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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2013

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

YES ☒ NO o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding twelve (12) months (or for such shorter period that the registrant was required to submit and post such files).

YES ☒ NO o

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

Large accelerated filer ☒	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company 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 ☒

Number of shares outstanding as of May 3, 2013 of the registrant's common stock, par value $0.01 per share: 137,498,591 shares

THE MACERICH COMPANY

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THE MACERICH COMPANY

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands, except share data)

(Unaudited)

	March 31, 2013	December 31, 2012
ASSETS:		
Property, net	$ 7,932,563	$ 7,479,546
Cash and cash equivalents	68,814	65,793
Restricted cash	78,128	78,658
Marketable securities	23,612	23,667
Tenant and other receivables, net	99,767	103,744
Deferred charges and other assets, net	579,302	565,130
Loans to unconsolidated joint ventures	3,366	3,345
Due from affiliates	31,197	17,068
Investments in unconsolidated joint ventures	945,935	974,258
Total assets	$ 9,762,684	$ 9,311,209
LIABILITIES AND EQUITY:		
Mortgage notes payable:		
Related parties	$ 273,328	$ 274,609
Others	4,637,327	4,162,734
Total	4,910,655	4,437,343
Bank and other notes payable	797,138	824,027
Accounts payable and accrued expenses	89,237	70,251
Other accrued liabilities	326,095	318,174
Distributions in excess of investments in unconsolidated joint ventures	193,608	152,948
Co-venture obligation	89,360	92,215
Total liabilities	6,406,093	5,894,958
Commitments and contingencies		
Equity:		
Stockholders' equity:		
Common stock, $0.01 par value, 250,000,000 shares authorized, 137,628,403 and 137,507,010 shares issued and outstanding at March 31, 2013 and December 31, 2012, respectively	1,376	1,375
Additional paid-in capital	3,717,091	3,715,895
Accumulated deficit	(701,447)	(639,741)
Total stockholders' equity	3,017,020	3,077,529
Noncontrolling interests	339,571	338,722
Total equity	3,356,591	3,416,251
Total liabilities and equity	$ 9,762,684	$ 9,311,209

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

THE MACERICH COMPANY

CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in thousands, except per share amounts)

(Unaudited)

	For the Three Months Ended March 31, 2013	For the Three Months Ended March 31, 2012
Revenues:		
Minimum rents	$ 149,157	$ 119,528
Percentage rents	4,377	3,753
Tenant recoveries	85,324	64,695
Management Companies	10,148	11,215
Other	13,776	10,752
Total revenues	262,782	209,943
Expenses:		
Shopping center and operating expenses	85,372	65,498
Management Companies' operating expenses	23,149	22,527
REIT general and administrative expenses	6,024	4,518
Depreciation and amortization	93,160	73,841
	207,705	166,384
Interest expense:		
Related parties	3,780	3,940
Other	49,916	38,583
	53,696	42,523
Total expenses	261,401	208,907
Equity in income of unconsolidated joint ventures	18,115	30,618
Co-venture expense	(2,041)	(1,092)
Income tax benefit (provision)	243	(1,850)
Gain on remeasurement, sale or write down of assets, net	4,828	19,497
Income from continuing operations	22,526	48,209
Discontinued operations:		
Gain (loss) on the disposition of assets, net	6	(55,568)
Loss from discontinued operations	(2)	(4,364)
Income (loss) from discontinued operations	4	(59,932)
Net income (loss)	22,530	(11,723)
Less net income attributable to noncontrolling interests	4,438	2,345
Net income (loss) attributable to the Company	$ 18,092	$ (14,068)
Earnings per common share attributable to Company—basic:		
Income from continuing operations	$ 0.13	$ 0.31
Discontinued operations	—	(0.42)
Net income (loss) attributable to common stockholders	$ 0.13	$ (0.11)
Earnings per common share attributable to Company—diluted:		
Income from continuing operations	$ 0.13	$ 0.31
Discontinued operations	—	(0.42)
Net income (loss) attributable to common stockholders	$ 0.13	$ (0.11)
Weighted average number of common shares outstanding:		
Basic	137,538,000	132,273,000
Diluted	137,616,000	132,273,000

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

THE MACERICH COMPANY

CONSOLIDATED STATEMENT OF EQUITY

(Dollars in thousands, except per share data)

(Unaudited)

	Stockholders' Equity						
	Common Stock						
	Shares	Par Value	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
Balance at January 1, 2013	137,507,010	$ 1,375	$ 3,715,895	$ (639,741)	$ 3,077,529	$ 338,722	$ 3,416,251
Net income	—	—	—	18,092	18,092	4,438	22,530
Share and unit-based compensation plans	60,020	—	5,137	—	5,137	—	5,137
Distributions paid ($0.58) per share	—	—	—	(79,798)	(79,798)	—	(79,798)
Distributions to noncontrolling interests	—	—	—	—	—	(6,409)	(6,409)
Other	—	—	(98)	—	(98)	—	(98)
Conversion of noncontrolling interests to common shares	61,373	1	973	—	974	(974)	—
Redemption of noncontrolling interests	—	—	(703)	—	(703)	(319)	(1,022)
Adjustment of noncontrolling interest in Operating Partnership	—	—	(4,113)	—	(4,113)	4,113	—
Balance at March 31, 2013	137,628,403	$ 1,376	$ 3,717,091	$ (701,447)	$ 3,017,020	$ 339,571	$ 3,356,591

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

THE MACERICH COMPANY

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars in thousands)

(Unaudited)

	For the Three Months Ended March 31, 2013	For the Three Months Ended March 31, 2012
Cash flows from operating activities:		
Net income (loss)	$ 22,530	$ (11,723)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Gain on remeasurement, sale or write down of assets, net	(4,828)	(19,497)
(Gain) loss on the disposition of assets, net from discontinued operations	(6)	55,568
Depreciation and amortization	95,465	81,002
Amortization of net (premium) discount on mortgages, bank and other notes payable	(2,441)	1,422
Amortization of share and unit-based plans	3,700	2,798
Provision for doubtful accounts	756	821
Income tax (benefit) provision	(243)	1,850
Equity in income of unconsolidated joint ventures	(18,115)	(30,618)
Distributions of income from unconsolidated joint ventures	8,538	4,444
Co-venture expense	2,041	1,092
Changes in assets and liabilities, net of acquisitions and dispositions:		
Tenant and other receivables	3,221	17,905
Other assets	13,422	(1,940)
Due from affiliates	(799)	(1,604)
Accounts payable and accrued expenses	15,073	1,849
Other accrued liabilities	(30,771)	(17,148)
Net cash provided by operating activities	107,543	86,221
Cash flows from investing activities:		
Acquisitions of property	(470,000)	(70,925)
Development, redevelopment, expansion and renovation of properties	(36,741)	(15,105)
Property improvements	(10,901)	(1,187)
Issuance of notes receivable	(13,330)	(12,500)
Proceeds from maturities of marketable securities	99	99
Deferred leasing costs	(10,885)	(8,723)
Distributions from unconsolidated joint ventures	104,708	24,697
Contributions to unconsolidated joint ventures	(26,134)	(8,008)
Collection of/loans to unconsolidated joint ventures, net	(21)	695
Proceeds from sale of assets	6,059	23,180
Restricted cash	530	(3,710)
Net cash used in investing activities	(456,616)	(71,487)

THE MACERICH COMPANY

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

(Dollars in thousands)

(Unaudited)

	For the Three Months Ended March 31, 2013	2012
Cash flows from financing activities:		
Proceeds from mortgages, bank and other notes payable	1,735,123	755,885
Payments on mortgages, bank and other notes payable	(1,286,303)	(521,054)
Deferred financing costs	(4,601)	(1,883)
Redemption of noncontrolling interests	(1,022)	(10)
Contribution from noncontrolling interests	—	266
Dividends and distributions	(86,207)	(81,644)
Distributions to co-venture partner	(4,896)	(4,282)
Net cash provided by financing activities	352,094	147,278
Net increase in cash and cash equivalents	3,021	162,012
Cash and cash equivalents, beginning of period	65,793	67,248
Cash and cash equivalents, end of period	$ 68,814	$ 229,260
Supplemental cash flow information:		
Cash payments for interest, net of amounts capitalized	$ 53,933	$ 40,431
Non-cash transactions:		
Accrued development costs included in accounts payable and accrued expenses and other accrued liabilities	$ 25,761	$ 4,228
Conversion of noncontrolling interests to common shares	$ 974	$ 774
Application of deposit to acquire property	$ 30,000	$ —

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

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in thousands, except per share amounts)

(Unaudited)

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 March 31, 2013, the Company was the sole general partner of, and held a 93% ownership interest in, The Macerich Partnership, L.P. (the "Operating Partnership"). The Company was organized to qualify as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code").

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

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

2. Summary of Significant Accounting Policies:

Basis of Presentation:

The accompanying consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles ("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 in which the Company has a controlling financial interest or entities that meet the definition of a variable interest entity in which the Company has, as a result of ownership, contractual or other financial interests, both the power to direct activities that most significantly impact the economic performance of the variable interest entity and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the variable interest entity are consolidated; otherwise they are accounted for under the equity method of accounting and are reflected as investments in unconsolidated joint ventures.

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

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

2. Summary of Significant Accounting Policies: (Continued)

The unaudited interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2012. In the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the consolidated financial statements for the interim periods have been made. The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The accompanying consolidated balance sheet as of December 31, 2012 has been derived from the audited financial statements, but does not include all disclosures required by GAAP.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

3. Earnings per Share ("EPS"):

The following table reconciles the numerator and denominator used in the computation of earnings per share for the three months ended March 31, 2013 and 2012 (shares in thousands):

	For the Three Months Ended March 31, 2013	For the Three Months Ended March 31, 2012
Numerator		
Income from continuing operations	$ 22,526	$ 48,209
Income (loss) from discontinued operations	4	(59,932)
Net income attributable to noncontrolling interests	(4,438)	(2,345)
Net income (loss) attributable to the Company	18,092	(14,068)
Allocation of earnings to participating securities	(66)	(317)
Numerator for basic and diluted earnings per share—net income (loss) attributable to common stockholders	$ 18,026	$ (14,385)
Denominator		
Denominator for basic earnings per share—weighted average number of common shares outstanding	137,538	132,273
Effect of dilutive securities:(1)		
Share and unit-based compensation plans	78	—
Denominator for diluted earnings per share—weighted average number of common shares outstanding	137,616	132,273
Earnings per common share—basic:		
Income from continuing operations	$ 0.13	$ 0.31
Discontinued operations	—	(0.42)
Net income (loss) attributable to common stockholders	$ 0.13	$ (0.11)
Earnings per common share—diluted:		
Income from continuing operations	$ 0.13	$ 0.31
Discontinued operations	—	(0.42)
Net income (loss) attributable to common stockholders	$ 0.13	$ (0.11)

(1) The convertible senior notes ("Senior Notes") are excluded from diluted EPS for the three months ended March 31, 2012 as their impact was antidilutive. The Senior Notes were paid off in full on March 15, 2012 (See Note 10—Bank and Other Notes Payable).

Diluted EPS excludes 184,304 and 208,640 convertible preferred units for the three months ended March 31, 2013 and 2012, respectively, as their impact was antidilutive.

Diluted EPS excludes 1,156,985 unexercised stock appreciation rights ("SARs") for the three months ended March 31, 2012 as their impact was antidilutive.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

3. Earnings per Share ("EPS"): (Continued)

Diluted EPS excludes 13,500 unexercised stock options for the three months ended March 31, 2012 as their impact was antidilutive.

Diluted EPS excludes 623,572 unexercised stock warrants for the three months ended March 31, 2012 as their impact was antidilutive. The stock warrants were exercised in full on October 24, 2012.

Diluted EPS excludes 10,206,924 and 11,178,828 Operating Partnership units ("OP Units") for the three months ended March 31, 2013 and 2012, respectively, as their impact was antidilutive.

4. Investments in Unconsolidated Joint Ventures:

During 2012, the Company made the following investments and dispositions relating to its unconsolidated joint ventures:

On March 30, 2012, the Company sold its 50% ownership interest in Chandler Village Center, a 273,000 square foot community center in Chandler, Arizona, for a total sales price of $14,795, resulting in a gain on sale of assets of $8,184 that was included in gain on remeasurement, sale or write down of assets, net during the three months ended March 31, 2012. The sales price was funded by a cash payment of $6,045 and the assumption of the Company's share of the mortgage note payable on the property of $8,750. The Company used the cash proceeds from the sale to pay down its line of credit and for general corporate purposes.

On March 30, 2012, the Company sold its 50% ownership interest in Chandler Festival, a 500,000 square foot community center in Chandler, Arizona, for a total sales price of $30,975, resulting in a gain on sale of assets of $12,347 that was included in gain on remeasurement, sale or write down of assets, net during the three months ended March 31, 2012. The sales price was funded by a cash payment of $16,183 and the assumption of the Company's share of the mortgage note payable on the property of $14,792. The Company used the cash proceeds from the sale to pay down its line of credit and for general corporate purposes.

On March 30, 2012, the Company's joint venture in SanTan Village Power Center, a 491,000 square foot community center in Gilbert, Arizona, sold the property for $54,780, resulting in a gain on sale of assets to the joint venture of $23,294. The cash proceeds from the sale were used to pay off the $45,000 mortgage loan on the property and the remaining $9,780 was distributed to the partners. The Company's share of the gain recognized was $11,502, which was included in equity in income of unconsolidated joint ventures, offset in part by $3,565 that was included in net income attributable to noncontrolling interests. The Company used its share of the proceeds to pay down its line of credit and for general corporate purposes.

On May 31, 2012, the Company sold its 50% ownership interest in Chandler Gateway, a 260,000 square foot community center in Chandler, Arizona, for a total sales price of $14,315, resulting in a gain on sale of assets of $3,363. The sales price was funded by a cash payment of $4,921 and the assumption of the Company's share of the mortgage note payable on the property of $9,394. The Company used the cash proceeds from the sale to pay down its line of credit and for general corporate purposes.

4. Investments in Unconsolidated Joint Ventures: (Continued)

On August 10, 2012, the Company was bought out of its ownership interest in NorthPark Center, a 1,946,000 square foot regional shopping center in Dallas, Texas, for $118,810, resulting in a gain of $24,590. The Company used the cash proceeds to pay down its line of credit.

On October 3, 2012, the Company acquired the 75% ownership interest in FlatIron Crossing, a 1,439,000 square foot regional shopping center in Broomfield, Colorado, that it did not own for $310,397. The purchase price was funded by a cash payment of $195,900 and the assumption of the third party's share of the mortgage note payable on the property of $114,497. Prior to the acquisition, the Company had accounted for its investment in FlatIron Crossing under the equity method. Since the date of acquisition, the Company has included FlatIron Crossing in its consolidated financial statements (See Note 14—Acquisitions).

On October 26, 2012, the Company acquired the remaining 33.3% ownership interest in Arrowhead Towne Center, a 1,196,000 square foot regional shopping center in Glendale, Arizona, that it did not own for $144,400. The purchase price was funded by a cash payment of $69,025 and the assumption of the third party's pro rata share of the mortgage note payable on the property of $75,375. Prior to the acquisition, the Company had accounted for its investment in Arrowhead Towne Center under the equity method. Since the date of acquisition, the Company has included Arrowhead Towne Center in its consolidated financial statements (See Note 14—Acquisitions).

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

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

4. Investments in Unconsolidated Joint Ventures: (Continued)

Combined Condensed Balance Sheets of Unconsolidated Joint Ventures:

	March 31, 2013	December 31, 2012
Assets(1):		
Properties, net	$ 3,664,484	$ 3,653,631
Other assets	324,402	411,862
Total assets	$ 3,988,886	$ 4,065,493
Liabilities and partners' capital(1):		
Mortgage notes payable(2)	$ 3,274,872	$ 3,240,723
Other liabilities	171,073	148,711
Company's capital	237,806	304,477
Outside partners' capital	305,135	371,582
Total liabilities and partners' capital	$ 3,988,886	$ 4,065,493
Investments in unconsolidated joint ventures:		
Company's capital	$ 237,806	$ 304,477
Basis adjustment(3)	514,521	516,833
	$ 752,327	$ 821,310
Assets—Investments in unconsolidated joint ventures	$ 945,935	$ 974,258
Liabilities—Distributions in excess of investments in unconsolidated joint ventures	(193,608)	(152,948)
	$ 752,327	$ 821,310

(1) These amounts include the assets and liabilities of the following joint ventures as of March 31, 2013 and December 31, 2012:

	Pacific Premier Retail LP	Tysons Corner LLC
As of March 31, 2013:		
Total Assets	$ 1,035,401	$ 431,221
Total Liabilities	$ 939,057	$ 330,230
As of December 31, 2012:		
Total Assets	$ 1,039,742	$ 409,622
Total Liabilities	$ 942,370	$ 329,145

(2) Certain mortgage notes payable could become recourse debt to the Company should the joint venture be unable to discharge the obligations of the related debt. As of March 31, 2013 and December 31, 2012, a total of $51,151 and $51,171, respectively, could become recourse debt to

4. Investments in Unconsolidated Joint Ventures: (Continued)

the Company. As of March 31, 2013 and December 31, 2012, the Company has indemnity agreements from joint venture partners for $21,270 of the guaranteed amount.

Included in mortgage notes payable are amounts due to affiliates of Northwestern Mutual Life ("NML") of $435,262 and $436,857 as of March 31, 2013 and December 31, 2012, respectively. NML is considered a related party because it is a joint venture partner with the Company in Macerich Northwestern Associates—Broadway Plaza. Interest expense incurred on these borrowings amounted to $6,943 and $11,055 for the three months ended March 31, 2013 and 2012, respectively.

(3) The Company amortizes the difference between the cost of its investments in unconsolidated joint ventures and the book value of the underlying equity into income on a straight-line basis consistent with the lives of the underlying assets. The amortization of this difference was $2,562 and $(57) for the three months ended March 31, 2013 and 2012, respectively.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

4. Investments in Unconsolidated Joint Ventures: (Continued)

Combined Condensed Statements of Operations of Unconsolidated Joint Ventures:

	Pacific Premier Retail LP	Tysons Corner LLC	Other Joint Ventures	Total
Three Months Ended March 31, 2013				
Revenues:				
Minimum rents	$ 33,132	$ 15,497	$ 60,961	$ 109,590
Percentage rents	989	566	1,302	2,857
Tenant recoveries	13,954	11,024	27,212	52,190
Other	1,251	918	7,413	9,582
Total revenues	49,326	28,005	96,888	174,219
Expenses:				
Shopping center and operating expenses	14,448	8,482	36,171	59,101
Interest expense	11,574	2,240	24,117	37,931
Depreciation and amortization	10,910	4,430	21,821	37,161
Total operating expenses	36,932	15,152	82,109	134,193
Loss on sale or distribution of assets	—	—	(190)	(190)
Net income	$ 12,394	$ 12,853	$ 14,589	$ 39,836
Company's equity in net income	$ 5,691	$ 4,877	$ 7,547	$ 18,115
Three Months Ended March 31, 2012				
Revenues:				
Minimum rents	$ 33,635	$ 15,340	$ 90,105	$ 139,080
Percentage rents	963	400	3,290	4,653
Tenant recoveries	13,474	10,815	42,412	66,701
Other	1,266	677	8,580	10,523
Total revenues	49,338	27,232	144,387	220,957
Expenses:				
Shopping center and operating expenses	14,162	8,514	55,923	78,599
Interest expense	13,288	3,021	39,123	55,432
Depreciation and amortization	10,462	5,076	31,053	46,591
Total operating expenses	37,912	16,611	126,099	180,622
Gain on sale or distribution of assets	—	—	22,990	22,990
Net income	$ 11,426	$ 10,621	$ 41,278	$ 63,325
Company's equity in net income	$ 5,810	$ 4,047	$ 20,761	$ 30,618

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

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

5. Property:

Property consists of the following:

	March 31, 2013	December 31, 2012
Land	$ 1,723,388	$ 1,572,621
Buildings and improvements	6,715,582	6,417,674
Tenant improvements	534,354	496,203
Equipment and furnishings	150,559	149,959
Construction in progress	408,860	376,249
	9,532,743	9,012,706
Less accumulated depreciation	(1,600,180)	(1,533,160)
	$ 7,932,563	$ 7,479,546

Depreciation expense was $71,098 and $57,322 for the three months ended March 31, 2013 and 2012, respectively.

The gain on remeasurement, sale or write down of assets, net includes the write off of development costs of $591 and $1,034 during the three months ended March 31, 2013 and 2012, respectively. In addition, the gain on remeasurement, sale or write down of assets, net includes the gain of $5,419 on the sale of assets during the three months ended March 31, 2013.

6. Marketable Securities:

Marketable securities consist of the following:

	March 31, 2013	December 31, 2012
Government debt securities, at par value	$ 23,670	$ 23,769
Less discount	(58)	(102)
	23,612	23,667
Unrealized gain	416	685
Fair value (Level 1 measurement)	$ 24,028	$ 24,352

The future contractual maturities of marketable securities are less than one year. The proceeds from maturities and interest receipts from the marketable securities are restricted to the service of the Greeley Note (See Note 10—Bank and Other Notes Payable).

7. Tenant and Other Receivables, net:

Included in tenant and other receivables, net, is an allowance for doubtful accounts of $1,771 and $2,374 at March 31, 2013 and December 31, 2012, respectively. Also included in tenant and other receivables, net, are accrued percentage rents of $2,584 and $9,168 at March 31, 2013 and

(Dollars in thousands, except per share amounts)

7. Tenant and Other Receivables, net: (Continued)

December 31, 2012, respectively, and deferred rent receivable due to straight-line rent adjustments of $50,685 and $49,129 at March 31, 2013 and December 31, 2012, respectively.

Included in tenant and other receivables, net, are the following notes receivable:

On March 31, 2006, the Company received a note receivable that is secured by a deed of trust, bears interest at 5.5% and matures on March 31, 2031. At March 31, 2013 and December 31, 2012, the note had a balance of $8,433 and $8,502, respectively.

On August 18, 2009, the Company received a note receivable from J&R Holdings XV, LLC ("Pederson") that bears interest at 11.6% and matures on December 31, 2013. Pederson is considered a related party because it has an ownership interest in Promenade at Casa Grande. The note is secured by Pederson's interest in Promenade at Casa Grande. Interest income on the note was $153 and $104 for the three months ended March 31, 2013 and 2012, respectively. The balance on the note at March 31, 2013 and December 31, 2012 was $3,445.

8. Deferred Charges and Other Assets, net:

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

	March 31, 2013	December 31, 2012
Leasing	$ 232,555	$ 234,498
Financing	47,444	42,868
Intangible assets:		
In-place lease values	204,046	175,735
Leasing commissions and legal costs	50,499	46,419
Above-market leases	129,256	118,033
Deferred tax assets	33,843	33,414
Deferred compensation plan assets	25,526	24,670
Acquisition deposit	—	30,000
Other assets	61,935	72,811
	785,104	778,448
Less accumulated amortization(1)	(205,802)	(213,318)
	$ 579,302	$ 565,130

(1) Accumulated amortization includes $64,047 and $62,792 relating to in-place lease values, leasing commissions and legal costs at March 31, 2013 and December 31, 2012, respectively. Amortization expense of in-place lease values, leasing commissions and legal costs was $13,893 and $9,652 for the three months ended March 31, 2013 and 2012, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

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

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

	March 31, 2013	December 31, 2012
Above-Market Leases		
Original allocated value	$ 129,256	$ 118,033
Less accumulated amortization	(41,930)	(46,361)
	$ 87,326	$ 71,672
Below-Market Leases(1)		
Original allocated value	$ 195,814	$ 164,489
Less accumulated amortization	(74,083)	(77,131)
	$ 121,731	$ 87,358

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

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

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9. Mortgage Notes Payable:

Mortgage notes payable at March 31, 2013 and December 31, 2012 consist of the following:

	Carrying Amount of Mortgage Notes(1)						
	March 31, 2013		December 31, 2012				
Property Pledged as Collateral	Related Party	Other	Related Party	Other	Effective Interest Rate(2)	Monthly Debt Service(3)	Maturity Date(4)
Arrowhead Towne Center	$ —	$ 241,406	$ —	$ 243,176	2.76%	$ 1,131	2018
Chandler Fashion Center(5)	—	200,000	—	200,000	3.77%	625	2019
Chesterfield Towne Center	—	110,000	—	110,000	4.80%	573	2022
Danbury Fair Mall	119,161	119,161	119,823	119,823	5.53%	1,538	2020
Deptford Mall	—	204,358	—	205,000	3.76%	947	2023
Deptford Mall	—	14,736	—	14,800	6.46%	101	2016
Eastland Mall	—	168,000	—	168,000	5.79%	811	2016
Fashion Outlets of Chicago(6)	—	34,959	—	9,165	3.00%	79	2017
Fashion Outlets of Niagara Falls USA	—	125,930	—	126,584	4.89%	727	2020
Fiesta Mall(7)	—	84,000	—	84,000	4.98%	341	2015
Flagstaff Mall	—	37,000	—	37,000	5.03%	151	2015
FlatIron Crossing	—	171,024	—	173,561	1.96%	1,102	2013
Freehold Raceway Mall(5)	—	232,900	—	232,900	4.20%	805	2018
Fresno Fashion Fair	80,306	80,306	80,601	80,602	6.76%	1,104	2015
Great Northern Mall	—	36,166	—	36,395	5.19%	234	2013
Green Acres Mall(8)	—	324,420	—	—	3.61%	1,447	2021
Kings Plaza Shopping Center(9)	—	497,609	—	354,000	3.67%	2,229	2019
Northgate Mall(10)	—	64,000	—	64,000	3.08%	131	2017
Oaks, The	—	217,164	—	218,119	4.14%	1,064	2022
Pacific View	—	137,744	—	138,367	4.08%	668	2022
Paradise Valley Mall(11)	—	80,250	—	81,000	6.30%	618	2014
Promenade at Casa Grande(12)	—	66,134	—	73,700	5.21%	248	2013
Salisbury, Centre at	—	115,000	—	115,000	5.83%	555	2016
Santa Monica Place	—	239,147	—	240,000	2.99%	1,004	2018
SanTan Village Regional Center(13)	—	138,087	—	138,087	2.61%	265	2013
South Plains Mall	—	100,949	—	101,340	6.57%	648	2015
South Towne Center(14)	—	84,915	—	85,247	6.39%	555	2015
Towne Mall	—	23,273	—	23,369	4.48%	117	2022
Tucson La Encantada	73,861	—	74,185	—	4.23%	368	2022
Twenty Ninth Street(15)	—	107,000	—	107,000	3.04%	252	2016
Valley Mall	—	42,703	—	42,891	5.85%	280	2016
Valley River Center	—	120,000	—	120,000	5.59%	558	2016
Victor Valley, Mall of(16)	—	90,000	—	90,000	2.11%	135	2014
Vintage Faire Mall(14)(17)	—	135,000	—	135,000	3.49%	480	2015
Westside Pavilion	—	153,986	—	154,608	4.49%	783	2022
Wilton Mall(18)	—	40,000	—	40,000	1.21%	29	2013
	$273,328	$4,637,327	$274,609	$4,162,734			

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

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(Dollars in thousands, except per share amounts)

(Unaudited)

9. Mortgage Notes Payable: (Continued)

Debt premiums (discounts) consist of the following:

Property Pledged as Collateral	March 31, 2013	December 31, 2012
Arrowhead Towne Center	$ 16,948	$ 17,716
Deptford Mall	(18)	(19)
Fashion Outlets of Niagara Falls USA	7,038	7,270
FlatIron Crossing	3,806	5,232
Great Northern Mall	(21)	(28)
Valley Mall	(285)	(307)
	$ 27,468	$ 29,864

(2) The interest rate disclosed represents the effective interest rate, including the debt premiums (discounts) and deferred finance costs.

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

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

(5) A 49.9% interest in the loan has been assumed by a third party in connection with a co-venture arrangement (See Note 11—Co-Venture Arrangement).

(6) The construction loan on the property allows for borrowings up to $140,000, bears interest at LIBOR plus 2.50% and matures on March 5, 2017, including extension options. At March 31, 2013 and December 31, 2012, the total interest rate was 3.00%.

(7) The Company is in negotiations with the loan servicer, which will likely result in a transition of the property to the loan servicer or receiver.

(8) On January 24, 2013, in connection with the Company's acquisition of Green Acres Mall (See Note 14—Acquisitions), the Company placed a new loan on the property that allowed for borrowings up to $325,000, bears interest at an effective interest rate of 3.61% and matures on February 3, 2021. Concurrent with the acquisition, the Company borrowed $100,000 on the loan. On January 31, 2013, the Company exercised its option to borrow an additional $225,000 on the loan.

(9) On January 3, 2013, the Company exercised its option to borrow an additional $146,000 on the loan.

(10) The loan bears interest at LIBOR plus 2.25% and matures on March 1, 2017. At March 31, 2013 and December 31, 2012, the total interest rate was 3.08% and 3.09%, respectively.

(11) The loan bears interest at LIBOR plus 4.0% with a total interest rate floor of 5.50% and matures on August 31, 2014. At March 31, 2013 and December 31, 2012, the total interest rate was 6.30%.

(12) The loan bears interest at LIBOR plus 4.0% with a LIBOR rate floor of 0.50% and matures on December 30, 2013. At March 31, 2013 and December 31, 2012, the total interest rate was 5.21%.

(13) The loan bears interest at LIBOR plus 2.10% and matures on June 13, 2013. At March 31, 2013 and December 31, 2012, the total interest rate was 2.61%. On April 29, 2013, the Company obtained a loan commitment to replace the existing loan with a new six-year $138,000 loan that will bear interest at a fixed rate of 3.09%.

(14) On April 30, 2013, the existing loan on Vintage Faire Mall was paid off in full and the loan on South Towne Center was assumed by Vintage Faire Mall. An additional $15,200 loan was added to the Vintage Faire loan that bears interest at 2.50% and matures on November 5, 2015.

9. Mortgage Notes Payable: (Continued)

(15) The loan bears interest at LIBOR plus 2.63% and matures on January 18, 2016. At March 31, 2013 and December 31, 2012, the total interest rate was 3.04%.

(16) The loan bears interest at LIBOR plus 1.60% until May 6, 2013 and increases to LIBOR plus 2.25% until maturity on November 6, 2014. At March 31, 2013 and December 31, 2012, the total interest rate was 2.11% and 2.12%, respectively.

(17) On April 30, 2013, the loan was paid off in full.

(18) The loan bears interest at LIBOR plus 0.675% and matures on August 1, 2013. As additional collateral for the loan, the Company is required to maintain a deposit of $40,000 with the lender, which has been included in restricted cash. The interest on the deposit is not restricted. At March 31, 2013 and December 31, 2012, the total interest rate was 1.21% and 1.22%, respectively.

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

Most of the Company's mortgage notes payable are secured by the properties on which they are placed and are non-recourse to the Company. As of March 31, 2013 and December 31, 2012, a total of $282,830 and $213,466, respectively, of the mortgage notes payable could become recourse to the Company. The Company has indemnity agreements from consolidated joint venture partners for $21,270 and $28,208 of the guaranteed amounts at March 31, 2013 and December 31, 2012, respectively.

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

Total interest expense capitalized was $3,507 and $2,353 during the three months ended March 31, 2013 and 2012, respectively.

Related party mortgage notes payable are amounts due to affiliates of NML. See Note 17—Related Party Transactions for interest expense associated with loans from NML.

The fair value of mortgage notes payable at March 31, 2013 and December 31, 2012 was $5,038,759 and $4,567,658, respectively, based on current interest rates for comparable loans. The method for computing fair value (Level 2 measurement) was determined using a present value model and an interest rate that included a credit value adjustment based on the estimated value of the property that serves as collateral for the underlying debt.

10. Bank and Other Notes Payable:

Bank and other notes payable consist of the following:

Senior Notes:

On March 16, 2007, the Company issued $950,000 in Senior Notes that matured on March 15, 2012. The Senior Notes bore interest at 3.25%, payable semiannually, were senior to unsecured debt of the Company and were guaranteed by the Operating Partnership. On or after December 15, 2011, the Senior Notes were convertible at any time prior to March 13, 2012. The conversion right was not

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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10. Bank and Other Notes Payable: (Continued)

exercised prior to the maturity date of the Senior Notes. On March 15, 2012, the Company paid-off in full the $439,318 of Senior Notes then outstanding.

Line of Credit:

On May 2, 2011, the Company obtained a $1,500,000 revolving line of credit that bears interest at LIBOR plus a spread of 1.75% to 3.0% depending on the Company's overall leverage and matures on May 2, 2015 with a one-year extension option. This extension option is at the Company's discretion, subject to certain conditions, which the Company believes will be met. Based on the Company's current leverage levels, the borrowing rate on the facility is LIBOR plus 2.25%. The line of credit can be expanded, depending on certain conditions, up to a total facility of $2,000,000 less the outstanding balance of the $125,000 unsecured term loan as described below. As of March 31, 2013 and December 31, 2012, borrowings under the line of credit were $635,000 and $675,000, respectively, at an average interest rate of 2.74% and 2.76%, respectively. The fair value (Level 2 measurement) of the line of credit at March 31, 2013 and December 31, 2012 was $636,502 and $675,107, respectively, based on a present value model using a credit interest rate spread offered to the Company for comparable debt.

Term Loan:

On December 8, 2011, the Company obtained a $125,000 unsecured term loan under the line of credit that bears interest at LIBOR plus a spread of 1.95% to 3.20% depending on the Company's overall leverage and matures on December 8, 2018. Based on the Company's current leverage levels, the borrowing rate is LIBOR plus 2.20%. As of March 31, 2013 and December 31, 2012, the total interest rate was 2.56% and 2.57%, respectively. The fair value (Level 2 measurement) of the term loan at March 31, 2013 and December 31, 2012 was $122,847 and $121,821, respectively, based on a present value model using a credit interest rate spread offered to the Company for comparable debt.

Greeley Note:

On July 27, 2006, concurrent with the sale of Greeley Mall, the Company provided marketable securities to replace Greeley Mall as collateral for the mortgage note payable on the property (See Note 6—Marketable Securities). As a result of this transaction, the mortgage note payable was reclassified to bank and other notes payable. This note bears interest at an effective rate of 6.34% and matures in September 2013. At March 31, 2013 and December 31, 2012, the Greeley Note had a balance outstanding of $23,808 and $24,027, respectively. The fair value (Level 2 measurement) of the note at March 31, 2013 and December 31, 2012 was $24,222 and $24,685, respectively, based on current interest rates for comparable notes. The method for computing fair value was determined using a present value model and an interest rate that included a credit value adjustment based on the estimated value of the collateral for the underlying debt.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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10. Bank and Other Notes Payable: (Continued)

Prasada Note:

On March 29, 2013, the Company issued a $13,330 note payable that bears interest at 5.25% and matures on March 29, 2016. The note payable is collateralized by a development reimbursement agreement with the City of Surprise, Arizona. The fair value (Level 2 measurement) of the note at March 31, 2013 was $13,330 based on current interest rates for comparable notes. The method for computing fair value was determined using a present value model and an interest rate that included a credit value adjustment based on the estimated value of the collateral for the underlying debt.

As of March 31, 2013 and December 31, 2012, the Company was in compliance with all applicable financial loan covenants.

11. Co-Venture Arrangement:

On September 30, 2009, the Company formed a joint venture, whereby a third party acquired a 49.9% interest in Freehold Raceway Mall and Chandler Fashion Center. As part of this transaction, the Company issued a warrant in favor of the third party to purchase 935,358 shares of common stock of the Company at an exercise price of $46.68 per share. See Note 13—Stockholders' Equity. The Company received approximately $174,650 in cash proceeds for the overall transaction, of which $6,496 was attributed to the warrant.

As a result of the Company having certain rights under the agreement to repurchase the assets after the seventh year of the venture formation, the transaction did not qualify for sale treatment. The Company, however, is not obligated to repurchase the assets. The transaction has been accounted for as a profit-sharing arrangement, and accordingly the assets, liabilities and operations of the properties remain on the books of the Company and a co-venture obligation was established for the amount of $168,154, representing the net cash proceeds received from the third party less costs allocated to the warrant. The co-venture obligation is increased for the allocation of income to the co-venture partner and decreased for distributions to the co-venture partner. The co-venture obligation was $89,360 and $92,215 at March 31, 2013 and December 31, 2012, respectively.

12. Noncontrolling Interests:

The Company allocates net income of the Operating Partnership based on the weighted average ownership interest during the period. The net income of the Operating Partnership that is not attributable to the Company is reflected in the consolidated statements of operations as noncontrolling interests. The Company adjusts the noncontrolling interests in the Operating Partnership at the end of each period to reflect its ownership interest in the Company. The Company had a 93% ownership interest in the Operating Partnership as of March 31, 2013 and December 31, 2012. The remaining 7% limited partnership interest as of March 31, 2013 and December 31, 2012 was owned by certain of the Company's executive officers and directors, certain of their affiliates, and other third party investors in the form of OP Units. The OP Units may be redeemed for shares of stock or cash, at the Company's option. The redemption value for each OP Unit as of any balance sheet date is the amount equal to the average of the closing price per share of the Company's common stock, par value $0.01 per share, as reported on the New York Stock Exchange for the 10 trading days ending on the respective balance

12. Noncontrolling Interests: (Continued)

sheet date. Accordingly, as of March 31, 2013 and December 31, 2012, the aggregate redemption value of the then-outstanding OP Units not owned by the Company was $643,659 and $586,409, respectively.

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

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

13. Stockholders' Equity:

Stock Warrants:

On September 30, 2009, the Company issued a warrant in connection with its formation of a co-venture to own and operate Freehold Raceway Mall and Chandler Fashion Center (See Note 11—Co-Venture Arrangement). The warrant provided for the purchase of 935,358 shares of the Company's common stock. The warrant was valued at $6,496 and recorded as a credit to additional paid-in capital. The warrant was immediately exercisable upon its issuance and was scheduled to expire on December 1, 2012. The warrant had an exercise price of $46.68 per share, with such price subject to anti-dilutive adjustments. The warrant allowed for either gross or net issue settlement at the option of the warrant holder. In the event that the warrant holder elected a net issue settlement, the Company could have elected to settle the warrant in cash or shares; provided, however, that in the event the Company elected to deliver cash, the holder could have elected to instead have the exercise of the warrant satisfied in shares. In addition, the Company had entered into a registration rights agreement with the warrant holders requiring the Company to provide certain registration rights regarding the resale of shares of common stock underlying the warrant. On December 30, 2011, the holders requested a net issue exercise of 311,786 shares of the warrant and the Company elected to deliver a cash payment of $1,278 in exchange for the portion of the warrant exercised. On April 10, 2012, the holders requested a net issue exercise of an additional 311,786 shares of the warrant and the Company elected to deliver a cash payment of $3,448 in exchange for the portion of the warrant exercised. On October 24, 2012, the holders requested a net issue exercise of the remaining 311,786 shares of the warrant and the Company elected to deliver a cash payment of $3,922 in exchange for the portion of the warrant exercised.

At-The-Market Stock Offering Program ("ATM Program"):

On August 17, 2012, the Company entered into an equity distribution agreement ("Distribution Agreement") with a number of sales agents to issue and sell, from time to time, shares of common stock, par value $0.01 per share, having an aggregate offering price of up to $500,000 (the "Shares"). Sales of the Shares, if any, may be made in privately negotiated transactions and/or any other method permitted by law, including sales deemed to be an "at the market" offering, which includes sales made directly on the New York Stock Exchange or sales made to or through a market maker other than on

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13. Stockholders' Equity: (Continued)

an exchange. The Company will pay each sales agent a commission that will not exceed, but may be lower than, 2% of the gross proceeds of the Shares sold through such sales agent under the Distribution Agreement.

During the three months ended September 30, 2012, the Company sold 2,961,903 shares of common stock under the ATM Program in exchange for aggregate gross proceeds of $177,896 and net proceeds of $175,649 after commissions and other transaction costs. The proceeds from the sales were used to pay down the Company's line of credit. As of March 31, 2013, $322,104 remained available to be sold under the ATM Program. Actual future sales will depend upon a variety of factors including but not limited to market conditions, the trading price of the Company's common stock and the Company's capital needs. The Company has no obligation to sell the remaining shares available for sale under the ATM Program.

Stock Issued to Acquire Property:

On November 28, 2012, the Company issued 535,265 restricted shares of common stock in connection with the acquisition of Kings Plaza Shopping Center (See Note 14—Acquisitions) for a value of $30,000, based on the average closing price of the Company's common stock for ten preceding trading days.

14. Acquisitions:

500 North Michigan Avenue:

On February 29, 2012, the Company acquired a 327,000 square foot mixed-use retail/office building in Chicago, Illinois ("500 North Michigan Avenue") for $70,925. The purchase price was funded from borrowings under the Company's line of credit. The acquisition was completed in order to gain control over the property adjacent to The Shops at North Bridge.

The following is a summary of the allocation of the fair value of 500 North Michigan Avenue:

Property	$ 66,033
Deferred charges	7,450
Other assets	2,143
Total assets acquired	75,626
Other accrued liabilities	4,701
Total liabilities assumed	4,701
Fair value of acquired net assets	$ 70,925

The Company determined that the purchase price represented the fair value of the assets acquired and liabilities assumed.

Since the date of acquisition, the Company has included 500 North Michigan Avenue in its consolidated financial statements.

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(Dollars in thousands, except per share amounts)

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14. Acquisitions: (Continued)

FlatIron Crossing:

On October 3, 2012, the Company acquired the 75% ownership interest in FlatIron Crossing, a 1,439,000 square foot regional shopping center in Broomfield, Colorado, that it did not own for $310,397. The acquisition was completed in order to gain 100% ownership and control over this asset. The purchase price was funded by a cash payment of $195,900 and the assumption of the third party's share of the mortgage note payable on the property of $114,497. Prior to the acquisition, the Company had accounted for its investment in FlatIron Crossing under the equity method (See Note 4—Investments in Unconsolidated Joint Ventures). As a result of this transaction, the Company obtained 100% ownership of FlatIron Crossing.

The following is a summary of the allocation of the fair value of FlatIron Crossing:

Property	$ 443,391
Deferred charges	25,251
Cash and cash equivalents	3,856
Other assets	2,101
Total assets acquired	474,599
Mortgage note payable	175,720
Accounts payable	366
Other accrued liabilities	11,071
Total liabilities assumed	187,157
Fair value of acquired net assets (at 100% ownership)	$ 287,442

The Company determined that the purchase price represented the fair value of the additional ownership interest in FlatIron Crossing that was acquired.

Fair value of existing ownership interest (at 25% ownership)	$ 91,542
Carrying value of investment	(33,382)
Prior gain deferral recognized	26,067
Gain on remeasurement	$ 84,227

The following is the reconciliation of the purchase price to the fair value of the acquired net assets:

Purchase price	$ 310,397
Less debt assumed	(114,497)
Carrying value of investment	33,382
Remeasurement gain	84,227
Less prior gain deferral	(26,067)
Fair value of acquired net assets (at 100% ownership)	$ 287,442

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

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14. Acquisitions: (Continued)

The prior gain deferral relates to the prior sale of the 75% ownership interest in FlatIron Crossing. Due to certain contractual rights that were afforded to the buyer of the interest, a portion of that gain was deferred.

Since the date of acquisition, the Company has included FlatIron Crossing in its consolidated financial statements.

Arrowhead Towne Center:

On October 26, 2012, the Company acquired the remaining 33.3% ownership interest in Arrowhead Towne Center, a 1,196,000 square foot regional shopping center in Glendale, Arizona, that it did not own for $144,400. The acquisition was completed in order to gain 100% ownership and control over this asset. The purchase price was funded by a cash payment of $69,025 and the assumption of the third party's pro rata share of the mortgage note payable on the property of $75,375. Prior to the acquisition, the Company had accounted for its investment in Arrowhead Towne Center under the equity method (See Note 4—Investments in Unconsolidated Joint Ventures). As a result of this transaction, the Company obtained 100% ownership of Arrowhead Towne Center.

The following is a summary of the allocation of the fair value of Arrowhead Towne Center:

Property	$ 423,349
Deferred charges	31,500
Restricted cash	4,009
Tenant receivables	926
Other assets	4,234
Total assets acquired	464,018
Mortgage note payable	244,403
Accounts payable	815
Other accrued liabilities	10,449
Total liabilities assumed	255,667
Fair value of acquired net assets (at 100% ownership)	$ 208,351

The Company determined that the purchase price represented the fair value of the additional ownership interest in Arrowhead Towne Center that was acquired.

Fair value of existing ownership interest (at 66.7% ownership)	$ 139,326
Carrying value of investment	(23,597)
Gain on remeasurement	$ 115,729

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

14. Acquisitions: (Continued)

The following is the reconciliation of the purchase price to the fair value of the acquired net assets:

Purchase price	$ 144,400
Less debt assumed	(75,375)
Carrying value of investment	23,597
Remeasurement gain	115,729
Fair value of acquired net assets (at 100% ownership)	$ 208,351

Since the date of acquisition, the Company has included Arrowhead Towne Center in its consolidated financial statements.

Kings Plaza Shopping Center:

On November 28, 2012, the Company acquired Kings Plaza Shopping Center, a 1,199,000 square foot regional shopping center in Brooklyn, New York, for a purchase price of $756,000. The purchase price was funded from a cash payment of $726,000 and the issuance of $30,000 in restricted common stock of the Company. The cash payment was provided by the placement of a mortgage note payable on the property that allowed for borrowings of up to $500,000 and from borrowings under the Company's line of credit. Concurrent with the acquisition, the Company borrowed $354,000 on the loan. On January 3, 2013, the Company exercised its option to borrow the remaining $146,000 on the loan. The acquisition was completed to acquire a prominent center in Brooklyn, New York.

The following is a summary of the allocation of the fair value of Kings Plaza Shopping Center:

Property	$ 714,589
Deferred charges	37,371
Other assets	29,282
Total assets acquired	781,242
Other accrued liabilities	25,242
Total liabilities assumed	25,242
Fair value of acquired net assets	$ 756,000

The Company determined that the purchase price represented the fair value of the assets acquired and liabilities assumed.

Since the date of acquisition, the Company has included Kings Plaza Shopping Center in its consolidated financial statements.

Green Acres Mall:

On January 24, 2013, the Company acquired Green Acres Mall, a 1,800,000 square foot regional shopping center in Valley Stream, New York, for a purchase price of $500,000. A purchase deposit of $30,000 was funded during the year ended December 31, 2012, and the remaining balance of $470,000 was funded upon closing of the acquisition. The cash payment made at the time of closing was

(Dollars in thousands, except per share amounts)

14. Acquisitions: (Continued)

provided by the placement of a mortgage note payable on the property that allowed for borrowings of up to $325,000. Concurrent with the acquisition, the Company borrowed $100,000 on the loan. On January 31, 2013, the Company exercised its option to borrow an additional $225,000 on the loan. The acquisition was completed to acquire another prominent center in the New York metropolitan area.

The Company is in the process of completing its purchase price allocation for the acquisition of Green Acres Mall, which it expects to complete in 2013. The following is a summary of the allocation of the purchase price of Green Acres Mall, which represents the Company's best estimate of acquisition date fair values of the assets acquired and liabilities assumed.

Property	$ 477,673
Deferred charges	45,130
Other assets	19,125
Total assets acquired	541,928
Other accrued liabilities	41,928
Total liabilities assumed	41,928
Fair value of acquired net assets	$ 500,000

The Company determined that the purchase price represented the fair value of the assets acquired and liabilities assumed.

Since the date of acquisition, the Company has included Green Acres Mall in its consolidated financial statements. The property has generated incremental revenue of $12,596 and incremental income of $894.

Pro Forma Results of Operations:

The following unaudited pro forma total revenue and income from continuing operations for the three months ended March 31, 2013 and 2012 assumes the above property acquisitions took place on January 1, 2012:

	Total revenue	Income from continuing operations
Supplemental pro forma information for the period ended March 31, 2013(1)	$ 267,106	$ 22,787
Supplemental pro forma information for the period ended March 31, 2012(1)	$ 263,038	$ 47,174

(1) This unaudited pro forma supplemental information does not purport to be indicative of what the Company's operating results would have been had the acquisitions occurred on January 1, 2012, and may not be indicative of future operating results. The Company has excluded remeasurement gains and acquisition costs from these pro forma results as they are considered significant nonrecurring adjustments directly attributable to the acquisitions.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

15. Discontinued Operations:

During the three months ended March 31, 2012, the Company recorded an impairment charge of $54,306 related to Valley View Center. As a result of the sale of the property on April 23, 2012, the Company wrote down the carrying value of the long-lived assets to their estimated fair value of $33,450 (Level 1 measurement), which was equal to the sales price of the property. On April 23, 2012, the property was sold by a court appointed receiver, which resulted in a gain on the extinguishment of debt of $104,023.

On April 30, 2012, the Company sold The Borgata, a 94,000 square foot community center in Scottsdale, Arizona, for $9,150, resulting in a loss on the sale of assets of $1,275. The Company used the proceeds from the sale to pay down its line of credit and for general corporate purposes.

On May 11, 2012, the Company sold a former Mervyn's store in Montebello, California for $20,750, resulting in a loss on the sale of assets of $407. The Company used the proceeds from the sale for general corporate purposes.

On May 17, 2012, the Company sold Hilton Village, a 80,000 square foot community center in Scottsdale, Arizona, for $24,820, resulting in a gain on the sale of assets of $3,127. The Company used the proceeds from the sale to pay down its line of credit and for general corporate purposes.

On May 31, 2012, the Company conveyed Prescott Gateway, a 584,000 square foot regional shopping center in Prescott, Arizona, to the mortgage note lender by a deed-in-lieu of foreclosure. As a result of the conveyance, the Company recognized a gain on the extinguishment of debt of $16,296.

On June 28, 2012, the Company sold Carmel Plaza, a 112,000 square foot community center in Carmel, California, for $52,000, resulting in a gain on the sale of assets of $7,844. The Company used the proceeds from the sale to pay down its line of credit.

The Company has classified the results of operations and gain or loss on sale for all of the above dispositions as discontinued operations for the three months ended March 31, 2013 and 2012.

Revenues from discontinued operations consisted of $0 and $6,678 for the three months ended March 31, 2013 and 2012, respectively. Income (loss) from discontinued operations was $4 and $(59,932) for the three months ended March 31, 2013 and 2012, respectively.

16. Commitments and Contingencies:

The Company has certain properties that are subject to non-cancelable operating ground leases. The leases expire at various times through 2098, subject in some cases to options to extend the terms of the leases. Certain leases provide for contingent rent payments based on a percentage of base rental income, as defined in the lease. Ground rent expense was $2,635 and $2,093 for the three months ended March 31, 2013 and 2012, respectively. No contingent rent was incurred during the three months ended March 31, 2013 or 2012.

As of March 31, 2013 and December 31, 2012, the Company was contingently liable for $3,757 in letters of credit guaranteeing performance by the Company of certain obligations relating to the Centers. The Company does not believe that these letters of credit will result in a liability to the Company.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

16. Commitments and Contingencies: (Continued)

The Company has entered into a number of construction agreements related to its redevelopment and development activities. Obligations under these agreements are contingent upon the completion of the services within the guidelines specified in the agreements. At March 31, 2013, the Company had $28,042 in outstanding obligations which it believes will be settled in the next twelve months.

17. Related Party Transactions:

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

	For the Three Months Ended March 31,	
	2013	2012
Management Fees	$ 5,493	$ 6,082
Development and Leasing Fees	1,695	3,224
	$ 7,188	$ 9,306

Certain mortgage notes on the properties are held by NML (See Note 9—Mortgage Notes Payable). Interest expense in connection with these notes was $3,780 and $3,940 for the three months ended March 31, 2013 and 2012, respectively. Included in accounts payable and accrued expenses is interest payable on these notes of $1,258 and $1,264 at March 31, 2013 and December 31, 2012, respectively.

As of March 31, 2013 and December 31, 2012, the Company had loans to unconsolidated joint ventures of $3,366 and $3,345, respectively. Interest income associated with these notes was $61 and $65 for the three months ended March 31, 2013 and 2012, respectively. These loans represent initial funds advanced to development stage projects prior to construction loan funding. Accordingly, loan payables in the same amount have been accrued as an obligation by the various joint ventures.

Due from affiliates includes $4,734 and $4,568 of unreimbursed costs and fees due from unconsolidated joint ventures under management agreements at March 31, 2013 and December 31, 2012, respectively. Due from affiliates at March 31, 2013 and December 31, 2012, also includes two notes receivable from principals of AWE Talisman for a total of $12,500 that bear interest at 5.0% and mature based on the completion, refinancing or sale of Fashion Outlets of Chicago. The notes are collateralized by the principals' interests in Fashion Outlets of Chicago. AWE Talisman is considered a related party because it has an ownership interest in Fashion Outlets of Chicago. Interest income earned on these notes was $154 and $8 for the three months ended March 31, 2013 and 2012, respectively. Due from affiliates at March 31, 2013 also includes a note receivable of $13,330 from RED/303 LLC ("RED") that bears interest at 5.25% and matures on March 29, 2016. RED is

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

17. Related Party Transactions: (Continued)

considered a related party because it is a partner in a joint venture development project. The note is collateralized by RED's membership interest in a development agreement.

18. Share and Unit-Based Plans:

On February 15, 2013, the Company granted 332,189 limited partnership units of the Operating Partnership ("LTIP Units") under the Long-Term Incentive Plan to seven executive officers at a weighted average grant date fair value of $49.67 per LTIP Unit. The new grants vest over a service period ending December 31, 2013 based on the percentile ranking of the Company in terms of total return to stockholders (the "Total Return") per share of common stock relative to the Total Return of a group of peer REITs, as measured at the end of the measurement period. Upon the occurrence of specified events and subject to the satisfaction of applicable vesting conditions, LTIP Units (after conversion into OP Units) are ultimately redeemable for common stock of the Company on a one-unit for one-share basis.

The fair value of the Company's LTIP Units granted in 2013 was estimated on the date of grant using a Monte Carlo Simulation model. The stock price of the Company, along with the stock prices of the group of peer REITs, was assumed to follow the Multivariate Geometric Brownian Motion Process. Multivariate Geometric Brownian Motion Process modeling is commonly used in financial markets, as it allows the modeled quantity (in this case, the stock price) to vary randomly from its current value based on the stock price's expected volatility and current market interest rates. The volatilities of the returns on the stock price of the Company and the peer group REITs were estimated based on a one-year look-back period. The expected growth rate of the stock prices over the derived service period was determined with consideration of the risk free rate as of the grant date.

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

	For the Three Months Ended March 31,	
	2013	2012
LTIP Units	$ 2,957	$ 1,547
Stock awards	110	96
Stock units	1,824	2,220
Stock options	4	—
Phantom stock units	242	254
	$ 5,137	$ 4,117

The Company capitalized share and unit-based compensation costs of $1,437 and $1,319 for the three months ended March 31, 2013 and 2012, respectively. Unrecognized compensation costs of share and unit-based plans at March 31, 2013 consisted of $14,180 from LTIP Units, $957 from stock awards, $4,990 from stock units, $74 from stock options and $1,246 from phantom stock units.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

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

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

	LTIP Units		Stock Awards		Phantom Stock		Stock Units	
	Units	Value(1)	Shares	Value(1)	Units	Value(1)	Units	Value(1)
Balance at January 1, 2013	200,000	$ 38.63	20,924	$ 49.36	—	$ —	114,677	$ 52.19
Granted	332,189	49.67	8,963	61.84	25,441	58.47	67,920	62.01
Vested	(200,000)	38.63	(10,720)	46.63	(4,021)	60.15	(45,279)	51.29
Forfeited	—	—	—	—	—	—	—	—
Balance at March 31, 2013	332,189	$ 49.67	19,167	$ 56.72	21,420	$ 58.16	137,318	$ 57.24

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

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

	SARs		Stock Options	
	Shares	Value(1)	Shares	Value(1)
Balance at January 1, 2013	1,164,185	$ 56.55	12,768	$ 54.69
Granted	—	—	—	—
Exercised	—	—	—	—
Forfeited	—	—	—	—
Balance at March 31, 2013	1,164,185	$ 56.55	12,768	$ 54.69

(1) Value represents the weighted-average exercise price.

19. Income Taxes:

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

(Dollars in thousands, except per share amounts)

19. Income Taxes: (Continued)

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

	For the Three Months Ended March 31, 2013	For the Three Months Ended March 31, 2012
Current	$ (281)	$ —
Deferred	524	(1,850)
Income tax benefit (provision)	$ 243	$ (1,850)

The net operating loss carryforwards are currently scheduled to expire through 2032, beginning in 2021. Net deferred tax assets of $33,843 and $33,414 were included in deferred charges and other assets, net at March 31, 2013 and December 31, 2012, respectively.

The tax returns for the years 2009-2011 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 benefits will materially change within the next twelve months.

20. Subsequent Events:

On April 26, 2013, the Company announced a dividend/distribution of $0.58 per share for common stockholders and OP Unit holders of record on May 10, 2013. All dividends/distributions will be paid 100% in cash on June 7, 2013.

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

IMPORTANT INFORMATION RELATED TO FORWARD-LOOKING STATEMENTS

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

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

Stockholders are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company or the industry to differ materially from the Company's future results, performance or achievements, or those of the industry, expressed or implied in such forward-looking statements. You are urged to carefully review the disclosures we make concerning risks and other factors that may affect our business and operating results, including those made in "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2012, as well as our other reports filed with the Securities and Exchange Commission (the "SEC"), which disclosures are incorporated herein by reference. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. The Company does not intend, and undertakes no obligation, to update any forward-looking information to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, unless required by law to do so.

Management's Overview and Summary

The Company is involved in the acquisition, ownership, development, redevelopment, management and leasing of regional and community 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 Operating Partnership. As of March 31, 2013, the Operating Partnership owned or had an ownership interest in 61 regional shopping centers and nine community shopping centers totaling approximately 64 million square feet of gross leasable area. These 70 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 REIT and conducts all of its operations through the Operating Partnership and the Management Companies.

The following discussion is based primarily on the consolidated financial statements of the Company for the three months ended March 31, 2013 and 2012. It compares the results of operations and cash flows for the three months ended March 31, 2013 to the results of operations and cash flows for the three months ended March 31, 2012. This information should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

Acquisitions and Dispositions:

On February 29, 2012, the Company acquired a 327,000 square foot mixed-use retail/office building ("500 North Michigan Avenue") in Chicago, Illinois for $70.9 million. The building is adjacent to The Shops at North Bridge. The purchase price was paid from borrowings under the Company's line of credit.

On March 30, 2012, the Company sold its 50% ownership interest in Chandler Village Center, a 273,000 square foot community center in Chandler, Arizona, for a total sales price of $14.8 million, resulting in a gain on the sale of assets of $8.2 million. The sales price was funded by a cash payment of $6.0 million and the assumption of the Company's share of the mortgage note payable on the property of $8.8 million. The Company used the cash proceeds from the sale to pay down its line of credit and for general corporate purposes.

On March 30, 2012, the Company sold its 50% ownership interest in Chandler Festival, a 500,000 square foot community center in Chandler, Arizona, for a total sales price of $31.0 million, resulting in a gain on the sale of assets of $12.3 million. The sales price was funded by a cash payment of $16.2 million and the assumption of the Company's share of the mortgage note payable on the property of $14.8 million. The Company used the cash proceeds from the sale to pay down its line of credit and for general corporate purposes.

On March 30, 2012, the Company's joint venture in SanTan Village Power Center, a 491,000 square foot community center in Gilbert, Arizona, sold the property for $54.8 million, resulting in a gain on the sale of assets of $23.3 million for the joint venture. The Company's pro rata share of the gain recognized was $7.9 million. The Company used its share of the proceeds to pay down its line of credit and for general corporate purposes.

On April 30, 2012, the Company sold The Borgata, a 94,000 square foot community center in Scottsdale, Arizona, for $9.2 million, resulting in a loss on the sale of $1.3 million. The Company used the proceeds from the sale to pay down its line of credit and for general corporate purposes.

On May 11, 2012, the Company sold a former Mervyn's store in Montebello, California for $20.8 million, resulting in a loss on the sale of $0.4 million. The proceeds from the sale were used for general corporate purposes. Currently, three former Mervyn's stores in the Company's portfolio remain vacant. The Company is actively seeking replacement tenants for these spaces.

On May 17, 2012, the Company sold Hilton Village, a 80,000 square foot community center in Scottsdale, Arizona, for $24.8 million, resulting in a gain on the sale of assets of $3.1 million. The Company used the proceeds from the sale to pay down its line of credit and for general corporate purposes.

On May 31, 2012, the Company sold its 50% ownership interest in Chandler Gateway, a 260,000 square foot community center in Chandler, Arizona, for a total sales price of $14.3 million, resulting in a gain on the sale of assets of $3.4 million. The sales price was funded by a cash payment of $4.9 million and the assumption of the Company's share of the mortgage note payable on the property of $9.4 million. The Company used the cash proceeds from the sale to pay down its line of credit and for general corporate purposes.

On June 28, 2012, the Company sold Carmel Plaza, a 112,000 square foot community center in Carmel, California, for $52.0 million, resulting in a gain on the sale of assets of $7.8 million. The Company used the proceeds from the sale to pay down its line of credit.

On August 10, 2012, the Company was bought out of its ownership interest in NorthPark Center, a 1,946,000 square foot regional shopping center in Dallas, Texas, for $118.8 million, resulting in a gain of $24.6 million. The Company used the cash proceeds to pay down its line of credit.

On October 3, 2012, the Company acquired the 75% ownership interest in FlatIron Crossing, a 1,439,000 square foot regional shopping center in Broomfield, Colorado, that it did not own for a cash payment of $195.9 million and the assumption of the third party's share of the mortgage note payable on the property of $114.5 million.

On October 26, 2012, the Company acquired the 33.3% ownership interest in Arrowhead Towne Center, a 1,196,000 square foot regional shopping center in Glendale, Arizona, that it did not own for $144.4 million. The Company funded the purchase price by a cash payment of $69.0 million and the assumption of the third party's pro rata share of the mortgage note payable on the property of $75.4 million.

On November 28, 2012, the Company acquired Kings Plaza Shopping Center, a 1,199,000 square foot regional shopping center in Brooklyn, New York, for a purchase price of $756.0 million. The purchase price was funded from a cash payment of $726.0 million and the issuance of $30.0 million in restricted common stock of the Company. The cash payment was provided by the placement of a mortgage note payable on the property that allowed for borrowings up to $500.0 million and from borrowings under the Company's line of credit. Concurrent with the acquisition, the Company borrowed $354.0 million on the loan. On January 3, 2013, the Company exercised its option to borrow the remaining $146.0 million of the loan.

On January 24, 2013, the Company acquired Green Acres Mall, a 1,800,000 square foot regional shopping center in Valley Stream, New York, for a purchase price of $500.0 million. The purchase price was funded from the placement of a $325.0 million mortgage note on the property and $175.0 million from borrowings under the Company's line of credit. Concurrent with the acquisition, the Company borrowed $100.0 million on the loan. On January 31, 2013, the Company exercised its option to borrow the remaining $225.0 million of the loan.

Other Transactions and Events:

In March 2012, the Company recorded an impairment charge of $54.3 million to write down the carrying value of the long-lived assets of Valley View Center to their estimated fair value. On April 23, 2012, the property was sold by a court appointed receiver for $33.5 million, which resulted in a gain on the extinguishment of debt of $104.0 million.

On May 31, 2012, the Company conveyed Prescott Gateway, a 584,000 square foot regional shopping center in Prescott, Arizona, to the mortgage note lender by a deed-in-lieu of foreclosure. The mortgage loan was non-recourse. As a result of the conveyance, the Company recognized a gain on extinguishment of debt of $16.3 million.

Redevelopment and Development Activities:

In August 2011, the Company entered into a joint venture agreement with a subsidiary of AWE/Talisman for the development of Fashion Outlets of Chicago in the Village of Rosemont, Illinois. The Company will own 60% of the joint venture and AWE/Talisman will own 40%. The Company has accounted for Fashion Outlets of Chicago as a consolidated joint venture. The Center will be a fully enclosed two level, 526,000 square foot outlet center. The site is located within a mile of O'Hare International Airport. The project broke ground in November 2011 and is scheduled to open on

August 1, 2013. The total estimated project cost is approximately $211.0 million. As of March 31, 2013, the joint venture has incurred $111.8 million of development costs. On March 2, 2012, the joint venture obtained a construction loan on the property that allows for borrowings of up to $140.0 million, bears interest at LIBOR plus 2.50% and matures March 2, 2017. As of March 31, 2013, the joint venture has borrowed $35.0 million under the loan.

The Company's joint venture in Tysons Corner, a 2,154,000 square foot regional shopping center in McLean, Virginia, is currently expanding the property to include a 19-story office tower; a 500,000 square foot, 30-story, 430 unit residential tower; and a 17-story, 300 room Hyatt Regency hotel. The joint venture started the expansion project in October 2011 and expects it to be completed in 2014. The total cost of the project is estimated at $513.1 million, of which $256.6 million is estimated to be the Company's pro rata share. The Company has funded $66.6 million of the total of $133.3 million incurred by the joint venture as of March 31, 2013.

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 throughout the lease term. These rent increases are either in fixed increments or based on an annual multiple of increases in the Consumer Price Index ("CPI"). In addition, about 5% to 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. The Company has generally entered into leases that require tenants to pay a stated amount for operating expenses, generally excluding property taxes, regardless of the expenses actually incurred at any Center, which places the burden of cost control on the Company. Additionally, certain leases require the tenants to pay their pro rata share of operating expenses.

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

Some of these estimates and assumptions include judgments on revenue recognition, estimates for common area maintenance and real estate tax accruals, provisions for uncollectible accounts, impairment of long-lived assets, the allocation of purchase price between tangible and intangible assets, and estimates for environmental matters. The Company's significant accounting policies are described in more detail in Note 2—Summary of Significant Accounting Policies in the Company's Notes to the Consolidated Financial Statements in the Company's Annual Report on Form 10-K. 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 line rent adjustment." Currently, 63% of the Mall Store and Freestanding Store 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 certain tenants for their pro rata share of real estate taxes, insurance and other shopping center operating expenses are recognized as revenues in the period the applicable expenses are incurred. Other tenants pay a fixed rate and these tenant recoveries' revenues are recognized on a straight-line basis over the term of the related leases.

Property:

Maintenance and repair 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

Capitalization of Costs:

The Company capitalizes costs incurred in redevelopment, development, renovation and improvement of properties. The capitalized costs include pre-construction costs essential to the development of the property, development costs, construction costs, interest costs, real estate taxes, salaries and related costs and other costs incurred during the period of development. These capitalized costs include direct and certain indirect costs clearly associated with the project. Indirect costs include real estate taxes, insurance and certain shared administrative costs. In assessing the amounts of direct and indirect costs to be capitalized, allocations are made to projects based on estimates of the actual amount of time spent on each activity. Indirect costs not clearly associated with specific projects are expensed as period costs. Capitalized indirect costs are allocated to development and redevelopment activities based on the square footage of the portion of the building not held available for immediate occupancy. If costs and activities incurred to ready the vacant space cease, then cost capitalization is also discontinued until such activities are resumed. Once work has been completed on a vacant space, project costs are no longer capitalized. For projects with extended lease-up periods, the Company ends the capitalization when significant activities have ceased, which does not exceed the shorter of a one-year period after the completion of the building shell or when the construction is substantially complete.

Acquisitions:

The Company allocates the estimated fair values of acquisitions to land, building, tenant improvements and identified intangible assets and liabilities, based on their estimated fair values. In addition, any assumed mortgage notes payable are recorded at their estimated fair values. The estimated fair value of the land and buildings is determined utilizing an "as if vacant" methodology. Tenant improvements represent the tangible assets associated with the existing leases valued on a fair value basis at the acquisition date prorated over the remaining lease terms. The tenant improvements are classified as an asset under property and are depreciated over the remaining lease terms. Identifiable intangible assets and liabilities relate to the value of in-place operating leases which come in three forms: (i) leasing commissions and legal costs, which represent the value associated with "cost avoidance" of acquiring in-place leases, such as lease commissions paid under terms generally experienced in the Company's markets; (ii) value of in-place leases, which represents the estimated loss of revenue and of costs incurred for the period required to lease the "assumed vacant" property to the occupancy level when purchased; and (iii) above or below market value of in-place leases, which represents the difference between the contractual rents and market rents at the time of the acquisition, discounted for tenant credit risks. Leasing commissions and legal costs are recorded in deferred charges and other assets and are amortized over the remaining lease terms. The value of in-place leases are recorded in deferred charges and other assets and amortized over the remaining lease terms plus 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 minimum rents over the remaining terms of the leases. The remaining lease terms of below-market leases may include certain below-market fixed-rate renewal periods. In considering whether or not a lessee will execute a below-market fixed-rate lease renewal option, the Company evaluates economic factors and certain qualitative factors at the time of acquisition such as tenant mix in the center, the Company's relationship with the tenant and the availability of competing tenant space.

The Company immediately expenses costs associated with business combinations as period costs.

Asset Impairment:

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

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

Fair Value of Financial Instruments:

The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity and the reporting entity's own assumptions about market participant assumptions.

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

The Company calculates the fair value of financial instruments and includes this additional information in the notes to 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.

Deferred Charges:

Costs relating to obtaining tenant leases are deferred and amortized over the initial term of the agreement using the straight-line method. As these deferred leasing costs represent productive assets incurred in connection with the Company's provision of leasing arrangements at the Centers, the related cash flows are classified as investing activities within the Company's consolidated statements of cash flows. Costs relating to financing of shopping center properties are deferred and amortized over the term of the related loan using the straight-line method, which approximates the effective interest method. The ranges of the terms of the agreements are as follows:

Deferred lease costs	1 - 15 years
Deferred financing costs	1 - 15 years

Results of Operations

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

For purposes of the discussion below, the Company defines "Same Centers" as those Centers that are substantially complete and in operation for the entirety of both periods of the comparison. Non-Same Centers for comparison purposes include recently acquired properties ("Acquisition Properties") and those Centers or properties that are going through a substantial development or redevelopment often resulting in the closing of a portion of the Center ("Redevelopment Properties"). The Company moves a Center in and out of Same Centers based on whether the Center is substantially complete and in operation for the entirety of both periods of the comparison. Accordingly, the Same Centers consists of all consolidated centers, excluding the Acquisition Properties and the Redevelopment Properties for the periods of comparison.

For comparison of the three months ended March 31, 2013 to the three months ended March 31, 2012, the Acquisition Properties include 500 North Michigan Avenue, FlatIron Crossing, Arrowhead Towne Center, Kings Plaza Shopping Center and Green Acres Mall. For comparison of the three months ended March 31, 2013 to the three months ended March 31, 2012, the Redevelopment Properties include Fashion Outlets of Chicago, Paradise Valley Mall and Southridge Mall.

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

The Company considers tenant annual sales per square foot (for tenants in place for a minimum of 12 months or longer and 10,000 square feet and under) for regional shopping centers, occupancy rates (excluding large retail stores or "Anchors") for the Centers and releasing spreads (i.e. a comparison of average base rent per square foot on leases executed during the trailing twelve months to average base rent per square foot on leases expiring during the year based on spaces 10,000 square feet and under) to be key performance indicators of the Company's internal growth.

Tenant sales per square foot increased from $504 for the twelve months ended March 31, 2012 to $535 for the twelve months ended March 31, 2013. Occupancy rate increased from 92.1% at March 31, 2012 to 93.4% at March 31, 2013. Releasing spreads increased 14.9% for the twelve months ended March 31, 2013. These calculations exclude the Redevelopment Properties.

The Company's recent trend of retail sales growth continued during the twelve months ended March 31, 2013 with tenant sales per square foot and releasing spreads increasing compared to the twelve months ended March 31, 2012. The Company expects that releasing spreads will continue to be positive during the remainder of 2013 as it renews or relets leases that are scheduled to expire during the year. The Company's occupancy rate as of March 31, 2013 also increased compared to March 31, 2012. Although certain aspects of the U.S. economy, the retail industry as well as the Company's operating results have continued to improve, economic and political uncertainty remains in various parts of the world and certain areas of the U.S. economy are still experiencing weakness. Any further continuation or worsening of these adverse conditions, or a decline in the current rate of economic growth, could harm the Company's business, results of operations and financial condition.

Comparison of Three Months Ended March 31, 2013 and 2012

Revenues:

Minimum and percentage rents (collectively referred to as "rental revenue") increased by $30.3 million, or 24.5%, from 2012 to 2013. The increase in rental revenue is attributed to an increase of $29.7 million from the Acquisition Properties and $0.6 million from the Same Centers. Rental revenue includes the amortization of above and below market leases, the amortization of straight-line rents and lease termination income. The amortization of above and below-market leases decreased from $2.6 million in 2012 to $1.6 million in 2013. The amortization of straight-line rents increased from $1.1 million in 2012 to $1.6 million in 2013. Lease termination income decreased from $1.5 million in 2012 to $0.8 million in 2013.

Tenant recoveries increased $20.6 million, or 31.9%, from 2012 to 2013. This increase in tenant recoveries is attributed to an increase of $19.2 million from the Acquisition Properties and $1.4 million from the Same Centers.

Management Companies revenue decreased from $11.2 million in 2012 to $10.1 million in 2013 due primarily to the conversion of Arrowhead Towne Center and FlatIron Crossing from joint ventures to consolidated properties in 2012 (See "Acquisitions and Dispositions" in Management's Overview and Summary).

Shopping Center and Operating Expenses:

Shopping center and operating expenses increased $19.9 million, or 30.3%, from 2012 to 2013. The increase in shopping center and operating expenses is attributed to an increase of $19.4 million from the Acquisition Properties and $0.5 million from the Same Centers.

Management Companies' Operating Expenses:

Management Companies' operating expenses increased $0.6 million from 2012 to 2013.

REIT General and Administrative Expenses:

REIT general and administrative expenses increased by $1.5 million from 2012 to 2013.

Depreciation and Amortization:

Depreciation and amortization increased $19.3 million from 2012 to 2013. The increase in depreciation and amortization is primarily attributed to an increase of $22.5 million from the Acquisition Properties offset in part by a decrease of $2.0 million from the Same Centers and $1.2 million from the Redevelopment Properties.

Interest Expense:

Interest expense increased $11.2 million from 2012 to 2013. The increase in interest expense was primarily attributed to increases of $8.9 million from the Acquisition Properties, $3.8 million from the borrowings under the Company's line of credit and $3.8 million from the Same Centers offset in part by decreases of $4.7 million from the Senior Notes, which were paid off in full in March 2012 (See Liquidity and Capital Resources), and $0.6 million from the Redevelopment Properties.

The above interest expense items are net of capitalized interest, which increased from $2.4 million in 2012 to $3.5 million in 2013, primarily due to an increase in development activity.

Equity in Income of Unconsolidated Joint Ventures:

Equity in income of unconsolidated joint ventures decreased $12.5 million from 2012 to 2013. The decrease is primarily attributed to the Company's share of the gain recognized on the sale of SanTan Village Power Center in 2012 of $11.5 million (See "Acquisitions and Dispositions" in Management's Overview and Summary).

Gain on Remeasurement, Sale or Write Down of Assets:

Gain on remeasurement, sale or write down of assets decreased $14.7 million from 2012 to 2013. The decrease is primarily attributed to the sales of the Company's ownership interests in Chandler Festival and Chandler Village Center in 2012 (See "Acquisitions and Dispositions" in Management's Overview and Summary).

Income (Loss) From Discontinued Operations:

Income from discontinued operations increased $59.9 million from 2012 to 2013. The increase in income from discontinued operations is primarily due to the impairment charge of $54.3 million relating to the write down of the long-lived assets of Valley View Center to their estimated fair value in 2012 (See "Other Transactions and Events" in Management's Overview and Summary).

Net Income (Loss):

Net income increased $34.3 million from 2012 to 2013. The increase is primarily attributed to the change in income from discontinued operations of $59.9 million offset in part by the decrease in the gain on remeasurement, sale or write down of assets of $14.7 million as discussed above.

Funds From Operations ("FFO"):

Primarily as a result of the factors mentioned above, FFO—diluted increased 19.6% from $106.2 million in 2012 to $127.0 million in 2013. For a reconciliation of FFO and FFO—diluted to net income (loss) attributable to the Company, the most directly comparable GAAP financial measure, see "Funds From Operations ("FFO") and Adjusted Funds From Operations ("AFFO")" below.

Operating Activities:

Cash provided by operating activities increased from $86.2 million in 2012 to $107.5 million in 2013. The increase was primarily due to changes in assets and liabilities and the results at the Acquisition Properties as discussed above.

Investing Activities:

Cash used in investing activities increased from $71.5 million in 2012 to $456.6 million in 2013. The increase in cash used in investing activities was primarily due to the acquisition of Green Acres Mall for $500.0 million in 2013 (See "Acquisitions and Dispositions" in Management's Overview and Summary).

Financing Activities:

Cash provided by financing activities increased from $147.3 million in 2012 to $352.1 million in 2013. The increase in cash provided by financing activities was primarily due to an increase in proceeds from mortgages, bank and other notes payable of $979.2 million offset in part by an increase in payments on mortgages, bank and other notes payable of $765.2 million.

Liquidity and Capital Resources

The Company anticipates meeting its liquidity needs for its operating expenses, debt service and dividend requirements for the next twelve months through cash generated from operations, working capital reserves and/or borrowings under its unsecured line of credit.

The following tables summarize capital expenditures incurred at the Centers:

	For the Three Months Ended March 31,	
(Dollars in thousands)	2013	2012
Consolidated Centers:		
Acquisitions of property and equipment	$ 504,657	$ 72,641
Development, redevelopment, expansion and renovation of Centers	40,940	15,105
Tenant allowances	3,461	3,920
Deferred leasing charges	8,908	8,503
	$ 557,966	$ 100,169
Joint Venture Centers (at Company's pro rata share):		
Acquisitions of property and equipment	$ 1,443	$ 223
Development, redevelopment, expansion and renovation of Centers	16,755	11,492
Tenant allowances	1,779	751
Deferred leasing charges	922	1,441
	$ 20,899	$ 13,907

The Company expects amounts to be incurred during the next twelve months for tenant allowances and deferred leasing charges to be comparable or less than 2012 and that capital for those expenditures will be available from working capital, cash flow from operations, borrowings on property specific debt or unsecured corporate borrowings. The Company expects to incur between $200 million and $300 million during the next twelve months for development, redevelopment, expansion and renovations. Capital for these major expenditures, developments and/or redevelopments has been, and is expected to continue to be obtained from a combination of debt or equity financings, which are expected to include borrowings under the Company's line of credit and construction loans. The Company has also generated liquidity in the past through equity offerings, property refinancings, joint venture transactions and the sale of non-core assets. The Company has announced plans to sell certain non-core assets in 2013 depending upon market conditions which will generate additional liquidity. Furthermore, the Company has filed a shelf registration statement which registered an unspecified amount of common stock, preferred stock, depositary shares, debt securities, warrants, rights and units.

The capital and credit markets can fluctuate, and at times, limit access to debt and equity financing for companies. As demonstrated by the Company's recent activity, including its $500 million ATM Program as discussed below and its $1.5 billion line of credit, the Company has recently been able to access capital; however, there is no assurance the Company will be able to do so in future periods or on similar terms and conditions. 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. In the event that the Company has significant tenant defaults as a result of the overall economy and general market conditions, the Company could have a decrease in cash flow from operations, which could result in increased borrowings under its line of credit. These events could result in an increase in the Company's proportion of floating rate debt, which would cause it to be subject to interest rate fluctuations in the future.

The Company has an equity distribution agreement ("Distribution Agreement") with a number of sales agents to issue and sell, from time to time, shares of common stock, having an aggregate offering price of up to $500 million (the "Shares"). Sales of the Shares, if any, may be made in privately negotiated transactions and/or any other method permitted by law, including sales deemed to be an "at the market" offering, which includes sales made directly on the New York Stock Exchange or sales made to or through a market maker other than on an exchange. This offering is referred to herein as the "ATM Program". During the three months ended March 31, 2013, the Company did not sell any shares of common stock under the ATM Program. As of March 31, 2013, $322.1 million remained available to be sold under the ATM Program. Actual future sales will depend upon a variety of factors including but not limited to market conditions, the trading price of the Company's common stock and our capital needs. The Company has no obligation to sell the remaining shares available for sale under the ATM Program.

The Company's total outstanding loan indebtedness at March 31, 2013 was $7.4 billion (including $760.0 million of unsecured debt and $1.7 billion of its pro rata share of joint venture debt). The majority of the Company's debt consists of fixed-rate conventional mortgage notes collateralized by individual properties. The Company expects that all of the maturities during the next twelve months will be refinanced, restructured, extended and/or paid off from the Company's line of credit or cash on hand.

The Company has a $1.5 billion revolving line of credit that bears interest at LIBOR plus a spread of 1.75% to 3.0% depending on the Company's overall leverage and matures on May 2, 2015 with a one-year extension option. Based on the Company's current leverage levels, the borrowing rate on the new facility is LIBOR plus 2.25%. The line of credit can be expanded, depending on certain conditions, up to a total facility of $2.0 billion less the outstanding balance of the $125.0 million unsecured term loan, as discussed below. All obligations under the line of credit are unconditionally guaranteed by the Company and certain of its direct and indirect subsidiaries and are secured, subject to certain exceptions, by pledges of direct and indirect ownership interests in certain of the subsidiary guarantors. At March 31, 2013, total borrowings under the line of credit were $635.0 million with an average effective interest rate of 2.74%.

The Company has a $125.0 million unsecured term loan under the Company's line of credit that bears interest at LIBOR plus a spread of 1.95% to 3.20% depending on the Company's overall leverage and matures on December 8, 2018. Based on the Company's current leverage levels, the borrowing rate is LIBOR plus 2.20%. As of March 31, 2013, the total interest rate was 2.56%.

At March 31, 2013, the Company was in compliance with all applicable loan covenants under its agreements.

At March 31, 2013, the Company had cash and cash equivalents of $68.8 million.

Off-Balance Sheet Arrangements:

The Company accounts for its investments in joint ventures that it does not have a controlling interest in or is not the primary beneficiary of, 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" and "Distributions in excess of investments in unconsolidated joint ventures".

In addition, certain joint ventures also have secured debt that could become recourse debt to the Company or its subsidiaries, in excess of the Company's pro rata share, should the joint ventures be unable to discharge the obligations of the related debt. At March 31, 2013, the balance of the debt that could be recourse to the Company was $51.2 million offset in part by indemnity agreements from joint venture partners for $21.3 million. The maturities of the recourse debt, net of indemnification, are $4.1 million in 2013, $16.8 million in 2015 and $9.0 million in 2016.

Additionally, as of March 31, 2013, the Company is contingently liable for $3.8 million in letters of credit guaranteeing performance by the Company of certain obligations relating to the Centers. The Company does not believe that these letters of credit will result in a liability to the Company.

Long-term Contractual Obligations:

The following is a schedule of long-term contractual obligations as of March 31, 2013 for the consolidated Centers over the periods in which they are expected to be paid (in thousands):

	Payment Due by Period				
Contractual Obligations	**Total**	**Less than 1 year**	**1 - 3 years**	**3 - 5 years**	**More than five years**
Long-term debt obligations (includes expected interest payments)	$ 5,935,090	$ 557,092	$ 1,175,852	$ 1,686,537	$ 2,515,609
Operating lease obligations(1)	370,152	15,471	27,419	25,578	301,684
Purchase obligations(1)	28,042	28,042	—	—	—
Other long-term liabilities	293,601	251,761	2,982	3,299	35,559
	$ 6,626,885	$ 852,366	$ 1,206,253	$ 1,715,414	$ 2,852,852

(1) See Note 16—Commitments and Contingencies of the Company's Consolidated Financial Statements.

Funds From Operations ("FFO") and Adjusted Funds From Operations ("AFFO")

The Company uses FFO in addition to net income to report its operating and financial results and considers FFO and FFO—diluted as supplemental measures for the real estate industry and a supplement to 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, impairment write-downs of real estate and write-downs of investments in an affiliate where the write-downs have been driven by a decrease in the value of real estate held by the affiliate and after adjustments for unconsolidated joint ventures. Adjustments for unconsolidated joint ventures are calculated to reflect FFO on the same basis.

Adjusted FFO ("AFFO") excludes the FFO impact of Shoppingtown Mall and Valley View Center for the three months ended March 31, 2012. In December 2011, the Company conveyed Shoppingtown Mall to the lender by a deed-in-lieu of foreclosure. In July 2010, a court-appointed receiver assumed operational control of Valley View Center and responsibility for managing all aspects of the property. Valley View Center was sold by the receiver on April 23, 2012, and the related non-recourse mortgage loan obligation was fully extinguished on that date.

FFO and FFO on a diluted basis are useful to investors in comparing operating and financial results between periods. This is especially true since FFO excludes real estate depreciation and amortization, as the Company believes real estate values fluctuate based on market conditions rather than depreciating in value ratably on a straight-line basis over time. The Company believes that AFFO and AFFO on a diluted basis provide useful supplemental information regarding the Company's performance as they show a more meaningful and consistent comparison of the Company's operating performance and allow investors to more easily compare the Company's results without taking into account non-cash credits and charges on properties controlled by either a receiver or loan servicer. FFO and AFFO on a diluted basis are measures investors find most useful in measuring the dilutive impact of outstanding convertible securities.

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

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

The following reconciles net income (loss) attributable to the Company to FFO and FFO-diluted for the three months ended March 31, 2013 and 2012 and FFO and FFO—diluted to AFFO and AFFO—diluted for the same periods (dollars and shares in thousands):

	For the Three Months Ended March 31, 2013	For the Three Months Ended March 31, 2012
Net income (loss) attributable to the Company	$ 18,092	$ (14,068)
Adjustments to reconcile net income (loss) attributable to the Company to FFO—basic:		
Noncontrolling interests in the Operating Partnership	1,343	(1,188)
(Gain) loss on remeasurement, sale or write down of consolidated assets, net	(4,834)	35,727
Add: gain on sale of undepreciated consolidated assets	2,248	—
Add: noncontrolling interests share of gain on remeasurement, sale or write down of consolidated joint ventures	3,172	3,555
Loss (gain) on remeasurement, sale or write down of assets from unconsolidated joint ventures, net(1)	19	(11,511)
Add: loss on sale of undepreciated assets from unconsolidated joint ventures(1)	(2)	—
Depreciation and amortization on consolidated assets	93,160	76,964
Less: depreciation and amortization attributable to noncontrolling interests on consolidated joint ventures	(4,534)	(4,850)
Depreciation and amortization on unconsolidated joint ventures(1)	21,331	24,757
Less: depreciation on personal property	(3,020)	(3,213)
FFO—basic and diluted	126,975	106,173
Shoppingtown Mall	—	360
Valley View Center	—	2,629
AFFO and AFFO—diluted	$ 126,975	$ 109,162
Weighted average number of FFO shares outstanding for:		
FFO—basic(2)	147,745	143,452
Adjustments for impact of dilutive securities in computing FFO-diluted:		
Share and unit based compensation plans	78	—
FFO—diluted(3)	147,823	143,452

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

(2) As of March 31, 2013 and 2012, 10.2 million and 11.2 million OP Units were outstanding, respectively.

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

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company's primary market risk exposure is interest rate risk. The Company has managed and will continue to manage interest rate risk by (1) maintaining a ratio of fixed rate, long-term debt to total debt such that floating rate exposure is kept at an acceptable level, (2) reducing interest rate exposure on certain long-term floating rate debt through the use of interest rate caps and/or swaps with 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 March 31, 2013 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 ended March 31,							
	2014	2015	2016	2017	2018	Thereafter	Total	FV
CONSOLIDATED CENTERS:								
Long-term debt:								
Fixed rate	$ 290,620	$ 150,357	$ 563,583	$ 399,669	$ 492,626	$ 2,295,508	$ 4,192,363	$ 4,305,760
Average interest rate	3.11%	4.56%	5.96%	5.51%	3.62%	4.00%	4.32%	
Floating rate	249,637	171,839	234,995	733,959	—	125,000	1,515,430	1,529,900
Average interest rate	3.12%	4.03%	3.29%	2.79%	—%	2.56%	3.04%	
Total debt—Consolidated Centers	$ 540,257	$ 322,196	$ 798,578	$ 1,133,628	$ 492,626	$ 2,420,508	$ 5,707,793	$ 5,835,660
UNCONSOLIDATED JOINT VENTURE CENTERS:								
Long-term debt (at Company's pro rata share):								
Fixed rate	$ 163,910	$ 43,471	$ 357,590	$ 151,644	$ 124,888	$ 632,070	$ 1,473,573	$ 1,511,292
Average interest rate	4.79%	7.08%	5.67%	7.14%	3.79%	3.54%	4.69%	
Floating rate	69,221	294	13,609	70,294	24,824	—	178,242	179,988
Average interest rate	4.71%	3.06%	3.16%	3.04%	2.96%	—%	3.68%	
Total debt—Unconsolidated Joint Venture Centers	$ 233,131	$ 43,765	$ 371,199	$ 221,938	$ 149,712	$ 632,070	$ 1,651,815	$ 1,691,280

The consolidated Centers' total fixed rate debt at March 31, 2013 and December 31, 2012 was $4.2 billion and $3.7 billion, respectively. The average interest rate on fixed rate debt at March 31, 2013 and December 31, 2012 was 4.32% and 4.40%, respectively. The consolidated Centers' total floating rate debt at March 31, 2013 and December 31, 2012 was $1.5 billion. The average interest rate on floating rate debt at March 31, 2013 and December 31, 2012 was 3.04% and 3.05%, respectively.

The Company's pro rata share of the Unconsolidated Joint Venture Centers' fixed rate debt at March 31, 2013 and December 31, 2012 was $1.5 billion. The average interest rate on fixed rate debt at March 31, 2013 and December 31, 2012 was 4.69% and 5.27%, respectively. The Company's pro rata share of the Unconsolidated Joint Venture Centers' floating rate debt at March 31, 2013 and December 31, 2012 was $178.2 million and $178.3 million, respectively. The average interest rate on the floating rate debt at March 31, 2013 and December 31, 2012 was 3.68% and 3.69%, respectively.

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 $16.9 million per year based on $1.7 billion of floating rate debt outstanding at March 31, 2013.

The fair value of the Company's long-term debt is estimated based on a present value model utilizing interest rates that reflect the risks associated with long-term debt of similar risk and duration. In addition, the method of computing fair value for mortgage notes payable included a credit value adjustment based on the estimated value of the property that serves as collateral for the underlying debt (See Note 9—Mortgage Notes Payable and Note 10—Bank and Other Notes Payable in the Company's Notes to the Consolidated Financial Statements).

Item 4. Controls and Procedures

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934, management carried out an evaluation, under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on their evaluation as of March 31, 2013, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) were effective to ensure that the information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 is (a) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and (b) accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

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

PART II OTHER INFORMATION

Item 1. Legal Proceedings

None of the Company, the Operating Partnership, the Management Companies or their respective affiliates are currently involved in any material legal proceedings.

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, 2012.

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

On February 27, 2013 and March 15, 2013, the Company, as general partner of the Operating Partnership, issued 500 and 15,000 shares of common stock of the Company, respectively, upon the redemption of 500 and 15,000 common partnership units of the Operating Partnership, respectively. These shares of common stock were issued in a private placement to two limited partners of the Operating Partnership, each an accredited investor, pursuant to Section 4(2) of the Securities Act of 1933, as amended.

Item 3. Defaults Upon Senior Securities

Not Applicable

Item 4. Mine Safety Disclosures

Not Applicable

Item 5. Other Information

Not Applicable

Item 6. Exhibits

Exhibit Number	Description
2.1	Contribution Agreement and Joint Escrow Instructions, dated October 21, 2012, by and among Alexander's Kings Plaza, LLC, Alexander's of Kings, LLC, Kings Parking, LLC and Brooklyn Kings Plaza LLC (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date November 28, 2012).
2.2	Agreement of Sale and Purchase, dated October 21, 2012, by and among Green Acres Mall, L.L.C. and Valley Stream Green Acres LLC (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date January 24, 2013).
3.1	Articles of Amendment and Restatement of the Company (incorporated by reference as an exhibit to the Company's Registration Statement on Form S-11, as amended (No. 33-68964)).
3.1.1	Articles Supplementary of the Company (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date May 30, 1995).
3.1.2	Articles Supplementary of the Company (with respect to the first paragraph) (incorporated by reference as an exhibit to the Company's 1998 Form 10-K).
3.1.3	Articles Supplementary of the Company (Series D Preferred Stock) (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date July 26, 2002).
3.1.4	Articles Supplementary of the Company (incorporated by reference as an exhibit to the Company's Registration Statement on Form S-3, as amended (No. 333-88718)).
3.1.5	Articles of Amendment (declassification of Board) (incorporated by reference as an exhibit to the Company's 2008 Form 10-K).
3.1.6	Articles Supplementary (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date February 5, 2009).
3.1.7	Articles of Amendment (increased authorized shares) (incorporated by reference as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009).
3.2	Amended and Restated Bylaws of the Company (incorporated by reference as an exhibit to the Company's Current Report on Form 8-K, event date January 26, 2012).
10.1*	Amendment No. 1 to 2013 Deferred Compensation Plan for Executives (March 29, 2013).
10.2*	Termination of Management Continuity Agreement between the Company and Arthur M. Coppola, effective as of March 15, 2013.
10.3*	Form of LTIP Unit Award Agreement under 2003 Equity Incentive Plan (Performance-based).
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 Certifications of Arthur Coppola and Thomas O'Hern
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

Exhibit Number	Description
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

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

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
Senior Executive Vice President
and Chief Financial Officer
(Principal Financial Officer)

Date: May 6, 2013

Exhibit 10.1

AMENDMENT NUMBER 1
TO
THE MACERICH COMPANY
2013 DEFERRED COMPENSATION PLAN FOR EXECUTIVES

WHEREAS, The Macerich Company (the "Company") has established and maintains The Macerich Company 2013 Deferred Compensation Plan for Executives (the "Plan") to provide supplemental retirement income benefits through deferrals of salary and bonuses for certain Eligible Executives (as defined in the Plan); and

WHEREAS, Section 11.1 of the Plan allows the Committee (as defined in the Plan) to amend the Plan provisions pertaining to deferral elections so long as they continue to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A"); and

WHEREAS, the Committee on behalf of the Company has determined that it is appropriate and desirable to amend the Plan to permit each newly Eligible Executives to defer a pro rata portion of their Bonuses during his or her initial year of eligibility in a manner that complies with Section 409A.

NOW, THEREFORE, Article II of the Plan is hereby amended as set forth below, effective March 29, 2013.

ARTICLE II

PARTICIPATION

An Eligible Executive shall become a Participant in the Plan by completing and submitting to the Committee the appropriate Participant Elections, including such other documentation and information as the Committee may reasonably request, during the enrollment period established by the Committee and ending prior to the beginning of a Plan Year in which the Eligible Executive shall be eligible to participate in the Plan. Notwithstanding the foregoing, an individual who becomes an Eligible Executive during a Plan Year may elect to participate in the Plan during such Plan Year by completing and submitting to the Committee the appropriate Participant Elections during an enrollment period established by the Committee ending no later than the 30th day following the date on which such individual first becomes an Eligible Executive. An election filed in accordance with the preceding sentence shall be effective solely with respect to Base Salary earned on or after the first day of the first complete pay period commencing after the filing of such election and the portion of any Bonus earned after the filing of such election, prorated based on days in such Plan Year after the filing of such election and the Eligible Executive's total days of employment with the Company during such Plan Year.

IN WITNESS WHEREOF, the Company has caused its duly authorized officers to execute this amendment this 29 day of March, 2013.

THE MACERICH COMPANY

By /s/ Thomas J. Leanse

Thomas J. Leanse

Title: Senior Executive Vice President,
Chief Legal Officer and Secretary

Exhibit 10.2

Termination of Management Continuity Agreement

The amended and restated Management Continuity Agreement between The Macerich Company and Arthur M. Coppola dated as of December 29, 2008 is hereby terminated and shall no longer have any force or effect as of March 15, 2013.

/s/ Arthur M. Coppola
Arthur M. Coppola

The Macerich Company,
a Maryland corporation

By: /s/ Thomas J. Leanse
Thomas J. Leanse
Senior Executive Vice President,
Chief Legal Officer and Secretary

THE MACERICH COMPANY
[2013] LTIP UNIT AWARD AGREEMENT

[2013] LTIP UNIT 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 a key employee of the Company or one of its Subsidiaries or affiliates and provides services to the Partnership.

B. Pursuant to its Long-Term Incentive Plan ("LTIP") the Company can award units of limited partnership interest of the Partnership designated as "LTIP Units" in the Partnership Agreement (as defined herein) under The Macerich Company 2003 Equity Incentive Plan, as amended (the "2003 Plan"), to provide certain key employees of the Company or its Subsidiaries and affiliates, including the Grantee, in connection with their employment with the long-term incentive compensation described in this Award Agreement (this "Agreement" or "Award Agreement"), and thereby provide additional incentive for them to promote the progress and success of the business of the Company and its Subsidiaries and affiliates, including the Partnership, while increasing the total return to the Company's stockholders. [2013] LTIP Units (as defined herein) have been awarded by the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board") pursuant to authority delegated to it by the Board as set forth in the Committee's charter, including authority to make grants of equity interests in the Partnership which may, under certain circumstances, become exchangeable for shares of the Company's Common Stock reserved for issuance under the 2003 Plan, or any successor equity plan (as any such plan may be amended, modified or supplemented from time to time, collectively the "Stock Plan"). This Agreement evidences an award to the Grantee under the LTIP (this "Award"), which is subject to the terms and conditions set forth herein.

C. The Grantee was selected by the Committee to receive this Award as one of a select group of highly compensated or management employees who, through the effective execution of their assigned duties and responsibilities, are in a position to have a direct and measurable impact on the Company's long-term financial results. Effective as of the grant date specified in Schedule A hereto, the Committee awarded to the Grantee the number of [2013] LTIP Units (as defined herein) set forth in Schedule A.

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

1. **Administration**. The LTIP and all awards thereunder, including this Award, shall be administered by the Committee, which in the administration of the LTIP shall have all the powers and authority it has in the administration of the Stock Plan, as set forth in the Stock Plan. The Committee may from time to time adopt any rules or procedures it deems necessary or desirable for the proper and efficient administration of the LTIP, consistent with the terms hereof

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and of the Stock Plan. The Committee's determinations and interpretations with respect to the LTIP and this Agreement shall be final and binding on all parties.

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

"Award [2013] LTIP Units" has the meaning set forth in Section 3(a).

"Award [2013]-2 LTIP Units" has the meaning set forth in Section 3(b).

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

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

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

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

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

"Change of Control" means any of the following:

(a) The acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 33% or more of either (A) the then-outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (B) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that, for purposes of this definition, the following

acquisitions shall not constitute a Change of Control: (i) any acquisition directly from the Company, (ii) any acquisition by the Company, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliate of the Company or successor or (iv) any acquisition by any entity pursuant to a transaction that complies with (c)(i), (c)(ii) and (c)(iii) below;

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

(c) Consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or stock of another entity by the Company or any of its subsidiaries (each, a "Business Combination"), in each case unless, following such Business Combination, (i) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets directly or through one or more subsidiaries ("Parent")) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any entity resulting from such Business Combination or a Parent or any employee benefit plan (or related trust) of the Company or such entity resulting from such Business Combination or Parent) beneficially owns, directly or indirectly, 20% or more of, respectively, the then-outstanding shares of common stock of the entity resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such entity, except to the extent that the ownership in excess of 20% existed prior to the Business Combination, and (iii) at least a majority of the members of the board of directors or trustees of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or

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

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

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

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

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

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

"Disability" means (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). "Incapacity" as used herein shall be limited only to a condition that substantially prevents the Grantee from performing his or her duties.

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

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

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

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

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

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

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

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

In the event that the Company fails to remedy the condition constituting Good Reason during the applicable Cure Period, the Grantee’s “separation from service” (within the meaning of Section 409A of the Code) must occur, if at all, within two years following the occurrence of such condition in order for such termination as a result of such condition to constitute a termination for Good Reason. If the Grantee suffers a Disability or dies following the occurrence of any of the events described in clauses (a) through (e) above and the Grantee has given the Company the requisite written notice but the Company has failed to remedy the situation prior to such physical or mental incapacity or death, the Grantee’s physical or mental incapacity or death shall not affect the ability of the Grantee or his heirs or beneficiaries, as applicable, to treat the Grantee’s termination of employment as a termination for Good Reason.

For purposes of the definition of Good Reason, the term “Base Salary” means the annual base rate of compensation payable to Grantee by the Company as of the Grantee’s date of termination, before deductions or voluntary deferrals authorized by the Grantee or required by law to be withheld from the Grantee by the Company. Salary excludes all other extra pay such as overtime, pensions, severance payments, bonuses, stock incentives, living or other allowances, and other perquisites.

“[2013] LTIP Units” means units of limited partnership interest of the Partnership designated as “LTIP Units” in the Partnership Agreement awarded pursuant to this Agreement under the LTIP having the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption set forth in the Partnership Agreement. Unless the context otherwise requires, the term “[2013] LTIP Units” shall include all Award [2013] LTIP Units and Award [2013]-2 LTIP Units.

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

“Peer REIT” means each of the business entities qualified as real estate investment trusts (“REITs”) that are part of the constituent companies contained in the FTSE NAREIT ALL EQUITY REITs Index, which excludes REITs classified as “hybrid REITs” and all REITs classified as “mortgage REITs” included in the FTSE NAREIT Index. The Committee may in its sole and absolute discretion exclude from the group of Peer REITs any REIT (A) that is in bankruptcy at any point during the Performance Period or (B) that was added to or removed from the FTSE NAREIT Index during the Performance Period or otherwise was not part of the index for the full Performance Period. In lieu of excluding such Peer REIT altogether, the Committee may adjust the calculation of Total Return to the extent determined by the Committee in its reasonable discretion.

“Peer REIT Total Return” means, for a Peer REIT, with respect to the Performance Period, the absolute total stockholder return of the common equity of such Peer REIT during the Performance Period, calculated in the same manner as Total Return is calculated for the Company.

“Performance Period” means, the period commencing on (and including) January 1, [2013] and concluding on (and including) the earliest of (a) December 31, [2013], (b) the date of a Change of Control or (c) the date of a Qualified Termination.

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

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

"Share Price" means, as of a particular date, the Fair Market Value of one Share for such date; provided further, however, that if such date is the date upon which a Transactional Sale Event occurs, the Share Price as of such date shall be equal to the fair market value in cash, as determined by the Committee, of the total consideration paid or payable in the transaction resulting in the Transactional Sale Event for one Share.

"Share" means a share of Common Stock, subject to adjustments pursuant to Section 6.2 of the 2003 Plan.

"Total Return" means, with respect to the Performance Period, the compounded total annual return that would have been realized by a stockholder who (1) bought one Share on the first day of the Performance Period at the Share Price on the date immediately preceding such day, (2) reinvested each dividend and other distribution declared during such period of time with respect to such Share (and any other Shares previously received upon reinvestment of dividends or other distributions) in additional Shares at the Share Price on the applicable dividend payment date, and (3) sold such Shares on the last day of such Performance Period at the Share Price on such date. As set forth in, and pursuant to, Section 9 of this Agreement, appropriate adjustments to the Total Return shall be made to take into account all stock dividends, stock splits, reverse stock splits and the other events set forth in Section 9 that occur during the Performance Period. In calculating Total Return, it is the current intention of the Committee to use total return to stockholders data for the Company and the Peer REITs available from one or more third party sources, though the Committee reserves the right to retain the services of a consultant to analyze relevant data or perform necessary calculations in its reasonable discretion for purposes of this Award.

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

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

3. **Award of [2013] LTIP Units**.

(a) On the terms and conditions set forth in this Agreement, as well as the terms and conditions of the Stock Plan, the Grantee is hereby granted this Award consisting of the number of [2013] LTIP Units set forth on Schedule A hereto, which is incorporated herein by reference (the "Award [2013] LTIP Units").

(b) If pursuant to Section 4 hereof vesting above 100% of the Award [2013] LTIP Units occurs, an additional number of [2013] LTIP Units shall be granted to the Grantee to cover the excess vesting percentage based on the calculations to be made pursuant to Section 4 hereof (the "Award [2013]-2 LTIP Units") and issued under the Partnership Agreement effective

as of the last day of the Performance Period. In connection with any such subsequent grant of Award [2013]-2 LTIP Units the Grantee shall execute and deliver to the Company and the Partnership such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws.

(c) If pursuant to Section 3(b) hereof Award [2013]-2 LTIP Units are granted and issued to the Grantee, a payment in cash shall be made to the Grantee as soon as practicable after the time of such grant and issuance in an amount equal to (i) the total amount of all distributions (regular, special, extraordinary or otherwise) paid with respect to one Unit between the date of grant of the Award [2013] LTIP Units and the LTIP Unit Distribution Participation Date provided in Section 7(a) multiplied by (ii) the number of Award [2013]-2 LTIP Units granted and issued pursuant to Section 3(b) hereof.

(d) [2013] LTIP Units shall constitute and be treated as the property of the Grantee as of the applicable grant date, subject to the terms of this Agreement and the Partnership Agreement. Every grant of [2013] LTIP Units to the Grantee pursuant to this Award shall be set forth in minutes of the meetings of the Committee. [2013] LTIP Units will be: (A) subject to vesting and/or forfeiture to the extent provided in Section 4; and (B) subject to restrictions on sale as provided in Section 8 hereof.

4. **Vesting of [2013] LTIP Units**.

(a) The percentage of the Grantee's Award [2013] LTIP Units that will become vested at the end of the Performance Period will be based on the percentile rank of the Company's Total Return relative to the Peer REIT Total Return for the Peer REITs for the Performance Period as set forth below, except as set forth in Section 5 hereof.

Percentile Rank	Percentage of Award Earned
At or above the 75th percentile (tier 3)	200% of the Award [2013] LTIP Units
At the 50th percentile (tier 2)	100% of the Award [2013] LTIP Units
At the 25th percentile (tier 1)	50% of the Award [2013] LTIP Units
Below the 25th percentile	0% of the Award [2013] LTIP Units

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

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

Where:

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

Y = the total number of Peer REITs minus 1.

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

If the percentile rank falls between two tiers, the award earned will be calculated using linear interpolation, such that for every additional percentile of rank between Tier 1 and Tier 2 an additional 2% of the Award [2013] LTIP Units will be earned and for every additional percentile of rank between Tier 2 and Tier 3 an additional 4% of the Award [2013] LTIP Units will be earned. For example: (i) at the 34^{th} percentile rank 68% of the Award [2013] LTIP Units will be earned {50% + [(9/25) x (50%)] = 68%}; and (ii) at the 71^{st} percentile rank 184% of the Award [2013] LTIP Units will be earned {100% + [(21/25) x (100%)] = 184%}.

Vesting of the Grantee's [2013] LTIP Units shall occur as of the last day of the Performance Period regardless of when the Committee completes its determination of percentile rank or any other calculations or assessments related to its determination of the vesting percentage. If, as a result of performance above the 50th percentile, the percentage of the Grantee's Award [2013] LTIP Units that will become vested as of the end of the Performance Period exceeds 100%, then Award [2013]-2 LTIP Units shall be granted and issued as of the vesting date pursuant to Section 3(b) and shall be immediately vested upon such grant and issuance.

For the avoidance of doubt, assuming no Change of Control (i.e. the last day of the Performance period is December 31, [2013]), the intent of this Section 4(a) is that (i) the Company's Total Return will be calculated using as the first input the closing sales price per Share on the New York Stock Exchange on December 31, [2012] and as the last input the closing sales price per Share on the New York Stock Exchange on December 31, [2013], and (ii) each Peer REIT's Total Return will be calculated using as the first input the Fair Market Value of a common share of such Peer REIT on December 31, [2012] and as the last input the Fair Market Value of a common share of such Peer REIT on December 31, [2013].

(b) Notwithstanding the foregoing, if for the Performance Period the Company's Total Return on an absolute basis is less than 3%, then the Committee may in its sole and absolute discretion make equitable adjustments to the vesting criteria for the Award [2013] LTIP Units set forth in Section 4(a) regardless of the percentile rank of the Company's Total Return relative to the Peer REIT Total Return of the Peer REITs. In addition, the Committee may, upon consideration of the statistical data for the Peer REITs relative to Peer REIT Total Return for the Performance Period, exercise its reasonable discretion to allow for vesting of Award [2013] LTIP Units under Section 4(a) on a basis other than a strict mathematical calculation of percentile rank to the extent appropriate in light of the circumstances. By way of illustration, the foregoing would allow the Committee to provide for vesting to occur at a particular level if the Peer REIT Total Return of a number of Peer REITs is clustered within a narrow range such that the effect of the precise calculation of percentile rank would be that vesting would not occur or occur at a lower level.

(c) Any Award [2013] LTIP Units that do not become vested pursuant to this Section 4 shall, without payment of any consideration by the Partnership, automatically and without notice terminate, be forfeited and be and become null and void as of the end of the Performance Period, and neither the Grantee nor any of his successors, heirs, assigns, or personal

representatives will thereafter have any further rights or interests in such unvested Award [2013] LTIP Units.

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

(a) [If the Grantee is a party to a Service Agreement, the provisions of Sections 5(b), 5(c) and 5(d) below shall govern the vesting of the Grantee's Award [2013] 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 [2013] 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 (such as, for example, termination at the end of the term, termination without Cause by the employer or termination for Good Reason by the employee) shall not be interpreted as requiring that any calculations set forth in Section 4 hereof be performed, or vesting occur with respect to this Award other than as specifically provided in this Section 5.]* In the event an entity ceases to be a Subsidiary or affiliate of the Company, such action shall be deemed to be a termination of employment of all employees of that entity for purposes of this Agreement, 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 unvested Award [2013] LTIP Units that have not previously been forfeited and, if applicable, for the granting of Award [2013]-2 LTIP Units effective immediately prior to such event.

(b) In the event of a Change of Control or Qualified Termination prior to December 31, [2013], then:

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

(ii) the number of Award [2013] LTIP Units resulting from the above calculations shall automatically and immediately be earned and become vested as of the date of the Change of Control or Qualified Termination;

(iii) if pursuant to the above calculations vesting above 100% of the Award [2013] LTIP Units occurs, the appropriate number of Award [2013]-2 LTIP Units shall be granted and issued to the Grantee to cover the excess vesting percentage based on such calculations and such Award [2013]-2 LTIP Units shall be immediately vested. In connection with any such subsequent grant of Award [2013]-2 LTIP Units the Grantee shall execute and deliver to the Company and the Partnership such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws; and

(iv) following the date of the Change of Control or Qualified Termination no further calculations pursuant to Section 4 hereof shall be performed. Any Award [2013] LTIP Units that do not become vested pursuant to this Section 5(b) shall, without payment of any consideration by the Partnership, automatically and without notice terminate, be forfeited and be and become null and void, and neither the Grantee nor any of his successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Award [2013] LTIP Units.

(c) Notwithstanding the foregoing, in the event vesting pursuant to this Section 5(b) 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.

(d) 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 [2013] LTIP Units except for those that had previously been earned and become vested pursuant to Section 4 hereof shall automatically and immediately be forfeited by the Grantee. Any forfeited Award [2013] LTIP Units shall, without payment of any consideration by the Partnership, automatically and without notice be and become null and void, and neither the Grantee nor any of his successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such forfeited Award [2013] LTIP Units. 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 accelerated or continued vesting of some or all of the Grantee's unvested Award [2013] LTIP Units that have not previously been forfeited and, if applicable, for the granting of Award [2013]-2 LTIP Units, in each case effective prior to the Retirement.

(e) [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 any of the Award [2013] LTIP Units that vest pursuant to Section 4(a) (including any Award [2013]-2 LTIP Units granted pursuant to Section 3(b) hereof) shall be included as part of the Grantee's bonus amount, or any other similar term used in the Grantee's Service Agreement, for the Performance Period. The value of such vested [2013] LTIP Units for purposes of determining such bonus amount shall be calculated by multiplying the Share Price as of end of the Performance Period by the sum of (i) the number of Award [2013] LTIP Units that vested on such date and (ii) the number of Award [2013]-2 LTIP Units, if any, granted pursuant to Section 3(b) hereof.]*

(f) 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**. Distributions on [2013] LTIP Units will be paid in accordance with the Partnership Agreement as modified hereby as follows:

(a) The LTIP Unit Distribution Participation Date (as defined in the Partnership Agreement) with respect to those [2013] LTIP Units that have become vested in accordance with Sections 4 or 5 hereof shall be, with respect to both Award [2013] LTIP Units and Award [2013]-2 LTIP Units, the effective date of vesting of Award [2013] LTIP Units (i.e. the last day of the Performance Period). Vested [2013] LTIP Units shall be entitled to receive the full distribution payable on Units outstanding as of the record date next following the date set forth in the preceding sentence, whether or not they will have been outstanding for the whole period.

(b) Prior to the LTIP Unit Distribution Participation Date provided in Section 7(a) above, Award [2013] LTIP Units shall be entitled to receive 10% of regular periodic distributions payable to holders of Units (the "Current Distributions") and 0% of special, extraordinary or other distributions made not in the ordinary course.

(c) An amount equal to (i) the difference between (x) all distributions (regular, special, extraordinary or otherwise) paid with respect to one Unit between the date of grant of the Award [2013] LTIP Units and the LTIP Unit Distribution Participation Date provided in Section 7(a) and (y) the Current Distributions paid with respect to one Award [2013] LTIP Unit up to the LTIP Unit Distribution Participation Date provided in Section 7(a) (such difference, the "Contingent Distributions") multiplied by (ii) the number of Award [2013] LTIP Units shall be credited to a notional (unfunded) account for the benefit of the Grantee on the books and records of the Partnership subject to vesting. As promptly as practicable after the LTIP Unit Distribution Participation Date, an amount equal to the Contingent Distributions that would have been paid with respect to those Award [2013] LTIP Units that have become vested pursuant to Section 4 hereof (excluding any Award [2013]-2 LTIP Units which are provided for separately in Section 3(b) hereof) shall be paid to the Grantee. Any portion of the notional account that is not payable to the Grantee shall be forfeited and revert to the Partnership free and clear of any claims by the Grantee.

(d) Current Distributions paid with respect to Award [2013] LTIP Units prior to the LTIP Unit Distribution Participation Date will be subject to a full claw back to the extent that Award [2013] LTIP Units do not vest at the end of the Performance Period and are therefore forfeited. The aggregate amount of such Current Distributions clawed back from the Grantee shall be refunded to the Partnership as promptly as practicable after the end of the Performance Period by offset against dividends payable to the Grantee on Shares or distributions payable to the Grantee on Units or other amounts due to the Grantee by the Company or the Partnership, or otherwise upon request from the Partnership to the Grantee in cash.

(e) To the extent that the Partnership makes distributions to holders of Units partially in cash and partially in additional Units or other securities, unless the Committee in its sole discretion determines to allow the Grantee to make a different election, the Grantee shall be deemed to have elected with respect to all [2013] LTIP Units eligible to receive such distribution to receive 10% of such distribution in cash and 90% in Units, with the cash component constituting the Current Distribution prior to the LTIP Unit Distribution Participation Date.

8. **Restrictions on Transfer**. None of the [2013] 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) until after December 31, [2015] 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 clause (b) above shall not apply with respect to the conversion into Units of [2013] LTIP Units that have become vested in accordance with Sections 4 or 5 hereof ("Converted LTIP Units") or with respect to any Transfer either of [2013] LTIP Units that have become vested in accordance with Sections 4 or 5 hereof or of Converted LTIP Units, so long as such Transfer is permitted under the Partnership Agreement and is in connection with donative, estate or tax planning by the Grantee; and provided, further, that the Transferee agrees in writing with the Company and the Partnership not to make any further Transfer of such vested [2013] LTIP Units or Converted LTIP Units other than as permitted by this Section 8. In connection with any Transfer of [2013] 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 [2013] 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 [2013] 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 [2013] 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, the LTIP or the [2013] 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, the LTIP and the terms of the [2013] LTIP Units prior to such event, including, without limitation: (i) adjustments in the Award [2013] LTIP Units and the Award [2013]-2 LTIP Units, Share Price, Total Return or other pertinent terms of this Award; and (ii) substitution of other awards under the Stock Plan or otherwise. The Grantee shall have

the right to vote the [2013] LTIP Units if and when voting is allowed under the Partnership Agreement, regardless of whether vesting has occurred.

10. **Miscellaneous**.

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

(b) Incorporation of Stock Plan; 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. In the event of a Change of Control, the Committee will perform any calculations set forth in Section 4 or Section 5 hereof required in connection with such Change of Control and make any determinations relevant to vesting with respect to this Award within a period of time that enables the Company to conclude whether Award [2013] LTIP Units become vested or are forfeited and whether any Award [2013]-2 LTIP Units need to be granted not later than the date of consummation of the Change of Control.

(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 [2013] LTIP Units issued to the Grantee as of such date pursuant to Section 3(a) hereof by: (A) signing and delivering to the Partnership a copy of this Agreement; and (B) signing, as a Limited Partner, and delivering to the Partnership a counterpart signature page to the Partnership Agreement (attached hereto as Exhibit A). The Partnership records shall reflect the issuance to the Grantee of Award [2013]-2 LTIP Units pursuant to Section 3(b) hereof, if any, whereupon the Grantee shall have all the rights of a Limited Partner of the Partnership with respect to the total number of [2013] 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 [2013] LTIP Units under the Stock Plan. Insofar as the LTIP has been established as an incentive program of the Company and the Partnership, the [2013] 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 [2013] 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 [2013] 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 [2013] LTIP Units shall bear an appropriate legend, as determined by the Partnership in its sole discretion, to the effect that such [2013] 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 [2013] 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 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 [2013] LTIP Units or any other securities issued pursuant to this Agreement or upon conversion or exchange of [2013] LTIP Units. The Grantee agrees that any resale of the shares of Common Stock received upon the exchange of Units into which [2013] 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 [2013] 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 [2013] 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 the State of Delaware, without giving effect to the principles of conflict of laws of such state.

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

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

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

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

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

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

(q) 409A. 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 [2013] 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.

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

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*These bracketed provisions only apply to the LTIP Unit Award Agreements of Mr. Edward Coppola and Mr. Thomas O'Hern.

[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: ______________________________

THE MACERICH PARTNERSHIP, L.P.

By: The Macerich Company,
its general partner

By: ______________________________

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 reference. The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, and it shall

survive and not be affected by the death, incompetency, dissolution, disability, incapacity, bankruptcy or termination of the Limited Partner and shall extend to the Limited Partner's heirs, executors, administrators, legal representatives, successors and assigns.

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

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

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

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

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

Signature Line for Limited Partner:

____
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 since the filing of the Form 10-K described in clause (iii) above;

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

(vi) The Partnership Agreement;

(vii) The Stock Plan; and

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

The Grantee also acknowledges that any delivery of the Background Documents and other information relating to the Company and the Partnership prior to the determination by the Partnership of the suitability of the Grantee as a holder of [2013] LTIP Units shall not constitute an offer of [2013] 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 [2013] LTIP Units, the potential conversion of [2013] 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 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 [2013] 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 [2013] 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 [2013] 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 [2013] 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 [2013] 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 [2013] LTIP Units to be issued, the Common Units issuable upon conversion of the [2013] 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 [2013] 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 [2013] 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 [2013] LTIP Units to be issued, nor the Common Units issuable upon conversion of the [2013] 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 securities laws and, if such [2013] 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 [2013] 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 [2013] LTIP Units and Common Units and (E) neither the Partnership nor the Company has any obligation or intention to register such [2013] LTIP Units or the Common Units issuable upon conversion of the [2013] 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 [2013] LTIP Units acquired hereby and the Common Units issuable upon conversion of the [2013] 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 [2013] LTIP Units acquired hereby and the Common Units issuable upon conversion of the [2013] LTIP Units for an indefinite period of time.

(v) The Grantee has determined that the [2013] 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, stockholder, agent, or affiliate of any of them, and the Grantee has received no information relating to an investment in the Partnership or the [2013] LTIP Units except the information specified in paragraph (b) above.

(c) So long as the Grantee holds any [2013] LTIP Units, the Grantee shall disclose to the Partnership in writing such information as may be reasonably requested with respect to ownership of [2013] 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 [2013] LTIP Units awarded hereunder, and has delivered with this Agreement a completed, executed copy of the election form attached hereto as Exhibit C. The

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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 [2013] 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 [2013] 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 [2013] LTIP Units in The Macerich Partnership, L.P. (the "Partnership").

3. The date on which the [2013] LTIP Units were transferred is , [2013]. The taxable year to which this election relates is calendar year [2013].

4. Nature of restrictions to which the [2013] LTIP Units are subject:

   (a) Until the [2013] LTIP Units vest, the Taxpayer may not transfer in any manner any portion of the [2013] LTIP Units without the consent of the Partnership.

   (b) The Taxpayer's [2013] LTIP Units vest in accordance with the vesting provisions described in the Schedule attached hereto. Unvested [2013] 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 [2013] LTIP Units with respect to which this election is being made was $0 per [2013] LTIP Unit.

6. The amount paid by the Taxpayer for the [2013] LTIP Units was $0 per [2013] LTIP Unit.

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

Dated: ______________________________

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SCHEDULE TO 83(b) ELECTION

Vesting Provisions of [2013] LTIP Units

The [2013] LTIP Units are subject to performance-based vesting. Performance-based vesting will be from 0-200% based on The Macerich Company's (the "Company") per-share total return to holders of the Company's common stock (the "Total Return") for the period from January 1, [2013] through December 31, [2013] (or earlier in certain circumstances). The [2013] LTIP Units may vest depending on the percentile rank of the Company in terms of Total Return relative to the Total Return of a group of peer REITs (the "Peer REITs"), as measured at the end of the performance period. Vesting of the [2013] LTIP Units will occur as follows:

Percentile Rank	**Award Earned (*)**
At or above the 75th percentile	200%
At the 50th percentile	100%
At the 25th percentile	50%
Below the 25th percentile	0%

(*) Linear interpolation between tiers.

Notwithstanding the foregoing, if for the performance period the Total Return on an absolute basis is less than 3%, then the Committee may in its sole and absolute discretion make equitable adjustments to the vesting criteria for the [2013] LTIP Units set forth above regardless of the percentile rank of the Company's Total Return relative to the Total Return of the Peer REITs. The above vesting is conditioned upon the Taxpayer remaining an employee of the Company through the applicable vesting date, and subject to acceleration of the vesting determination 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 [2013] LTIP Units are subject to forfeiture in the event of failure to vest based on the determination of the performance-based percentage.

SCHEDULE A TO [2013] LTIP UNIT AWARD AGREEMENT

Date of Award Agreement:
Name of Grantee:
Number of [2013] LTIP Units Subject to Grant:
Grant 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 March 31, 2013 of The Macerich Company;

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

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

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

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

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

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

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

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

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

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

/s/ ARTHUR M. COPPOLA

Date: May 6, 2013

Chairman 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 March 31, 2013 of The Macerich Company;

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

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

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

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

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

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

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

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

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

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

/s/ THOMAS E. O'HERN

Date: May 6, 2013

Senior Executive Vice President and Chief Financial Officer

Exhibit 32.1

THE MACERICH COMPANY
WRITTEN STATEMENT
PURSUANT TO
18 U.S.C. SECTION 1350

The undersigned, 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, each hereby certifies that, to the best of his knowledge:

(i) the Quarterly Report on Form 10-Q for the quarter ended March 31, 2013 of the Company (the "Report") fully complies with the requirements of Section 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended; and

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

Date: May 6, 2013

/s/ ARTHUR M. COPPOLA

Chairman and Chief Executive Officer

/s/ THOMAS E. O'HERN

Senior Executive Vice President and Chief Financial Officer

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