C.Y. Chen
Title: VP & General Manager

BAYERISCHE LANDESBANK, New York Branch

By: /s/ Timothy Wagner
Timothy Wagner
First Vice President

By: /s/ Donna M. Quilty
Donna M. Quilty
Vice President

EUROHYPO AG, NEW YORK BRANCH, as Lender

By: /s/ Robert D. Gominiak
Name: Robert D. Gominiak
Title: Director

By: /s/ Stephen Cox
Name: Stephen Cox
Title: Director

HYPO REAL ESTATE CAPITAL CORPORATION

By: /s/ Christoph Donner
Name: Christoph Donner
Title: Managing Director

By: /s/ Johann Jauss
Name: Johann Jauss
Title: Senior Associate

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U.S. BANK NATIONAL ASSOCIATION,
a national banking association

By: /s/ Adrian Metter
Name: Adrian Metter
Title: Vice President

Land Bank of Taiwan

By: /s/ Henry C.R. Leu
Name: Henry C.R. Leu
Title: Vice President & General Manager, Los Angeles Branch

PNC BANK, NATIONAL ASSOCIATION

By: /s/
Name:
Title: Senior Vice President

JPMorgan Chase Bank, N.A., as Syndication Agent and a Lender

By: /s/ Marc E. Costantino
Name: Marc E. Costantino
Title: Executive Director

Sovereign Bank

By: /s/ T. Gregory Donohue
Name: T. Gregory Donohue
Title: Senior Vice President

[LENDER]

By: /s/ Mathels
Name: Mathels
Title: Exec. Dir.

Schappo 706382

/s/ Schappo

[LENDER]

By:	/s/		/s/ Christian Girke
Name:			Christian Girke
Title:	SVP		Vice President

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BANK OF AMERICA, N.A.

By: /s/ James P. Johnson
Name: James P. Johnson
Title: Senior Vice President

The Royal Bank of Scotland, plc

By: /s/ Brett E. Thompson
Name: Brett E. Thompson
Title: Vice President

United of Omaha Life Insurance Company

By: /s/ B. Peter Newland III
Name: B. Peter Newland III
Title: Senior Vice President

THE BANK OF EAST ASIA, LIMITED, LOS ANGELES BRANCH

By: /s/ David Loh
Name: David Loh
Title: EVP-Chief Lending Officer

By: /s/ Victor Li
Name: Victor Li
Title: General Manager

ING REAL ESTATE FINANCE (USA), LLC
Senior Managing Agent

By: /s/ Maria D. Kastanis
Name: Maria D. Kastanis
Title: Senior Director

First Commercial Bank, New York Agency

By: /s/ Bruce M. J. Ju
Name: Bruce M. J. Ju
Title: SVP & General Manager

MORGAN STANLEY BANK

By: /s/ Daniel Twenge
Name: Daniel Twenge
Title: Authorized Signatory
Morgan Stanley Bank

RAYMOND JAMES BANK, FSB

By: /s/ William J. Hindman
Name: William J. Hindman
Title: Vice President, Senior Real Estate Banker

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MERRILL LYNCH BANK USA,

By: /s/ David Millett
Name: David Millett
Title: Vice President

[LENDER]

By: /s/ Gabe Potyondy
Name: Gabe Potyondy
Title: Vice President
Investment Advisor to
AIB Debt Management Limited

By: /s/ Derrick Lynch
Name: Derrick Lynch
Title: Vice President
Investment Advisor to
AIB Debt Management, Limited

SOCIÉTÉ GÉNÉRALE

By: /s/ Don Mason
Name: Don Mason
Title: Managing Director

Calyon New York Branch

By: /s/ John A. Wain
Name: John A. Wain
Title: Managing Director

By: /s/ Daniel J. Reddy
Name: Daniel J. Reddy
Title: Director

BANK OF THE WEST,
a California banking corporation

By: /s/ Pamela McGlynn
Pamela McGlynn, Vice President and
Documentation Supervisor

By: /s/ Stacey Michrowski
Stacey Michrowski,
Senior Vice Presient

Exhibit 10.2

THE MACERICH COMPANY

**AMENDED AND RESTATED CASH BONUS/RESTRICTED
STOCK AND LTIP UNIT AWARD PROGRAM**

UNDER THE 2003 EQUITY INCENTIVE PLAN

(JULY 26, 2007)

THE MACERICH COMPANY

AMENDED AND RESTATED CASH BONUS/RESTRICTED STOCK AND LTIP UNIT
AWARD PROGRAM UNDER THE 2003 EQUITY INCENTIVE PLAN

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THE MACERICH COMPANY

**AMENDED AND RESTATED CASH BONUS/RESTRICTED STOCK AND
LTIP UNIT AWARD PROGRAM UNDER THE 2003 EQUITY INCENTIVE PLAN**

**ARTICLE I
TITLE, PURPOSE AND AUTHORIZED SHARES**

1.1 TITLE

This Program shall be known as The Macerich Company Amended and Restated Cash Bonus/Restricted Stock and LTIP Unit Award Program under the 2003 Equity Incentive Plan.

1.2 PURPOSE

The purpose of this Program is to promote the success of the Company and the interest of its stockholders by providing an additional means to attract, motivate, retain and reward key employees, including officers, by providing an opportunity to convert cash bonus opportunities into Restricted Stock and/or LTIP Units, enhancing compensation deferral opportunities and offering additional incentives to increase stock ownership in the Company.

1.3 SHARES

The aggregate number of shares of Common Stock issuable under this Program shall be charged against and subject to the limits on the available shares under the Plan.

**ARTICLE II
DEFINITIONS**

Whenever the following terms are used in this Program they shall have the meaning specified below unless the context clearly indicates to the contrary. Capitalized terms not otherwise defined shall have the meaning assigned to such terms in the Plan.

2.1 BONUS ELECTION DATE means, for a Cash Bonus with respect to a Year, the September 30 of such Year. Effective in 2008, the Bonus Election Date shall be changed to June 30 of each Year.

2.2 BONUS PAYMENT DATE means the date designated by the Committee between January 1 and March 15 of each Year on which the Cash Bonus with respect to the prior Year is or would otherwise be received by the Participant.

2.3 CASH BONUS means an incentive award granted by the Committee, whether or not under the terms of the Plan, that but for elections under this Program would be paid solely in cash.

2.4 COMMON STOCK means shares of the Company's common stock, par value $0.01 per share, either currently existing or authorized hereafter.

2.5 COMMON UNITS means the common partnership units of the Partnership.

2.6 CONVERSION AMOUNT means the dollar equivalent of the Cash Bonus elected by the Participant to be converted to a Restricted Stock and/or LTIP Unit Award under this Program.

2.7 EFFECTIVE DATE means, with respect to this amended and restated Program, July 26, 2007.

2.8 ELIGIBLE EMPLOYEE means, with respect to any Year, any officer or key employee of the Company or a Subsidiary who has been designated by the Committee as potentially eligible to receive a Restricted Stock and/or LTIP Unit Award under this Program for such Year.

2.9 LTIP UNITS means units of limited partnership interest of the Partnership designated as "LTIP Units" in the Partnership Agreement awarded under the Plan, having the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption set forth in the Partnership Agreement.

2.10 LTIP UNIT AWARD means an award of LTIP Units granted by the Committee under the Plan based on the Conversion Amount.

2.11 LTIP UNIT AWARD AGREEMENT means an agreement evidencing a LTIP Unit Award approved by the Committee as it may be revised from time to time.

2.12 PARTICIPANT means any Eligible Employee who has delivered to the Company an election agreement electing to participate in the Program.

2.13 PARTNERSHIP means The Macerich Partnership, L.P.

2.14 PLAN means The Macerich Company 2003 Equity Incentive Plan.

2.15 PROGRAM means this The Macerich Company Amended and Restated Cash Bonus/Restricted Stock and LTIP Unit Award Program under the 2003 Equity Incentive Plan, as from time to time amended.

2.16 RESTRICTED STOCK means shares of Common Stock awarded to a Participant pursuant to Article IV of the Plan.

2.17 RESTRICTED STOCK AWARD means an award of Restricted Stock granted by the Committee under the Plan based on the Conversion Amount.

2.18 RESTRICTED STOCK AWARD AGREEMENT means an agreement evidencing a Restricted Stock Award approved by the Committee as it may be revised from time to time.

2.19 YEAR means the applicable calendar year.

ARTICLE III
PARTICIPATION

Each Eligible Employee designated by the Committee for any Year may elect in advance to receive all or part (in increments and on forms authorized by the Committee) of any Cash Bonus with respect to such Year that may be granted in the future in the form of Restricted Stock and/or LTIP Units to the extent provided in Article IV.

ARTICLE IV
RESTRICTED STOCK, LTIP UNIT OR CASH ELECTIONS

4.1 TIME AND TYPES OF ELECTIONS

On or before the relevant Bonus Election Date for a Year, each Eligible Employee may make an irrevocable election to receive a percentage of the Cash Bonus that may be granted to the Eligible Employee with respect to such Year in shares of Restricted Stock and/or LTIP Units, if applicable. This election shall become effective only if the Committee, in authorizing the Cash Bonus, expressly recognizes such alternative payment opportunity in Restricted Stock and/or LTIP Units and grants the Restricted Stock and/or LTIP Units at that time. The Committee will have the sole discretion to determine whether Restricted Stock and/or LTIP Units will be offered as alternative payments for the Cash Bonus. A person who first becomes an Eligible Employee after the applicable deadline may, within 30 days of becoming and being designated as an Eligible Employee, make an irrevocable election to receive any Cash Bonuses granted for the applicable Year (or remaining portion thereof, as the case may be) in Restricted Stock and/or LTIP Units, if applicable.

4.2 ELECTION PROCEDURES

The elections shall be made in writing on forms provided by the Company and authorized by the Committee. These forms shall be in substantially the form of the Election Agreement attached hereto as Exhibit A, as from time to time amended by the Committee. Neither the distribution nor completion of election agreements shall convey any right to receive a bonus, in cash, Restricted Stock or LTIP Units. Failure to timely elect Restricted Stock and/or LTIP Units, if applicable, however, will result in the payment in cash if any Cash Bonus is awarded.

4.3 TIME AND MANNER OF DISTRIBUTION

A Participant shall be entitled to receive a number of shares of Restricted Stock or a number of LTIP Units in accordance with the vesting schedule set forth in the applicable Restricted Stock Award Agreement or LTIP Unit Award Agreement.

4.4 NUMBER OF SHARES/LTIP UNITS

The number of shares of Restricted Stock and/or the number of LTIP Units to be granted under this Program shall equal a multiple of the Conversion Amount divided by the Fair Market Value of a share of Common Stock (without regard to any restriction) on the applicable Bonus Payment Date. The multiple shall not be changed as to any election after it is duly made under the terms of this Program without the consent of the Participant.

The multiple for bonuses shall be 1.5 until changed by the Committee. For example, assume that prior to September 30, 2007, a Participant elects to receive 40% of any cash bonus in Restricted Stock or LTIP Units and, on March 31, 2008, the Company grants him a $40,000 cash bonus. The market value of a share of Common Stock on the Bonus Payment Date is $30. The Participant will receive $24,000 in cash and 800 shares of Restricted Stock or 800 LTIP Units, as applicable.

4.5 NO FRACTIONAL SHARE INTERESTS

If an election would result in the issuance of a fractional share, the amount of Restricted Stock and/or LTIP Units granted shall be rounded down to the next whole share and the cash alternative amount in lieu of the fractional interest shall be paid in cash.

ARTICLE V
RESTRICTED STOCK AWARDS

The grant of Restricted Stock Awards, including, but not limited to, the terms of grant, conditions and restrictions, the consideration (other than services) to be paid, dividend rights, vesting terms, provisions for redelivery to the Company, and adjustments in case of changes in the Common Stock, shall be governed by the terms of the Plan, the Program and the Restricted Stock Award Agreement. After an election is made, the form of the Restricted Stock Award Agreement (if applicable) may not be changed in any manner materially adverse to the Participant without his or her consent. All Restricted Stock Awards are subject to express prior authorization by the Committee of the terms of the Restricted Stock Award and the specific number of shares of Restricted Stock thereunder.

ARTICLE VI
LTIP UNIT AWARDS

The grant of LTIP Unit Awards, including, but not limited to, the terms of grant, conditions and restrictions, the consideration (other than services) to be paid, dividend rights, vesting terms, provisions for redelivery to the Company, and adjustments in case of changes in the Common Stock, shall be governed by the terms of the Plan, the Program and the LTIP Unit Award Agreement. After an election is made, the form of the LTIP Unit Award Agreement (if

applicable) may not be changed in any manner materially adverse to the Participant without his or her consent. All LTIP Unit Awards are subject to express prior authorization by the Committee of the terms of the LTIP Unit Award and the specific number of LTIP Units, Common Units and shares of Common Stock thereunder.

ARTICLE VII
ADMINISTRATION

7.1 RIGHTS AND DUTIES.

This Program shall be administered by and all Restricted Stock Awards and LTIP Unit Awards to Eligible Employees shall be authorized by the Committee. The Committee shall have all powers necessary to accomplish those purposes, including, but not by way of limitation, the following:

(a) to determine the particular Eligible Employees who will receive Cash Bonuses, the extent to which and price at which a Cash Bonus may be settled in shares of Common Stock, Restricted Stock or LTIP Units, and the other specific terms and conditions of Restricted Stock and LTIP Units consistent with the express limits of this Program and the Plan;

(b) to approve from time to time the election agreement and other forms of Restricted Stock Award Agreement and LTIP Unit Award Agreement (which need not be identical either as to type of award or among Participants or from year to year); and

(c) to resolve any questions concerning benefits payable to a Participant and make all other determinations and take such other action as contemplated by this Program or the Plan or as may be necessary or advisable for the administration or interpretation of this Program.

7.2 CLAIMS PROCEDURES.

To the extent the Committee permits deferral elections extending to the termination of employment or beyond, the following claims procedures shall apply:

(a) The Committee shall notify Participants and, where appropriate, the Beneficiary(ies) of their right to claim benefits under these claims procedures, shall make forms available for filing of such claims, and shall provide the name of the person or persons with whom such claims should be filed.

(b) The Committee shall act upon claims as required and communicate a decision to the claimant promptly and, in any event, not later than 90 days after the claim is received by the Committee, unless special circumstances require an extension of time for processing the claim. If an extension is required, notice of the extension shall be furnished to the claimant prior to the end of the initial 90-day period, which notice shall indicate the reasons for the extension and the expected decision date. The extension shall not exceed 90 days. The claim may be deemed by the claimant to have been denied for purposes of further review described below in the event a decision is not furnished to the claimant within the period described in the preceding three sentences. Every claim for benefits which is denied shall be denied by written notice setting forth in a manner calculated to be understood by the claimant (i) the specific

reason or reasons for the denial, (ii) specific reference to any provisions of this Program on which denial is based, (iii) description of any additional material or information necessary for the claimant to perfect his claim with an explanation of why such material or information is necessary, and (iv) an explanation of the procedure for further review of the denial of the claim under this Program.

(c) The claimant or his or her duly authorized representative shall have 60 days after receipt of denial of his or her claim to request a review of such denial, the right to review all pertinent documents and the right to submit issues and comments in writing. Upon receipt of a request for a review of the denial of a benefit claim, the Committee shall undertake a full and fair review of the denial.

(d) The Committee shall issue a decision not later than 60 days after receipt of a request for review from a claimant unless special circumstances, such as the need to hold a hearing, require a longer period of time, in which case a decision shall be rendered as soon as possible but not later than 120 days after receipt of the claimant’s request for review. The decision on review shall be in writing and shall include specific reasons for the decision written in a manner calculated to be understood by the claimant with specific reference to any provisions of this Program on which the decision is based.

ARTICLE VIII
MISCELLANEOUS

8.1 INCORPORATION BY REFERENCE

Except where in conflict with the express terms of this Program, the terms of the Plan govern the Program and are incorporated by reference, including, without limitation, the following: the administrative powers and authority of the Committee and the effect of its decisions; the unfunded status of benefits; provisions for non-transferability of rights; rights (or absence of rights) of Eligible Employees, Participants and Beneficiaries; compliance with laws; tax withholding obligation of Participants; privileges of stock ownership; and governing law/construction/severability.

8.2 AMENDMENT, TERMINATION AND SUSPENSION

The Committee or the Board may, at any time, terminate or, from time to time, amend, modify or suspend this Program, in whole or in part. No Restricted Stock or LTIP Units may be granted under this Program during any suspension of this Program or after termination of this Program. Termination or amendment of this Program shall have no effect on any then outstanding Restricted Stock or LTIP Unit Awards.

8.3 TERM OF THIS PROGRAM

The term of this Program is indefinite, subject to the term of the Plan and Section 8.2. All authority of the Committee with respect to Restricted Stock and LTIP Units hereunder, including its authority to amend a Restricted Stock Award Agreement or LTIP Unit Award Agreement, shall continue during any suspension of this Program or the Plan, in respect of

outstanding Restricted Stock Awards and LTIP Unit Awards on any such amendment or termination date.

8.4 NON-EXCLUSIVITY OF PROGRAM

Nothing in this Program shall limit or be deemed to limit the authority of the Board or the Committee to grant awards or authorize any other compensation, with or without reference to the Common Stock, under the Plan or any other plan or authority.

8.5 CHANGE IN CONTROL EVENT

The consequences of a termination of service, whether before or after a Change in Control Event, in respect of any rights or benefits related to the Conversion Amount shall be governed solely by the terms of the Restricted Stock Award Agreement or LTIP Unit Award Agreement.

Exhibit A
Election Form

THE MACERICH COMPANY
<u>ELECTION AGREEMENT</u>

AMENDED AND RESTATED CASH BONUS/RESTRICTED STOCK AND LTIP UNIT AWARD PROGRAM UNDER THE MACERICH COMPANY 2003 EQUITY INCENTIVE PLAN

IF WITH RESPECT TO THE YEAR , THE COMPENSATION COMMITTEE GRANTS A CASH BONUS FOR SUCH YEAR TO ME UNDER THE PROGRAM AND IF THE COMPENSATION COMMITTEE ACCEPTS THIS ELECTION AND THEREBY EXPRESSLY AUTHORIZES ME TO RECEIVE ALL OR PART OF ANY SUCH CASH BONUS IN THE FORM OF A RESTRICTED STOCK [AND/OR LTIP UNIT] AWARD (AN "AWARD"):

I IRREVOCABLY ELECT TO TAKE % OF MY CASH BONUS IN THE FORM OF A RESTRICTED STOCK AWARD [LTIP UNITS AWARD]. I UNDERSTAND THAT THE COMMITTEE HAS THE SOLE DISCRETION TO DETERMINE THE SPECIFIC FORM OF THE AWARD (SUBSTANTIALLY CONSISTENT WITH THE TERMS DESCRIBED).

I ALSO UNDERSTAND THAT:

- **THE CONVERSION RATE, OR "MULTIPLE", FOR PURPOSES OF OR IN RESPECT OF DETERMINING THE NUMBER OF SHARES UNDERLYING THE AWARD WILL BE 1.5.**

- **THE VESTING SCHEDULE FOR THE AWARD WILL BE NOT LESS THAN AT A RATE OF % PER YEAR.**

- **THIS ELECTION IS IRREVOCABLE AND MUST BE FILED BY , WITH:**

  RICHARD A. BAYER, CHIEF LEGAL OFFICER
  401 WILSHIRE BOULEVARD, SUITE 700
  SANTA MONICA, CALIFORNIA 90401

- **IF THIS ELECTION IS NOT TIMELY FILED, I WILL NOT HAVE AN OPPORTUNITY TO PARTICIPATE IN THE PROGRAM FOR BONUSES GRANTED WITH RESPECT TO THE YEAR .**

- **THIS ELECTION IS SUBJECT TO THE TERMS OF THE PROGRAM, THE 2003 EQUITY INCENTIVE PLAN (INCLUDING THE INDIVIDUAL SHARE AWARD LIMITS) AND THE AWARD AGREEMENT.**

- **THIS ELECTION DOES NOT CONSTITUTE A GUARANTEE THAT I WILL RECEIVE ANY BONUS FROM THE COMPANY.**

ACKNOWLEDGMENT AND AGREEMENT

I acknowledge and agree to the foregoing terms of this Election Agreement.

____
(Participant's Signature)

____
(Print Name) **(Date)**

FORM OF RESTRICTED STOCK AWARD AGREEMENT

THE MACERICH COMPANY

RESTRICTED STOCK AWARD AGREEMENT
2003 EQUITY INCENTIVE PLAN

Participant Name: «Name»
Soc. Sec. No.: «SSN»
No. of Shares: «Shares» (1)

Vesting Schedule: 33 1/3% of the shares on each successive [March] , beginning [March] , and ending [March] , .

Award Date: [March] ,

THIS AGREEMENT is among **THE MACERICH COMPANY**, a Maryland corporation (the "Corporation"), **THE MACERICH PARTNERSHIP, L.P.**, a Delaware limited partnership (the "Operating Partnership"), and the Participant named above (the "Participant") and is delivered under The Macerich Company 2003 Equity Incentive Plan which includes any applicable programs under the Plan (the "Plan").

W I T N E S S E T H

WHEREAS, pursuant to the Plan, the Corporation has granted to the Participant with reference to services rendered and to be rendered to the Company, effective as of the Award Date, a restricted stock award (the "Restricted Stock Award" or "Award"), upon the terms and conditions set forth herein and in the Plan.

NOW THEREFORE, in consideration of services rendered and to be rendered by the Participant and the mutual promises made herein and the mutual benefits to be derived therefrom, the parties agree as follows:

1. **Defined Terms**. Capitalized terms used herein and not otherwise defined herein shall have the meaning assigned to such terms in the Plan.

2. **Grant**. Subject to the terms of this Agreement and the Plan, the Corporation grants to the Participant a Restricted Stock Award with respect to an aggregate number of shares of Common Stock, par value $.01 per share (the "Restricted Stock") set forth

(1) Subject to adjustment under Section 6.2 of the Plan and the terms of this Agreement.

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above. The consideration for the shares issuable with respect to the Award on the terms set forth in this Agreement includes services and other consideration in an amount not less than the minimum lawful consideration under Maryland law.

3. **Vesting**. The Award shall vest, and restrictions (other than those set forth in Section 6.4 of the Plan) shall lapse, with respect to the portion of the total number of shares (subject to adjustment under Section 6.2 of the Plan), as reflected in the Vesting Schedule above, subject to earlier termination or acceleration as provided herein or in the Plan.

4. **Continuance of Employment Required**. The Participant agrees to provide services to the Company in consideration for the conditional rights to the unvested shares of Restricted Stock subject to the Award granted hereunder. Except as otherwise provided in Sections 8(c) or 9 or pursuant to the Plan, the Vesting Schedule requires continued service through each applicable vesting date as a condition to the vesting of the applicable installment and rights and benefits under this Agreement. Partial service, even if substantial, during any vesting period will not entitle the Participant to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of employment or service as provided in Section 8 below or under the Plan.

5. **Dividend and Voting Rights**. After the Award Date, the Participant shall be entitled to cash dividends and voting rights with respect to the shares of Restricted Stock subject to the Award even though such shares are not vested, provided that such rights shall terminate immediately as to any shares of Restricted Stock that cease to be eligible for vesting.

6. **Restrictions on Transfer**. Prior to the time they become vested, neither the shares of Restricted Stock comprising the Award, nor any other rights of the Participant under this Agreement or the Plan may be transferred, except as expressly provided in Sections 1.8 and 4.1 of the Plan. No other exceptions have been authorized by the Committee.

7. **Stock Certificates**.

(a) **Book Entry Form; Information Statement; Power of Attorney**. The Corporation shall issue the shares of Restricted Stock subject to the Award in book entry form, registered in the name of the Participant with notations regarding applicable restrictions on transfer. Concurrent with the execution and delivery of this Agreement, the Corporation shall deliver to the Participant a written information statement with respect to such shares, and, to the extent requested, the Participant shall deliver to the Corporation an executed stock power, in blank, with respect to such shares. The Participant, by receipt of the Award, shall be deemed to appoint the Corporation and each of its authorized representatives as the Participant's attorney(s)-in-fact to effect any transfer of unvested forfeited shares (or shares otherwise reacquired by the Corporation hereunder) to the Corporation as may be required pursuant to the Plan or this Agreement and to execute such documents as the Corporation or such representatives deem necessary or advisable in connection with any such transfer.

(b) **<u>Certificates to be Held by Corporation; Legend</u>**. Any certificates representing Restricted Stock that the Participant may be entitled to receive from the Corporation prior to vesting shall be redelivered to the Corporation to be held by the Corporation until the restrictions on such shares shall have lapsed and the shares shall thereby have become

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vested or the shares represented thereby have been forfeited hereunder. Such certificates shall bear the following legend:

> "The transferability of this certificate and the shares of stock represented hereby are subject to the terms and conditions contained in an Agreement entered into between the registered owner, The Macerich Partnership L.P. and The Macerich Company. A copy of such Agreement is on file in the office of the Secretary of The Macerich Company, 401 Wilshire Boulevard, Suite 700, Santa Monica, California 90401."

(c) **<u>Delivery of Certificates Upon Vesting</u>**. Promptly after the lapse or other release of restrictions, a certificate or certificates evidencing the number of shares of Common Stock as to which the restrictions have lapsed or been released or such lesser number as may be permitted pursuant to Section 6.5 of the Plan shall be delivered to the Participant or other person entitled under the Plan to receive the shares. The Participant or such other person shall deliver to the Corporation any representations or other documents or assurances required pursuant to Section 6.4 of the Plan. The shares so delivered shall no longer be restricted shares hereunder. Pursuant to Section 1.7 of the Plan, fractional share interests shall be disregarded, but may be accumulated. The Committee, however, may determine that cash, securities or other property will be paid or transferred in lieu of fractional share interests.

8. **<u>Effect of Termination of Employment</u>**.

(a) **<u>Forfeiture after Certain Events</u>**. Except as provided in Sections 8(c) and 9 hereof, the Participant's shares of Restricted Stock shall be forfeited to the extent such shares have not become vested upon the date the Participant is no longer employed by the Company for any reason, whether with or without cause, voluntarily or involuntarily. If an entity ceases to be a Subsidiary, such action shall be deemed to be a termination of employment of all employees of that entity, but the Committee, in its sole and absolute discretion, may make provision in such circumstances for accelerated vesting of some or all of the remaining restricted shares under any Awards held by such employees, effective immediately prior to such event.

(b) **<u>Return of Shares</u>**. Upon the occurrence of any forfeiture of shares of Restricted Stock hereunder, such unvested, forfeited shares shall, without payment of any consideration by the Corporation for such transfer, be automatically transferred to the Corporation, without any other action by the Participant, or the Participant's Beneficiary or Personal Representative, as the case may be. The Corporation may exercise its powers under Section 7(a) hereof and take any other action necessary or advisable to evidence such transfer. The Participant, or the Participant's Beneficiary or Personal Representative, as the case may be, and the Operating Partnership shall deliver any additional documents of transfer that the Corporation may request to confirm the transfer of such unvested, forfeited shares to the Corporation.

(c) **<u>Qualified Termination Upon or Following Change in Control Event</u>**. Subject to Section 18, if the Participant upon or not later than 12 months following a Change in Control Event has a Qualified Termination (as defined in Section 7.1(gg) of the Plan)

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or terminates his or her employment for Good Reason, then any portion of the Award that has not previously vested shall thereupon vest, subject to the provisions of Sections 6.2(a), 6.2(e), 6.4 and 6.5 of the Plan and Sections 11 and 12 of this Agreement. As used in this Agreement, the term "Good Reason" means a termination of employment by the Participant for any one or more of the following reasons, to the extent not remedied by the Company within a reasonable period of time after receipt by the Company of written notice from the Participant specifying in reasonable detail such occurrence, without the Participant's written consent thereto: (1) an adverse and significant change in the Participant's position, duties, responsibilities or status with the Company; (2) a change in the Participant's principal office location to a location farther away from the Participant's home which is more than 30 miles from the Participant's principal office; (3) the taking of any action by the Company to eliminate benefit plans 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 in Control Event 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 persons similarly situated of comparable rank in the Company or a combined organization shall not constitute Good Reason; (4) any reduction in the Participant's Base Salary; or (5) any material breach by the Company of any written employment or management continuity agreement with the Participant. For purposes of the definition of "Good Reason," the term "Base Salary" means the annual base rate of compensation payable as salary to the Participant by the Company as of the Participant's date of termination, before deductions or voluntary deferrals authorized by the Participant or required by law to be withheld from the Participant by the Company, and salary excludes all other extra pay such as overtime, pensions, severance payments, bonuses, stock incentives, living or other allowances, and other benefits and perquisites.

9. **<u>Effect of Total Disability, Death or Retirement</u>**. If the Participant incurs a Total Disability or dies while employed by the Company, then any portion of his or her Award that has not previously vested shall thereupon vest, subject to the provisions of Sections 6.4 and 6.5 of the Plan. If the Participant's employment with the Company terminates as a result of his or her Retirement, the Committee may, on a case-by-case basis and in its sole discretion, provide for partial or complete vesting prior to Retirement of that portion of his or her Award that has not previously vested.

10. **<u>Adjustments Upon Specified Events</u>**. Upon the occurrence of certain events relating to the Corporation's stock contemplated by Section 6.2 of the Plan, the Committee shall make adjustments as it deems appropriate in the number and kind of securities or other consideration that may become vested under an Award. If any adjustment shall be made under Section 6.2 of the Plan or a Change in Control Event shall occur and the shares of Restricted Stock are not fully vested upon such Event or prior thereto, the restrictions applicable to such shares of Restricted Stock shall continue in effect with respect to any consideration or other securities (the "<u>Restricted Property</u>" and, for the purposes of this Agreement, "Restricted Stock" shall include "Restricted Property," unless the context otherwise requires) received in respect of such Restricted Stock. Such Restricted Property shall vest at such times and in such

proportion as the shares of Restricted Stock to which the Restricted Property is attributable vest, or would have vested pursuant to the terms hereof if such shares of Restricted Stock had remained outstanding. Notwithstanding the foregoing, to the extent that the Restricted Property includes any cash, the commitment hereunder shall become an unsecured promise to pay an amount equal to such cash (with earnings attributable thereto as if such amount had been invested, pursuant to policies established by the Committee, in interest bearing, FDIC-insured (subject to applicable insurance limits) deposits of a depository institution selected by the Committee) at such times and in such proportions as the Restricted Stock would have vested.

11. **Possible Early Termination of Award**. As permitted by Section 6.2(b) of the Plan, and without limiting the authority of the Committee under other provisions of Section 6.2 of the Plan or Section 8 of this Agreement, the Committee retains the right to terminate the Award, to the extent it has not vested, upon a dissolution of the Corporation or a reorganization event or transaction in which the Corporation does not survive (or does not survive as a public company in respect of its outstanding common stock). This Section 11 is not intended to prevent future vesting of the Award if it (or a substituted award) remains outstanding following a Change in Control Event.

12. **Limitations on Acceleration and Reduction in Benefits in Event of Tax Limitations**.

(a) **Limitation on Acceleration**. Notwithstanding anything contained herein (except as otherwise provided in Section 18 hereof) or in the Plan or any other agreement to the contrary, in no event shall the vesting of any share of Restricted Stock be accelerated pursuant to Section 6.3 of the Plan or Section 8(c) hereof to the extent that the Company would be denied a federal income tax deduction for such vesting because of Section 280G of the Code and, in such circumstances, the restricted shares not subject to acceleration will continue to vest in accordance with and subject to the other provisions hereof.

(b) **Reduction in Benefits**. If the Participant would be entitled to benefits, payments or coverage hereunder and under any other plan, program or agreement which would constitute "parachute payments," then notwithstanding any other provision hereof (except as otherwise provided in Section 18 hereof) or of any other existing agreement to the contrary, the Participant may by written notice to the Secretary of the Corporation designate the order in which such "parachute payments" shall be reduced or modified so that the Company is not denied federal income tax deductions for any "parachute payments" because of Section 280G of the Code.

(c) **Determination of Limitations**. The term "parachute payments" shall have the meaning set forth in and be determined in accordance with Section 280G of the Code and regulations issued thereunder. All determinations required by this Section 12, including without limitation the determination of whether any benefit, payment or coverage would constitute a parachute payment, the calculation of the value of any parachute payment and the determination of the extent to which any parachute payment would be nondeductible for federal income tax purposes because of Section 280G of the Code, shall be made by an independent accounting firm (other than the Corporation's outside auditing firm) having nationally

recognized expertise in such matters selected by the Committee. Any such determination by such accounting firm shall be binding on the Corporation, its Subsidiaries and the Participant.

13. **Tax Withholding**. The entity within the Company last employing the Participant shall be entitled to require a cash payment by or on behalf of the Participant and/or to deduct from other compensation payable to the Participant any sums required by federal, state or local tax law to be withheld with respect to the payment of dividends or the vesting of any Restricted Stock, but, in the alternative the Participant or other person in whom the Restricted Stock vests may irrevocably elect, in such manner and at such time or times prior to any applicable tax date as may be permitted or required under Section 6.5 of the Plan and rules established by the Committee, to have the entity last employing the Participant withhold and reacquire shares of Restricted Stock at their Fair Market Value at the time of vesting to satisfy any minimum withholding obligations of the Company with respect to such vesting. Any election to have shares so held back and reacquired shall be subject to such rules and procedures, which may include prior approval of the Committee, as the Committee may impose, and shall not be available if the Participant makes or has made an election pursuant to Section 83(b) of the Code with respect to such Award.

14. **Notices**. Any notice to be given under the terms of this Agreement shall be in writing and addressed to the Corporation at its principal office located at 401 Wilshire Boulevard, Suite 700, Santa Monica, California 90401, to the attention of the Corporate Secretary and to the Participant at the address given beneath the Participant's signature hereto, or at such other address as either party may hereafter designate in writing to the other.

15. **Plan**. The Award and all rights of the Participant with respect thereto are subject to, and the Participant agrees to be bound by, all of the terms and conditions of the provisions of the Plan, incorporated herein by reference, to the extent such provisions are applicable to Awards granted to Eligible Persons. The Participant acknowledges receipt of a copy of the Plan, which is made a part hereof by this reference, and agrees to be bound by the terms thereof. Unless otherwise expressly provided in other Sections of this Agreement, provisions of the Plan that confer discretionary authority on the Committee do not (and shall not be deemed to) create any rights in the Participant unless such rights are expressly set forth herein or are otherwise in the sole discretion of the Committee specifically so conferred by appropriate action of the Committee under the Plan after the date hereof.

16. **No Service Commitment by Company**. Nothing contained in this Agreement or the Plan constitutes an employment or service commitment by the Company, affects the Participant's status as an employee at will who is subject to termination without cause, confers upon the Participant any right to remain employed by the Company, interferes in any way with the right of the Company at any time to terminate such employment, or affects the right of the Company to increase or decrease the Participant's other compensation or benefits. Nothing in this Section, however, is intended to adversely affect any independent contractual right of the Participant without his or her consent thereto. Employment for any period of time (including a substantial period of time) after the Award Date will not entitle the Participant to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or

following a termination of employment as provided in Section 3 or 8 above if the express conditions to vesting set forth in such Sections have not been satisfied.

17. **Limitation on Participant's Rights**. This Award confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust.

18. **Other Agreements**. If any provision of this Agreement is inconsistent with any provision of the Management Continuity Agreement dated as of October 26, 2006 between the Corporation and Participant and as it may be amended from time-to-time (the "MCA"), the provisions of the MCA shall control and shall be deemed incorporated herein by reference.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written. By the Participant's execution of this Agreement, the Participant agrees to the terms and conditions of this Agreement and of the Plan.

THE MACERICH COMPANY
(a Maryland corporation)

By: ______________________________
Richard A. Bayer
Executive Vice President, Chief Legal Officer & Secretary

THE MACERICH PARTNERSHIP, L.P.
(a Delaware limited partnership)

By: The Macerich Company
(its general partner)

By: ______________________________
Richard A. Bayer
Executive Vice President, Chief Legal Officer & Secretary

PARTICIPANT

____
(Signature)

____
«Name»

____
(Address)

____
(City, State, Zip Code)

CONSENT OF SPOUSE

In consideration of the execution of the foregoing Restricted Stock Award Agreement by The Macerich Company and The Macerich Partnership L.P., I, , the spouse of the Participant therein named, do hereby join with my spouse in executing the foregoing Restricted Stock Award Agreement and do hereby agree to be bound by all of the terms and provisions thereof and of the Plan.

Dated: , .

____
Signature of Spouse

IRREVOCABLE POWER OF ATTORNEY
(Coupled with an interest)

KNOW ALL MEN BY THESE PRESENTS, that I hereby constitute and appoint Thomas E. O'Hern and Richard A. Bayer and their respective successors in office as Chief Financial Officer and Secretary of The Macerich Company (the "Company"), my true and lawful attorneys-in-fact and agents, each acting alone, with full powers of substitution and resubstitution, for me and in my name, place and stead, in any and all capacities, to sign any documents and to take any other action to effect the transfer and delivery of up to shares (the "Shares") of Common Stock of the Company issued in my name back to the Company in the event of any occurrence that requires the return to the Company of any or all of the Shares under the terms of the Company's 2003 Equity Incentive Plan (the "Plan") and the related Restricted Stock Award Agreement to me thereunder dated as of (the "Award"), each as amended from time to time. I further hereby grant unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing whatsoever requisite and necessary to be done in and about the premises, as fully to all intents and purposes as I might or could do in person, hereby ratifying, confirming and approving all of the acts which said attorneys-in-fact and agents, each acting alone, or their respective substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

By this document I intend to create a power of attorney coupled with an interest in the Shares to be held by the Company pending satisfaction of conditions to vesting under the terms of the Award and the Plan for an indefinite period of time not less than 10 years. This power of attorney is a durable power of attorney and shall not be affected by my subsequent incapacity or disability or death. I understand that the Award and any continued benefits thereunder is subject to the condition that I grant and the Company or its agents hold an effective power of attorney to the effect set forth herein.

This power of attorney is irrevocable by me at any time prior to the vesting of all of the Shares in accordance with the terms of the Award and the release of all restrictions on the Shares thereunder.

Signature: ______________________
Name: «Name»

____
Date

____
Place

ASSIGNMENT SEPARATE FROM CERTIFICATE

For Value Received, hereby sells[s], assign[s] and transfer[s] unto The Macerich Company (the "Corporation") Shares of the Common Stock of the Corporation standing in his/her name on the books of the Corporation and do hereby irrevocably constitute and appoint Richard A. Bayer, attorney-in-fact, with full power of substitution to transfer said shares on the books of the Corporation.

Dated: , 20

Signature: ______________________
Name: «Name»

THE MACERICH COMPANY

RESTRICTED STOCK AWARD
INFORMATION STATEMENT

General Information

This information statement has been provided to «Name» (the "Participant") in connection with a Restricted Stock Award granted to the Participant by The Macerich Company, a Maryland corporation (the "Corporation"), pursuant to a Restricted Stock Award Agreement dated as of [March] , among the Participant, the Corporation and The Macerich Partnership, L.P. (the "Award Agreement") under the Corporation's 2003 Equity Incentive Plan (the "Plan"). Capitalized terms used herein as not otherwise defined herein shall have the meanings assigned to them in the Agreement and the Plan.

Restricted Stock issued to the Participant pursuant to the Award Agreement will be represented in book entry form. This information statement is provided to the Participant pursuant to §2-210 of the Maryland General Corporation Law.

Award Summary

Participant Name:	«Name»
Issuer Name:	The Macerich Company
Class of Security:	Common Stock, par value $.01 per share
Number of Securities:	«Shares» shares

No Security

THIS STATEMENT IS MERELY A RECORD OF THE RIGHTS OF THE ADDRESSEE AS OF THE TIME OF ITS ISSUANCE. DELIVERY OF THIS STATEMENT, OF ITSELF, DOES NOT CONFER ANY RIGHTS UPON THE RECIPIENT. THE STATEMENT IS NEITHER A NEGOTIABLE

INSTRUMENT NOR A SECURITY.

Availability of Further Information Concerning the Capital Stock of the Corporation

The Corporation is authorized to issue three classes of capital stock which are designated as Common Stock, Preferred Stock and Excess Stock. The Corporation will furnish to any stockholder on request and without charge a full statement of the designations and any preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions of redemption of the stock of each class which the Corporation is authorized to issue, and the differences in the relative rights and preferences between the shares of each series to the extent they have been set, and the authority of the Board of Directors to set the relative rights and preferences of subsequent series. Such request may be made to the Secretary of the Corporation or to its transfer agent.

Restrictions on Transfer

The transferability of Restricted Stock is subject to the terms and conditions contained in the Award Agreement and the Plan. A copy of the Award Agreement is on file in the office of the Secretary of the Corporation.

The securities represented by this certificate are also subject to restrictions on ownership and transfer for the purpose of the Corporation's maintenance of its status as a real estate investment trust under the Internal Revenue Code of 1986, as amended (the "Code"). Except as otherwise provided pursuant to the charter of the Corporation, no Person may (1) Beneficially Own shares of Equity Stock in excess of 5.0% (or such greater percentage as may be provided in the charter of the Corporation) of the number or value of the outstanding Equity Stock of the Corporation (unless such Person is an Excluded Participant), or (2) Beneficially Own Equity Stock that would result in the Corporation being "closely held" under Section 856(h) of the Code (determined without regard to Code Section 856(h)(2) and by deleting the words "the last half of" in the first sentence of Code Section 542(a)(2) in applying Code Section 856(h)), or (3) Beneficially Own Equity Stock that would result in Common Stock and Preferred Stock being beneficially owned by fewer than 100 Persons (determined without reference to any rules of attribution). Any Person who attempts to Beneficially Own shares of Equity Stock in excess of the above limitations must immediately notify the Corporation. All capitalized terms in this paragraph have the meanings defined in the Corporation's charter, as the same may be further amended from time to time, a copy of which, including the restrictions on ownership or transfer, will be sent without charge to each stockholder who so requests. Transfers or other events in violation of the restrictions described above shall be null and void *ab initio*, and the purported transferee or purported owner shall acquire or retain no rights to, or economic interest in, any Equity Stock held in violation of these restrictions. The Corporation may redeem such shares upon the terms and conditions specified by the Board of Directors in its sole discretion if the Board of Directors determines that a Transfer or other event would violate the restrictions described above. In addition, if the restrictions on ownership or transfer are violated, the shares of Equity Stock represented hereby shall be automatically exchanged for shares of Excess Stock which will be held in trust for the benefit of a Beneficiary. Excess Stock may not be transferred at a profit. The Corporation has an option to acquire Excess Stock under certain circumstances. The foregoing restrictions may also delay, defer or prevent a change of control of the Corporation or other transaction which could be in the best interests of stockholders.

The Corporation will furnish information about all of the restrictions on transferability of these securities to the stockholder, on request and without charge.

Exhibit 10.4

[TIME VESTED FORM FOR EVPs]

THE MACERICH COMPANY

LTIP UNITS AWARD AGREEMENT

LTIP UNITS AWARD AGREEMENT made as of 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 an employee of the Company or one of its Subsidiaries or affiliates and provides services to the Partnership.

B. Pursuant to The Macerich Company 2003 Equity Incentive Plan, as amended, which includes any applicable programs thereunder (the "2003 Plan"), the Company has granted to the Grantee with reference to services rendered and to be rendered to the Company, upon the terms and conditions set forth herein, an award of LTIP Units (this "Award") as described in this Award Agreement (this "Agreement" or "Award Agreement")**.** This Award was made 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").

C. Effective as of the Effective Date specified in Schedule A hereto, the Committee awarded to the Grantee the number of LTIP Units set forth in Schedule A.

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

1. Administration. This Award and this Agreement shall be administered by the Committee pursuant to its powers and authority 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 this Award and this Agreement, consistent with the terms hereof and of the Stock Plan. The Committee's determinations and interpretations with respect to this Award and this Agreement shall be final and binding on all parties.

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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:

"Award LTIP Units" has the meaning set forth in Section 3.

"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

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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.

"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.

"Disability" means (1) a "permanent and total disability" within the meaning of Section 22(e)(3) of the Code, or (2) 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). For purposes of the definition of Disability "incapacity" shall be limited only to a condition that substantially prevents the Grantee from performing his or her duties.

"Effective Date" means , .

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

"LTIP Units" means units of limited partnership interest of the Partnership designated as "LTIP Units" in the Partnership Agreement having the rights, voting powers, restrictions,

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limitations as to distributions, qualifications and terms and conditions of redemption set forth in the Partnership Agreement.

"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.

"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 as a result of the Grantee's death or Disability.

"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.

"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.

"Vesting Date" means each of the vesting dates set forth in Section 4.

"Vesting Schedule" means the vesting schedule set forth in Section 4.

3. Award of LTIP Units. 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, which is incorporated herein by reference (the "Award LTIP Units"). Award LTIP Units constitute and shall be treated as the property of the Grantee, subject to the terms of this Agreement and the Partnership Agreement. Award LTIP Units will be: (A) subject to forfeiture to the extent provided in Section 5; and (B) subject to vesting as provided in Sections 4 and 5 hereof.

4. Vesting of Award LTIP Units.

(a) Vesting Schedule. Except as otherwise provided in Section 5 hereof, and/or the Stock Plan, the Award LTIP Units shall become vested in the following amounts, provided that the Continuous Service of the Grantee continues through and on the relevant Vesting Date.

Vesting Date	Number of Award LTIP Units Becoming Vested	Cumulative Percentage Vested
,	[(33 1/3%)]	[33 1/3%]
,	[(33 1/3%)]	[66 2/3%]
,	[(33 1/3%)]	[100%]

[Vesting schedule subject to change by the Committee.]

(b) Continuous Service Requirement. The Grantee agrees to provide Continuous Service to the Company in consideration for the conditional rights to the unvested Award LTIP Units. Except as otherwise provided in Section 5 or pursuant to the Stock Plan, the Vesting Schedule requires Continuous Service through each applicable Vesting Date as a condition to the vesting of the applicable installment and rights and benefits under this Agreement. 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 as provided in Section 5 below or under the Stock Plan.

5. Change of Control or Termination of Grantee's Service Relationship.

(a) Forfeiture after Certain Events. If the Grantee is a party to a Service Agreement, the provisions of Sections 5(b), 5(c) and 5(d) below shall govern the vesting of the Grantee's Award LTIP Units 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 Award LTIP Units. 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 shall not be interpreted as requiring that 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, 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 Award LTIP Units that have not previously been forfeited, effective immediately prior to such event.

(b) Change of Control, Qualified Termination or Retirement. In the event of a Change of Control or Qualified Termination, the unvested Award LTIP Units subject to this Agreement that have not been previously forfeited shall automatically and

immediately vest as of the date of the Change of Control or Qualified Termination (or effective immediately prior to such event to the extent necessary in order to enable the realization of the benefits of such acceleration), subject to the provisions of Sections 6.4 and 6.5 of the Stock Plan. If the Grantee's employment with the Company or a Subsidiary or affiliate terminates as a result of his or her Retirement, the Committee may, on a case-by-case basis and in its sole discretion, provide for partial or complete vesting prior to the Retirement of all or a portion of his or her Award LTIP Units that have not previously been forfeited.

(c) Change of Control Benefits. To the extent that the Grantee's Service Agreement entitles the Grantee to receive any severance payments, or any other similar term used in the Grantee's Service agreement, from the Company in case of a termination of the Grantee's employment following a Change of Control or a similar event ("Change of Control Benefits"), then for purposes of calculating the Grantee's entitlement to such Change of Control Benefits the amount of the Award LTIP Units awarded with respect to any calendar year shall be included as part of the Grantee's annual incentive bonus amount, or any other similar term used in the Grantee's Service Agreement, for such calendar year.

(d) Return of Award LTIP Units. In the event of a termination of employment or other cessation of the Grantee's Continuous Service other than a Qualified Termination, effective as of the date of such termination or cessation all Award LTIP Units except for those that had previously become vested pursuant to Section 4 or 5 hereof shall automatically and immediately be forfeited by the Grantee. Upon the occurrence of any forfeiture of Award LTIP Units hereunder, such unvested, forfeited LTIP Units shall, without payment of any consideration by the Company for such transfer, be automatically transferred to the Company, without any other action by the Grantee, or the Grantee's Beneficiary or Personal Representative, as the case may be. The Company may take any other action necessary or advisable to evidence such transfer. Any such forfeited Award LTIP Units shall automatically and without notice, terminate and be and become null and void, and neither the Grantee nor any of his Beneficiaries or Personal Representatives will thereafter have any further rights or interests in such forfeited Award LTIP Units. The Grantee, or the Grantee's Beneficiary or Personal Representative, as the case may be, and the Partnership shall deliver any additional documents of transfer that the Company may request to confirm the transfer of such unvested, forfeited LTIP Units to the Company.

(e) Section 409A Matters. Notwithstanding the foregoing, in the event vesting pursuant to Section 5 is 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.

(f) Schedule A Controls. To the extent that Schedule A provides for amounts or schedules of vesting that conflict with the provisions of this Section 5, the provisions of Schedule A will be controlling and determinative.

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. The Grantee shall be entitled to receive distributions with respect to the Award LTIP Units to the extent provided for in the Partnership Agreement, as modified hereby, if applicable. The Distribution Participation Date (as defined in the Partnership Agreement) with respect to the Award LTIP Units shall be the Effective Date and the Award LTIP Units shall be entitled to the full distribution payable on Units outstanding as of the record date for the quarterly distribution in which the Effective Date falls even though the Award LTIP Units will not have been outstanding for the whole quarterly period. All distributions paid with respect to Award LTIP Units shall be fully vested and non-forfeitable when paid whether the underlying Award LTIP Units are vested or unvested.

8. Restrictions on Transfer. None of the Award LTIP Units 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) prior to vesting, (b) for a period of two (2) years beginning on the Effective Date other than in connection with a Change of Control, and (c) 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 that, upon the approval of, and subject to the terms and conditions specified by, the Committee, unvested Award LTIP Units that have been held for a period of at least two (2) years may be Transferred to (i) the spouse, children or grandchildren of the Grantee ("Immediate Family Members"), (ii) a trust or trusts for the exclusive benefit of the Grantee and such Immediate Family Members, (iii) a partnership in which the Grantee and such Immediate Family Members are the only partners, or (iv) one or more entities in which the Grantee has a 10% or greater equity interest, provided that the Transferee agrees in writing with the Company and the Partnership to be bound by all the terms and conditions of this Agreement and that subsequent transfers of unvested Award LTIP Units shall be prohibited except those in accordance with this Section 8. In connection with any Transfer of Award 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 Award LTIP Units 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 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. This Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

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 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 or the LTIP Units, 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 and the terms of the LTIP Units prior to such event, including, without limitation: (i) adjustments in the Award LTIP Units 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 Award LTIP Units if and when voting is allowed under the Partnership Agreement, regardless of whether vesting has occurred.

10. Possible Early Termination of Award LTIP Units. As permitted by Section 6.2(b) of the Stock Plan, and without limiting the authority of the Committee under other provisions of Section 6.2 of the Stock Plan or Section 5 of this Agreement, the Committee retains the right to terminate the Award LTIP Units, to the extent they have not vested, upon a dissolution of the Company or a reorganization event or transaction in which the Company does not survive (or does not survive as a public company in respect of its outstanding Common Stock). This Section 10 is not intended to prevent future vesting of any Award LTIP Units if they (or a substituted award) remain outstanding following a Change of Control.

11. Miscellaneous.

(a) Amendments; Modifications. This Agreement may be amended or modified only with the consent of the Company and the Partnership acting through the Committee; 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; Committee Determinations. The provisions of the Stock Plan are hereby incorporated by reference as if set forth herein. In the event of a

conflict between this Agreement and the Stock Plan, 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.

(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 Award LTIP Units issued to the Grantee as of such date pursuant to Section 3 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 Agreement shall be amended from time to time as applicable to reflect the issuance to the Grantee of Award LTIP Units pursuant to Section 3 hereof, if any, whereupon the Grantee shall have all the rights of a Limited Partner of the Partnership with respect to the number of LTIP Units 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 under the Stock Plan. The Award LTIP Units 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 Award LTIP Units 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 Award LTIP Units 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 Award LTIP Units shall bear an appropriate legend, as determined by the Partnership in its sole discretion, to the effect that such LTIP Units 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 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 and 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 or any other securities issued pursuant to this Agreement or upon conversion or exchange of LTIP Units. The Grantee agrees that any resale of the shares of Common Stock received upon the exchange of Units into which LTIP Units 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 each separate issuance of LTIP Units under this Award pursuant to Section 3 hereof the Grantee hereby agrees to make an election to include in gross income in the year of transfer the applicable Award LTIP Units pursuant to Section 83(b) of the Code substantially in the form attached hereto as Exhibit C and to supply the necessary information 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 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) No Service Commitment by Company. Nothing contained in this Agreement or the Stock Plan constitutes an employment or service commitment by the Company, affects the Grantee’s status as an employee at will who is subject to termination without cause, confers upon the Grantee any right to remain employed by the Company, interferes in any way with the right of the Company at any time to terminate such employment, or

affects the right of the Company to increase or decrease the Grantee's other compensation or benefits. Nothing in this Section, however, is intended to adversely affect any independent contractual right of the Grantee without his consent thereto. Employment for any period of time (including a substantial period of time) after the Effective Date 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 as provided in Section 4 or 5 above if the express conditions to vesting set forth in such Sections have not been satisfied.

(o) 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.

(p) 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.

(q) 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.

(r) Section 409A. 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, 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 Award LTIP Units 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.

(s) 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 day of , .

THE MACERICH COMPANY

By: ______________________________
Name:
Title:

THE MACERICH PARTNERSHIP, L.P.

By: The Macerich Company, its general partner

By: ______________________________
Name:
Title:

GRANTEE

____
Name:

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 Section 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

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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.

(a) 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, (x) 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 (y) 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).

(b) 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.

5. The Limited Partner agrees that it will not transfer any interest in the Partnership Units (x) through (i) a national, non-U.S., regional, local or other securities exchange, (ii) PORTAL or (iii) 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 (y) 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.

6. 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.

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7. 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:

____

Name:
Date: ,

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 ("SEC") 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 (except for those Items of the Form 8-K that are not deemed to be "filed" with the SEC or incorporated by reference into any filing with the SEC);

(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 shall not constitute an offer of LTIP Units 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, the potential conversion of LTIP Units 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

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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 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 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; 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 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 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. **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.**

(iii) The LTIP Units to be issued, the Common Units issuable upon conversion of the LTIP Units 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, 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, 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.

(iv) The Grantee acknowledges that (A) neither the LTIP Units to be issued, nor the Common Units issuable upon conversion of the LTIP Units, 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

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securities laws and, if such LTIP Units 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 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 and Common Units and (E) neither the Partnership nor the Company has any obligation or intention to register such LTIP Units or the Common Units issuable upon conversion of the LTIP Units 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 acquired hereby and the Common Units issuable upon conversion of the LTIP Units 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 acquired hereby and the Common Units issuable upon conversion of the LTIP Units for an indefinite period of time.

(v) The Grantee has determined that the LTIP Units are a suitable investment for the Grantee.

(vi) No representations or warranties have been made to the Grantee by the Partnership or the Company, or any officer, director, shareholder, 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 except the information specified in paragraph (b) above.

(c) So long as the Grantee holds any LTIP Units, the Grantee shall disclose to the Partnership in writing such information as may be reasonably requested with respect to ownership of LTIP Units 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 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 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 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 with respect to the property described below and supplies the following information in accordance with the regulations promulgated thereunder:

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

Name: (the "Taxpayer")

Address:

Social Security No./Taxpayer Identification No.:

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

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

3. The date on which the LTIP Units were transferred is , . The taxable year to which this election relates is calendar year .

4. Nature of restrictions to which the LTIP Units are subject:

(a) With limited exceptions, until the LTIP Units vest, the Taxpayer may not transfer in any manner any portion of the LTIP Units without the consent of the Partnership.

(b) The Taxpayer's LTIP Units vest in accordance with the vesting provisions described in the Schedule attached hereto. Unvested LTIP Units 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 restrictions which by their terms will never lapse) of the LTIP Units with respect to which this election is being made was $0 per LTIP Unit.

6. The amount paid by the Taxpayer for the LTIP Units was $0 per LTIP Unit.

7. A copy of this statement has been furnished to the Partnership and The Macerich Company.

Dated: ______________________

____
Name:

SCHEDULE TO EXHIBIT C

Vesting Provisions of LTIP Units

LTIP Units are subject to time-based vesting with 33 1/3% of such units vesting on each successive , beginning and ending . [Vesting schedule subject to change by the Compensation Committee.] The above vesting is conditioned upon the Taxpayer remaining an employee of The Macerich Company (the "Company") through the applicable vesting dates, and subject to acceleration in the event of a change of control of the Company or termination of the Taxpayer's service relationship with the Company under specified circumstances. Unvested LTIP Units are subject to forfeiture in the event of failure to vest based on the passage of time and continued employment with the Company or its subsidiaries.

SCHEDULE A TO LTIP UNITS AWARD AGREEMENT

Date of Award Agreement:

Name of Grantee:

Number of LTIP Units Subject to Grant:

Effective Date:

Initials of Company representative:

Initials of Grantee:

Exhibit 31.1

THE MACERICH COMPANY
SECTION 302 CERTIFICATION

I, Arthur M. Coppola, certify that:

1. I have reviewed this report on Form 10-Q for the quarter ended September 30, 2007 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 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:

   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.

Date: November 6, 2007

/s/ ARTHUR M. COPPOLA
President and Chief Executive Officer

Exhibit 31.2

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 September 30, 2007 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 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:
   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.

Date: November 6, 2007

/s/ THOMAS E. O'HERN
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, Arthur M. Coppola and Thomas E. O'Hern, the Chief Executive Officer and Chief Financial Officer, respectively, of The Macerich Company (the "Company"), pursuant to 18 U.S.C. §1350, hereby certify that, to the best of their knowledge:

(i) the Quarterly Report on Form 10-Q for the quarter ended September 30, 2007 of the Company (the "Report") fully complies with the requirements of Section 13(a) and 15(d) of the Securities Exchange Act of 1934; 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: November 6, 2007

/s/ ARTHUR M. COPPOLA
President and Chief Executive Officer

/s/ THOMAS E. O'HERN
Executive Vice President and Chief Financial Officer