SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark one)

/X/ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 1999.

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

For the transition period from __________________ to __________________
Commission File Number 1-12504

THE MACERICH COMPANY
(Exact Name of Registrant as Specified in Its Charter)

Maryland (State or other jurisdiction of incorporation or organization)	95-4448705 (I.R.S. Employer Identification No.)
401 Wilshire Boulevard, # 700 Santa Monica, California (Address of principal executive office)	90401 (Zip Code)

Registrant's telephone number, including area code: (310) 394-6000
SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of each class	Name of each exchange on which registered
Common Stock, $0.01 Par Value	New York Stock Exchange
Preferred Share Purchase Rights	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: NONE

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 12 MONTHS (OR FOR SUCH SHORTER PERIODS THAT THE REGISTRANT WAS REQUIRED TO FILE SUCH REPORT(S)) AND (2) HAS BEEN SUBJECT TO SUCH FILING REQUIREMENTS FOR THE PAST 90 DAYS. YES X NO .

Indicate by a check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to the Form 10-K. / /

As of February 29, 2000, the aggregate market value of the 25,479,497 shares of Common Stock held by non-affiliates of the registrant was $513 million based upon the closing price ($20.125) on the New York Stock Exchange composite tape on such date. (For this computation, the registrant has excluded the market value of all shares of its Common Stock reported as beneficially owned by executive officers and directors of the registrant and certain other shareholders; such exclusion shall not be deemed to constitute an admission that any such person is an "affiliate" of the registrant.) As of February 29, 2000, there were 34,107,497 shares of Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the proxy statement for the annual stockholders meeting to be held in 2000 are incorporated by reference into Part III.

THE MACERICH COMPANY
ANNUAL REPORT ON FORM 10-K
FOR THE YEAR ENDED DECEMBER 31, 1999

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PART I

ITEM I. BUSINESS

GENERAL

The Macerich Company (the "Company") is involved in the acquisition, ownership, redevelopment, management and leasing of regional and community shopping centers located throughout the United States. The Company is the sole general partner of, and owns a majority of the ownership interests in, The Macerich Partnership, L.P., a Delaware limited partnership (the "Operating Partnership"). The Operating Partnership owns or has an ownership interest in 47 regional shopping centers and five community shopping centers aggregating approximately 42 million square feet of gross leasable area ("GLA"). These 52 regional and community shopping centers are referred to hereinafter as the "Centers", unless the context otherwise requires. The Company is a self-administered and self-managed real estate investment trust ("REIT") and conducts all of its operations through the Operating Partnership and the Company's three management companies, Macerich Property Management Company, a California corporation, Macerich Manhattan Management Company, a California corporation, and Macerich Management Company, a California corporation (collectively, the "Management Companies").

The Company was organized as a Maryland corporation in September 1993 to continue and expand the shopping center operations of Mace Siegel, Arthur M. Coppola, Dana K. Anderson and Edward C. Coppola and certain of their business associates.

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

RECENT DEVELOPMENTS

A. ACQUISITIONS AND JOINT VENTURE DEVELOPMENTS

On February 18, 1999, the Company, through a 51/49 joint venture with Ontario Teachers' Pension Plan Board (" Ontario Teachers' ") closed on the first phase of a two phase acquisition of a portfolio of properties. The phase one closing included the acquisition of three regional malls, the retail component of a mixed-use development, five contiguous properties and two non-contiguous community shopping centers comprising approximately 3.6 million square feet for a total purchase price of approximately $427.0 million. The purchase price was funded with a $120.0 million loan placed concurrently with the closing, $140.4 million of debt from an affiliate of the seller, and $39.4 million of assumed debt. The balance of the purchase price was paid in cash. The Company's share of the cash component was funded with the proceeds from two refinancings of centers and borrowings under the Company's line of credit. On July 12, 1999, the Company closed on the second phase of the acquisition. The second phase consisted of the acquisition of the office component of the mixed-use development for a purchase price of approximately $111.0 million. The purchase price was funded with a $76.7 million loan placed concurrently with the closing and the balance was paid in cash. The Company's share of the cash component was funded from borrowings under the Company's line of credit. The two non-contiguous community shopping centers were subsequently sold in October and November of 1999.

On June 2, 1999, Macerich Cerritos, LLC, ("Cerritos") a wholly-owned subsidiary of Macerich Management Company, acquired Los Cerritos Center, a 1,304,262 square foot super regional mall in Cerritos, California. The total purchase price was $188.0 million, which was funded with $120.0 million of debt placed concurrently with the closing and a $70.8 million loan from the Company. The Company funded this loan from borrowings under a $60.0 million bank loan agreement and the balance from the Company's line of credit.

On October 26, 1999, 49% of the membership interests of Macerich Stonewood, LLC ("Stonewood"), Cerritos and Macerich Lakewood, LLC ("Lakewood") were sold to Ontario Teachers' and concurrently Ontario Teachers' and the Company contributed their 99% collective membership interests in Stonewood and Cerritos and 100% of their collective membership interests in Lakewood to Pacific Premier Retail Trust ("PPRT"), a real estate investment trust, owned approximately 51% by the Company and 49% by Ontario Teachers. Lakewood, Stonewood and Cerritos, own Lakewood Mall, Stonewood Mall and Los Cerritos Center, respectively. The total value of the transaction was approximately $535.0 million. The properties were contributed to PPRT subject to existing debt of $322.0 million. The net cash proceeds to the Company were approximately $104.0 million which were used for reduction of debt and for general corporate purposes.

On October 29, 1999, Macerich Santa Monica, LLC, a wholly-owned indirect subsidiary of the Company, acquired Santa Monica Place, a 560,623 square foot regional mall located in Santa Monica, California. The total purchase price was $130.8 million, which was funded with $80.0 million of debt placed concurrently with the closing with the balance funded from proceeds from the PPRT transaction described above.

B. REFINANCINGS

On February 4, 1999, the Company refinanced the debt on Queens Center. A $65.1 million floating rate loan was paid in full and a new note was issued for $100.0 million bearing interest at a fixed rate of 6.88% and maturing March 1, 2009.

On February 17, 1999, the Company refinanced the debt on South Plains Mall. A $28.4 million loan, at an effective interest rate of 6.3%, was paid in full and a new note was issued for $65.0 million bearing interest at a fixed rate of 8.22% and maturing March 1, 2009.

On April 30, 1999, the Company refinanced the debt on Carmel Plaza. A $25.0 million floating rate loan was paid in full and a new note was issued for $29.0 million bearing interest at a fixed rate of 8.18% and maturing May 1, 2009.

On October 8, 1999, the Company refinanced the debt on Village at Corte Madera. A $60.0 million floating rate loan was paid in full and a new note was issued for $72.0 million bearing interest at a fixed rate of 7.75% and maturing November 1, 2009.

C. OTHER EVENTS

On November 15, 1999, the Company redeemed $25.1 million of Operating Partnership Units ("OP Units") of the Operating Partnership for cash from various unit holders. A total of 1,266,687 of OP Units were redeemed for cash at the Company's option in lieu of exchanging common stock for OP Units.

On November 16, 1999, the Company sold Huntington Center. Huntington Center is a shopping center located in Huntington Beach, California, that was purchased by the Company in December 1996. The Center was purchased as part of a package with Fresno Fashion Fair in Fresno, California, and Pacific View (formerly know as Buenaventura Mall) in Ventura, California. The Center was sold for $48.0 million and the net cash proceeds from the sale were used for general corporate purposes.

THE SHOPPING CENTER INDUSTRY

GENERAL

There are several types of retail shopping centers, which are differentiated primarily based on size and marketing strategy. Regional shopping centers generally contain in excess of 400,000 square feet of GLA, are typically anchored by two or more department or large retail stores ("Anchors") and are referred to as "Regional Shopping Centers" or "Malls". Regional Shopping Centers also typically contain numerous diversified retail stores ("Mall Stores"), most of which are national or regional retailers typically located along corridors connecting the Anchors. Community Shopping Centers, also referred to as "strip centers," are retail shopping centers that are designed to attract local or neighborhood customers and are typically anchored by one or more supermarkets, discount department stores and/or drug stores. Community Shopping Centers typically contain 100,000 square feet to 400,000 square feet of GLA. In addition, freestanding retail stores are located along the perimeter of the shopping centers ("Freestanding Stores"). Anchors, Mall and Freestanding Stores and other tenants typically contribute funds for the maintenance of the common areas, property taxes, insurance, advertising and other expenditures related to the operation of the shopping center.

REGIONAL SHOPPING CENTERS

A Regional Shopping Center draws from its trade area by offering a variety of fashion merchandise, hard goods and services and entertainment, generally in an enclosed, climate controlled environment with convenient parking. Regional Shopping Centers provide an array of retail shops and entertainment facilities and often serve as the town center and the preferred gathering place for community, charity, and promotional events.

The Company focuses on the acquisition and redevelopment of Regional Shopping Centers. Regional Shopping Centers have generally provided owners with relatively stable growth in income despite the cyclical nature of the retail business. This stability is due both to the diversity of tenants and to the typical dominance of Regional Shopping Centers in their trade areas. Regional Shopping Centers are difficult to develop because of the significant barriers to entry, including the limited availability of capital and suitable development sites, the presence of existing Regional Shopping Centers in most markets, a limited number of Anchors, and the associated development costs and risks. Consequently, the Company believes that few new Regional Shopping Centers will be built in the next five years. However, many of the market, financing and economic risks typically associated with the development of new Regional Shopping Centers can be mitigated by acquiring and redeveloping an existing Regional Shopping Center. Furthermore, the value of Regional Shopping Centers can be significantly enhanced through redevelopment, renovation and expansion.

REGIONAL SHOPPING CENTERS - CONTINUED:

Regional Shopping Centers have different strategies with regard to price, merchandise offered and tenant mix, and are generally tailored to meet the needs of their trade areas. Anchor tenants are located along common areas in a configuration designed to maximize consumer traffic for the benefit of the Mall Stores. Mall GLA, which generally refers to gross leasable area contiguous to the Anchors for tenants other than Anchors, is leased to a wide variety of smaller retailers. Mall Stores typically account for the bulk of the revenues of a Regional Shopping Center.

Although a variety of retail formats compete for consumer purchases, the Company believes that Regional Shopping Centers will continue to be a preferred shopping destination. The combination of a climate controlled shopping environment, a dominant location, and a diverse tenant mix has resulted in Regional Shopping Centers generating higher tenant sales than are generally achieved at smaller retail formats. Further, the Company believes that department stores located in Regional Shopping Centers will continue to provide a full range of current fashion merchandise at a limited number of locations in any one market, allowing them to command the largest geographical trade area of any retail format.

COMMUNITY SHOPPING CENTERS

Community Shopping Centers are designed to attract local and neighborhood customers and are typically open air shopping centers, with one or more supermarkets, drugstores or discount department stores. National retailers such as Kids-R-Us at Bristol Shopping Center, Toys-R-Us at Boulder Plaza, Saks Fifth Avenue at Carmel Plaza and The Gap, Victoria's Secret and Express/Bath and Body at Villa Marina, provide the Company's Community Shopping Centers with the opportunity to draw from a much larger trade area than a typical supermarket or drugstore anchored Community Shopping Center.

BUSINESS OF THE COMPANY

MANAGEMENT AND OPERATING PHILOSOPHY

The Company believes that the shopping center business requires specialized skills across a broad array of disciplines for effective and profitable operations. For this reason, the Company has developed a fully integrated real estate organization with in-house acquisition, redevelopment, property management, leasing, finance, construction, marketing, legal and accounting expertise. In addition, the Company emphasizes a philosophy of decentralized property management, leasing and marketing performed by on-site professionals. The Company believes that this strategy results in the optimal operation, tenant mix and drawing power of each Center as well as the ability to quickly respond to changing competitive conditions of the Center's trade area.

PROPERTY MANAGEMENT AND LEASING. The Company believes that on-site property managers can most effectively operate the Centers. Each Center's property manager is responsible for overseeing the operations, marketing, maintenance and security functions at the Center. Property managers focus special attention on controlling operating costs, a key element in the profitability of the Centers, and seek to develop strong relationships with and to be responsive to the needs of retailers.

The Company believes strongly in decentralized leasing and accordingly, most of its leasing managers are located on-site to better understand the market and the community in which a Center is located. Leasing managers are charged with more than the responsibility of leasing space; they continually assess and fine tune each Center's tenant mix, identify and replace under performing tenants and seek to optimize existing tenant sizes and configurations.

ACQUISITIONS. Since its initial public offering ("IPO"), the Company has acquired interests in shopping centers nationwide. These acquisitions were identified and consummated by the Company's staff of acquisition professionals who are strategically located in Santa Monica, Dallas, Denver, and Atlanta. The Company believes that it is geographically well positioned to cultivate and maintain ongoing relationships with potential sellers and financial institutions and to act quickly when acquisition opportunities arise. The Company focuses on assets that are or can be dominant in their trade area, have a franchise and where there is intrinsic value.

The Company made the following acquisitions in 1998: The Company along with a 50/50 joint venture partner, acquired a portfolio of twelve regional malls totaling 10.7 million square feet on February 27, 1998; South Plains Mall in Lubbock, Texas on June 19,1998; Westside Pavilion in Los Angeles, California on July 1, 1998; Village at Corte Madera in Corte Madera, California in June and July 1998; Carmel Plaza in Carmel, California on August 10, 1998; and Northwest Arkansas Mall in Fayetteville, Arkansas on December 15, 1998. Together, these properties are known as the "1998 Acquisition Centers."

MANAGEMENT AND OPERATING PHILOSOPHY - CONTINUED:

On February 18, 1999, the Company, along with a joint venture partner, acquired a portfolio of three regional malls, the retail component of a mixed-use development, five contiguous properties and two non-contiguous community shopping centers totaling approximately 3.6 million square feet. The Company is a 51% owner of this portfolio. The second phase of this transaction, which closed on July 12, 1999, consisted of the acquisition of the office component of the mixed-use development. The two non-contiguous community shopping centers were subsequently sold in October and November of 1999. Additionally, the Company acquired Los Cerritos Center in Cerritos, California, on June 2, 1999 and Santa Monica Place in Santa Monica, California, on October 29, 1999. Together, these properties are known as the "1999 Acquisition Centers."

REDEVELOPMENT. One of the major components of the Company's growth strategy is its ability to redevelop acquired properties. For this reason, the Company has built a staff of redevelopment professionals who have primary responsibility for identifying redevelopment opportunities that will result in enhanced long-term financial returns and market position for the Centers. The redevelopment professionals oversee the design and construction of the projects in addition to obtaining required governmental and Anchor approvals.

THE CENTERS. As of December 31, 1999, the Centers consist of 47 Regional Shopping Centers and five Community Shopping Centers aggregating approximately 42 million square feet of GLA. The 47 Regional Shopping Centers in the Company's portfolio average approximately 874,000 square feet of GLA and range in size from 1.8 million square feet of GLA at Lakewood Mall to 324,959 square feet of GLA at Panorama Mall. The Company's five Community Shopping Centers, Boulder Plaza, Bristol Shopping Center, Carmel Plaza, Great Falls Marketplace and Villa Marina Marketplace, have an average of 213,523 square feet of GLA. The 47 Regional Shopping Centers presently include 184 Anchors totaling approximately 23.1 million square feet of GLA and approximately 6,050 Mall and Freestanding Stores totaling approximately 19.1 million square feet of GLA.

Total revenues increased from $283.9 million in 1998 to $327.4 million in 1999 primarily due to the 1999 and 1998 acquisitions. See "Management's Discussion and Analysis of Financial Condition and Results of Operations." Lakewood Mall generated 10.5% of total shopping center revenues in 1997. No Center generated more than 10% of shopping center revenues during 1998 and 1999.

COST OF OCCUPANCY

The Company's management believes that in order to maximize the Company's operating cash flow, the Centers' Mall Store tenants must be able to operate profitably. A major factor contributing to tenant profitability is cost of occupancy. The following table summarizes occupancy costs for Mall Store tenants in the Centers as a percentage of total Mall Store sales for the last three years:

	For the Years Ended December 31,		
	1997 (2)	1998 (3)	1999 (4)
Minimum rents	7.9%	7.7%	7.4%
Percentage rents	0.4%	0.4%	0.5%
Expense recoveries (1)	3.0%	3.0%	2.9%
Mall tenant occupancy costs	11.3%	11.1%	10.8%

(1) Represents real estate tax and common area maintenance charges.
(2) Excludes Centers acquired in 1997 (the "1997 Acquisition Centers"). See "Management's Discussion and Analysis of Financial Condition and Results of Operations."
(3) Excludes 1998 Acquisition Centers.
(4) Excludes 1999 Acquisition Centers.

COMPETITION

The 47 Regional Shopping Centers are generally located in developed areas in middle to upper income markets where there are relatively few other Regional Shopping Centers. In addition, 46 of the 47 Regional Shopping Centers contain more than 400,000 square feet of GLA. The Company intends to consider additional expansion and renovation projects to maintain and enhance the quality of the Centers and their competitive position in their trade areas.

There are numerous owners and developers of real estate that compete with the Company in its trade areas. There are nine other publicly traded mall companies, any of which under certain circumstances, could compete against the Company for an acquisition, an Anchor or a tenant. This results in competition for both acquisition of centers and for tenants to occupy space. The existence of competing shopping centers could have a material impact on the Company's ability to lease space and on the level of rent that can be achieved. There is also increasing competition from other forms of retail, such as factory outlet centers, power centers, discount shopping clubs, mail-order services, internet shopping and home shopping networks that could adversely affect the Company's revenues.

MAJOR TENANTS

The Centers derived approximately 90.2% of their total rents for the year ended December 31, 1999 from Mall and Freestanding Stores. One tenant accounted for approximately 5.2% of annual base rents of the Company, and no other single tenant accounted for more than 3.2%, as of December 31, 1999.

The following tenants (including their subsidiaries) represent the 10 largest tenants in the Company's portfolio (including joint ventures) based upon minimum rents in place as of December 31, 1999:

TENANT	NUMBER OF STORES IN THE CENTERS	% OF TOTAL MINIMUM RENTS AS OF DECEMBER 31, 1999
The Limited, Inc.	144	5.2%
Venator Group, Inc.	142	3.2%
AT&T Wireless Services	3	2.8%
The Gap, Inc.	48	2.4%
J.C. Penney Co., Inc.	33	1.7%
Barnes and Noble, Inc.	24	1.3%
Claire Stores, Inc.	87	1.2%
The Musicland Group, Inc.	47	1.1%
Federated Department Stores	22	1.1%
Sears, Roebuck & Company	30	1.1%

MALL AND FREESTANDING STORES

Mall and Freestanding Store leases generally provide for tenants to pay rent comprised of a fixed base (or "minimum") rent and a percentage rent based on sales. In some cases, tenants pay only a fixed minimum rent, and in some cases, tenants pay only percentage rents. Most leases for Mall and Freestanding Stores contain provisions that allow the Centers to recover their costs for maintenance of the common areas, property taxes, insurance, advertising and other expenditures related to the operations of the Center.

The Company uses tenant spaces 10,000 square feet and under for comparing rental rate activity. Tenant space 10,000 square feet and under in the portfolio at December 31, 1999, comprises 76.9% of all Mall and Freestanding Store space. The Company believes that to include space over 10,000 square feet would provide a less meaningful comparison.

When an existing lease expires, the Company is often able to enter into a new lease with a higher base rent component. The average base rent for new Mall and Freestanding Store leases, 10,000 square feet or under, commencing during 1999 was $29.76 per square foot, or 16% higher than the average base rent for all Mall and Freestanding Stores (10,000 square feet or under) at December 31, 1999 of $25.60 per square foot.

MALL AND FREESTANDING STORES - CONTINUED:

The following table sets forth for the Centers the average base rent per square foot of Mall and Freestanding GLA, for tenants 10,000 square feet and under, as of December 31 for each of the past three years:

	Average Base Rent Per Square Foot (1)	Average Base Rent Per Sq. Ft. on Leases Commencing During the Year (2)	Average Base Rent Per Sq. Ft. on Leases Expiring During the Year (3)
DECEMBER 31,			
1997............................	$24.27	$27.58	$24.84
1998............................	$25.08	$28.58	$26.34
1999............................	$25.60	$29.76	$27.29

(1) Average base rent per square foot is based on Mall and Freestanding Store GLA for spaces 10,000 square feet or under occupied as of December 31 for each of the Centers owned by the Company in 1997 (excluding the 1997 Acquisition Centers), 1998 (excluding the 1998 Acquisition Centers), and 1999 (excluding the 1999 Acquisition Centers).

(2) The base rent on lease signings during the year represents the actual rent to be paid on a per square foot basis during the first twelve months. The 1997 average excludes the 1997 Acquisition Centers, the 1998 average excludes the 1998 Acquisition Centers and the 1999 average excludes the 1999 Acquisition Centers.

(3) The average base rent on leases expiring during the year represents the final year minimum rent, on a cash basis, for all tenant leases 10,000 square feet or under expiring during the year. On a comparable space basis, average initial rents, excluding the impact of straight lining of rent, on leases 10,000 square feet or under commencing in 1999 was $30.85 compared to expiring rents of $27.29. The average base rent on leases expiring in 1997 excludes the 1997 Acquisition Centers, the average for 1998 excludes 1998 Acquisition Centers and the average for 1999 excludes the 1999 Acquisition Centers.

BANKRUPTCY AND/OR CLOSURE OF RETAIL STORES

The bankruptcy and/or closure of an Anchor, or its sale to a less desirable retailer, could adversely affect customer traffic in a Center and thereby reduce the income generated by that Center. Furthermore, the closing of an Anchor could, under certain circumstances, allow certain other Anchors or other tenants to terminate their leases or cease operating their stores at the Center or otherwise adversely affect occupancy at the Center.

Retail stores at the Centers other than Anchors may also seek the protection of the bankruptcy laws and/or close stores, which could result in the termination of such tenants' leases and thus cause a reduction in the cash flow generated by the Centers. Although no single retailer accounts for greater than 5.2% of total rents, the bankruptcy and/or closure of stores could result in decreased occupancy levels, reduced rental income or otherwise adversely impact the Centers. Although certain tenants have filed for bankruptcy, the Company does not believe such filings and any subsequent closures of their stores will have a material adverse impact on its operations.

LEASE EXPIRATIONS

The following table shows scheduled lease expirations (for Centers owned as of December 31, 1999) of Mall and Freestanding Stores 10,000 square feet or under for the next ten years, assuming that none of the tenants exercise renewal options:

Year Ending December 31,	Number of Leases Expiring	Approximate GLA of Expiring Leases	% of Total Leased GLA Represented by Expiring Leases (1)	Ending Base Rent per Square Foot of Expiring Leases (1)
2000	649	1,160,538	10.8%	$ 25.60
2001	511	978,840	9.1%	$ 26.96
2002	489	937,921	8.7%	$ 26.80
2003	501	1,083,078	10.1%	$ 25.38
2004	454	978,543	9.1%	$ 26.31
2005	424	1,043,255	9.7%	$ 27.40
2006	375	981,021	9.1%	$ 28.66
2007	379	1,012,442	9.4%	$ 28.20
2008	380	1,017,344	9.5%	$ 29.39
2009	273	703,890	6.6%	$ 29.32

(1) For leases 10,000 square feet or under

ANCHORS

Anchors have traditionally been a major factor in the public's identification with Regional Shopping Centers. Anchors are generally department stores whose merchandise appeals to a broad range of shoppers. Although the Centers receive a smaller percentage of their operating income from Anchors than from Mall and Freestanding Stores, strong Anchors play an important part in maintaining customer traffic and making the Centers desirable locations for Mall and Freestanding Store tenants.

Anchors either own their stores, the land under them and in some cases adjacent parking areas, or enter into long-term leases with an owner at rates that are lower than the rents charged to tenants of Mall and Freestanding Stores. Each Anchor which owns its own store, and certain Anchors which lease their stores, enter into reciprocal easement agreements with the owner of the Center covering among other things, operational matters, initial construction and future expansion.

Anchors accounted for approximately 9.8% of the Company's total rent for the year ended December 31, 1999.

The following table identifies each Anchor, each parent company that owns multiple Anchors and the number of square feet owned or leased by each such Anchor or parent company in the Company's portfolio at December 31, 1999:

ANCHORS - CONTINUED:

NAME	NUMBER OF ANCHOR STORES	GLA OWNED BY ANCHOR	GLA LEASED BY ANCHOR	TOTAL GLA OCCUPIED BY ANCHOR
J.C. Penney (1)	33	1,320,631	3,056,055	4,376,686
Sears	30	2,197,192	1,625,942	3,823,134
Target Corp.				
Mervyn's	12	571,016	432,307	1,003,323
Target	9	581,260	379,871	961,131
Dayton's	2	115,193	100,790	215,983
Total	23	1,267,469	912,968	2,180,437
Federated Department Stores				
Macy's (2)	10	1,366,344	411,599	1,777,943
Macy's Men's & Children	1	--	76,650	76,650
Macy's Men's & Home	2	--	155,614	155,614
Macy's Men's & Juniors	1	--	70,256	70,256
The Bon Marche	2	--	181,000	181,000
Lazarus	1	159,068	--	159,068
Total	17	1,525,412	895,119	2,420,531
May Department Stores Co.				
Robinsons-May	6	676,928	494,102	1,171,030
Foley's	4	725,316	--	725,316
Hechts	2	140,000	141,772	281,772
Famous Barr	1	180,000	--	180,000
Meier & Frank	1	242,505	--	242,505
Meier & Frank - ZCMI	1	--	200,000	200,000
Total	15	1,964,749	835,874	2,800,623
Dillard's	14	1,257,162	662,735	1,919,897
Saks, Inc.				
Younker's	6	--	609,177	609,177
Herberger's	5	188,000	283,891	471,891
	11	188,000	893,068	1,081,068
Montgomery Ward (3)	7	180,431	853,745	1,034,176
Gottschalks	5	332,638	283,772	616,410
Nordstrom	5	226,853	503,369	730,222
Von Maur	3	186,686	59,563	246,249
Belk	2	--	127,950	127,950
Boscov's	2	--	314,717	314,717
Wal-Mart	2	281,455	--	281,455
Beall's	1	--	40,000	40,000
DeJong	1	--	43,811	43,811
Emporium	1	--	50,625	50,625
Home Depot	1	--	130,232	130,232
Kohl's	1	--	92,466	92,466
Lamonts	1	--	50,000	50,000
Peebles	1	--	42,090	42,090
Service Merchandise	1	--	60,000	60,000
Vacant (3)	7	224,222	387,673	611,895
	184	11,152,900	11,921,774	23,074,674

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(1) This does not include the J.C. Penney currently under construction at Chesterfield Mall.

(2) This does not include the Macy's currently under construction at Lakewood Mall.

(3) Montgomery Ward filed for bankruptcy in 1997 and emerged from bankruptcy in late 1999. Montgomery Ward closed its stores at Holiday Village, Rimrock and Southridge in 1999. These three stores are included in Vacant Anchors as of December 31, 1999. The Montgomery Ward at Holiday Village is now owned by Herbergers. Dillards owns the former Montgomery Ward building at Rimrock.

ENVIRONMENTAL MATTERS

Under various federal, state and local laws, ordinances and regulations, a current or prior owner or operator of real estate may be liable for the costs of removal or remediation of certain hazardous or toxic substances on, under or in such property. Such laws often impose such liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. The costs of investigation, removal or remediation of such substances may be substantial, and the presence of such substances, or the failure to properly remediate such substances, may adversely affect the owner's or operator's ability to sell or rent such property or to borrow using such property as collateral. Persons or entities who arrange for the disposal or treatment of hazardous or toxic substances may also be liable for the costs of removal or remediation of a release of such substances at a disposal or treatment facility, whether or not such facility is owned or operated by such person or entity. Certain environmental laws impose liability for release of asbestos-containing materials ("ACMs") into the air and third parties may seek recovery from owners or operators of real properties for personal injury associated with exposure to ACMs. In connection with the ownership (direct or indirect), operation, management and development of real properties, the Company may be considered an owner or operator of such properties or as having arranged for the disposal or treatment of hazardous or toxic substances and therefore potentially liable for removal or remediation costs, as well as certain other related costs, including governmental fines and injuries to persons and property.

Each of the Centers has been subjected to a Phase I audit (which involves review of publicly available information and general property inspections, but does not involve soil sampling or ground water analysis) completed by an environmental consultant.

Based on these audits, and on other information, the Company is aware of the following environmental issues that are reasonably possible to result in costs associated with future investigation or remediation, or in environmental liability:

- ASBESTOS. The Company has conducted ACM surveys at various locations within the Centers. The surveys indicate that ACMs are present or suspected in certain areas, primarily vinyl floor tiles, mastics, roofing materials, drywall tape and joint compounds. The identified ACMs are generally non-friable, in good condition, and possess low probabilities for disturbance. At certain Centers where ACMs are present or suspected, however, some ACMs have been or may be classified as "friable," and ultimately may require removal under certain conditions. The Company has developed and implemented an operations and maintenance (O&M) plan to manage ACMs in place.

- UNDERGROUND STORAGE TANKS. Underground storage tanks ("USTs") are or were present at certain of the Centers, often in connection with tenant operations at gasoline stations or automotive tire, battery and accessory service centers located at such Centers. USTs also may be or have been present at properties neighboring certain Centers. Some of these tanks have either leaked or are suspected to have leaked. Where leakage has occurred, investigation, remediation, and monitoring costs may be incurred by the Company if responsible current or former tenants, or other responsible parties, are unavailable to pay such costs.

- CHLORINATED HYDROCARBONS. The presence of chlorinated hydrocarbons such as perchloroethylene ("PCE") and its degradation byproducts have been detected at certain of the Centers, often in connection with tenant dry cleaning operations. Where PCE has been detected, the Company may incur investigation, remediation and monitoring costs if responsible current or former tenants, or other responsible parties, are unavailable to pay such costs.

PCE has been detected in soil and groundwater in the vicinity of a dry cleaning establishment at North Valley Plaza, formerly owned by a joint venture of which the Company was a 50% member. The property was sold on December 18, 1997. The California Department of Toxic Substances Control ("DTSC") advised the Company in 1995 that very low levels of Dichloroethylene ("1,2 DCE"), a degradation byproduct of PCE, had been detected in a municipal water well located 1/4 mile west of the dry cleaners, and that the dry cleaning facility may have contributed to the introduction of 1,2 DCE into the water well. According to DTSC, the maximum contaminant level ("MCL") for 1,2 DCE which is permitted in drinking water is 6 parts per billion ("ppb"). The 1,2 DCE was detected in the water well at a concentration of 1.2 ppb, which is below the MCL. The Company has retained an environmental consultant and has initiated extensive testing of the site. Remediation began in October 1997. The joint venture agreed (between itself and the buyer) that it would be responsible for continuing to pursue the investigation and remediation of impacted soil and groundwater resulting from releases of PCE from the former dry cleaner. $149,466 and $153,100 have already been incurred by the joint venture for remediation, and professional and legal fees for the periods ending December 31, 1999 and 1998, respectively. An additional $258,566 remains reserved by the joint venture as of

ENVIRONMENTAL MATTERS, CONTINUED:

December 31, 1999. The joint venture has been sharing costs on a 50/50 basis with a former owner of the property and intends to look to additional responsible parties for recovery.

The Company acquired Fresno Fashion Fair in December 1996. Asbestos has been detected in structural fireproofing throughout much of the Center. Testing data conducted by professional environmental consulting firms indicates that the fireproofing is largely inaccessible to building occupants and is well adhered to the structural members. Additionally, airborne concentrations of asbestos were well within OSHA's permissible exposure limit ("PEL") of .1 fcc. The accounting for this acquisition includes a reserve of $3.3 million to cover future removal of this asbestos, as necessary. The Company incurred $90,876 and $255,500 in remediation costs for the twelve months ending December 31, 1999 and 1998, respectively.

INSURANCE

The Company has comprehensive liability, fire, flood, extended coverage and rental loss insurance with respect to the Centers. The Company or the joint venture, as applicable, also currently carries earthquake insurance covering the Centers located in California. Management believes that such insurance provides adequate coverage.

QUALIFICATION AS A REAL ESTATE INVESTMENT TRUST

The Company elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended (the "Code"), commencing with its first taxable year ended December 31, 1994, and intends to conduct its operations so as to continue to qualify as a REIT under the Code. As a REIT, the Company generally will not be subject to federal and state income taxes on its net taxable income that it currently distributes to stockholders. Qualification and taxation as a REIT depends on the Company's ability to meet certain dividend distribution tests, share ownership requirements and various qualification tests prescribed in the Code.

EMPLOYEES

The Company and the Management Companies employ approximately 1,651 persons, including eight executive officers, personnel in the areas of acquisitions and business development (7), property management (270), leasing (75), redevelopment/construction (25), financial services (49) and legal affairs (31). In addition, in an effort to minimize operating costs, the Company generally maintains its own security staff (572) and maintenance staff (614). Approximately 6 of these employees are represented by a union. The Company believes that relations with its employees are good.

ITEM 2. PROPERTIES The following table sets forth certain information about each of the Centers:

Company's Ownership %	Name of Center / Location (1)	Year of Original Construction/ Acquisition	Year of Most Recent Expansion / Renovation	Total GLA (2)	Mall and Free-standing GLA	Percentage of Mall and Free-standing GLA Leased
100%	Boulder Plaza Boulder, Colorado	1969 / 1989	1991	158,997	158,997	100.0%
100%	Bristol Shopping Center (4) Santa Ana, California	1966 / 1986	1992	165,279	165,279	90.6%
50%	Broadway Plaza (4) Walnut Creek, California	1951 / 1985	1994	685,368	239,871	99.4%
100%	Capitola Mall (4) Capitola, California	1977 / 1995	1988	584,872	205,155	90.2%
100%	Carmel Plaza Carmel, California	1974 / 1998	1993	115,215	115,215	91.2%
100%	Chesterfield Towne Center Richmond, Virginia	1975 / 1994	1997	884,100	421,135	95.3%
100%	Citadel, The Colorado Springs, Colorado	1972 / 1997	1995	1,045,469	450,129	84.7%
100%	Corte Madera, Village at Corte Madera, California	1985 / 1998	1994	428,398	210,398	92.0%
100%	County East Mall Antioch, California	1966 / 1986	1989	494,342	175,782	93.5%
100%	Crossroads Mall Oklahoma City, Oklahoma	1974 / 1994	1991	1,175,047	435,359	85.6%
100%	Fresno Fashion Fair Fresno, California	1970 / 1996	1983	874,306	313,425	96.1%
100%	Great Falls Marketplace Great Falls, Montana	1997 / 1997	-	179,821	179,821	100.0%
100%	Greeley Mall Greeley, Colorado	1973 / 1986	1987	573,238	229,876	80.0%
100%	Green Tree Mall (4) Clarksville, Indiana	1968 / 1975	1995	785,037	341,041	83.1%
100%	Holiday Village Mall (4) Great Falls, Montana	1959 / 1979	1992	594,735	267,216	79.9%
10%	Manhattan Village Shopping Ctr (4) Manhattan Beach, California	1981 / 1997	1992	551,847	375,793	97.0%
100%	Northgate Mall San Rafael, California	1964 / 1986	1987	743,795	273,464	90.2%
100%	Northwest Arkansas Mall Fayetteville, Arkansas	1972 / 1998	1997	822,703	309,033	94.4%
50%	Panorama Mall Panorama, California	1955 / 1979	1980	324,959	159,959	94.4%
100%	Queens Center Queens, New York	1973 / 1995	1991	624,260	156,117	100.0%

Company's Ownership %	Name of Center / Location (1)	Anchors	Sales Per Square Foot (3)
100%	Boulder Plaza Boulder, Colorado	-----	$328
100%	Bristol Shopping Center (4) Santa Ana, California	-----	345
50%	Broadway Plaza (4) Walnut Creek, California	Macy's, Nordstrom, Macy's Men's and Juniors	517
100%	Capitola Mall (4) Capitola, California	Gottschalks, J.C. Penney, Mervyn's, Sears	320
100%	Carmel Plaza Carmel, California	-----	346
100%	Chesterfield Towne Center Richmond, Virginia	Dillard's (two), Hechts, Sears J.C. Penney (9)	324
100%	Citadel, The Colorado Springs, Colorado	Dillard's, Foley's, J.C. Penney, Mervyn's	277
100%	Corte Madera, Village at Corte Madera, California	Macy's, Nordstrom	545
100%	County East Mall Antioch, California	Sears, Gottschalks, Mervyn's (6)	286
100%	Crossroads Mall Oklahoma City, Oklahoma	Dillards, Foley's, J.C. Penney, Montgomery Ward	263
100%	Fresno Fashion Fair Fresno, California	Gottschalks, J.C. Penney, Macy's, Macy's Men's and Children	342
100%	Great Falls Marketplace Great Falls, Montana	-----	212
100%	Greeley Mall Greeley, Colorado	Dillard's (two), J.C. Penney, Sears, Montgomery Ward	256
100%	Green Tree Mall (4) Clarksville, Indiana	Dillard's, J.C. Penney, Sears, Target	333
100%	Holiday Village Mall (4) Great Falls, Montana	Herberger's, J.C. Penney, Sears (5)(6)	251
10%	Manhattan Village Shopping Ctr (4) Manhattan Beach, California	Macy's, Macy's Men's & Home	659
100%	Northgate Mall San Rafael, California	Macy's, Mervyns, Sears	294
100%	Northwest Arkansas Mall Fayetteville, Arkansas	Dillard's (two), J.C. Penney, Sears	300
50%	Panorama Mall Panorama, California	Wal-Mart	431
100%	Queens Center	J.C. Penney, Macy's	746

Queens, New York

Company's Ownership %	Name of Center / Location (1)	Year of Original Construction/ Acquisition	Year of Most Recent Expansion / Renovation	Total GLA (2)	Mall and Free-standing GLA	Percentage of Mall and Free-standing GLA Leased
100%	Rimrock Mall Billings, Montana	1978 / 1996	1980	610,184	294,744	97.0%
100%	Salisbury, Centre at Salisbury, Maryland	1990 / 1995	1990	883,634	278,653	90.6%
100%	Santa Monica Place Santa Monica, California	1980/1999	1990	560,623	277,373	99.4%
100%	South Plains Mall Lubbock, Texas	1972 / 1998	1995	1,142,737	400,950	92.6%
100%	South Towne Center Sandy, Utah	1987/1997	1997	1,235,499	458,987	95.6%
100%	Valley View Center Dallas, Texas	1973 / 1996	1996	1,567,574	509,677	90.9%
100%	Villa Marina Marketplace Marina Del Rey, California	1972 /1996	1995	448,301	448,301	99.8%
100%	Vintage Faire Mall Modesto, California	1977 / 1996	-	1,031,678	331,759	90.9%
19%	West Acres Fargo, North Dakota	1972 / 1986	1992	929,822	377,267	95.6%
100%	Westside Pavilion Los Angeles, California	1985 / 1998	1991	756,017	397,889	93.8%
	TOTAL / AVERAGE AT DECEMBER 31, 1999 (a)			20,977,857	8,958,665	92.6%
	PACIFIC PREMIER RETAIL TRUST PROPERTIES (b):					
51%	Cascade Mall Burlington, Washington	1989 / 1999	1998	584,614	265,733	89.1%
51%	Kitsap Mall (4) Silverdale, Washington	1985 / 1999	1997	850,129	340,146	83.5%
51%	Lakewood Mall (10) Lakewood, California	1953 / 1975	2000	1,838,826	895,177	98.5%
51%	Los Cerritos Center (4) Cerritos, California	1971 / 1999	1998	1,304,262	502,981	97.9%

Company's Ownership %	Name of Center / Location (1)	Anchors	Sales Per Square Foot (3)
100%	Rimrock Mall Billings, Montana	Dillard's, Herbergers, J.C. Penney (5)(6)	286
100%	Salisbury, Centre at Salisbury, Maryland	Boscov's, J.C. Penney, Hechts, Montgomery Ward, Sears	314
100%	Santa Monica Place Santa Monica, California	Macy's, Robinsons-May	379
100%	South Plains Mall Lubbock, Texas	Beall's, Dillards (two), J.C. Penney, Meryvn's, Sears	322
100%	South Towne Center Sandy, Utah	Dillard's, J.C. Penney, Mervyn's, Target, Meier & Frank - ZCMI	240
100%	Valley View Center Dallas, Texas	Dillard's, Foleys, J.C. Penney, Sears	303
100%	Villa Marina Marketplace Marina Del Rey, California	-----	459
100%	Vintage Faire Mall Modesto, California	Gottschalks, J.C. Penney, Macy's, Macy's Men's & Home, Sears	335
19%	West Acres Fargo, North Dakota	Daytons, Herberger's, J.C. Penney, Sears	363
100%	Westside Pavilion Los Angeles, California	Nordstrom, Robinsons-May	388
	TOTAL / AVERAGE AT DECEMBER 31, 1999 (a)		$358
	PACIFIC PREMIER RETAIL TRUST PROPERTIES (b):		
51%	Cascade Mall Burlington, Washington	The Bon Marche, Emporium, J.C. Penney, Sears, Target	$269
51%	Kitsap Mall (4) Silverdale, Washington	The Bon Marche, J.C. Penney, Lamonts, Mervyn's, Sears	314
51%	Lakewood Mall (10) Lakewood, California	Home Depot, J.C. Penney, Mervyn's, Montgomery Ward, Robinsons-May	351
51%	Los Cerritos Center (4) Cerritos, California	Macy's, Mervyn's, Nordstrom, Robinsons-May, Sears	369

Company's Ownership %	Name of Center / Location (1)	Year of Original Construction/ Acquisition	Year of Most Recent Expansion / Renovation	Total GLA (2)	Mall and Free-standing GLA	Percentage of Mall and Free-standing GLA Leased
PACIFIC PREMIER RETAIL TRUST PROPERTIES, CONTINUED:						
51%	Redmond Town Center (4) (8) Redmond, Washington	1997 / 1999	2000	1,149,373	1,149,373	97.0%
51%	Stonewood Mall (4) Downey, California	1953 / 1997	1991	927,508	356,761	86.8%
51%	Washington Square Tigard, Oregon	1974 / 1999	1995	1,391,434	423,107	100.0%
	TOTAL / AVERAGE PACIFIC PREMIER RETAIL TRUST PROPERTIES			8,046,146	3,933,278	95.2%
	SDG MACERICH PROPERTIES, L.P. PROPERTIES:					
50%	Eastland Mall (4) Evansville, Indiana	1978 / 1998	1995	1,075,745	482,790	89.9%
50%	Empire Mall (4) Sioux Falls, South Dakota	1975 / 1998	1988	1,315,673	625,566	91.4%
50%	Granite Run Mall Media, Pennsylvania	1974 / 1998	1993	1,022,984	522,175	97.5%
50%	Lake Square Mall Leesburg, Florida	1980 / 1998	1992	561,077	265,040	86.4%
50%	Lindale Mall Cedar Rapids, Iowa	1963 / 1998	1997	690,964	385,401	88.7%
50%	Mesa Mall Grand Junction, Colorado	1980 / 1998	1991	856,258	430,441	93.8%
50%	NorthPark Mall Davenport, Iowa	1973 / 1998	1994	1,040,868	389,335	88.1%
50%	Rushmore Mall Rapid City, South Dakota	1978 / 1998	1992	834,491	429,831	89.3%
50%	Southern Hills Mall Sioux City, Iowa	1980 / 1998	--	752,712	439,135	96.6%
50%	SouthPark Mall Moline, Illinois	1974 / 1998	1990	1,034,852	456,796	89.9%
50%	SouthRidge Mall (4) Des Moines, Iowa	1975 / 1998	1998	1,008,607	510,801	90.4%
50%	Valley Mall Harrisonburg, Virginia	1978 / 1998	1992	482,370	196,307	92.9%
TOTAL / AVERAGE SDG MACERICH PROPERTIES, L.P. PROPERTIES				10,676,601	5,133,618	91.5%
GRAND TOTAL / AVERAGE AT DECEMBER 31, 1999 (c)				39,700,604	18,025,561	92.8%

Company's Ownership %	Name of Center / Location (1)	Anchors	Sales Per Square Foot (3)
PACIFIC PREMIER RETAIL TRUST PROPERTIES, CONTINUED:			
51%	Redmond Town Center (4) (8) Redmond, Washington	-----	$285
51%	Stonewood Mall (4) Downey, California	J.C. Penney, Mervyn's, Robinsons-May, Sears	325
51%	Washington Square Tigard, Oregon	J.C. Penney, Meier & Frank, Mervyn's, Nordstrom, Sears	488
	TOTAL / AVERAGE PACIFIC PREMIER RETAIL TRUST PROPERTIES		$353
	SDG MACERICH PROPERTIES, L.P. PROPERTIES:		
50%	Eastland Mall (4) Evansville, Indiana	DeJong, Famous Barr, J.C. Penney, Lazarus, Service Merchandise	$355
50%	Empire Mall (4) Sioux Falls, South Dakota	Daytons, J.C. Penney, Kohl's Sears, Target, Younkers (6)	372
50%	Granite Run Mall Media, Pennsylvania	Boscov's, J.C. Penney, Sears	286
50%	Lake Square Mall Leesburg, Florida	Belk, J.C. Penney, Sears, Target	224
50%	Lindale Mall Cedar Rapids, Iowa	Sears, Von Maur, Younkers	284
50%	Mesa Mall Grand Junction, Colorado	Herberger's, J.C. Penney, Mervyn's, Sears, Target	227
50%	NorthPark Mall Davenport, Iowa	J.C. Penney, Montgomery Ward, Sears, Von Maur, Younkers	231
50%	Rushmore Mall Rapid City, South Dakota	Herberger's, J.C. Penney, Sears, Target	271
50%	Southern Hills Mall Sioux City, Iowa	Sears, Target, Younkers	329
50%	SouthPark Mall Moline, Illinois	J.C. Penney, Sears, Younkers, Von Maur, Montgomery Ward	221
50%	SouthRidge Mall (4) Des Moines, Iowa	Sears, Younkers, J.C. Penney, Target, (5)(6)	243
50%	Valley Mall Harrisonburg, Virginia	Belk, J.C. Penney, Wal-Mart, Peeble's	304
TOTAL / AVERAGE SDG MACERICH PROPERTIES, L.P. PROPERTIES			284
GRAND TOTAL / AVERAGE AT DECEMBER 31, 1999 (c)			$336

Company's Ownership %	Name of Center / Location (1)	Year of Original Construction/ Acquisition	Year of Most Recent Expansion / Renovation	Total GLA (2)	Mall and Free-standing GLA	Percentage of Mall and Free-standing GLA Leased
MAJOR REDEVELOPMENT PROPERTIES:						
100%	Crossroads Mall (4) Boulder, Colorado	1963 / 1979	1998	811,450	368,013	(7)
100%	Pacific View (formerly Buenaventura Mall) Ventura, California	1965 / 1996	1999	1,248,579	422,105	(7)
100%	Parklane Mall (4) Reno, Nevada	1967 / 1978	1998	386,911	257,191	(7)
TOTAL MAJOR REDEVELOPMENT PROPERTIES				2,446,940	1,047,309	
GRAND TOTAL				42,147,544	19,072,870	

Company's Ownership %	Name of Center / Location (1)	Anchors	Sales Per Square Foot (3)
MAJOR REDEVELOPMENT PROPERTIES:			
100%	Crossroads Mall (4) Boulder, Colorado	Foley's, J.C. Penney, Sears (6)	(7)
100%	Pacific View (formerly Buenaventura Mall) Ventura, California	J.C. Penney, Macy's, Montgomery Ward, Robinsons-May, Sears	(7)
100%	Parklane Mall (4) Reno, Nevada	Gottschalks	(7)

a) Excluding Pacific Premier Retail Trust Properties, SDG Macerich Properties, L.P. Properties and Major Redevelopment Properties
b) Includes five contiguous freestanding properties
c) Excluding Major Redevelopment Properties

(1) The land underlying thirty-seven of the Centers is owned in fee entirely by the Company or, in the case of jointly-owned Centers, by the joint venture property partnership or limited liability company. All or part of the land underlying the remaining Centers is owned by third parties and leased to the Company or property partnership pursuant to long-term ground leases. Under the terms of a typical ground lease, the Company or property partnership pays rent for the use of the land and is generally responsible for all costs and expenses associated with the building and improvements. In some cases, the Company or property partnership has an option or right of first refusal to purchase the land. The termination dates of the ground leases range from 2000 to 2070.

(2) Includes GLA attributable to Anchors (whether owned or non-owned) and Mall and Freestanding Stores as of December 31, 1999.

(3) Sales are based on reports by retailers leasing Mall and Freestanding Stores for the year ending December 31, 1999 for tenants which have occupied such stores for a minimum of twelve months. Consistent with industry practices, sales per square foot are based on gross leased and occupied area, excluding theaters, and are not based on GLA.

(4) Portions of the land on which the Center is situated are subject to one or more ground leases.

(5) During 1997, Montgomery Ward filed for bankruptcy and emerged from bankruptcy in late 1999. Montgomery Ward closed its stores at Holiday Village Mall, Rimrock Mall and Southridge Mall in 1999. The Montgomery Ward at Holiday Village is owned by Herbergers. Dillards owns the former Montgomery Ward Building at Rimrock.

(6) These properties have a vacant Anchor location. The Company is contemplating various replacement tenant/redevelopment opportunities for these vacant sites.

(7) Certain spaces have been intentionally held off the market and remain vacant because of major redevelopment plans. As a result, the Company believes the percentage of Mall and Freestanding GLA leased and the sales per square foot at these major redevelopment properties is not meaningful data.

(8) The office portion of this mixed-use development does not have retail sales.

(9) J.C. Penney is currently building a store at Chesterfield Mall.

(10) Macy's is currently building a store at Lakewood Mall.

MORTGAGE DEBT

The following table sets forth certain information regarding the mortgages encumbering the Centers, including those Centers in which the Company has less than a 100% interest. All mortgage debt is nonrecourse to the Company. The information set forth below is as of December 31, 1999.

Property Pledged As Collateral	Fixed or Floating	Annual Interest Rate	Annual Principal Balance (000'S)	Debt Service (000'S)	Maturity Date	Balance Due on Maturity (000'S)	Earliest Date on which all Notes Can Be Defeased or Be Prepaid
Wholly-Owned Centers:							
Capitola Mall	Fixed	9.25%	$ 36,983	$ 3,801	12/15/2001	$ 36,193	Any Time
Carmel Plaza	Fixed	8.18%	28,869	2,421	5/1/2009	25,642	5/26/2001
Chesterfield Towne Center (1)	Fixed	9.07%	64,358	6,580	1/1/2024	1,087	1/1/2006
Citadel	Fixed	7.20%	73,377	6,648	1/1/2008	59,962	1/1/2003
Corte Madera, Village at	Fixed	7.75%	71,949	6,190	11/1/2009	62,941	10/4/2003
Crossroads Mall - Boulder	Fixed	7.08%	34,893	3,948	12/15/2010	28,107	1/15/2000
Fresno Fashion Fair	Fixed	6.52%	69,000	4,561	8/10/2008	62,890	11/16/2000
Greeley Mall	Fixed	8.50%	16,228	2,245	9/15/2003	12,519	Any Time
Green Tree Mall/Crossroads - OK/ Salisbury	Fixed	7.23%	117,714	8,499	3/5/2004	117,714	Any Time
Holiday Village	Fixed	6.75%	17,000	1,147	4/1/2001	17,000	Any Time
Northgate Mall	Fixed	6.75%	25,000	1,688	4/1/2001	25,000	Any Time
Northwest Arkansas Mall	Fixed	7.33%	62,080	5,209	1/10/2009	49,304	1/1/2004
Parklane Mall	Fixed	6.75%	20,000	1,350	4/1/2001	20,000	Any Time
Queens Center	Fixed	6.88%	100,000	7,595	3/1/2009	88,651	2/4/2002
Rimrock Mall	Fixed	7.70%	30,445	2,924	1/1/2003	28,496	1/1/2000
Santa Monica Place	Floating	7.16%(2)	80,000	5,728	2/1/2001	80,000	Any Time
South Plains Mall	Fixed	8.22%	64,623	5,448	3/1/2009	57,557	2/17/2002
South Towne Center	Fixed	6.61%	64,000	4,289	10/10/2008	64,000	7/24/2001
Valley View Mall	Fixed	7.89%	51,000	4,080	10/10/2006	51,000	4/16/2000
Villa Marina Marketplace	Fixed	7.23%	58,000	4,249	10/10/2006	58,000	8/29/2000
Vintage Faire Mall	Fixed	7.65%	53,537	5,122	1/1/2003	50,089	1/1/2000
Westside Pavilion	Fixed	6.67%	100,000	6,529	7/1/2008	91,133	10/7/2000
Total - Wholly Owned Centers			$1,239,056				
Joint Venture Centers (at pro rata share):							
Broadway Plaza (50%) (3)	Fixed	6.68%	36,690	3,089	8/1/2008	29,315	Any Time
Pacific Premier Retail Trust (51%) (3):							
Cascade Mall	Fixed	6.50%	13,837	1,461	8/1/2014	141	Any Time
Kitsap Mall (4)	Fixed	6.50%	20,452	2,137	6/1/2000	19,571	Any Time
Lakewood Mall	Fixed	7.20%	64,770	4,661	8/10/2005	64,770	Any Time
Los Cerritos Center	Fixed	7.13%	60,909	5,054	7/1/2006	54,955	6/1/2002
North Point	Fixed	6.50%	1,889	190	12/1/2015	47	2/7/2004
Redmond Town Center - Retail	Fixed	6.50%	32,743	2,686	2/1/2011	23,850	Any Time
Redmond Town Center - Office	Fixed	6.77%	42,248	3,575	7/10/2009	26,223	6/1/2002
Stonewood Mall	Floating	8.23%(5)	38,250	3,251	2/1/2001	38,250	Any Time
Washington Square	Fixed	6.70%	60,471	5,051	1/1/2009	48,289	3/1/2004
Washington Square Too	Fixed	6.50%	6,533	634	12/1/2016	116	2/17/2004
SDG Macerich Properties L.P. (50%) (3)	Fixed	6.23%(6)	159,282	11,114	5/15/2006	150,000	Any Time
SDG Macerich Properties L.P. (50%) (3)	Floating	6.96%(6)	92,500	5,689	5/15/2003	92,500	Any Time
West Acres Center (19%) (3)	Fixed	6.52%	7,600	495	1/1/2009	7,538	1/4/2002
Total - Joint Venture Centers (3)			$638,174				
Total - All Centers			$1,877,230				

MORTGAGE DEBT, CONTINUED:

Notes:

(1) The annual debt service payment represents the payment of principal and interest. In addition, contingent interest, as defined in the loan agreement, may be due to the extent that 35% of the gross receipts (as defined in the loan agreement) exceeds a base amount specified therein. Contingent interest recognized was $385,556 for the year ended December 31, 1999 and $387,101 for the year ended December 31, 1998.

(2) The loan bears interest at LIBOR plus 1.75%. At December 31, 1999, the total interest rate was 7.16%. In addition, the Company can, subject to certain conditions, increase the borrowing amount up to $90.0 million. As of January 6, 2000, an additional $5.0 million was advanced for total borrowings outstanding of $85.0 million.

(3) Reflects the Company's pro rata share of debt.

(4) In connection with the acquisition of this Center, the joint venture assumed $39.4 million of debt. At acquisition, this debt was recorded at the fair value of $41.5 million which included an unamortized premium of $2.1 million. This premium is being amortized as interest expense over the life of the loan using the effective interest method. The joint venture's monthly debt service is $349,000 and is calculated using an 8.60% interest rate. At December 31, 1999, the joint venture's unamortized premium was $1.4 million.

(5) The loan bears interest at LIBOR plus 1.75%. At December 31, 1999, the total interest rate was 8.23%.

(6) In connection with the acquisition of these Centers, the joint venture assumed $485 million of mortgage notes payable which are secured by the properties. At acquisition, this debt reflected a fair value of $322.7 million, which included an unamortized premium of $22.7 million. This premium is being amortized as interest expense over the life of the loan using the effective interest method. At December 31, 1999, the unamortized balance of the debt premium was $18.6 million. This debt is due in May 2006 and requires a monthly payment of $1.9 million. $185 million of this debt is due in May 2003 and requires monthly interest payments at a variable weighted average rate (based on LIBOR) of 6.96% at December 31, 1999. This variable rate debt is covered by an interest rate cap agreement which effectively prevents the interest rate from exceeding 11.53%.

The Company has a credit facility of $150 million with a maturity of February 2001, currently bearing interest at LIBOR plus 1.15%. The interest rate on such credit facility fluctuates between 0.95% and 1.15% over LIBOR. As of December 31, 1999 and December 31, 1998, $57.4 million and $137.0 million of borrowings were outstanding under this line of credit at interest rates of 7.65% and 6.79%, respectively.

Additionally, the Company issued $776,000 in letters of credit guaranteeing performance by the Company of certain obligations. The Company does not believe that these letters of credit will result in a liability to the Company.

During January 1999, the Company entered into a bank construction loan agreement to fund $89.2 million of costs related to the redevelopment of Pacific View. See "Item 2. Properties." The loan bears interest at LIBOR plus 2.25% and matures in February 2001. Principal is drawn as construction costs are incurred. As of December 31, 1999, $72.7 million of principal has been drawn under the loan.

In addition, the Company had a note payable of $30.6 million due in February 2000 payable to the seller of the acquired portfolio. The note bore interest at 6.5%. The loan was paid in full on February 18, 2000.

During 1997, the Company issued and sold $161.4 million of convertible subordinated debentures (the "Debentures") due 2002. The Debentures, which were sold at par, bear interest at 7.25% annually (payable semi-annually) and are convertible at any time, on or after 60 days, from the date of issue at a conversion price of $31.125 per share. The Debentures mature on December 15, 2002 and are callable by the Company after June 15, 2002 at par plus accrued interest.

ITEM 3. LEGAL PROCEEDINGS.

The Company, the Operating Partnership, the Management Companies and their respective affiliates are not currently involved in any material litigation nor, to the Company's knowledge, is any material litigation currently threatened against such entities or the Centers, other than routine litigation arising in the ordinary course of business, most of which is expected to be covered by liability insurance. For information about certain environmental matters, see "Business of the Company - Environmental Matters."

ITEM 4. SUBMISSION OF MATTER TO A VOTE OF SECURITY HOLDERS.

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

The common stock of the Company is listed and traded on the New York Stock Exchange ("NYSE") under the symbol "MAC". The common stock began trading on March 10, 1994 at a price of $19 per share. In 1999, the Company's shares traded at a high of $27.0625 and a low of $17.8125.

As of February 29, 2000, there were approximately 457 stockholders of record. The following table shows high and low closing prices per share of common stock during each quarter in 1998 and 1999 and dividends/distributions per share of common stock declared and paid by quarter:

Quarters Ended	Market Quotation Per Share		Dividends/Distributions
	High	Low	Declared and Paid
March 31, 1998	$30 3/8	$27	$ 0.46
June 30, 1998	29 3/4	26 1/16	0.46
September 30, 1998	29 3/8	22 1/4	0.46
December 31, 1998	28 7/16	24	0.485
March 31, 1999	26 11/16	22 7/16	0.485
June 30, 1999	27 1/16	22 1/8	0.485
September 30, 1999	26 10/16	21 8/16	0.485
December 31, 1999	22 10/16	17 13/16	0.51

The Company has issued 3,627,131 shares of its Series A cumulative convertible redeemable preferred stock ("Series A Preferred Stock"), and 5,487,471 shares of its Series B cumulative convertible redeemable preferred stock ("Series B Preferred Stock"). The Series A Preferred Stock and Series B Preferred Stock can be converted into shares of common stock on a one-to-one basis. There is no established public trading market for either the Series A Preferred Stock or the Series B Preferred Stock. All of the outstanding shares of the Series A Preferred Stock are held by Security Capital Preferred Growth Incorporated. All of the outstanding shares of the Series B Preferred Stock are held by Ontario Teachers' Pension Plan Board. The Series A Preferred Stock and Series B Preferred Stock were issued on February 25, 1998 and June 16, 1998, respectively. The following table shows the dividends per share of preferred stock declared and paid for each quarter in 1998 and 1999. Preferred stock dividends are accrued quarterly and paid in arrears. No dividends will be declared or paid on any class of common or other junior stock to the extent that dividends on Series A Preferred Stock and Series B Preferred Stock have not been declared and/or paid.

	Series A Preferred Stock Dividends		Series B Preferred Stock Dividends	
QUARTERS ENDED	Declared	Paid	Declared	Paid
March 31, 1998	N/A	N/A	N/A	N/A
June 30, 1998	$0.179	N/A	N/A	N/A
September 30, 1998	0.460	$0.179	$0.071	N/A
December 31, 1998..........	0.485	0.460	0.485	$0.071
QUARTERS ENDED				
March 31, 1999	0.485	0.485	0.485	0.485
June 30, 1999	0.485	0.485	0.485	0.485
September 30, 1999	0.510	0.485	0.510	0.485
December 31, 1999..........	0.510	0.510	0.510	0.510

On February 26, 1999, the Company issued 20,700 shares of common stock upon the redemption of 20,700 OP Units in a private placement to a limited partner of the Operating Partnership, an accredited investor, pursuant to Section 4(2) of the Securities Act of 1933.

On August 27, 1999, the Company issued 10,000 shares of common stock upon the redemption of 10,000 OP Units in a private placement to a limited partner of the Operating Partnership, an accredited investor, pursuant to Section 4(2) of the Securities Act of 1933.

ITEM 6. SELECTED FINANCIAL DATA.

The following sets forth selected financial data for the Company on a historical basis. The following data should be read in conjunction with the financial statements (and the notes thereto) of the Company and "Management's Discussion And Analysis of Financial Condition and Results of Operations" each included elsewhere in this Form 10-K.

The Selected Financial Data is presented on a consolidated basis. The limited partnership interests in the Operating Partnership (not owned by the REIT) are reflected as minority interest. Centers in which the Company does not have a controlling ownership interest (Panorama Mall, North Valley Plaza, Broadway Plaza, Manhattan Village, Pacific Premier Retail Trust, SDG Macerich Properties, L.P. and West Acres Shopping Center) are referred to as the "Joint Venture Centers", and along with the Management Companies, are reflected in the selected financial data under the equity method of accounting. Accordingly, the net income from the Joint Venture Centers and the Management Companies that is allocable to the Company is included in the statement of operations as "Equity in income (loss) of unconsolidated joint ventures and Management Companies."

	The Company				
	1999	1998	1997	1996	1995
	(All amounts in thousands, except per share data)				
OPERATING DATA:					
Revenues:					
Minimum rents	$ 204,568	$ 179,710	$ 142,251	$ 99,061	$ 69,253
Percentage rents	15,106	12,856	9,259	6,142	4,814
Tenant recoveries	99,126	86,740	66,499	47,648	26,961
Other	8,644	4,555	3,205	2,208	1,441
Total revenues	327,444	283,861	221,214	155,059	102,469
Shopping center expenses	100,327	89,991	70,901	50,792	31,580
REIT general and administrative expenses	5,488	4,373	2,759	2,378	2,011
Depreciation and amortization	61,383	53,141	41,535	32,591	25,749
Interest expense	113,348	91,433	66,407	42,353	25,531
Income before minority interest, unconsolidated entities and extraordinary item	46,898	44,923	39,612	26,945	17,598
Minority interest (1)	(38,335)	(12,902)	(10,567)	(10,975)	(8,246)
Equity in income (loss) of unconsolidated joint ventures and management companies (2)	25,945	14,480	(8,063)	3,256	3,250
Gain on sale of assets	95,981	9	1,619	--	--
Extraordinary loss on early extinguishment of debt	(1,478)	(2,435)	(555)	(315)	(1,299)
Net income	129,011	44,075	22,046	18,911	11,303
Less preferred dividends	18,138	11,547	--	--	--
Net income available to common stockholders	$ 110,873	$ 32,528	$ 22,046	$ 18,911	$ 11,303
Earnings per share - basic: (3)					
Income before extraordinary item	$ 3.30	$ 1.14	$ 0.86	$ 0.92	$ 0.78
Extraordinary item	(0.04)	(0.08)	(0.01)	(0.01)	(0.05)
Net income per share - basic	$ 3.26	$ 1.06	$ 0.85	$ 0.91	$ 0.73
Earnings per share - diluted: (3)(4)(7)					
Income before extraordinary item	$ 3.01	$ 1.11	$ 0.86	$ 0.90	$ 0.78
Extraordinary item	(0.02)	(0.05)	(0.01)	(0.01)	(0.05)
Net income per share - diluted	$ 2.99	$ 1.06	$ 0.85	$ 0.89	$ 0.73
OTHER DATA:					
Funds from operations-diluted (4)	$ 164,302	$ 120,518	$ 83,427	$ 62,428	$ 44,938
EBITDA (5)	$ 221,629	$ 189,497	$ 147,554	$ 101,889	$ 68,878
Cash flows from (used in):					
Operating activities	$ 139,576	$ 85,176	$ 78,476	$ 80,431	$ 48,186
Investing activities	($247,685)	($761,147)	($215,006)	($296,675)	($ 88,413)
Financing activities	$ 123,421	$ 675,960	$ 146,041	$ 216,317	$ 51,973
Number of centers at year end	52	47	30	26	19
Weighted average number of shares outstanding - basic (6)	46,130	43,016	37,982	32,934	26,930
Weighted average number of shares outstanding - diluted (4)(6)(7)	60,893	43,628	38,403	33,320	26,984
Cash distributions declared per common share	$ 1.965	$ 1.865	$ 1.78	$ 1.70	$ 1.66
FFO per share - diluted (4)	$ 2.698	$ 2.426	$ 2.172	$ 1.874	$ 1.669

	The Company				
	December 31,				
	1999	1998	1997	1996	1995
	(All amounts in thousands)				
BALANCE SHEET DATA:					
Investment in real estate (before accumulated depreciation)	$2,174,535	$2,213,125	$1,607,429	$1,273,085	$ 833,998
Total assets	$2,404,293	$2,322,056	$1,505,002	$1,187,753	$ 763,398
Total mortgage, notes and debentures payable	$1,561,127	$1,507,118	$1,122,959	$ 789,239	$ 485,193
Minority interest (1)	$ 157,599	$ 165,524	$ 100,463	$ 112,242	$ 95,740
Stockholders' equity	$ 620,286	$ 577,413	$ 216,295	$ 237,749	$ 158,345

(1) "Minority Interest" reflects the ownership interest in the Operating Partnership not owned by the REIT.

(2) Unconsolidated joint ventures include all Centers in which the Company does not have a controlling ownership interest and the Management Companies. The Management Companies have been reflected using the equity method.

(3) Earnings per share is based on SFAS No. 128 for all years presented.

(4) Funds from Operations ("FFO") represents net income (loss) (computed in accordance with generally accepted accounting principles ("GAAP")), excluding gains (or losses) from debt restructuring and sales or write-down of assets, plus depreciation and amortization (excluding depreciation on personal property and amortization of loan and financial instrument costs), and after adjustments for unconsolidated entities. Adjustments for unconsolidated entities are calculated on the same basis. FFO does not represent cash flow from operations as defined by GAAP and is not necessarily indicative of cash available to fund all cash flow needs. The computation of FFO - diluted and diluted average number of shares outstanding includes the effect of outstanding common stock options and restricted stock using the treasury method. Convertible debentures for the twelve month period ending December 31, 1998 are anti-dilutive and are not included in the FFO calculation. The convertible debentures are dilutive for the twelve month period ending December 31, 1999 and are included in the FFO calculation. On February 25, 1998, the Company sold $100 million of its Series A Preferred Stock. On June 17, 1998, the Company sold $150 million of its Series B Preferred Stock. The preferred stock can be converted on a one-for-one basis for common stock. The preferred stock was dilutive to FFO in 1998 and 1999 and the preferred stock and the convertible debentures were dilutive to net income in 1999.

(5) EBITDA represents earnings before interest, income taxes, depreciation, amortization, minority interest, equity in income (loss) of unconsolidated entities, extraordinary items, gain (loss) on sale of assets and preferred dividends. This data is relevant to an understanding of the economics of the shopping center business as it indicates cash flow available from operations to service debt and satisfy certain fixed obligations. EBITDA should not be construed by the reader as an alternative to operating income as an indicator of the Company's operating performance, or to cash flows from operating activities (as determined in accordance with GAAP) or as a measure of liquidity.

(6) Assumes that all OP Units are converted to common stock.

(7) Assumes issuance of common stock for in-the-money options and restricted stock calculated using the Treasury method in accordance with SFAS No. 128 for all years presented.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL BACKGROUND AND PERFORMANCE MEASUREMENT

The Company believes that the most significant measures of its operating performance are Funds from Operations and EBITDA. Funds from Operations is defined as net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from debt restructuring and sales or write-down of assets, plus depreciation and amortization (excluding depreciation on personal property and amortization of loan and financial instrument costs), and after adjustments for unconsolidated entities. Adjustments for unconsolidated entities are calculated on the same basis. Funds from Operations does not represent cash flow from operations as defined by GAAP and is not necessarily indicative of cash available to fund all cash flow needs.

EBITDA represents earnings before interest, income taxes, depreciation, amortization, minority interest, equity in income (loss) of unconsolidated entities, extraordinary items, gain (loss) on sale of assets and preferred dividends. This data is relevant to an understanding of the economics of the shopping center business as it indicates cash flow available from operations to service debt and satisfy certain fixed obligations. EBITDA should not be construed as an alternative to operating income as an indicator of the Company's operating performance, or to cash flows from operating activities (as determined in accordance with GAAP) or as a measure of liquidity. While the performance of individual Centers and the Management Companies determines EBITDA, the Company's capital structure also influences Funds from Operations. The most important component in determining EBITDA and Funds from Operations is Center revenues. Center revenues consist primarily of minimum rents, percentage rents and tenant expense recoveries. Minimum rents will increase to the extent that new leases are signed at market rents that are higher than prior rents. Minimum rents will also fluctuate up or down with changes in the occupancy level. Additionally, to the extent that new leases are signed with more favorable expense recovery terms, expense recoveries will increase.

Percentage rents generally increase or decrease with changes in tenant sales. As leases roll over, however, a portion of historical percentage rent is often converted to minimum rent. It is therefore common for percentage rents to decrease as minimum rents increase. Accordingly, in discussing financial performance, the Company combines minimum and percentage rents in order to better measure revenue growth.

The following discussion is based primarily on the consolidated financial statements of the Company for the years ended December 31, 1999, 1998 and 1997. The following discussion compares the activity for the year ended December 31, 1999 to results of operations for 1998. Also included is a comparison of the activities for the year ended December 31, 1998 to the results for the year ended December 31, 1997. This information should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

FORWARD-LOOKING STATEMENTS

This annual report on Form 10-K contains or incorporates statements that constitute forward-looking statements. Those statements appear in a number of places in this Form 10-K and include statements regarding, among other matters, the Company's growth and acquisition opportunities, the Company's acquisition strategy, regulatory matters pertaining to compliance with governmental regulations and other factors affecting the Company's financial condition or results of operations. Words such as "expects," "anticipates," "intends," "projects," "predicts," "plans," "believes," "seeks," "estimates," and "should" and variations of these words and similar expressions, are used in many cases to identify these forward-looking statements. Stockholders are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors that may cause actual results, performance or achievements of the Company or industry to vary materially from the Company's future results, performance or achievements, or those of the industry, expressed or implied in such forward-looking statements. Such factors include, among others, general industry economic and business conditions, which will, among other things, affect demand for retail space or retail goods, availability and creditworthiness of current and prospective tenants, lease rents, availability and cost of financing and operating expenses; adverse changes in the real estate markets including, among other things, competition with other companies, retail formats and technology, risks of real estate development and acquisitions; governmental actions and initiatives; and environmental and safety requirements. The Company will not update any forward-looking information to reflect actual results or changes in the factors affecting the forward-looking information.

The following table reflects the Company's acquisitions in 1997, 1998 and 1999:

	Date Acquired	Location
"1997 ACQUISITION CENTERS":		
South Towne Center	March 27, 1997	Sandy, Utah
Stonewood Mall	August 6, 1997	Downey, California
Manhattan Village (*)	August 19, 1997	Manhattan Beach, California
The Citadel Mall	December 19, 1997	Colorado Springs, Colorado
Great Falls Marketplace	December 31, 1997	Great Falls, Montana
"1998 ACQUISITION CENTERS":		
ERE/Yarmouth Portfolio (*)	February 27, 1998	Twelve properties in eight states
South Plains Mall	June 19, 1998	Lubbock, Texas
Westside Pavilion	July 1, 1998	Los Angeles, California
Village at Corte Madera	June-July 1998	Corte Madera, California
Carmel Plaza	August 10, 1998	Carmel, California
Northwest Arkansas Mall	December 15, 1998	Fayetteville, Arkansas
"1999 ACQUISITION CENTERS":		
Pacific Premier Retail Trust (*)	February 18, 1999	Three regional malls, retail component of a mixed-use development and five contiguous properties in Washington and Oregon. The office component of the mixed-used development was acquired July 12, 1999.
PPR Albany Plaza LLC (**) PPR Eastland Plaza LLC (**)	February 18, 1999	Two non-contiguous community shopping Centers located in Oregon and Ohio, respectively.
Los Cerritos Center (***)	June 2, 1999	Cerritos, California
Santa Monica Place	October 29, 1999	Santa Monica, California

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(*) denotes the Company owns these Centers through a joint venture partnership.

(**) denotes the Company owns its interests in these Centers through one of the Management Companies. On October 27, 1999 and November 12, 1999, Albany Plaza and Eastland Plaza were sold, respectively.

(***) denotes the Company owned an interest in this Center through one of the Management Companies from the date of acquisition through October 25, 1999. On October 26, 1999, 99% of the membership interests of the entity owning this Center were contributed to Pacific Premier Retail Trust.

The financial statements include the results of these Centers for periods subsequent to their acquisition.

The properties acquired by SDG Macerich Properties, L.P., Pacific Premier Retail Trust and the Management Companies ("Joint Venture Acquisitions") are reflected using the equity method of accounting. The results of these acquisitions are reflected in the consolidated results of operations of the Company in equity in income of unconsolidated joint ventures and the Management Companies.

Many of the variations in the results of operations, discussed below, occurred due to the addition of these properties to the portfolio during 1999 and 1998. Many factors impact the Company's ability to acquire additional properties; including the availability and cost of capital, the overall debt to market capitalization level, interest rates and availability of potential acquisition targets that meet the Company's criteria. Accordingly, management is uncertain whether during the balance of 2000, and in future years, there will be similar acquisitions and corresponding increases in revenues, net income and FFO that occurred as a result of the 1999 and 1998 Acquisition Centers. Management anticipates the pace of acquisitions to slow considerably in 2000 compared to 1999 and 1998. Pacific View (formerly known as Buenaventura Mall), Crossroads Mall-Boulder, Huntington Center and Parklane Mall are currently under redevelopment and are referred to herein as the "Redevelopment Centers." Huntington Center was sold on November 16, 1999. All other Centers, excluding the 1999 and 1998 Acquisition Centers and Redevelopment Centers, are referred to herein as the "Same Centers", unless the context otherwise requires.

The bankruptcy and/or closure of an Anchor, or its sale to a less desirable retailer, could adversely affect customer traffic in a Center and thereby reduce the income generated by that Center. Furthermore, the closing of an Anchor could, under certain circumstances, allow certain other Anchors or other tenants to terminate their leases or cease operating their stores at the Center or otherwise adversely affect occupancy at the Center. Other retail stores at the Centers may also seek the protection of bankruptcy laws and/or close stores, which could result in the termination of such tenants leases and thus cause a reduction in cash flow generated by the Centers.

In addition, the Company's success in the highly competitive real estate shopping center business depends upon many other factors, including general economic conditions, the ability of tenants to make rent payments, increases or decreases in operating expenses, occupancy levels, changes in demographics, competition from other centers and forms of retailing and the ability to renew leases or relet space upon the expiration or termination of leases.

ASSETS AND LIABILITIES

Total assets increased to $2,404 million at December 31, 1999 compared to $2,322 million at December 31, 1998 and $1,505 million at December 31, 1997. During that same period, total liabilities increased from $1,188 million in 1997 to $1,579 million in 1998 and $1,626 million in 1999. These changes were primarily a result of the 1998 common stock offerings of 7,920,181 shares, the 1998 preferred stock offerings of 9,114,602 shares, the 1997 offering of $161.4 million of debentures, the purchase of the 1999, 1998 and 1997 Acquisition Centers and related debt transactions.

A. ACQUISITIONS AND JOINT VENTURE DEVELOPMENTS

On February 18, 1999, the Company, through a 51/49 joint venture with Ontario Teachers closed on the first phase of a two phase acquisition of a portfolio of properties. The phase one closing included the acquisition of three regional malls, the retail component of a mixed-use development, five contiguous properties and two non-contiguous community shopping centers comprising approximately 3.6 million square feet for a total purchase price of approximately $427.0 million. The purchase price was funded with a $120.0 million loan placed concurrently with the closing, $140.4 million of debt from an affiliate of the seller, and $39.4 million of assumed debt. The balance of the purchase price was paid in cash. The Company's share of the cash component was funded with the proceeds from two refinancings of Centers and borrowings under the Company's line of credit. On July 12, 1999, the Company closed on the second phase of the acquisition. The second phase consisted of the acquisition of the office component of the mixed-use development for a purchase price of approximately $111.0 million. The purchase price was funded with a $76.7 million loan placed concurrently with the closing and the balance was paid in cash. The Company's share of the cash component was funded from borrowings under the Company's line of credit. The two non-contiguous community shopping centers were subsequently sold in October and November of 1999.

On June 2, 1999, Cerritos, a wholly-owned subsidiary of Macerich Management Company, acquired Los Cerritos Center, a 1,304,262 square foot super regional mall in Cerritos, California. The total purchase price was $188.0 million, which was funded with $120.0 million of debt placed concurrently with the closing and a $70.8 million loan from the Company. The Company funded this loan from borrowings under a $60.0 million bank loan agreement and the balance from the Company's line of credit.

ASSETS AND LIABILITIES - CONTINUED:

On October 26, 1999, 49% of the membership interests of Stonewood, Cerritos and Lakewood were sold to Ontario Teachers' and concurrently Ontario Teachers' and the Company contributed their 99% collective membership interests in Stonewood and Cerritos and 100% of their collective membership interests in Lakewood to PPRT, a real estate investment trust, owned approximately 51% by the Company and 49% by Ontario Teachers. Lakewood, Stonewood, and Cerritos own Lakewood Mall, Stonewood Mall and Los Cerritos Center, respectively. The total value of the transaction was approximately $535.0 million. The properties were contributed to PPRT subject to existing debt of $322.0 million. The net cash proceeds to the Company were approximately $104.0 million which were used for reduction of debt and for general corporate purposes.

On October 29, 1999, Macerich Santa Monica, LLC, a wholly-owned indirect subsidiary of the Company, acquired Santa Monica Place, a 560,623 square foot regional mall located in Santa Monica, California. The total purchase price was $130.8 million, which was funded with $80.0 million of debt placed concurrently with the closing with the balance funded from proceeds from the PPRT transaction described above.

B. REFINANCINGS

On February 4, 1999, the Company refinanced the debt on Queens Center. A $65.1 million floating rate loan was paid in full and a new note was issued for $100.0 million bearing interest at a fixed rate of 6.88% and maturing March 1, 2009.

On February 17, 1999, the Company refinanced the debt on South Plains Mall. A $28.4 million loan, at an effective interest rate of 6.3%, was paid in full and a new note was issued for $65.0 million bearing interest at a fixed rate of 8.22% and maturing March 1, 2009.

On April 30, 1999, the Company refinanced the debt on Carmel Plaza. A $25.0 million floating rate loan was paid in full and a new note was issued for $29.0 million bearing interest at a fixed rate of 8.18% and maturing May 1, 2009.

On October 8, 1999, the Company refinanced the debt on Village at Corte Madera. A $60.0 million floating rate loan was paid in full and a new note was issued for $72.0 million bearing interest at a fixed rate of 7.75% and maturing November 1, 2009.

C. OTHER EVENTS

On November 15, 1999, the Company redeemed $25.1 million of OP Units of the Operating Partnership for cash from various unit holders. A total of 1,266,687 of OP Units were redeemed for cash at the Company's option in lieu of exchanging common stock for OP Units.

On November 16, 1999, the Company sold Huntington Center. Huntington Center is a shopping center located in Huntington Beach, California, that was purchased by the Company in December 1996. The Center was purchased as part of a package with Fresno Fashion Fair in Fresno, California, and Pacific View (formerly know as Buenaventura Mall) in Ventura, California. The Center was sold for $48.0 million and the net cash proceeds from the sale were used for general corporate purposes.

RESULTS OF OPERATIONS

COMPARISON OF YEARS ENDED DECEMBER 31, 1999 AND 1998

REVENUES

Minimum and percentage rents increased by 14.1% to $219.7 million in 1999 from $192.6 million in 1998. Approximately $26.3 million of the increase resulted from the 1998 Acquisition Centers, $1.9 million from the 1999 acquisition of Santa Monica Place and $5.2 million of the increase was attributable to the Same Centers. These increases were partially offset by revenue decreases at the Redevelopment Centers of $2.1 million in 1999 and $4.2 million of the decrease related to the contribution of 100% and 99% of the membership interests of Lakewood Mall and Stonewood Mall, respectively, to the PPRT joint venture on October 26,1999.

Tenant recoveries increased to $99.1 million in 1999 from $86.7 million in 1998. The 1998 Acquisition Centers generated $12.9 million of this increase, $1.3 million was from the acquisition of Santa Monica Place, and $1.9 million of the increase was from the Same Centers. These increases were partially offset by revenue decreases at the Redevelopment Centers of $2.1 million in 1999 and $1.6 million of the decrease resulted from the contribution of Lakewood Mall and Stonewood Mall to the PPRT joint venture.

Other income increased to $8.6 million in 1999 from $4.5 million in 1998. Approximately $0.7 million of the increase related to the 1998 Acquisition Centers and the 1999 acquisition of Santa Monica Place, and $3.7 million of the increase was attributable to the Same Centers.

EXPENSES

Shopping center expenses increased to $100.3 million in 1999 compared to $90.0 million in 1998. Approximately $13.2 million of the increase resulted from the 1998 Acquisition Centers and the 1999 acquisition of Santa Monica Place and $1.1 million of the increase resulted from increased property taxes and recoverable expenses at the Same Centers. The Redevelopment Centers had a net decrease of $2.0 million in shopping center expenses resulting primarily from decreased property taxes and recoverable expenses. The contribution of Lakewood Mall and Stonewood Mall to the PPRT joint venture resulted in $2.0 million of this decrease.

General and administrative expenses increased to $5.5 million in 1999 from $4.4 million in 1998 primarily as a result of the accounting change required by EITF 97-11, "Accounting for Internal Costs Relating to Real Estate Property Acquisitions," which requires the expensing of internal acquisition costs. Previously in accordance with GAAP, certain internal acquisition costs were capitalized. The increase is also attributable to higher executive and director compensation expense.

INTEREST EXPENSE

Interest expense increased to $113.3 million in 1999 from $91.4 million in 1998. This increase of $22.1 million is primarily attributable to the acquisition activity in 1998 and 1999, which was partially funded with secured debt and borrowings under the Company's line of credit.

DEPRECIATION AND AMORTIZATION

Depreciation increased to $61.4 million from $53.1 million in 1998. This increase relates primarily to the 1998 and 1999 Acquisition Centers.

MINORITY INTEREST

The minority interest represents the 26.3% weighted average interest of the Operating Partnership that was not owned by the Company during 1999. This compares to 28.4% not owned by the Company during 1998.

INCOME FROM UNCONSOLIDATED JOINT VENTURES AND MANAGEMENT COMPANIES

The income from unconsolidated joint ventures and the Management Companies was $25.9 million for 1999, compared to income of $14.5 million in 1998. A total of $3.2 million of the change is attributable to the 1998 acquisitions of SDG Macerich Properties, L.P. and $7.9 million of the change is attributable to the 1999 acquisitions by Pacific Premier Retail Trust.

RESULTS OF OPERATIONS - CONTINUED:

COMPARISON OF YEARS ENDED DECEMBER 31, 1999 AND 1998

GAIN ON SALE OF ASSETS

A gain on sale of assets of $96.0 million is a result of the Company selling approximately 49% of the membership interests of Stonewood and Lakewood to Ontario Teachers' in October 1999 and the Company's sale of Huntington Center on November 16, 1999.

EXTRAORDINARY LOSS FROM EARLY EXTINGUISHMENT OF DEBT

In 1999, the Company wrote off $1.5 million of unamortized financing costs, compared to $2.4 million written off in 1998.

NET INCOME AVAILABLE TO COMMON STOCKHOLDERS

As a result of the foregoing, including the gain on sale of assets, net income available to common stockholders increased to $110.9 million in 1999 from $32.5 million in 1998.

OPERATING ACTIVITIES

Cash flow from operations was $139.6 million in 1999 compared to $85.2 million in 1998. The increase is primarily because of increased net operating income from the 1998 and 1999 Acquisition Centers.

INVESTING ACTIVITIES

Cash flow used in investing activities was $247.7 million in 1999 compared to $761.1 million in 1998. The change resulted primarily from the cash contributions required by the Company for the joint venture acquisitions of $240.2 million in 1998 compared to $116.9 million in 1999, and the proceeds from the sale of assets in 1999 of $106.9 million.

FINANCING ACTIVITIES

Cash flow from financing activities was $123.4 million in 1999 compared to $676.0 million in 1998. The decrease resulted from no equity offerings in 1999 compared to 7,920,181 shares of common stock sold in 1998. Additionally, 9,114,602 shares of preferred stock were sold in the first and second quarters of 1998.

EBITDA AND FUNDS FROM OPERATIONS

Primarily because of the factors mentioned above, EBITDA increased 16.9% to $221.6 million in 1999 from $189.5 million in 1998 and Funds from Operations - Diluted increased 36.3% to $164.3 million from $120.5 million in 1998.

RESULTS OF OPERATIONS - CONTINUED:

COMPARISON OF YEARS ENDED DECEMBER 31, 1998 AND 1997

REVENUES

Minimum and percentage rents increased by 27% to $192.6 million in 1998 from $151.5 million in 1997. Approximately $18.9 million of the increase resulted from the 1997 Acquisition Centers, $18.8 million resulted from the 1998 Acquisition Centers and $5.0 million of the increase was attributable to the Same Centers. These increases were partially offset by revenue decreases at the Redevelopment Centers of $1.6 million in 1998.

Tenant recoveries increased to $86.7 million in 1998 from $66.5 million in 1997. The 1998 and 1997 Acquisition Centers generated $17.7 million of this increase and $2.2 million of the increase was from the Same Centers.

Other income increased to $4.5 million in 1998 from $3.2 million in 1997. Approximately $0.6 million of the increase related to the 1998 and 1997 Acquisition Centers, $0.7 million of the increase was attributable to the Same Centers and the Redevelopment Centers.

EXPENSES

Shopping center expenses increased to $90.0 million in 1998 compared to $70.9 million in 1997. Approximately $17.3 million of the increase resulted from the 1998 and 1997 Acquisition Centers. The other Centers had a net increase of $1.8 million in shopping center expenses resulting primarily from increased property taxes and recoverable expenses.

General and administrative expenses increased to $4.4 million in 1998 from $2.8 million in 1997 primarily due to the accounting change required by EITF 97-11, "Accounting for Internal Costs Relating to Real Estate Property Acquisitions," which requires the expensing of internal acquisition costs. Previously in accordance with GAAP, certain internal acquisition costs were capitalized. The increase is also attributable to higher executive and director compensation expense.

INTEREST EXPENSE

Interest expense increased to $91.4 million in 1998 from $66.4 million in 1997. This increase of $25.0 million is primarily attributable to the acquisition activity in 1997 and 1998, which was partially funded with secured debt and borrowings under the Company's line of credit. In addition, in June and July of 1997, the Company issued $161.4 million of convertible debentures, which contributed to $5.7 million of this increase.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization increased to $53.1 million from $41.5 million in 1997. This increase relates primarily to the 1997 and 1998 Acquisition Centers.

MINORITY INTEREST

The minority interest represents the 28.4% weighted average interest of the Operating Partnership that was not owned by the Company during 1998. This compares to 31.8% not owned by the Company during 1997.

RESULTS OF OPERATIONS - CONTINUED:

COMPARISON OF YEARS ENDED DECEMBER 31, 1998 AND 1997 - CONTINUED:

INCOME (LOSS) FROM UNCONSOLIDATED JOINT VENTURES AND MANAGEMENT COMPANIES

The income from unconsolidated joint ventures and the Management Companies was $14.5 million for 1998, compared to a loss of $8.1 million in 1997. A total of $14.5 million of the change is attributable to the 1998 acquisition of the ERE/Yarmouth portfolio. Also, in 1997, there was a write-down and loss of $10.5 million on the sale of North Valley Plaza.

GAIN ON SALE OF ASSETS

During 1997, the Company sold a parcel of land for a net gain of $1.6 million compared to a minimal amount of gain on sale recognized in 1998.

EXTRAORDINARY LOSS FROM EARLY EXTINGUISHMENT OF DEBT

In 1998, the Company wrote off $2.4 million of unamortized financing costs, compared to $0.6 million written off in 1997.

NET INCOME AVAILABLE TO COMMON STOCKHOLDERS

As a result of the foregoing, net income available to common stockholders increased to $32.5 million in 1998 from $22.0 million in 1997.

OPERATING ACTIVITIES

Cash flow from operations was $85.2 million in 1998 compared to $78.4 million in 1997. The increase resulted from the factors discussed above, primarily the impact of the 1997 and 1998 Acquisition Centers.

INVESTING ACTIVITIES

Cash flow used in investing activities was $761.1 million in 1998 compared to $215.0 million in 1997. The change resulted primarily from the higher volume of acquisition activity completed in 1998 compared to 1997.

FINANCING ACTIVITIES

Cash flow from financing activities was $676.0 million in 1998 compared to $146.0 million in 1997. The increase resulted from the offerings of 7,920,181 shares of common stock, 3,627,131 shares of Series A Preferred Stock and 5,487,471 shares of Series B Preferred Stock completed in 1998. No equity was raised in 1997.

EBITDA AND FUNDS FROM OPERATIONS

Primarily because of the factors mentioned above, EBITDA increased 28% to $189.5 million in 1998 from $147.6 million in 1997 and Funds from Operations - Diluted increased 44% to $120.5 million from $83.4 million in 1997.

LIQUIDITY AND CAPITAL RESOURCES

The Company intends to meet its short term liquidity requirements through cash generated from operations and working capital reserves. The Company anticipates that revenues will continue to provide necessary funds for its operating expenses and debt service requirements, and to pay dividends to stockholders in accordance with REIT requirements. The Company anticipates that cash generated from operations, together with cash on hand, will be adequate to fund capital expenditures which will not be reimbursed by tenants, other than non-recurring capital expenditures. Capital for major expenditures or major redevelopments has been, and is expected to continue to be, obtained from equity or debt financings which include borrowings under the Company's line of credit and construction loans. However, many factors impact the Company's ability to access capital, such as its overall debt to market capitalization level, interest rates, interest coverage ratios and prevailing market conditions. The Company currently is undertaking a $90 million redevelopment of Pacific View. See "Item 2. Properties." The Company has a bank construction loan agreement to fund $89.2 million of these construction costs.

The Company believes that it will have access to the capital necessary to expand its business in accordance with its strategies for growth and maximizing Funds from Operations. The Company presently intends to obtain additional capital necessary to expand its business through a combination of additional public and private equity offerings, debt financings and/or joint ventures. During 1998 and 1999, the Company acquired two portfolios through joint ventures. The Company believes such joint venture arrangements provide an attractive alternative to other forms of financing. See "Acquisitions and Joint Venture Developments."

The Company's total outstanding loan indebtedness at December 31, 1999 was $2.2 billion (including its pro rata share of joint venture debt). This equated to a debt to Total Market Capitalization (defined as total debt of the Company, including its pro rata share of joint venture debt, plus aggregate market value of outstanding shares of common stock, assuming full conversion of OP Units and preferred stock into common stock) ratio of approximately 66% at December 31, 1999. The Company's debt consists primarily of fixed-rate conventional mortgages payable secured by individual properties. See "Properties-Mortgage Debt" for a description of the Company's outstanding mortgage indebtedness.

The Company has filed a shelf registration statement, effective December 8, 1997, to sell securities. The shelf registration is for a total of $500 million of common stock, common stock warrants or common stock rights. During 1998, the Company sold a total of 7,920,181 shares of common stock under this shelf registration. The aggregate offering price of these transactions was approximately $212.9 million, leaving approximately $287.1 million available under the shelf registration statement.

The Company has an unsecured line of credit for up to $150.0 million. There was $57.4 million of borrowings outstanding at December 31, 1999.

At December 31, 1999, the Company had cash and cash equivalents available of $40.5 million.

YEAR 2000 READINESS DISCLOSURE

THE INFORMATION PROVIDED BELOW CONTAINS YEAR 2000 STATEMENTS AND IS A YEAR 2000 READINESS DISCLOSURE PURSUANT TO PUB. L. NO. 105-271.

YEAR 2000 COMPLIANCE PROGRAM

Approximately two years ago, the Company initiated a Year 2000 compliance program which consisted of the following phases: (1) identification of Year 2000 issues; (2) assessment of Year 2000 compliance of systems; (3) remediation or replacement of non-compliant systems; (4) testing of critical systems to verify compliance; and (5) contingency planning, as appropriate. This program included a review of both information technology ("IT") and non-IT systems of the Company's offices and the Centers in which the Company has an ownership interest and manages. In addition, material tenants, anchors and vendors of the Centers were surveyed for Year 2000 compliance and contingency plans were prepared for each Center.

YEAR 2000 COMPLIANCE PROGRAM RESULTS

Two of the key dates of the Company's Year 2000 program were January 1, 2000 and February 29, 2000. The Company encountered no Year 2000 compliance issues with any operating system, material tenant, anchor and/or vendor on either date because the Company was able to successfully identify and address the potential Year 2000 issues in advance.

COSTS

The Company was able to minimize costs by using its own personnel to administer the Year 2000 program. No outside consultants or third parties were hired except for testing purposes. The preliminary final costs for the Company's Year 2000 program were approximately $120,000 and consisted of the following:

(a) IT SYSTEMS: One IT hardware system needed a Year 2000 upgrade at a cost of $13,100.

(b) NON-IT SYSTEMS: Certain critical systems, 14 energy management systems, five telephone systems, two fire alarm systems, one security alarm system, one CCTV system, one HVAC system and one elevator intercom system required Year 2000 upgrades. Replacement and/or remediation of all non-IT systems at the Centers and offices cost the Company approximately $47,194.

(c) ELECTRICAL INSPECTION: The electrical infrastructure of each Center was inspected to ensure Year 2000 compliance at an estimated cost of approximately $13,230.

(d) TESTING OF CRITICAL SYSTEM: All date-sensitive critical operating systems at each Center and office were tested to ensure Year 2000 compliance. In most cases outside vendors tested the system and charged a fee. The Company's total testing costs were approximately $9,125.

(e) SECURITY CONTINGENCY PLANS: Each Center implemented security contingency plans. The aggregate costs of approximately $37,500 included the costs associated with hiring additional personnel and obtaining necessary equipment and back-up supplies ranging from emergency generators to flashlights.

(f) PERSONNEL: The Company did not separately record the internal costs incurred for its Year 2000 compliance program. Such costs are primarily the related payroll costs for its personnel who were part of the Year 2000 program.

FUNDS FROM OPERATIONS

The Company believes that the most significant measure of its performance is FFO. FFO is defined by The National Association of Real Estate Investment Trusts ("NAREIT") to be: Net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from debt restructuring and sales or write-down of assets, plus depreciation and amortization (excluding depreciation on personal property and amortization of loan and financial instrument costs) and after adjustments for unconsolidated entities. Adjustments for unconsolidated entities are calculated on the same basis. FFO does not represent cash flow from operations, as defined by GAAP, and is not necessarily indicative of cash available to fund all cash flow needs. The following reconciles net income available to common stockholders to FFO:

	1999		1998	
	Shares	Amount	Shares	Amount
		(amounts in thousands)		
Net income - available to common stockholders		$ 110,873		$ 32,528
Adjustments to reconcile net income to FFO-basic:				
Minority interest		38,335		12,902
Loss on early extinguishment of debt		1,478		2,435
Gain on sale of wholly-owned assets		(95,981)		(9)
Loss on sale or write-down of assets from unconsolidated entities (pro rata)		193		143
Depreciation and amortization on wholly owned centers		61,383		53,141
Depreciation and amortization on joint ventures and from the management companies (pro rata)		19,715		10,879
Less: depreciation on personal property and amortization of loan costs and interest rate caps		(4,271)		(3,716)
FFO - basic (1)	46,130	$ 131,725	43,016	$ 108,303
Additional adjustment to arrive at FFO-diluted				
Impact of convertible preferred stock	9,115	18,138	6,058	11,547
Impact of stock options and restricted stock using the treasury method	462	1,823	612	668
Impact of convertible debentures	5,186	12,616	(n/a anti-dilutive)	
FFO - diluted (2)	60,893	$ 164,302	49,686	$ 120,518

FUNDS FROM OPERATIONS, CONTINUED:

(1) Calculated based upon basic net income as adjusted to reach basic FFO. Weighted average number of shares includes the weighted average shares of common stock outstanding for 1999 assuming the conversion of all outstanding OP Units.

(2) The computation of FFO - diluted and diluted average number of shares outstanding includes the effect of outstanding common stock options and restricted stock using the treasury method. Convertible debentures for the twelve month period ending December 31, 1998 were anti-dilutive and were not included in the FFO calculation. The debentures are dilutive at December 31, 1999 and are included in the FFO calculation. On February 25, 1998, the Company sold $100 million of its Series A Preferred Stock. On June 17, 1998, the Company sold $150 million of its Series B Preferred Stock. The preferred stock can be converted on a one-for-one basis for common stock. The preferred shares are assumed converted for purposes of 1999 net income as they are dilutive to that calculation. The preferred shares are anti-dilutive to net income for 1998. The preferred shares are assumed converted for purposes of FFO-diluted per share as they are dilutive to that calculation.

Included in minimum rents were rents attributable to the accounting practice of straight lining of rents. The amount of straight lining of rents that impacted minimum rents was $2,628,000 for 1999, $3,814,000 for 1998 and $3,599,000 for 1997.

INFLATION

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

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. As a result of the above, plus the accounting change discussed below for percentage rent, earnings are generally higher in the fourth quarter of each year.

NEW PRONOUNCEMENTS ISSUED

In May 1998, the Financial Accounting Standards Board ("FASB"), through the Emerging Issues Task Force ("EITF"), modified the timing of recognition of revenue for percentage rent received from tenants in EITF 98-9, "Accounting for Contingent Rent in Interim Financial Periods" ("EITF 98-9"). The Company applied this accounting change as of April 1, 1998. The accounting change had the effect of deferring $3,241,000, including the pro rata share of joint ventures, of percentage rent from the second and third quarters of 1998 to the quarter ended December 31, 1998. During the fourth quarter of 1998, the FASB reversed EITF 98-9. Accordingly, the Company resumed accounting for percentage rent on the accrual basis for 1999. In December 1999, the Securities and Exchange Committee issued Staff Accounting Bulletin 101, "Revenue Recognition in Financial Statements," ("SAB 101") which will be effective for periods beginning after December 15, 1999. This bulletin again modified the timing of revenue recognition for percentage rent received from tenants and adopted the method mandated by EITF 98-9. The Company expects this change to defer recognition of a significant amount of percentage rent for the first three calendar quarters into the fourth quarter. The Company applied this accounting change as of January 1, 2000. Estimates of the effects of this change have not yet been determined.

In June 1998, the FASB issued Statement of Financial Accounting Standard ("SFAS") 133, "Accounting for Derivative Instruments and Hedging Activities," ("SFAS 133") which requires companies to record derivatives on the balance sheet, measured at fair value. Changes in the fair values of those derivatives will be accounted for depending on the use of the derivative and whether it qualifies for hedge accounting. The key criterion for hedge accounting is that the hedging relationship must be highly effective in achieving offsetting changes in fair value or cash flows. In June 1999, the FASB issued SFAS 137, "Accounting for Derivative Instruments and Hedging Activities," which delays the implementation of SFAS 133 from January 1, 2000 to January 1, 2001. The Company has not yet determined when it will implement SFAS 133 nor has it completed the analysis required to determine the impact on its financial statements.

ITEM 7A. 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 conservative ratio of fixed rate, long-term debt to total debt such that variable rate exposure is kept at an acceptable level, (2) reducing interest rate exposure on certain long-term variable rate debt through the use of interest rate caps 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 December 31, 1999 concerning the Company's long term debt obligations, including principal cash flows by scheduled maturity, weighted average interest rates and estimated fair value ("FV"):

	For the Years Ended December 31, (dollars in thousands)							
	2000	2001	2002	2003	2004	Thereafter	Total	FV
Long term debt:								
Fixed rate	$ 39,264	$ 108,479	$ 11,717	$ 101,229	$ 127,705	$ 801,263	$1,189,657	$1,130,015
Average interest rate	7.40%	7.37%	7.37%	7.33%	7.34%	7.34%	7.38%	--
Fixed rate - Debentures	--	--	161,400	--	--	--	161,400	157,175
Average interest rate	--	--	7.25%	--	--	--	7.25%	--
Variable rate	--	210,069	--	--	--	--	210,069	210,069
Average interest rate	--	7.37%	--	--	--	--	7.37%	--
Total debt - Wholly owned Centers	$ 39,264	$ 318,548	$ 173,117	$ 101,229	$ 127,705	$ 801,263	$1,561,126	$1,497,259
Joint Venture Centers: (at Company's pro rata share)								
Fixed rate	$ 26,515	$ 6,498	$ 6,939	$ 7,413	$ 7,913	$ 452,146	$ 507,424	$ 461,553
Average interest rate	6.65%	6.65%	6.65%	6.65%	6.65%	6.55%	6.64%	--
Variable rate	--	38,250	--	92,500	--	--	130,750	130,750
Average interest rate	--	8.23%	--	6.15%	--	--	6.76%	--
Total debt - Joint Ventures	$ 26,515	$ 44,748	$ 6,939	$ 99,913	$ 7,913	$ 452,146	$ 638,174	$ 592,303
Total debt - All Centers	$ 65,779	$ 363,296	$ 180,056	$ 201,142	$ 135,618	$1,253,409	$2,199,300	$2,089,562

$57.4 million of variable debt maturing in 2001 represents the outstanding borrowings under the Company's credit facility. The credit facility matures in February 2001.

In addition, the Company has assessed the market risk for its variable rate debt and believes that a 1% increase in interest rates would decrease future earnings and cash flows by approximately $3.4 million per year based on $340.8 million outstanding at December 31, 1999.

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

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Refer to the Index to Financial Statements and Financial Statement Schedules for the required information.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY.

There is hereby incorporated by reference the information which appears under the captions "Election of Directors," "Executive Officers" and "Section 16 Reporting" in the Company's definitive proxy statement for its 2000 Annual Meeting of Stockholders.

ITEM 11. EXECUTIVE COMPENSATION.

There is hereby incorporated by reference the information which appears under the caption "Executive Compensation" in the Company's definitive proxy statement for its 2000 Annual Meeting of Stockholders; provided, however, that neither the Report of the Compensation Committee on executive compensation nor the Stock Performance Graph set forth therein shall be incorporated by reference herein, in any of the Company's prior or future filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent the Company specifically incorporates such report or stock performance graph by reference therein and shall not be otherwise deemed filed under either of such Acts.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

There is hereby incorporated by reference the information which appears under the captions "Principal Stockholders," "Information Regarding Nominees and Directors" and "Executive Officers" in the Company's definitive proxy statement for its 2000 Annual Meeting of Stockholders.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

There is hereby incorporated by reference the information which appears under the captions "Certain Transactions" in the Company's definitive proxy statement for its 2000 Annual Meeting of Stockholders.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENTS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

ITEM 14. EXHIBITS, FINANCIAL STATEMENTS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K, CONTINUED:

			PAGE
	4.	Financial Statement Schedules	
		Schedule III - Real estate and accumulated depreciation of the Company......................	84-85
		Schedule III - Real estate and accumulated depreciation of Pacific Premier Retail Trust.....	86
		Schedule III - Real estate and accumulated depreciation of SDG Macerich Properties, L.P.....	87
(b)	1.	Reports on Form 8-K	
		A report on Form 8-K dated March 4, 1999, event date February 18, 1999, was filed with the Securities and Exchange Commission for the purpose of disclosing the acquisition of three regional malls, the retail component of one mixed-use development and five contiguous properties by Pacific Premier Retail Trust...	
		A report on Form 8-K/A, Amendment No. 1, dated April 21, 1999, event date February 18, 1999, was filed with the Securities and Exchange Commission for the purpose of disclosing certain financial statements and pro forma financial information regarding the acquisition of three regional Malls, the retail component of one mixed-use development and five contiguous properties by Pacific Premier Retail Trust...	
		A report on Form 8-K dated June 14, 1999, event date June 2, 1999, was filed with the Securities and Exchange Commission for the purpose of disclosing the acquisition of Los Cerritos Center..	
		A report on Form 8-K/A, Amendment No. 2, dated July 30, 1999, event date July 12, 1999, was filed with the Securities and Exchange Commission for the purpose of disclosing the acquisition of the office component of Redmond Town Center, a mixed-use development, by Pacific Premier Retail Trust...	
		A report of Form 8-K dated November 10, 1999, event date October 26, 1999, was filed with the Securities and Exchange Commission ("SEC") for the purpose of disclosing (i) the acquisition of Santa Monica Place by an indirect subsidiary of the Company and (ii) the contribution of membership interests in Macerich Stonewood, LLC, Macerich Cerritos, LLC and Lakewood Mall, LLC to Pacific Premier Retail Trust..	
		A report on Form 8-K dated November 30, 1999, event date November 16, 1999, was filed with the SEC for the purpose of disclosing the sale of Huntington Center located in Huntington Beach, California...	
(c)	1.	Exhibits	
		The Exhibit Index attached hereto is incorporated by reference under this item...	

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Stockholders of The Macerich Company:

We have audited the consolidated financial statements and financial statement schedule of The Macerich Company ("the Company") as listed in Items 14(a)(1) and (4) of this Form 10-K. These financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these statements and financial statement schedule based on our audits. We did not audit the financial statements of SDG Macerich Properties, L.P. (the "Partnership") the investment in which is reflected in the accompanying consolidated financial statements using the equity method of accounting. The investment in the Partnership represents approximately 10% of 1999 and 1998 consolidated total assets of the Company, and the equity in its net income represents approximately 6% and 33% of the Company's 1999 and 1998 consolidated net income, respectively. Those statements were audited by other auditors whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for the Partnership, is based solely on the report of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the report of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Macerich Company as of December 31, 1999 and 1998, and the consolidated results of its operations and its cash flows for the years ended December 31, 1999, 1998 and 1997, in conformity with accounting principles generally accepted in the United States. In addition, in our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information required to be included therein.

PricewaterhouseCoopers LLP

Los Angeles, California
February 14, 2000

THE MACERICH COMPANY
CONSOLIDATED BALANCE SHEETS
(DOLLARS IN THOUSANDS, EXCEPT SHARE DATA)

	December 31, 1999	December 31, 1998
ASSETS:		
Property, net	$1,931,415	$1,966,845
Cash and cash equivalents	40,455	25,143
Tenant receivables, including accrued overage rents of $7,367 in 1999 and $5,917 in 1998	34,423	37,373
Deferred charges and other assets, net	55,065	62,673
Investments in joint ventures and the Management Companies	342,935	230,022
Total assets	$2,404,293	$2,322,056
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Mortgage notes payable:		
Related parties	$133,876	$134,625
Others	1,105,180	1,074,093
Total	1,239,056	1,208,718
Bank notes payable	160,671	137,000
Convertible debentures	161,400	161,400
Accounts payable and accrued expenses	27,815	27,701
Due to affiliates	6,969	2,953
Other accrued liabilities	25,849	36,927
Preferred stock dividend payable	4,648	4,420
Total liabilities	1,626,408	1,579,119
Minority interest in Operating Partnership	157,599	165,524
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Series A cumulative convertible redeemable preferred stock, $.01 par value, 3,627,131 shares authorized, issued and outstanding at December 31, 1999 and 1998	36	36
Series B cumulative convertible redeemable preferred stock, $.01 par value, 5,487,471 shares authorized, issued and outstanding at December 31, 1999 and 1998	55	55
Common stock, $.01 par value, 100,000,000 shares authorized, 34,072,625 and 33,901,963 shares issued and outstanding at December 31, 1999 and 1998, respectively	338	338
Additional paid in capital	582,837	581,508
Accumulated earnings	43,514	-
Unamortized restricted stock	(6,494)	(4,524)
Total stockholders' equity	620,286	577,413
Total liabilities and stockholders' equity	$2,404,293	$2,322,056

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

THE MACERICH COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS
(DOLLARS IN THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)

	For the years ended December 31, 1999	1998	1997
REVENUES:			
Minimum rents	$204,568	$179,710	$142,251
Percentage rents	15,106	12,856	9,259
Tenant recoveries	99,126	86,740	66,499
Other	8,644	4,555	3,205
Total revenues	327,444	283,861	221,214
EXPENSES:			
Shopping center expenses	100,327	89,991	70,901
General and administrative expense	5,488	4,373	2,759
	105,815	94,364	73,660
Interest expense:			
Related parties	10,170	10,224	10,287
Others	103,178	81,209	56,120
Total interest expense	113,348	91,433	66,407
Depreciation and amortization	61,383	53,141	41,535
Equity in income (loss) of unconsolidated joint ventures and the management companies	25,945	14,480	(8,063)
Gain on sale of assets	95,981	9	1,619
Income before minority interest and extraordinary item	168,824	59,412	33,168
Extraordinary loss on early extinguishment of debt	(1,478)	(2,435)	(555)
Income of the Operating Partnership	167,346	56,977	32,613
Less minority interest in net income of the Operating Partnership	38,335	12,902	10,567
Net income	129,011	44,075	22,046
Less preferred dividends	18,138	11,547	-
Net income available to common stockholders	$110,873	$32,528	$22,046
Earnings per common share - basic:			
Income before extraordinary item	$3.30	$1.14	$0.86
Extraordinary item	(0.04)	(0.08)	(0.01)
Net income - available to common stockholders	$3.26	$1.06	$0.85
Weighted average number of common shares outstanding - basic	34,007,000	30,805,000	25,891,000
Weighted average number of common shares outstanding - basic, assuming full conversion of operating units outstanding	46,130,000	43,016,000	37,982,000
Earnings per common share - diluted:			
Income before extraordinary item	$3.01	$1.11	$0.86
Extraordinary item	(0.02)	(0.05)	(0.01)
Net income - available to common stockholders	$2.99	$1.06	$0.85
Weighted average number of common shares outstanding - diluted for EPS	60,893,000	43,628,000	38,403,000

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

THE MACERICH COMPANY
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(DOLLARS IN THOUSANDS, EXCEPT SHARE DATA)

	Common Stock (# Shares)	Preferred Stock (# of Shares)	Common Stock Par Value	Preferred Stock Par Value
Balance December 31, 1996	25,743,000	-	$257	-
Issuance costs				
Issuance of restricted stock	89,958			
Unvested restricted stock	(89,958)			
Restricted stock vested in 1997	8,248			
Exercise of stock options	253,552		3	
Distributions paid ($1.78 per share)				
Net income				
Adjustment to reflect minority interest on a pro rata basis according to year end ownership percentage of Operating Partnership				
Balance December 31, 1997	26,004,800	-	260	-
Common stock issued to public	7,828,124		78	
Preferred stock issued		9,114,602		$91
Issuance costs				
Issuance of restricted stock	83,018			
Unvested restricted stock	(83,018)			
Restricted stock vested in 1998	26,039			
Exercise of stock options	43,000			
Distributions paid ($1.865) per share				
Net income				
Adjustment to reflect minority interest on a pro rata basis according to year end ownership percentage of Operating Partnership				
Balance December 31, 1998	33,901,963	9,114,602	338	91
Issuance costs				
Issuance of restricted stock	176,600			
Unvested restricted stock	(176,600)			
Restricted stock vested in 1999	51,675			
Exercise of stock options	88,250			
Distributions paid ($1.965) per share				
Net income				
Conversion of OP units to common stock	30,737			
Adjustment to reflect minority interest on a pro rata basis according to year end ownership percentage of Operating Partnership				
Balance December 31, 1999	34,072,625	9,114,602	$338	$91

	Additional Paid In Capital	Accumulated Earnings	Unamortized Restricted Stock	Total Stockholders' Equity
Balance December 31, 1996	$238,346	-	($854)	$237,749
Issuance costs	(352)			(352)
Issuance of restricted stock	2,471			2,471
Unvested restricted stock			(2,471)	(2,471)
Restricted stock vested in 1997			239	239
Exercise of stock options	2,410			2,413
Distributions paid ($1.78 per share)	(24,061)	($22,046)		(46,107)
Net income		22,046		22,046
Adjustment to reflect minority interest on a pro rata basis according to year end ownership percentage of Operating Partnership	307			307
Balance December 31, 1997	219,121	-	(3,086)	216,295
Common stock issued to public	214,562			214,640
Preferred stock issued	249,909			250,000
Issuance costs	(13,813)			(13,813)
Issuance of restricted stock	2,383			2,383
Unvested restricted stock			(2,383)	(2,383)
Restricted stock vested in 1998			945	945
Exercise of stock options	839			839
Distributions paid ($1.865) per share	(24,464)	(32,528)		(56,992)
Net income		32,528		32,528

Adjustment to reflect minority interest on a pro rata basis according to year end ownership percentage of Operating Partnership	(67,029)			(67,029)
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Balance December 31, 1998	581,508	-	(4,524)	577,413
Issuance costs	(198)			(198)
Issuance of restricted stock	4,007			4,007
Unvested restricted stock			(4,007)	(4,007)
Restricted stock vested in 1999			2,037	2,037
Exercise of stock options	1,705			1,705
Distributions paid ($1.965) per share		(67,359)		(67,359)
Net income		110,873		110,873
Conversion of OP units to common stock	441			441
Adjustment to reflect minority interest on a pro rata basis according to year end ownership percentage of Operating Partnership	(4,626)			(4,626)
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Balance December 31, 1999	$582,837	$43,514	($6,494)	$620,286
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The accompanying notes are an integral part of these financial statements.

THE MACERICH COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(DOLLARS IN THOUSANDS)

	FOR THE YEARS ENDED DECEMBER 31,		
	1999	1998	1997
Cash flows from operating activities:			
Net income - available to common stockholders	$110,873	$32,528	$22,046
Preferred dividends	18,138	11,547	-
Net income	129,011	44,075	22,046
Adjustments to reconcile net income to net cash provided by operating activities:			
Extraordinary loss on early extinguishment of debt	1,478	2,435	555
Gain on sale of assets	(95,981)	(9)	(1,619)
Depreciation and amortization	61,383	53,141	41,535
Amortization of net discount (premium) on trust deed note payable	191	(635)	33
Minority interest in the net income of the Operating Partnership	38,335	12,902	10,567
Changes in assets and liabilities:			
Tenant receivables, net	(3,174)	(13,677)	(504)
Other assets	9,817	(19,772)	(10,899)
Accounts payable and accrued expenses	2,407	10,366	1,938
Due to affiliates	4,059	(12,156)	14,679
Other liabilities	(8,178)	4,086	145
Accrued preferred stock dividend	228	4,420	-
Total adjustments	10,565	41,101	56,430
Net cash provided by operating activities	139,576	85,176	78,476
Cash flows from investing activities:			
Acquisitions of property and improvements	(142,564)	(481,735)	(199,729)
Renovations and expansions of centers	(74,560)	(40,545)	(12,929)
Tenant allowances	(7,213)	(5,383)	(2,599)
Deferred charges	(17,352)	(14,536)	(12,542)
Equity in (income) loss of unconsolidated joint ventures and the management companies	(25,945)	(14,480)	8,063
Distributions from joint ventures	29,989	32,623	8,181
Contributions to joint ventures	(116,944)	(240,196)	(7,783)
Loans to affiliates	-	3,105	-
Proceeds from sale of assets	106,904	-	4,332
Net cash used in investing activities	(247,685)	(761,147)	(215,006)
Cash flows from financing activities:			
Proceeds from mortgages, notes and debentures payable	584,270	480,348	331,400
Payments on mortgages and notes payable	(328,452)	(165,671)	(119,515)
Net proceeds from equity offerings	-	450,828	-
Dividends and distributions	(114,259)	(77,998)	(65,844)
Dividends to preferred shareholders	(18,138)	(11,547)	-
Net cash provided by financing activities	123,421	675,960	146,041
Net increase (decrease) in cash	15,312	(11)	9,511
Cash and cash equivalents, beginning of period	25,143	25,154	15,643
Cash and cash equivalents, end of period	$40,455	$25,143	$25,154
Supplemental cash flow information:			
Cash payment for interest, net of amounts capitalized	$112,399	$89,543	$65,475
Non-cash transactions:			
Acquisition of property by assumption of debt	-	$70,116	$121,800
Acquisition of property by issuance of OP Units	-	$7,917	-
Contributions of liabilities in excess of assets to joint venture	$8,820	-	-

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

1. ORGANIZATION AND BASIS OF PRESENTATION:

The Macerich Company (the "Company") commenced operations effective with the completion of its initial public offering (the "IPO") on March 16, 1994. The Company is the sole general partner of and holds an 80% ownership interest in The Macerich Partnership, L. P. (the "Operating Partnership"). The interests in the Operating Partnership are known as OP Units. OP Units not held by the Company are redeemable, subject to certain restrictions, on a one-for-one basis, for the Company's common stock or cash at the Company's option.

The Company was organized to qualify as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended. The 20% limited partnership interest of the Operating Partnership not owned by the Company is reflected in these financial statements as minority interest.

The property management, leasing and redevelopment of the Company's portfolio is provided by the Macerich Management Company, Macerich Property Management Company and Macerich Manhattan Management Company, all California corporations (together referred to hereafter as the "Management Companies"). The non-voting preferred stock of the Macerich Management Company and Macerich Property Management Company is owned by the Operating Partnership, which provides the Operating Partnership the right to receive 95% of the distributable cash flow from the Management Companies. Macerich Manhattan Management Company is a 100% subsidiary of Macerich Management Company.

BASIS OF PRESENTATION:

The consolidated financial statements of the Company include the accounts of the Company and the Operating Partnership. The properties in which the Operating Partnership does not have a controlling interest in, and the Management Companies, have been accounted for under the equity method of accounting. These entities are reflected on the Company's consolidated financial statements as "Investments in joint ventures and the Management Companies."

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

CASH AND CASH EQUIVALENTS:

The Company considers all highly liquid investments with an original maturity of 90 days or less when purchased to be cash equivalents, for which cost approximates market. Included in cash is restricted cash of $1,418 at December 31, 1999 and $5,954 at December 31, 1998.

TENANT RECEIVABLES:

Included in tenant receivables are allowances for doubtful accounts of $1,752 and $1,707 at December 31, 1999 and 1998, respectively.

REVENUES:

Minimum rental revenues are recognized on a straight-line basis over the terms of the related lease. The difference between the amount of rent due in a year and the amount recorded as rental income is referred to as the "straight lining of rent adjustment." Rental income was increased by $2,628 in 1999, $3,814 in 1998 and $3,599 in 1997 due to the straight lining of rent adjustment. Percentage rents are recognized on an accrual basis. Recoveries from tenants for real estate taxes, insurance and other shopping center operating expenses are recognized as revenues in the period the applicable costs are incurred.

The Management Companies provide property management, leasing, corporate, redevelopment and acquisition services to affiliated and non-affiliated shopping centers. In consideration for these services, the Management Companies receive monthly management fees generally ranging from 1.5% to 5% of the gross monthly rental revenue of the properties managed.

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

PROPERTY:

Costs related to the redevelopment, construction and improvement of properties are capitalized. Interest costs are capitalized until construction is substantially complete.

Expenditures for maintenance and repairs are charged to operations as incurred. Realized 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	initial term of related lease
Equipment and furnishings	5- 7 years

The Company assesses whether there has been an impairment in the value of its long-lived assets by considering factors such as expected future operating income, trends and prospects, as well as the effects of demand, competition and other economic factors. Such factors include the tenants' ability to perform their duties and pay rent under the terms of the leases. The Company may recognize an impairment loss if the income stream is not sufficient to cover its investment. Such a loss would be determined between the carrying value and the fair value of a center. Management believes no such impairment has occurred in its net property carrying values at December 31, 1999 and 1998.

DEFERRED CHARGES:

Costs relating to financing of shopping center properties and obtaining tenant leases are deferred and amortized over the initial term of the agreement. The straight-line method is used to amortize all costs except financing, for which the effective interest method is used. The range of the terms of the agreements are as follows:

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

In March 1998, the Financial Accounting Standards Board ("FASB"), through its Emerging Issues Task Force ("EITF"), concluded based on EITF 97-11, "Accounting for Internal Costs Relating to Real Estate Property Acquisitions," that all internal costs to source, analyze and close acquisitions should be expensed as incurred. The Company has historically capitalized these costs, in accordance with generally accepted accounting principles ("GAAP"). The Company has adopted the FASB's interpretation effective March 19, 1998.

DEFERRED ACQUISITION LIABILITY:

As part of the Company's total consideration to the seller of Capitola Mall, the Company will issue $5,000 of OP Units five years after the acquisition date, which was December 21, 1995. The number of OP Units will be determined based on the Company's common stock price at that time.

INCOME TAXES:

The Company has elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended. A REIT is generally not subject to income taxation on that portion of its income that qualifies as REIT taxable income as long as it distributes at least 95 percent of its taxable income to its stockholders and complies with other requirements. Accordingly, no provision has been made for income taxes in the consolidated financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

INCOME TAXES - CONTINUED:

On a tax basis, the distributions of $1.965 paid during 1999 represented $1.30 of ordinary income and $0.665 of capital gain. The distributions of $1.865 per share during 1998 represented $1.12 of ordinary income and $0.745 of return of capital. During 1997, the distributions were $1.78 per share of which $0.96 was ordinary income and $0.82 was return of capital.

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

RECLASSIFICATIONS:

Certain reclassifications have been made to the 1997 and 1998 consolidated financial statements to conform to the 1999 financial statement presentation.

ACCOUNTING PRONOUNCEMENTS:

In May 1998, the FASB, through the EITF, modified the timing of recognition of revenue for percentage rent received from tenants in EITF 98-9, "Accounting for Contingent Rent in Interim Financial Periods" ("EITF 98-9"). The Company applied this accounting change as of April 1, 1998. The accounting change had the effect of deferring $3,241,000, including the prorata share of joint ventures, of percentage rent from the second and third quarters of 1998 to the quarter ended December 31, 1998. During the fourth quarter of 1998, the FASB reversed EITF 98-9. Accordingly, the Company resumed accounting for percentage rent on the accrual basis for 1999. In December 1999, the Securities and Exchange Committee issued Staff Accounting Bulletin 101, "Revenue Recognition in Financial Statements," ("SAB 101") which will be effective for periods beginning after December 15, 1999. This bulletin again modified the timing of revenue recognition for percentage rent received from tenants and adopted the method mandated by EITF 98-9. The Company expects this change to defer recognition of a significant amount of percentage rent for the first three calendar quarters into the fourth quarter. The Company applied this accounting change as of January 1, 2000. Estimates of the effects of this change have not yet been determined.

In June 1998, the FASB issued Statement of Financial Accounting Standard ("SFAS") 133, "Accounting for Derivative Instruments and Hedging Activities," ("SFAS 133") which requires companies to record derivatives on the balance sheet, measured at fair value. Changes in the fair values of those derivatives will be accounted for depending on the use of the derivative and whether it qualifies for hedge accounting. The key criterion for hedge accounting is that the hedging relationship must be highly effective in achieving offsetting changes in fair value or cash flows. In June 1999, the FASB issued SFAS 137, "Accounting for Derivative Instruments and Hedging Activities," which delays the implementation of SFAS 133 from January 1, 2000 to January 1, 2001. The Company has not yet determined when it will implement SFAS 133 nor has it completed the analysis required to determine the impact on its consolidated financial statements.

FAIR VALUE OF FINANCIAL INSTRUMENTS:

To meet the reporting requirement of SFAS No. 107, "Disclosures about Fair Value of Financial Instruments," the Company calculates the fair value of financial instruments and includes this additional information in the notes to consolidated financial statements when the fair value is different than the carrying value of those financial instruments. When the fair value reasonably approximates the carrying value, no additional disclosure is made. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Company could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

FAIR VALUE OF FINANCIAL INSTRUMENTS, CONTINUED:

Interest rate cap agreements are purchased by the Company from third parties to hedge the risk of interest rate increases on some of the Company's variable rate debt. The cost of these cap agreements is amortized over the life of the cap agreement on a straight line basis. Payments received as a result of the cap agreements are recorded as a reduction of interest expense. The unamortized costs of the cap agreements are included in deferred charges. The fair value of these caps will vary with fluctuations in interest rates. The Company is exposed to credit loss in the event of nonperformance by these counter parties to the financial instruments; however, management does not anticipate nonperformance by the counter parties.

The Company periodically enters into treasury lock agreements in order to hedge its exposure to interest rate fluctuations on anticipated financings. Under these agreements, the Company pays or receives an amount equal to the difference between the treasury lock rate and the market rate on the date of settlement, based on the notional amount of the hedge. The realized gain or loss on the contracts is recorded on the balance sheet, in other assets, and amortized as interest expense over the period of the hedged loans.

EARNINGS PER SHARE ("EPS"):

During 1998, the Company implemented SFAS No. 128, "Earnings per share." The computation of basic earnings per share is based on net income and the weighted average number of common shares outstanding for the years ended December 31, 1999, 1998 and 1997. The computation of diluted earnings per share includes the effect of outstanding restricted stock and common stock options calculated using the Treasury stock method. The OP Units not held by the Company have been included in the diluted EPS calculation since they are redeemable on a one-for-one basis. The following table reconciles the basic and diluted earnings per share calculation:

For the years ended (in thousands, except per share data)

	1999			1998			1997		
	Net Income	Shares	Per Share	Net Income	Shares	Per Share	Net Income	Shares	Per Share
Net income	$129,011	34,007		$44,075	30,805		$22,046	25,891	
Less: Preferred stock dividends	18,138			11,547			-		
Basic EPS									
Net income - available to common stockholders	$110,873	34,007	$3.26	$32,528	30,805	$1.06	$22,046	25,891	$0.85
DILUTED EPS:									
Conversion of OP units	38,335	12,123		12,902	12,211		10,567	12,091	
Employee stock options and restricted stock	1,824	462		668	612		239	421	
Convertible preferred stock	18,138	9,115		n/a - antidilutive			N/A		
Convertible debentures	12,616	5,186		n/a - antidilutive			N/A		
Net income - available to common stockholders	$181,786	60,893	$2.99	$46,098	43,628	$1.06	$32,852	38,403	$0.85

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

CONCENTRATION OF RISK:

The Company maintains its cash accounts in a number of commercial banks. Accounts at these banks are guaranteed by the Federal Deposit Insurance Corporation ("FDIC") up to $100. At various times during the year, the Company had deposits in excess of the FDIC insurance limit.

Lakewood Mall generated 10.5% of total shopping center revenues in 1997. No Center generated more than 10% of shopping center revenues during 1999 and 1998.

The Centers derived approximately 90.2%, 89.9% and 89.5% of their total rents for the years ended December 31, 1999, 1998, and 1997, respectively, from Mall and Freestanding Stores. The Limited represented 5.2% and 6.1% of total minimum rents in place as of December 31, 1999 and 1998, respectively, and no other retailer represented more than 3.2% and 4.5% of total minimum rents as of December 31, 1999 and 1998, respectively.

MANAGEMENT ESTIMATES:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

YEAR 2000 COMPLIANCE:

Approximately two years ago, the Company initiated a Year 2000 compliance program which consisted of the following phases: (1) identification of Year 2000 issues; (2) assessment of Year 2000 compliance of systems; (3) remediation or replacement of non-compliant systems; (4) testing of critical systems to verify compliance; and (5) contingency planning, as appropriate. This program included a review of both information technology ("IT") and non-IT systems of the Company's offices and the Centers in which the Company has an ownership interest and manages. In addition, material tenants, anchors and vendors of the Centers were surveyed for Year 2000 compliance and contingency plans were prepared for each Center.

Two of the key dates of the Company's Year 2000 program were January 1, 2000 and February 29, 2000. The Company encountered no Year 2000 compliance issues, with any operating system, material tenant, anchor and/or vendor on either date. As of December 31, 1999, the Company did not expend significant amounts for the Year 2000 program.

3. INVESTMENTS IN JOINT VENTURES AND THE MANAGEMENT COMPANIES:

The following are the Company's investments in various real estate joint ventures which own regional retail and community shopping centers. The Operating Partnership's interest in each joint venture as of December 31, 1999 is as follows:

Joint Venture	The Operating Partnership's Ownership %
Macerich Northwestern Associates	50%
Manhattan Village, LLC	10%
Pacific Premier Retail Trust	51%
Panorama City Associates	50%
SDG Macerich Properties, L.P.	50%
West Acres Development	19%

3. INVESTMENTS IN JOINT VENTURES AND THE MANAGEMENT COMPANIES, CONTINUED:

The Operating Partnership also owns the non-voting preferred stock of the Macerich Management Company and Macerich Property Management Company and is entitled to receive 95% of the distributable cash flow of these two entities. Macerich Manhattan Management Company is a 100% subsidiary of Macerich Management Company. The Company accounts for the Management Companies and joint ventures using the equity method of accounting.

On February 27, 1998, the Company, through SDG Macerich Properties, L.P., a 50/50 joint venture with an affiliate of Simon Property Group, Inc., acquired a portfolio of twelve regional malls. The properties in the portfolio comprise 10.7 million square feet and are located in eight states. The total purchase price was $974,500, which included $485,000 of assumed debt, at market value. The Company's share of the cash component of the purchase price was funded by issuing $100,000 of Series A cumulative convertible redeemable preferred stock ("Series A Preferred Stock"), $80,000 of common stock and borrowing the balance from the Company's line of credit. Each of the joint venture partners have assumed leasing and management responsibilities for six of the regional malls.

On February 18, 1999, the Company, through a 51/49 joint venture with Ontario Teachers' Pension Plan Board ("Ontario Teachers") closed on the first phase of a two phase acquisition of a portfolio of properties. The phase one closing included the acquisition of three regional malls, the retail component of a mixed-use development, five contiguous properties and two non-contiguous community shopping centers comprising approximately 3.6 million square feet for a total purchase price of approximately $427,000. The purchase price was funded with a $120,000 loan placed concurrently with the closing, $140,400 of debt from an affiliate of the seller, and $39,400 of assumed debt. The balance of the purchase price was paid in cash. The Company's share of the cash component was funded with the proceeds from two refinancings of centers and borrowings under the Company's line of credit. On July 12, 1999, the Company closed on the second phase of the acquisition. The second phase consisted of the acquisition of the office component of the mixed-use development for a purchase price of approximately $111,000. The purchase price was funded with a $76,700 loan placed concurrently with the closing and the balance was paid in cash. The Company's share of the cash component was funded from borrowings under the Company's line of credit.

On June 2, 1999, Macerich Cerritos, LLC ("Cerritos"), a wholly-owned subsidiary of Macerich Management Company, acquired Los Cerritos Center in Cerritos, California. The total purchase price was $188,000, which was funded with $120,000 of debt placed concurrently with the closing and a $70,800 loan from the Company. The Company funded this loan from borrowings under a $60,000 bank loan agreement and the balance from the Company's line of credit.

On October 26, 1999, 49% of the membership interests of Macerich Stonewood, LLC ("Stonewood"), Cerritos and Macerich Lakewood, LLC ("Lakewood"), were sold to Ontario Teachers' and concurrently Ontario Teachers' and the Company contributed their 99% collective membership interests in Stonewood and Cerritos and 100% of their collective membership interests in Lakewood to Pacific Premier Retail Trust ("PPRT"), a real estate investment trust, owned approximately 51% by the Company and 49% by Ontario Teachers. Lakewood, Stonewood, and Cerritos own Lakewood Mall, Stonewood Mall and Los Cerritos Center, respectively. The total value of the transaction was approximately $535,000. The properties were contributed to PPRT subject to existing debt of $322,000. The net cash proceeds to the Company were approximately $104,000 which were used for reduction of debt and for general corporate purposes.

The results of these joint ventures are included for the period subsequent to their respective dates of acquisition.

On October 27, 1999, Albany Plaza, a 145,462 square foot community center, which was owned 51% by the Macerich Management Company, was sold.

On November 12, 1999, Eastland Plaza, a 65,313 square foot community center, which was 51% owned by the Macerich Management Company, was sold.

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

3. INVESTMENTS IN JOINT VENTURES AND THE MANAGEMENT COMPANIES, CONTINUED:

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

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

	December 31, 1999	December 31, 1998
Assets:		
Properties, net	$2,117,711	$1,141,984
Other assets	58,412	38,103
Total assets	$2,176,123	$1,180,087
Liabilities and partners' capital:		
Mortgage notes payable	$1,287,732	$618,384
Other liabilities	62,891	42,048
The Company's capital	342,935	230,022
Outside partners' capital	482,565	289,633
Total liabilities and partners' capital	$2,176,123	$1,180,087

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

COMBINED AND CONDENSED STATEMENTS OF OPERATIONS OF JOINT VENTURES AND THE MANAGEMENT COMPANIES

For the years ended December 31,

	1999				
	SDG Macerich Properties, L.P.	Pacific Premier Retail Trust	Other Joint Ventures	Management Companies	Total
Revenues:					
Minimum rents	$88,014	$46,170	$25,497	$5,940	$165,621
Percentage rents	7,422	3,497	2,268	191	13,378
Tenant recoveries	40,647	15,866	11,305	2,917	70,735
Management fee	-	-	-	10,033	10,033
Other	2,291	336	1,243	897	4,767
Total revenues	138,374	65,869	40,313	19,978	264,534
Expenses:					
Management Company expense	-	-	-	12,737	12,737
Shopping center expenses	50,972	18,373	13,205	2,724	85,274
Interest expense	30,565	21,642	7,579	5,291	65,077
Depreciation and amortization	21,451	10,463	3,362	2,405	37,681
Total operating expenses	102,988	50,478	24,146	23,157	200,769
Gain (loss) on sale or write down of assets	5	-	961	(392)	574
Net income (loss)	$35,391	$15,391	$17,128	($3,571)	$64,339

	1998				1997		
	SDG Macerich Properties, L.P.	Other Joint Ventures	Management Companies	Total	Joint Ventures	Management Companies	Total
Revenues:							
Minimum rents	$71,892	$25,213	-	$97,105	$20,644	-	$20,644
Percentage rents	6,138	1,208	-	7,346	2,084	-	2,084
Tenant recoveries	31,752	10,905	-	42,657	8,787	-	8,787
Management fee	-	-	6,605	6,605	-	$3,987	3,987
Other	1,723	940	486	3,149	967	176	1,143
Total revenues	111,505	38,266	7,091	156,862	32,482	4,163	36,645
Expenses:							
Management Company expense	-	-	10,122	10,122	-	4,738	4,738
Shopping center expenses	38,673	12,877	-	51,550	11,952	-	11,952
Interest expense	26,432	7,129	(398)	33,163	6,361	(204)	6,157
Depreciation and amortization	17,383	4,288	787	22,458	4,600	392	4,992
Total operating expenses	82,488	24,294	10,511	117,293	22,913	4,926	27,839
Gain (loss) on sale or write down of assets	29	140	(198)	(29)	(20,491)	184	(20,307)
Net income (loss)	$29,046	$14,112	($3,618)	$39,540	($10,922)	($579)	($11,501)

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

Included in mortgage notes payable are amounts due to affiliates of Northwestern Mutual Life ("NML") of $156,219, $74,612 and $43,500 for the years ended December 31, 1999, 1998 and 1997, respectively. NML is considered a related party because they are a joint venture partner with the Company in Macerich Northwestern Associates. Interest expense incurred on these borrowings amounted to $7,138, $3,786 and $2,974 for the years ended December 31, 1999, 1998 and 1997, respectively.

Included in the gain (loss) on sale or write-down of assets is $20,990 of loss on the sale and write-down of North Valley Plaza in 1997.

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

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

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

For the years ended December 31,

	1999				
	SDG Macerich Properties, L.P.	Pacific Premier Retail Trust	Other Joint Ventures	Management Companies	Total
Revenues:					
Minimum rents	$44,007	$23,547	$7,822	$5,643	$81,019
Percentage rents	3,711	1,783	730	181	6,405
Tenant recoveries	20,323	8,092	3,214	2,771	34,400
Management fee	-	-	-	9,531	9,531
Other	1,146	171	262	852	2,431
Total revenues	69,187	33,593	12,028	18,978	133,786
Expenses:					
Management Company expense	-	-	-	12,100	12,100
Shopping center expenses	25,486	9,370	4,077	2,579	41,512
Interest	15,283	11,037	2,973	5,028	34,321
Depreciation and amortization	10,726	5,336	1,371	2,282	19,715
Total operating costs	51,495	25,743	8,421	21,989	107,648
Gain (loss) on sale or write down of assets	3	-	176	(372)	(193)
Net income (loss)	$17,695	$7,850	$3,783	($3,383)	$25,945

For the years ended December 31,

	1998				1997		
	SDG Macerich Properties, L.P.	Other Joint Ventures	Management Companies	Total	Other Joint Ventures	Management Companies	Total
Revenues:							
Minimum rents	$35,946	7,763	-	$43,709	$7,420	-	$7,420
Percentage rents	3,069	416	-	3,485	737	-	737
Tenant recoveries	15,876	2,963	-	18,839	2,804	-	2,804
Management fee	-	-	6,275	6,275	-	$3,788	3,788
Other	862	212	461	1,535	236	167	403
Total revenues	55,753	11,354	6,736	73,843	11,197	3,955	15,152
Expenses:							
Management Company expense	-	-	9,616	9,616	-	4,328	4,328
Shopping center expenses	19,337	4,025	-	23,362	4,238	-	4,238
Interest	13,216	2,525	(378)	15,363	2,129	(192)	1,937
Depreciation and amortization	8,692	1,439	748	10,879	1,940	372	2,312
Total operating costs	41,245	7,989	9,986	59,220	8,307	4,508	12,815
Gain (loss) on sale or write down of assets	15	30	(188)	(143)	(10,400)	-	(10,400)
Net income (loss)	$14,523	$3,395	($3,438)	$14,480	($7,510)	($553)	($8,063)

(Dollars in thousands, except per share amounts)

4. PROPERTY:

Property is summarized as follows:

	December 31, 1999	December 31, 1998
Land	$399,172	$422,592
Building improvements	1,603,348	1,684,188
Tenant improvements	49,654	47,808
Equipment & furnishings	11,272	9,097
Construction in progress	111,089	49,440
	2,174,535	2,213,125
Less, accumulated depreciation	(243,120)	(246,280)
	$1,931,415	$1,966,845

Depreciation expense for the years ended December 31, 1999, 1998 and 1997 was $52,592, $46,030 and $35,833, respectively.

A gain on sale of assets of $95,981 is a result of the Company selling approximately 49% of the membership interests of Stonewood and Lakewood to Ontario Teachers' on October 26, 1999 and the Company's sale of Huntington Center on November 16, 1999.

5. DEFERRED CHARGES AND OTHER ASSETS:

Deferred charges and other assets are summarized as follows:

	December 31, 1999	December 31, 1998
Leasing	$32,934	$30,338
Financing	20,773	19,137
	53,707	49,475
Less, accumulated amortization	(22,131)	(20,108)
	31,576	29,367
Other assets	23,489	33,306
	$55,065	$62,673

(Dollars in thousands, except per share amounts)

6. MORTGAGE NOTES PAYABLE:

Mortgage notes payable at December 31, 1999 and December 31, 1998 consist of the following:

	Carrying Amount of Notes						
	1999		1998				
Property Pledged As Collateral	Other	Related Party	Other	Related Party	Interest Rate	Payment Terms	Maturity Date
Wholly-Owned Centers:							
Capitola Mall	----	$36,983	----	$37,345	9.25%	316(a)	2001
Carmel Plaza (b)	$28,869	----	$25,000	----	8.18%	202(a)	2009
Chesterfield Towne Center	64,358	----	65,064	----	9.07%	548(c)	2024
Chesterfield Towne Center	----	----	3,266	----	8.54%	31(a)	1999
Citadel	73,377	----	74,575	----	7.20%	554(a)	2008
Corte Madera, Village at (d)	71,949	----	60,000	----	7.75%	516(a)	2009
Crossroads Mall-Boulder (e)	----	34,893	----	35,280	7.08%	244(a)	2010
Fresno Fashion Fair	69,000	----	69,000	----	6.52%	interest only	2008
Greeley Mall	16,228	----	17,055	----	8.50%	187(a)	2003
Green Tree Mall/Crossroads - OK/ Salisbury (f)	117,714	----	117,714	----	7.23%	interest only	2004
Holiday Village	----	17,000	----	17,000	6.75%	interest only	2001
Lakewood Mall (g)	----	----	127,000	----	7.20%	interest only	2005
Northgate Mall	----	25,000	----	25,000	6.75%	interest only	2001
Northwest Arkansas Mall	62,080	----	63,000	----	7.33%	434(a)	2009
Parklane Mall	----	20,000	----	20,000	6.75%	interest only	2001
Queens Center (h)	100,000	----	65,100	----	6.88%	633(a)	2009
Rimrock Mall	30,445	----	31,002	----	7.70%	244(a)	2003
Santa Monica Place (i)	80,000	----	----	----	7.16%	interest only	2001
South Plains Mall (j)	64,623	----	28,795	----	8.22%	454(a)	2009
South Towne Center	64,000	----	64,000	----	6.61%	interest only	2008
Valley View Center	51,000	----	51,000	----	7.89%	interest only	2006
Villa Marina Marketplace	58,000	----	58,000	----	7.23%	interest only	2006
Vintage Faire Mall (k)	53,537	----	54,522	----	7.65%	427(a)	2003
Westside Pavilion	100,000	----	100,000	----	6.67%	interest only	2008
Total - Wholly Owned Centers	$1,105,180	$133,876	$1,074,093	$134,625			

(Dollars in thousands, except per share amounts)

6. MORTGAGE NOTES PAYABLE, CONTINUED:

Property Pledged As Collateral	Carrying Amount of Notes 1999 Other	1999 Related Party	1998 Other	1998 Related Party	Interest Rate	Payment Terms	Maturity Date
Joint Venture Centers (at pro rata share):							
Broadway Plaza (50%) (l)	----	$36,690	----	$37,306	6.68%	257(a)	2008
Pacific Premier Retail Trust (51%) (l):							
Cascade Mall	$13,837	----	----	----	6.50%	122(a)	2014
Kitsap Mall	20,452	----	----	----	6.50% (m)	178(a)	2000
Lakewood Mall (g)	64,770	----	----	----	7.20%	interest only	2005
Los Cerritos Center	60,909	----	----	----	7.13%	421(a)	2006
North Point Plaza	1,889	----	----	----	6.50%	16(a)	2015
Redmond Town Center - Retail	32,743	----	----	----	6.50%	224(a)	2011
Redmond Town Center - Office (n)	----	42,248	----	----	6.77%	298(a)	2009
Stonewood Mall (o)	38,250	----	----	----	8.23%	interest only	2001
Washington Square	60,471	----	----	----	6.70%	421(a)	2009
Washington Square Too	6,533	----	----	----	6.50%	53(a)	2016
SDG Macerich Properties L.P. (50%) (l)	159,282	----	$160,434	----	6.23% (p)	926(a)	2006
SDG Macerich Properties L.P. (50%) (l)	92,500	----	92,500	----	6.96% (p)	interest only	2003
West Acres Center (19%) (l)	7,600	----	7,202	----	6.52% (q)	interest only	2009
Total - Joint Venture Centers	$559,236	$78,938	$260,136	$37,306			
Total - All Centers	$1,664,416	$212,814	$1,334,229	$171,931			

Weighted average interest rate at December 31, 1999	7.39%
Weighted average interest rate at December 31, 1998	7.24%

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

(b) On April 30, 1999, the old loan of $25,000 was paid in full and was refinanced with a new loan of $29,000, with a fixed interest rate of 8.18%, maturing May 1, 2009.

(c) This amount represents the monthly payment of principal and interest. In addition, contingent interest, as defined in the loan agreement, may be due to the extent that 35% of the amount by which the property's gross receipts (as defined in the loan agreement) exceeds a base amount specified therein. Contingent interest expense recognized by the Company was $385 for the year ended December 31, 1999 and $387 for the year ended December 31, 1998.

(d) The old loan bore interest at LIBOR plus 2.0%. On October 8, 1999, the loan was paid in full and was refinanced with a new loan of $72,000 at a fixed rate of 7.75%, maturing November 1, 2009.

(e) This note was issued at a discount. The discount is being amortized over the life of the loan using the effective interest method. At December 31, 1999 and December 31, 1998 the unamortized discount was $364 and $397, respectively.

6. MORTGAGE NOTES PAYABLE, CONTINUED:

(f) This loan is cross collateralized by Green Tree Mall, Crossroads Mall-Oklahoma and the Centre at Salisbury.

(g) On August 15, 1995, the Company issued $127,000 of collateralized fixed rate notes (the "Notes"). The Notes bear interest at an average fixed rate of 7.20% and mature in July 2005. The Notes require the Company to deposit all cash flow from the property operations with a trustee to meet its obligations under the Notes. Cash in excess of the required amount, as defined, is released. Included in cash and cash equivalents is $750 of restricted cash deposited with the trustee at December 31, 1999 and at 1998. All of the Notes were assumed by the Pacific Premier Retail Trust joint venture on October 26, 1999.

(h) At December 31, 1998, a $65,100 loan was outstanding which bore interest at LIBOR plus 0.45%. There was an interest rate protection agreement in place on the first $10,200 of this debt with a LIBOR ceiling of 5.88% through maturity with the remaining principal having an interest rate cap with a LIBOR ceiling of 7.07% through 1997 and 7.7% thereafter. The $65,100 loan was paid in full on February 4, 1999 and refinanced with a new loan of $100,000, with interest at 6.88%, maturing in 2009. The Company incurred a loss on early extinguishment of the old debt in 1999 of $163.

(i) The loan bears interest at LIBOR plus 1.75%. In addition, the Company can increase the loan amount up to $90,000. As of January 6, 2000, an additional $5,000 was advanced for total borrowings outstanding of $85,000.

(j) The old note of $28,795 was assumed at acquisition. At the time of acquisition in June 1998, this debt was recorded at fair value and the premium was amortized as interest expense over the life of the loan using the effective interest method. The monthly debt service payment was $348 per month and was calculated based on a 12.5% interest rate. At December 31, 1998, the unamortized premium was $6,165. On February 17, 1999, the loan was paid in full and was refinanced with a new loan of $65,000, with interest at 8.22%, maturing in 2009. The Company incurred a loss on early extinguishment of the old debt in 1999 of $810.

(k) Included in cash and cash equivalents is $0 and $3,030 at December 31, 1999 and 1998 respectively, of cash restricted under the terms of this loan agreement.

(l) Reflects the Company's pro rata share of debt.

(m) In connection with the acquisition of this Center, the joint venture assumed $39,425 of debt. At acquisition, this debt was recorded at fair value of $41,475 which included an unamortized premium of $2,050. This premium is being amortized as interest expense over the life of the loan using the effective interest method. The joint venture's monthly debt service is $349 and is calculated based on an 8.60% interest rate. At December 31, 1999, the joint venture's unamortized premium was $1,365.

(n) Concurrent with the acquisition, the joint venture placed $76,700 of debt and obtained a construction loan for an additional $16,000. Principal is drawn on the construction loan as costs are incurred. As of December 31, 1999, $6,745 of principal had been drawn under the construction loan by the joint venture.

(o) The loan bears interest at LIBOR plus 1.75%. At December 31, 1999 the total interest rate was 8.23%.

(Dollars in thousands, except per share amounts)

6. MORTGAGE NOTES PAYABLE, CONTINUED:

(p) In connection with the acquisition of these Centers, the joint venture assumed $485,000 of mortgage notes payable which are secured by the properties. At acquisition, this debt reflected a fair value of $322,700, which included an unamortized premium of $22,700. This premium is being amortized as interest expense over the life of the loan using the effective interest method. At December 31, 1999 and December 31, 1998, the unamortized balance of the debt premium was $18,565 and 20,868, respectively. This debt is due in May 2006 and requires monthly payments of $1,852. $185,000 of this debt is due in May 2003 and requires monthly interest payments at a variable weighted average rate (based on LIBOR) of 6.96% and 5.86% at December 31, 1999 and December 31, 1998, respectively. This variable rate debt is covered by an interest rate cap agreement which effectively prevents the interest rate from exceeding 11.53%.

(q) On January 4, 1999, the joint venture replaced the old debt with a new loan of $40,000. The loan is at an interest rate of 6.52% and matures January 2009. The debt is interest only until January 2001 at which time monthly payments of principal and interest will be due of $299.

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

Total interest expense capitalized during 1999, 1998 and 1997 was $6,670, $3,199 and $2,224, respectively.

The fair value of mortgage notes payable for wholly-owned Centers at December 31, 1999 and December 31, 1998 is estimated to be approximately $1,179,469 and $1,271,853, respectively, based on current interest rates for comparable loans.

The above debt matures as follows:

Years Ending December 31,	Wholly-Owned Centers	Joint Venture Centers (at pro rata share)	Total
2000	$8,664	$26,515	$35,179
2001	188,479	44,748	233,227
2002	11,717	6,939	18,656
2003	101,229	99,913	201,142
2004	127,705	7,913	135,618
2005 and beyond	801,262	452,146	1,253,408
	$1,239,056	$638,174	$1,877,230

The Company is currently in negotiations to refinance $20.5 million of the debt maturing in 2000. The remaining debt maturing in 2000 reflects the amortization of principal on existing debt.

f

7. BANK AND OTHER NOTES PAYABLE:

The Company has a credit facility of $150,000 with a maturity of February 2001, currently bearing interest at LIBOR plus 1.15%. The interest rate on such credit facility fluctuates between 0.95% and 1.15% over LIBOR. As of December 31, 1999 and December 31, 1998, $57,400 and $137,000 of borrowings were outstanding under this line of credit at interest rates of 7.65% and 6.79%, respectively.

Additionally, the Company issued $776 in letters of credit guaranteeing performance by the Company of certain obligations. The Company does not believe that these letters of credit will result in a liability to the Company.

During January 1999, the Company entered into a bank construction loan agreement to fund $89,200 of costs related to the redevelopment of Pacific View. The loan bears interest at LIBOR plus 2.25% and matures in February 2001. Principal is drawn as construction costs are incurred. As of December 31, 1999, $72,671 of principal has been drawn under the loan.

In addition, the Company had a note payable of $30,600 due in February 2000 payable to the seller of the acquired portfolio. The note bore interest at 6.5%. The entire $30,600 loan was paid off on February 18, 2000.

8. CONVERTIBLE DEBENTURES:

During 1997, the Company issued and sold $161,400 of convertible subordinated debentures (the "Debentures") due 2002. The Debentures, which were sold at par, bear interest at 7.25% annually (payable semi-annually) and are convertible at any time, on or after 60 days, from the date of issue at a conversion price of $31.125 per share. The Debentures mature on December 15, 2002 and are callable by the Company after June 15, 2002 at par plus accrued interest.

9. RELATED-PARTY TRANSACTIONS:

The Company engaged the Management Companies to manage the operations of its properties and certain unconsolidated joint ventures. During 1999, 1998 and 1997, management fees of $3,247, $2,817 and $2,219, respectively, were paid to the Management Companies by the Company. During 1999, 1998 and 1997, management fees of $4,982, $2,375, and $633, respectively, were paid to the Management Companies by the joint ventures.

Certain mortgage notes are held by one of the Company's joint venture partners. Interest expense in connection with these notes was $10,171, $10,224 and $10,287 for the years ended December 31, 1999, 1998 and 1997, respectively. Included in accounts payables and accrued expense is interest payable to these partners of $513 and $512 at December 31, 1999 and 1998, respectively.

In 1997 and 1999, certain executive officers, received loans from the Company totaling $6,500. These loans are full recourse to the executives. $6,000 of the loans were issued under the terms of the employee stock incentive plan, bear interest at 7%, are due in 2007 and 2009 and are secured by Company common stock owned by the executives. The remaining loan is non interest bearing and is forgiven ratably over a five year term. These loans receivable are included in other assets at December 31, 1999 and 1998.

Certain Company officers and affiliates have guaranteed mortgages of $21,750 at one of the Company's joint venture properties and $2,000 at Greeley Mall.

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

10. FUTURE RENTAL REVENUES:

Under existing noncancellable operating lease agreements, tenants are committed to pay the following minimum rental payments to the Company:

Years Ending December 31,	
2000	$166,586
2001	154,489
2002	143,616
2003	130,190
2004	116,321
2005 and beyond	432,357
	$1,143,559

11. COMMITMENTS AND CONTINGENCIES:

The Company has certain properties subject to noncancellable operating ground leases. The leases expire at various times through 2070, subject in some cases to options to extend the terms of the lease. Certain leases provide for contingent rent payments based on a percentage of base rental income, as defined. Ground rent expenses were $890 (including contingent rent of $0) in 1999, $1,125 (including contingent rent of $0) in 1998 and $817 (including contingent rents of $0) in 1997.

Minimum future rental payments required under the leases are as follows:

Years Ending December 31,	
2000	$446
2001	440
2002	440
2003	440
2004	444
2005 and beyond	20,225
	$22,435

Perchloroethylene ("PCE") has been detected in soil and groundwater in the vicinity of a dry cleaning establishment at North Valley Plaza, formerly owned by a joint venture of which the Company was a 50% member. The property was sold on December 18, 1997. The California Department of Toxic Substances Control ("DTSC") advised the Company in 1995 that very low levels of Dichloroethylene ("1,2 DCE"), a degradation byproduct of PCE, had been detected in a municipal water well located 1/4 mile west of the dry cleaners, and that the dry cleaning facility may have contributed to the introduction of 1,2 DCE into the water well. According to DTSC, the maximum contaminant level ("MCL") for 1,2 DCE which is permitted in drinking water is 6 parts per billion ("ppb"). The 1,2 DCE was detected in the water well at a concentration of 1.2 ppb, which is below the MCL. The Company has retained an environmental consultant and has initiated extensive testing of the site. Remediation began in October 1997. The joint venture agreed (between itself and the buyer) that it would be responsible for continuing to pursue the investigation and remediation of impacted soil and groundwater resulting from releases of PCE from the former dry cleaner. $149 and $153 have already been incurred by the joint venture for remediation and professional and legal fees for the years ending December 31, 1999 and 1998, respectively. An additional $259 remains reserved by the joint venture as of December 31, 1999. The joint venture has been sharing costs on a 50/50 basis with a former owner of the property and intends to look to additional responsible parties for recovery.

11. COMMITMENTS AND CONTINGENCIES - CONTINUED:

The Company acquired Fresno Fashion Fair in December 1996. Asbestos has been detected in structural fireproofing throughout much of the Center. Testing data conducted by professional environmental consulting firms indicates that the fireproofing is largely inaccessible to building occupants and is well adhered to the structural members. Additionally, airborne concentrations of asbestos were well within OSHA's permissible exposure limit (PEL) of .1 fcc. The accounting for this acquisition includes a reserve of $3,300 to cover future removal of this asbestos, as necessary. The Company incurred $91 and $255 in remediation costs for the years ending December 31, 1999 and 1998, respectively.

12. PROFIT SHARING PLAN:

The Management Companies and the Company have a retirement profit sharing plan that was established in 1984 covering substantially all of their eligible employees. The plan is qualified in accordance with section 401(a) of the Internal Revenue Code. Effective January 1, 1995, this plan was modified to include a 401(k) plan whereby employees can elect to defer compensation subject to Internal Revenue Service withholding rules. This plan was further amended effective February 1, 1999, to add the Macerich Company Common Stock Fund as a new investment alternative under the plan. 150,000 shares of common stock were reserved for issuance under the plan. Contributions by the Management Companies are made at the discretion of the Board of Directors and are based upon a specified percentage of employee compensation. The Management Companies and the Company contributed $615, $509 and $400 to the plan during the years ended December 31, 1999, 1998 and 1997, respectively.

13. STOCK OPTION PLAN:

The Company has established an employee stock incentive plan under which stock options or restricted stock may be awarded for the purpose of attracting and retaining executive officers, directors and key employees. The Company has issued options to employees and directors to purchase shares of the Company under the stock incentive plan. The term of these options is ten years from the grant date. These options generally vest 33 1/3% per year over three years and were issued and are exercisable at the market value of the common stock at the grant date.

In addition, the Company has established a plan for non employee directors. The non employee director options have a term of ten years from the grant date, vest six months after grant and are issued at the market value of the common stock on the grant date. The plan reserved 50,000 shares of which 42,500 shares were granted as of December 31, 1999.

390,815 shares of restricted stock also have been issued under the employees stock incentive plan to executives. These awards are granted based on certain performance criteria for the Company. The restricted stock generally vests over 5 years and the compensation expense related to these grants is determined by the market value at the vesting date and is amortized over the vesting period on a straight line basis. As of December 31, 1999 and 1998, 85,962 and 34,287 shares, respectively, of restricted stock had vested. A total of 176,600 shares at a weighted average price of $22.69 were issued in 1999, 83,018 shares at a weighted average price of $28.71 were issued in 1998 and 89,958 shares at a weighted average price of $27.46 were issued during 1997. Restricted stock is subject to restrictions determined by the Company's compensation committee. Restricted stock has the same dividend and voting rights as common stock and is considered issued when vested. Compensation expense for restricted stock was $2,037, $944 and $239 in 1999, 1998 and 1997, respectively.

Approximately 319,000 and 803,000 additional shares were reserved and were available for issuance under the stock incentive plan at December 31, 1999 and 1998, respectively. The plan allows for, among other things, granting options or restricted stock at market value.

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

13. STOCK OPTION PLAN, CONTINUED:

	Employee Plan		Director Plan		# of Options Exercisable At Year End	Weighted Average Exercise Price On Exercisable Options At Year End
	Shares	Option Price Per Share	Shares	Option Price Per Share		
Shares outstanding at December 31, 1996	1,512,334	$19.00-$21.62	27,500	$19.00-$26.12	793,697	$19.09
Granted	369,109	$26.50-$26.88	5,000	$28.50		
Exercised	(253,552)	$19.00	-	-		
Forfeited	(8,000)	-	-	-		
Shares outstanding at December 31, 1997	1,619,891	$19.00-$26.88	32,500	$19.00-$28.50	1,230,227	$20.58
Granted	412,500	$27.38	5,000	$25.625		
Exercised	(66,080)	$19.00	(7,000)	$19.00-$21.375		
Forfeited		-	-			
Shares outstanding at December 31, 1998	1,966,311	$19.00-$27.38	30,500	$19.00-$28.50	1,330,654	$19.38
Granted	520,000	$23.375	5,000	$20.6875		
Exercised	(88,250)	$19.00	-			
Forfeited	(18,500)	-	-			
Shares outstanding at December 31, 1999	2,379,561	$19.00-$27.38	35,500	$19.00-$28.50	1,536,473	$21.72

The weighted average exercise price for options granted in 1997 was $27.06, in 1998 was $27.38 and in 1999 was $23.35.

The weighted average remaining contractual life for options outstanding at December 31, 1999 was 5 years and the weighted average remaining contractual life for options exercisable at December 31, 1999 was 5 years.

The Company records options granted using Accounting Principles Board (APB) opinion Number 25, "Accounting for Stock Issued to Employees and Related Interpretations." Accordingly, no compensation expense is recognized on the date the options are granted. If the Company had recorded compensation expense using the methodology prescribed in SFAS 123, "Accounting for Stock-Based Compensation", the Company's net income would have been reduced by approximately $488 or $0.01 per share for the year ended December 31, 1999 and $228 or $0.00 per share for the year ended December 31, 1998.

13. STOCK OPTION PLAN, CONTINUED:

The weighted average fair value of options granted during 1999 and 1998 were $0.98 and $2.01, respectively. The fair value of each option grant issued in 1999 and 1998 is estimated at the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions: (a) dividend yield of 10% in 1999 and 7.8% in 1998 , (b) expected volatility of the Company's stock of 17.29% in 1999 and 17.26% in 1998, (c) a risk free interest rate based on U.S. Zero Coupon Bonds with time of maturity approximately equal to the options' expected time to exercise and (d) expected option lives of five years for options granted in 1999 and 1998.

14. DEFERRED COMPENSATION PLANS:

The Company has established deferred compensation plans under which key executives of the Company may elect to defer receiving a portion of their cash compensation otherwise payable in one calendar year until a later year. The Company may, as determined by the Board of Directors in its sole discretion, credit a participant's account with an amount equal to a percentage of the participant's deferral. The Company contributed $296 during 1999 and $295 during 1998 to two of these plans.

In addition, certain executives have split dollar life insurance agreements with the Company whereby the Company generally pays annual premiums on a life insurance policy in an amount equal to the executives deferral under one of the Company's deferred compensation plans.

15. ACQUISITIONS AND OTHER DEVELOPMENTS:

On February 18, 1999, the Company, through a 51/49 joint venture with Ontario Teachers' closed on the first phase of a two phase acquisition of a portfolio of properties. The phase one closing included the acquisition of three regional malls, the retail component of a mixed-use development, five contiguous properties and two non-contiguous community shopping centers comprising approximately 3.6 million square feet for a total purchase price of approximately $427,000. The purchase price was funded with a $120,000 loan placed concurrently with the closing, $140,400 of debt from an affiliate of the seller, and $39,400 of assumed debt. The balance of the purchase price was paid in cash. The Company's share of the cash component was funded with the proceeds from two refinancings of centers and borrowings under the Company's line of credit. On July 12, 1999, the Company closed on the second phase of the acquisition. The second phase consisted of the acquisition of the office component of the mixed-use development for a purchase price of approximately $111,000. The purchase price was funded with a $76,700 loan placed concurrently with the closing and the balance was paid in cash. The Company's share of the cash component was funded from borrowings under the Company's line of credit.

On June 2, 1999, Cerritos, a wholly-owned subsidiary of Macerich Management Company, acquired Los Cerritos Center, a 1,304,262 square foot super regional mall in Cerritos, California. The total purchase price was $188,000, which was funded with $120,000 of debt placed concurrently with the closing and a $70,800 loan from the Company. The Company funded this loan from borrowings under a $60,000 bank loan agreement and the balance from the Company's line of credit.

On October 29, 1999, Macerich Santa Monica, LLC, a wholly-owned indirect subsidiary of the Company, acquired Santa Monica Place, a 560,623 square foot regional mall located in Santa Monica, California. The total purchase price was $130,800, which was funded with $80,000 of debt placed concurrently with the closing with the balance funded from proceeds from a joint venture transaction with Ontario Teachers'.

On November 15, 1999, the Company redeemed $25,133 of OP Units of the Operating Partnership for cash from various unit holders. A total of 1,266,687 of OP Units were redeemed for cash at the Company's option in lieu of exchanging common stock for OP Units.

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

16. PRO FORMA FINANCIAL INFORMATION (UNAUDITED):

The following unaudited pro forma financial information combines the consolidated results of operations of the Company for 1999 and 1998 as if the 1999 Acquisitions had occurred on January 1, 1998, after giving effect to certain adjustments, including depreciation, interest expense relating to debt incurred to finance the acquisitions and general and administrative expense to manage the properties. The pro forma information is based on assumptions management believes to be appropriate. The pro forma information is not necessarily indicative of what the actual results would have been had the acquisitions occurred at the beginning of the period indicated, nor does it purport to project the Company's financial position or results of operations at any future date or for any future period.

	Years ended December 31,	
	1999	1998
Revenues	$341,445	$302,377
Income before minority interest and extraordinary items	$169,378	$59,096
Income before extraordinary items	$111,853	$34,737
Net income - available to common stockholders	$110,375	$32,302
Per share income before extraordinary items - basic	$3.29	$1.13
Net income per share - available to common stockholders - basic	$3.25	$1.05
Weighted average number of common shares outstanding - basic	34,007	30,805
Per share income before extraordinary items - diluted	$3.02	$1.10
Net income per share - available to common stockholders - diluted	$2.99	$1.05
Weighted average number of common shares outstanding - diluted	60,893	43,628

17. REDEEMABLE PREFERRED STOCK:

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

On June 17, 1998, the Company issued 5,487,471 shares of Series B cumulative convertible redeemable preferred stock ("Series B Preferred Stock") for proceeds totaling $150,000 in a private placement. The preferred stock can be converted on a one for one basis into common stock and will pay a quarterly dividend equal to the greater of $0.46 per share, or the dividend then payable on a share of common stock.

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

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

18. QUARTERLY FINANCIAL DATA (UNAUDITED):

The following is a summary of periodic results of operations for 1999 and 1998:

	1999 Quarter Ended				1998 Quarter Ended			
	Dec 31	Sept 30	June 30	Mar 31	Dec 31	Sept 30	June 30	Mar 31
Revenues	$84,676	$83,244	$80,675	$78,849	$86,200	$75,079	$61,407	$61,175
Income before minority interest and extraordinary items	117,438	17,200	16,665	17,521	23,583	12,653	12,607	10,569
Income before extraordinary items	84,327	9,153	9,001	9,870	13,780	6,903	7,368	6,912
Net income - available to common stockholders	83,865	9,125	8,986	8,897	13,759	4,579	7,368	6,822
Income before extraordinary items per share	$2.48	$0.27	$0.26	$0.29	$0.42	$0.23	$0.24	$0.25
Net income - available to common stockholders per share - basic	$2.47	$0.27	$0.26	$0.26	$0.42	$0.15	$0.24	$0.25

19. SEGMENT INFORMATION:

During 1998, the Company adopted SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information." SFAS No. 131 established standards for disclosure about operating segments and related disclosures about products and services, geographic areas and major customers. The Company currently operates in one business segment, the acquisition, ownership, redevelopment, management and leasing of regional and community shopping centers. Additionally, the Company operates in one geographic area, the United States.

20. SUBSEQUENT EVENTS (UNAUDITED):

On February 14, 2000 a dividend/distribution of $0.51 per share was declared for common stockholders and OP Unit holders of record on February 18, 2000. In addition, the Company declared a dividend of $0.51 on the Company's Series A Preferred Stock and a dividend of $0.51 on the Company's Series B Preferred Stock. All dividends/distributions will be payable on March 7, 2000.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Trustees and Stockholders of Pacific Premier Retail Trust:

We have audited the consolidated financial statements and financial statement schedule of Pacific Premier Retail Trust (the "Trust") as listed in Items 14(a) (2) and (4) of this Form 10-K. These financial statements and financial statement schedule are the responsibility of the Trust's management. Our responsibility is to express an opinion on these statements and financial statement schedule based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respect, the consolidated financial position of Pacific Premier Retail Trust as of December 31, 1999, and the consolidated results of its operations and its cash flows for the period from February 18, 1999 (Inception) to December 31, 1999, in conformity with accounting principles generally accepted in the United States. In addition, in our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information required to be included therein.

PricewaterhouseCoopers LLP

Los Angeles, California
February 14, 2000

PACIFIC PREMIER RETAIL TRUST
(A MARYLAND REAL ESTATE INVESTMENT TRUST)

CONSOLIDATED BALANCE SHEET

AS OF DECEMBER 31, 1999
(DOLLARS IN THOUSANDS)

ASSETS:		
Property, net	984,743	
Cash	4,295	
Tenant receivables, net	6,793	
Deferred rent receivables	2,501	
Deferred charges, less accumulated amortization of $161	1,116	
Other assets	778	
Total assets	$1,000,226	
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Notes payable	$670,787	
Accounts payable	3,086	
Accrued interest payable	3,556	
Accrued real estate taxes	912	
Tenant security deposits	1,018	
Other accrued liabilities	9,192	
Due to related parties	1,479	
Total liabilities	690,030	
Commitments (Note 8)		
Stockholders' equity:		
Series A redeemable preferred stock, $.01 par value, 625 shares authorized, issued and outstanding at December 31, 1999		-
Common stock, $.01 par value, 219,611 shares authorized issued and outstanding at December 31, 1999	2	
Additional paid in capital	307,613	
Accumulated earnings	2,581	
Total stockholders' equity	310,196	
Total liabilities and stockholders' equity	$1,000,226	

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

PACIFIC PREMIER RETAIL TRUST
(A MARYLAND REAL ESTATE INVESTMENT TRUST)

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE PERIOD FROM FEBRUARY 18, 1999 (INCEPTION)
THROUGH DECEMBER 31, 1999
(DOLLARS IN THOUSANDS)

Revenues:	
Minimum rents	$46,170
Percentage rents	3,497
Tenant recoveries	15,866
Other income	336
Total revenues	65,869
Expenses:	
Interest	21,642
Maintenance and repairs	4,627
Real estate taxes	4,743
Management fees	2,253
General and administrative	1,132
Ground rent	905
Insurance	301
Marketing	662
Utilities	2,012
Security	1,724
Total expenses	40,001
Income before depreciation and amortization and minority interest	25,868
Depreciation and amortization	10,463
Minority interest	14
Net income	$15,391

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

PACIFIC PREMIER RETAIL TRUST
(A MARYLAND REAL ESTATE INVESTMENT TRUST)

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

FOR THE PERIOD FROM FEBRUARY 18, 1999 (INCEPTION)
THROUGH DECEMBER 31, 1999

(DOLLARS IN THOUSANDS, EXCEPT SHARE DATA)

	COMMON STOCK (# OF SHARES)	PREFERRED STOCK (# OF SHARES)	COMMON STOCK PAR VALUE	ADDITIONAL PAID IN CAPITAL	ACCUMULATED EARNINGS	TOTAL STOCKHOLDERS' EQUITY
Common stock issued to Macerich PPR Corp.	111,691		$1	$115,527		$115,528
Common stock issued to Ontario Teachers' Pension Plan Board	107,920		1	189,677		189,678
Preferred stock issued		625		2,500		2,500
Issuance costs				(91)		(91)
Common stock distributions paid to Macerich PPR Corp.					($6,524)	(6,524)
Common stock distributions paid to Ontario Teachers' Pension Plan Board					(6,268)	(6,268)
Preferred stock distributions paid					(18)	(18)
Net income					15,391	15,391
Balance December 31, 1999	219,611	625	$2	$307,613	$2,581	$310,196

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

PACIFIC PREMIER RETAIL TRUST
(A MARYLAND REAL ESTATE INVESTMENT TRUST)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM FEBRUARY 18, 1999 (INCEPTION)
THROUGH DECEMBER 31, 1999

(DOLLARS IN THOUSANDS)

Cash flows from operating activities:	
Net income	$15,391
Adjustment to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	10,463
Changes in assets and liabilities:	
Tenant receivables, net	(3,438)
Deferred rent receivables	(2,501)
Other assets	27
Accounts payable	2,870
Accrued interest payable	2,285
Accrued real estate taxes	(1,228)
Tenant security deposits	315
Other accrued liabilities	5,449
Due to related parties	4,108
Total adjustments	18,350
Net cash flows provided by operating activities	33,741
Cash flows from investing activities:	
Acquisition of property and improvements	(389,536)
Deferred charges	(704)
Net cash flows used in investing activities	(390,240)
Cash flows from financing activities:	
Proceeds from notes payable	203,444
Payments on notes payable	(4,942)
Net proceeds from preferred stock offering	409
Contributions	175,266
Distributions	(12,792)
Preferred dividends paid	(18)
Deferred finance costs	(573)
Net cash flows provided by financing activities	360,794
Net increase in cash	4,295
Cash, beginning of period	-
Cash, end of year	$4,295
Supplemental cash flow information:	
Cash payments for interest, net of amounts capitalized	$18,087
Non-cash transactions:	
Non-cash contribution of assets, net of assumed debt	$131,100
Non-cash assumption of debt	$150,625

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

PACIFIC PREMIER RETAIL TRUST
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

1. ORGANIZATION AND BASIS OF PRESENTATION:

On February 18, 1999, Macerich PPR Corp. (the "Corp"), an indirect wholly owned subsidiary of the Macerich Company (the "Company"), and Ontario Teachers' Pension Plan Board ("Ontario Teachers'") acquired a portfolio of properties in the first of a two-phase acquisition and formed the Pacific Premier Retail Trust (the "Trust").

The first phase of the acquisition consisted of three regional malls, the retail component of a mixed-use development and five contiguous properties comprising approximately 3.4 million square feet for a total purchase price of approximately $415,000. The purchase price was funded with a $120,000 loan placed concurrently with the closing, $109,800 of debt from an affiliate of the seller and $39,400 of assumed debt. The balance of the purchase price was paid in cash.

The second phase consisted of the acquisition of the office component of the mixed-use development for a purchase price of approximately $111,000. The purchase price was funded with a $76,700 loan placed concurrently with the closing and the balance was paid in cash.

On October 26, 1999, 99% of the membership interests of Los Cerritos Center and Stonewood Mall and 100% of the membership interests of Lakewood Mall were contributed to the Trust. The total value of the transaction was approximately $535,000. The properties were contributed to the Trust subject to existing debt of $322,000. The properties were recorded at approximately $453,100 to reflect the cost basis of the assets contributed to the Trust.

The Trust was organized to qualify as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended. The Corp maintains a 51% ownership interest in the Trust, while Ontario Teachers' maintains a 49% ownership interest in the Trust.

The properties as of December 31, 1999 and their locations are as follows:

Cascade Mall	Burlington, Washington
Creekside Crossing Mall	Redmond, Washington
Cross Court Plaza	Burlington, Washington
Kitsap Mall	Silverdale, Washington
Kitsap Place Mall	Silverdale, Washington
Lakewood Mall	Lakewood, California
Los Cerritos Center	Cerritos, California
Northpoint Plaza	Silverdale, Washington
Redmond Towne Center	Redmond, Washington
Redmond Office	Redmond, Washington
Stonewood Mall	Downey, California
Washington Square Mall	Tigard, Oregon
Washington Square Too	Tigard, Oregon

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

CASH AND CASH EQUIVALENTS:

The Trust considers all highly liquid investments with an original maturity of 90 days or less when purchased to be cash equivalents, for which cost approximates market. Included in cash is restricted cash of $1,299 at December 31, 1999.

TENANT RECEIVABLES:

Included in tenant receivables are accrued overage rents of $2,835 and an allowance for doubtful accounts of $171 at December 31, 1999.

REVENUES:

Minimum rental revenues are recognized on a straight-line basis over the terms of the related lease. The difference between the amount of rent due in a year and the amount recorded as rental income is referred to as the "straight lining of rent adjustment." Rental income was increased by $2,501 in 1999 due to the straight lining of rents. Percentage rents are recognized on an accrual basis. Recoveries from tenants for real estate taxes, insurance and other shopping center operating expenses are recognized as revenues in the period the applicable costs are incurred.

The Trust engages the Macerich Management Company (the "Management Company"), an affiliate of the Company, to manage the operations of the Trust. The Management Company provides property management, leasing, corporate, redevelopment and acquisitions services to the properties of the Trust. In consideration of these services, the Management Company receives monthly management fees ranging from 1.0% to 4.0% of the gross monthly rental revenue of the properties managed.

PROPERTY:

Costs related to the redevelopment, construction and improvement of properties are capitalized. Interest costs are capitalized until construction is substantially complete.

Expenditures for maintenance and repairs are charged to operations as incurred. Realized 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 lives of the assets as follows:

Building and improvements	5-39 years
Tenant improvements	initial term of related lease
Equipment and furnishings	5 years

The Trust assesses whether there has been an impairment in the value of its long-lived assets by considering factors such as expected future operating income, trends and prospects, as well as the effects of demand, competition and other economic factors. Such factors include the tenants' ability to perform their duties and pay rent under the terms of the leases. The Trust may recognize an impairment loss if the income stream is not sufficient to cover its investments. Such a loss would be determined between the carrying value and the fair value of a property. Management believes no such impairment has occurred in its net property carrying values at December 31, 1999.

DEFERRED CHARGES:

Costs relating to financing of properties and obtaining tenant leases are deferred and amortized over the initial term of the agreement. The straight-line method is used to amortize all costs except financing, for which the effective interest method is used. The range of the terms of the agreements are as follows:

Deferred lease costs	1 - 9 years
Deferred financing costs	1 - 12 years

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

INCOME TAXES:

The Trust has elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended. A REIT is generally not subject to income taxation on that portion of its income that qualifies as REIT taxable income as long as it distributes at least 95% of its taxable income to its stockholders and complies with other requirements. Accordingly, no provision has been made for income taxes in the financial statements.

FAIR VALUE OF FINANCIAL INSTRUMENTS:

To meet the reporting requirements of SFAS No. 107, "Disclosures about Fair Value of Financial Instruments," the Trust calculates the fair value of financial instruments and includes this additional information in the notes to the consolidated financial statements when the fair value is different than the carrying value of those financial instruments. When the fair value reasonably approximates the carrying value, no additional disclosure is made. The estimated fair value amounts have been determined by the Trust using available market information and appropriate valuation methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Trust could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

CONCENTRATION OF RISK:

The Trust maintains its cash accounts in a number of commercial banks. Accounts at these banks are guaranteed by the Federal Deposit Insurance Corporation ("FDIC") up to $100. At various times during the year, the Trust had deposits in excess of the FDIC insurance limit.

AT&T Wireless Services represented 9.5% of total minimum rents in place as of December 31, 1999, and no other tenant represented more than 2.7% of total minimum rents as of December 31, 1999.

MANAGEMENT ESTIMATES:

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

3. PROPERTY:

Property is summarized as follows:

	December 31, 1999
Land	$239,194
Building and improvements	735,258
Tenant improvements	89
Equipment and furnishings	148
Construction in progress	20,356
	995,045
Less, accumulated depreciation	(10,302)
	$984,743

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

4. MORTGAGE NOTES PAYABLE:

Mortgage notes payable at December 31, 1999 consist of the following:

Property Pledged As Collateral	Carrying Amount of Notes 1999 Other	Related Party	Interest Rate	Payment Terms	Maturity Date
Cascade Mall	$27,130	----	6.50%	239(e)	2014
Kitsap Mall	40,101	----	6.50% (c)	349(e)	2000
Lakewood Mall (a)	127,000	----	7.20%	interest only	2005
Los Cerritos Center	119,430	----	7.13%	826(e)	2006
North Point Plaza	3,705	----	6.50%	31(e)	2015
Redmond Town Center - Retail	64,202	----	6.50%	439(e)	2011
Redmond Town Center - Office (b)	----	$82,839	6.77%	584(e)	2009
Stonewood Mall	75,000	----	8.23% (d)	interest only	2001
Washington Square	118,571	----	6.70%	825(e)	2009
Washington Square Too	12,809	----	6.50%	104(e)	2016
Total	$587,948	$82,839			
Weighted average interest rate at December 31, 1999			6.85%		

(a) In connection with the acquisition of this property, the Trust assumed $127,000 of collateralized fixed rate notes (the ("Notes"). The Notes bear interest at an average fixed rate of 7.20% and mature in July 2005. The Notes require the Trust to deposit all cash flow from the property operations with a trustee to meet its obligations under the Notes. Cash in excess of the required amount, as defined, is released. Included in cash and cash equivalents is $750 of restricted cash deposited with the trustee at December 31, 1999.

(b) Concurrent with the acquisition of the property, the Trust placed $76,700 of debt and obtained a construction loan for an additional $16,000. Principal is drawn on the construction loan as costs are incurred. As of December 31, 1999, $6,745 of principal has been drawn under the construction loan.

(c) In connection with the acquisition of this property, the Trust assumed $39,425 of debt. At acquisition, this debt was recorded at the fair value of $41,475 which included an unamortized premium of $2,050. This premium is being amortized as interest expense over the life of the loan using the effective interest method. The Trust's monthly debt service is $349 and is calculated based on an 8.60% interest rate. At December 31, 1999, the Trust's unamortized premium was $1,365.

(d) This loan pays interest at LIBOR plus 1.75%. At December 31, 1999 the total interest rate was 8.23%.

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

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

4. MORTGAGE NOTES PAYABLE - CONTINUED:

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

Total interest costs capitalized during the period from February 18, 1999 (Inception) through December 31, 1999 were $290.

The fair value of mortgage notes payable at December 31, 1999 is estimated to be approximately $621,393 based on interest rates for comparable loans.

The above debt matures as follows:

Years Ending December 31,	
2000	$48,298
2001	83,773
2002	9,381
2003	10,031
2004	10,720
2005 and beyond	508,584
	$670,787

The Trust is currently in negotiations to refinance $40,101 of the debt maturing in 2000. The remaining debt maturing in 2000 reflects the amortization of principal on existing debt.

5. RELATED PARTY TRANSACTIONS:

The Trust engaged the Management Company to manage the operations of its properties. During 1999, the Trust incurred management fees of $2,253 to the Management Company.

A mortgage note collateralized by the office component of Redmond Town Center is held by one of the Company's joint venture partners. In connection with this note, interest expense was $2,192 during the year ended December 31, 1999. Additionally, $248 of interest costs were capitalized during the year ended December 31, 1999 in relation to this note.

6. FUTURE RENTAL REVENUES:

The property leases generally provide for fixed annual minimum rent, overage rent based on sales, and reimbursement for certain operating expenses, including real estate taxes. For leases in effect at December 31, 1999, fixed minimum rents to be received in each of the next five years and thereafter are summarized as follows:

2000	$82,468
2001	79,055
2002	75,601
2003	69,648
2004	64,234
Thereafter	331,153
	$702,159

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

7. REDEEMABLE PREFERRED STOCK:

On October 6, 1999, the Trust issued 125 shares of Series A Redeemable Preferred Shares of Beneficial Interest ("Preferred Stock") for proceeds totaling $500 in a private placement. On October 26, 1999 the Trust issued 254 and 246 shares of Preferred Stock to the Corp and Ontario Teachers', respectively. The Preferred Stock can be redeemed by the Trust at any time with 15 days notice for $4,000 per share plus accumulated and unpaid dividends and the applicable redemption premium. The Preferred Stock will pay a semiannual dividend equal to $300 per share. The Preferred Stock has limited voting rights.

8. COMMITMENTS:

The Trust has certain properties subject to non-cancelable operating ground leases. The leases expire at various times through 2069, subject in some cases to options to extend the terms of the lease. Ground rent expense was $905 for the period from February 18, 1999 (Inception) through December 31, 1999.

Minimum future rental payments required under the leases are as follows:

Years Ending December 31,	
2000	$1,215
2001	1,215
2002	1,215
2003	1,215
2004	1,230
Thereafter	105,492
	$111,582

INDEPENDENT AUDITORS' REPORT

The Partners
SDG Macerich Properties, L.P.:

We have audited the accompanying balance sheets of SDG Macerich Properties, L.P. as of December 31, 1999 and 1998, and the related statements of operations, cash flows, and partners' equity for the years then ended. In connection with our audits of the financial statements, we have also audited the related financial statement schedule (Schedule III). These financial statements and the financial statement schedule are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements and the financial statement schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SDG Macerich Properties, L.P. as of December 31, 1999 and 1998, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles. Also, in our opinion, the related financial statement schedule (Schedule III), when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

KPMG LLP
Indianapolis, Indiana
February 11, 2000

SDG MACERICH PROPERTIES, L.P.

BALANCE SHEETS

AS OF DECEMBER 31, 1999 AND 1998
(DOLLARS IN THOUSANDS)

ASSETS:

	1999	1998
Properties:		
Land	$200,123	199,377
Building and improvements	815,559	804,724
Equipment and furnishings	1,125	472
	1,016,807	1,004,573
Less accumulated depreciation	38,818	17,383
	977,989	987,190
Cash and cash equivalents	8,332	9,156
Tenant receivables, including accrued revenue less allowance for doubtful accounts of $979 and $804	20,700	20,579
Prepaid real estate taxes and other assets	2,178	1,096
	$1,009,199	1,018,021
LIABILITIES AND PARTNERS' EQUITY		
Mortgage notes payable	$503,565	505,868
Accounts payable	7,755	10,935
Due to affiliates	633	443
Accrued real estate taxes	14,859	12,423
Accrued interest expense	1,562	1,562
Accrued management and leasing fees	322	249
Other liabilities	674	1,503
Total liabilities	529,370	532,983
Partners' equity	479,829	485,038
	$1,009,199	1,018,021

See accompanying notes to financial statements.

SDG MACERICH PROPERTIES, L.P.

STATEMENTS OF OPERATIONS

YEARS ENDED DECEMBER 31, 1999 AND 1998
(DOLLARS IN THOUSANDS)

	1999	1998
Revenues:		
Minimum rents	$88,051	72,016
Overage rents	6,905	5,782
Tenant recoveries	47,161	35,806
Other	2,382	1,822
	144,499	115,426
Expenses:		
Property operations	18,750	13,561
Depreciation of properties	21,451	17,383
Real estate taxes	18,603	13,577
Repairs and maintenance	6,979	6,312
Advertising and promotion	7,481	5,013
Management fees	3,763	3,062
Provision for credit losses	748	809
Interest on mortgage notes	30,565	26,432
Other	768	231
	109,108	86,380
Net income	$35,391	29,046

See accompanying notes to financial statements.

SDG MACERICH PROPERTIES, L.P.

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 1999 AND 1998

(DOLLARS IN THOUSANDS)

	1999	1998
Cash flows from operating activities:		
Net income	$ 35,391	29,046
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of properties	21,451	17,383
Amortization of debt premium	(2,303)	(1,843)
Change in tenant receivables	(121)	(14,452)
Change in accrued real estate taxes	2,436	(527)
Other items	(4,684)	8,871
Net cash provided by operating activities	52,170	38,478
Cash flows from investing activities:		
Acquisition of properties, net of mortgage notes assumed	-	(480,392)
Additions to properties	(12,394)	(4,922)
Net cash used by investing activities	(12,394)	(485,314)
Cash flows from financing activities:		
Contributions by partners	-	480,392
Distributions to partners	(40,600)	(24,400)
Net cash provided by financing activities	(40,600)	455,992
Net increase (decrease) in cash and cash equivalents	(824)	9,156
Cash and cash equivalents at beginning of year	9,156	-
Cash and cash equivalents at end of year	$ 8,332	9,156
Supplemental cash flow information:		
Cash payments for interest	$ 32,868	26,713
Non-cash transaction:		
Fair value of mortgage notes assumed with properties acquired	-	507,711
Fair value of other liabilities, net, assumed with properties acquired	-	11,548

See accompanying notes to financial statements.

SDG MACERICH PROPERTIES, L.P.

STATEMENTS OF PARTNERS' EQUITY

YEARS ENDED DECEMBER 31, 1999 AND 1998

(DOLLARS IN THOUSANDS)

	Simon Property Group, Inc. affiliates	The Macerich Company affiliates	Total
Percentage ownership interest	50%	50%	100%
Balance at January 1, 1998	$ -	-	-
Contributions	240,196	240,196	480,392
Distributions	(12,200)	(12,200)	(24,400)
Net income for the year	14,523	14,523	29,046
Balance at December 31, 1998	242,519	242,519	485,038
Distributions	(20,300)	(20,300)	(40,600)
Net income for the year	17,695	17,696	35,391
Balance at December 31, 1999	$ 239,914	239,915	479,829

See accompanying notes to financial statements.

SDG MACERICH PROPERTIES, L.P.

Notes to Financial Statements

December 31, 1999 and 1998

(Dollars in thousands)

(1) GENERAL

(a) PARTNERSHIP ORGANIZATION

On December 29, 1997, affiliates of Simon Property Group, Inc. (Simon) and The Macerich Company (Macerich) formed a limited partnership to acquire and operate a portfolio of 12 regional shopping centers. SDG Macerich Properties, L.P. (the Partnership) acquired the properties on February 27, 1998, and the accompanying financial statements include the results of operations of the properties since the date of acquisition. As a result, the statement of operations presented for 1998 only represents ten months of activity.

(b) PROPERTIES

Simon and Macerich have divided the property management services, and affiliates of each company manage six of the shopping centers. The shopping centers and their locations are as follows:

Simon managed properties:

South Park Mall	Moline, Illinois
Valley Mall	Harrisonburg, Virginia
Granite Run Mall	Media, Pennsylvania
Eastland Mall and Convenience Center	Evansville, Indiana
Lake Square Mall	Leesburg, Florida
North Park Mall	Davenport, Iowa

Macerich managed properties:

Lindale Mall	Cedar Rapids, Iowa
Mesa Mall	Grand Junction, Colorado
South Ridge Mall	Des Moines, Iowa
Empire Mall and Empire East	Sioux Falls, South Dakota
Rushmore Mall	Rapid City, South Dakota
Southern Hills Mall	Sioux City, Iowa

The shopping center leases generally provide for fixed annual minimum rent, overage rent based on sales, and reimbursement for certain operating expenses, including real estate taxes. For leases in effect at December 31, 1999, fixed minimum rents to be received in each of the next five years and thereafter are summarized as follows:

2000	$ 72,730
2001	66,183
2002	60,239
2003	53,401
2004	45,992
Thereafter	149,455
	$ 448,000

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) REVENUES

All leases are classified as operating leases, and minimum rents are recognized monthly on a straight-line basis over the terms of the leases.

Most retail tenants are also required to pay overage rents based on sales over a stated base amount during the lease year, generally ending on January 31. Overage rents are recognized as revenues based on reported and estimated sales for each tenant through December 31, less a proration of the base amount. Differences between estimated and actual amounts are recognized in the subsequent year.

During January 2000, the Emerging Issues Task Force finalized Issue No. 98-9 on ACCOUNTING FOR CONTINGENT RENT. The EITF clarified the recognition of overage rent by stating that revenue for such contingent rent should not be recognized until the sales of the tenant have exceeded its base amount. The Partnership will be required to adopt this new method as of January 1, 2000. The effect of this pronouncement will be to delay the recognition of revenue until later in the year and into the subsequent year. Estimates of the effects of this change have not yet been determined.

Tenant recoveries for real estate taxes and common area maintenance are adjusted annually based on the actual expenses, and the related revenues are recognized in the year in which the expenses are incurred. Charges for other operating expenses are billed monthly with periodic adjustments based on the estimated utility usage and/or a current price index, and the related revenues are recognized as the amounts are billed and as adjustments become determinable.

(b) CASH EQUIVALENTS

All highly liquid debt instruments purchased with a maturity of three months or less are considered to be cash equivalents.

(c) PROPERTIES

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

Buildings and improvements	39 years
Equipment and furnishings	5-7 years
Tenant improvements	Initial term of related lease

Improvements and replacements are capitalized when they extend the useful life, increase capacity, or improve the efficiency of the asset. All other repairs and maintenance items are expensed as incurred.

The Partnership assesses whether there has been an impairment in the value of a property by considering factors such as expected future operating income, trends and prospects, as well as the effects of demand, competition and other economic factors. Such factors include the tenants' ability to perform their duties and pay rent under the terms of the leases. The Partnership would recognize an impairment loss if the estimated future income stream of a property is not sufficient to recover its investment. Such a loss would be the difference between the carrying value and the fair value of a property. Management believes no impairment in its net property carrying values has occurred at December 31, 1999 or 1998.

(d) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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.

(e) INCOME TAXES

As a partnership, the allocated share of income or loss for the year is includable in the income tax returns of the partners; accordingly, income taxes are not reflected in the accompanying financial statements.

(3) MORTGAGE NOTES PAYABLE AND FAIR VALUE OF FINANCIAL INSTRUMENTS

In connection with the acquisition of the properties, the Partnership assumed $485,000 of mortgage notes payable which are secured by liens on the properties. The notes consist of $300,000 of debt which is due in May 2006 and requires monthly interest payments at a fixed weighted average rate of 7.41% and $185,000 of debt which is due in May 2003 and requires monthly interest payments at a variable weighted average rate (based on LIBOR) of 6.96% at December 31, 1999 (5.86% at December 31, 1998). The variable rate debt is covered by an interest cap agreement which effectively prevents the variable rate from exceeding 11.53%.

The fair value assigned to the $300,000 fixed-rate debt at the acquisition date based on an estimated market interest rate of 6.23% was $322,711, and the resultant debt premium is being amortized to interest expense over the remaining term of the debt using a level yield method. At December 31, 1999 and 1998, the unamortized balance of the debt premium was $18,565 and $20,868, respectively.

The fair value of the $300,000 fixed-rate debt at December 31, 1999 and 1998 based on an interest rate of 8.34% and 6.70%, respectively, is estimated to be $266,530 and $312,000, respectively. The $185,000 carrying value of the variable-rate debt and the Partnership's other financial instruments are estimated to equal their financial statement values.

The Partnership intends to obtain additional mortgage financing secured by the properties of up to $140,000 in 2000. The new financing is expected to have the same maturity as the existing fixed rate mortgage notes, which mature on May 15, 2006.

(4) MANAGEMENT SERVICES

Management fees incurred in 1999 and 1998 totaled $1,960 and $1,592, respectively, for the Simon-managed properties and $1,803 and $1,470, respectively, for the Macerich-managed properties, both based on a fee of 4% of gross receipts, as defined.

(5) CONTINGENT LIABILITY

The Partnership currently is not involved with any litigation other than routine and administrative proceedings arising in the ordinary course of business. On the basis of consultation with counsel, management believes that these items will not have a material adverse impact on the Partnership's financial statements taken as a whole.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1999

(Dollars in thousands)

Schedule III. Real Estate and Accumulated Depreciation

	Initial Cost to Company			
	Land	Building and Improvements	Equipment and Furnishings	Cost Capitalized Subsequent to Acquisition
Shopping Centers/Entities:				
Bristol Shopping Center	$132	$11,587	$0	$1,449
Boulder Plaza	2,919	9,053	0	787
Capitola Mall	11,312	46,689	0	1,585
Carmel Plaza	9,080	36,354	0	437
Chesterfield Towne Center	18,517	72,936	2	9,522
Citadel, The	21,600	86,711	0	3,101
Corte Madera, Village at	24,433	97,821	0	1,174
County East Mall	4,096	20,317	1,425	7,060
Crossroads Mall - Boulder	50	37,793	64	36,655
Crossroads Mall - Oklahoma	10,279	43,486	291	13,039
Fresno Fashion Fair	17,966	72,194	0	(1,321)
Great Falls Marketplace	2,960	11,840	0	660
Greeley Mall	5,601	12,648	13	7,874
Green Tree Mall	4,947	14,925	332	23,488
Holiday Village Mall	3,491	18,229	138	19,014
Northgate Mall	8,400	34,865	841	19,236
Northwest Arkansas Mall	18,800	75,358	0	1,118
Pacific View (formerly known as Buenaventura Mall)	8,697	8,696	0	85,660
Parklane Mall	2,311	15,612	173	14,849
Queens Center	21,460	86,631	8	4,136
Rimrock Mall	8,737	35,652	0	3,307
Salisbury, The Centre at	15,290	63,474	31	1,892
Santa Monica Place	26,400	105,600	0	273
South Plains Mall	23,100	92,728	0	1,426
South Towne Center	19,600	78,954	0	5,236
Valley View Center	17,100	68,687	0	10,525
Villa Marina Marketplace	15,852	65,441	0	279
Vintage Faire Mall	14,902	60,532	0	100
Westside Pavilion	34,100	136,819	0	2,597
The Macerich Partnership, L.P.	451	1,844	0	0
	$372,583	$1,523,476	$3,318	$275,158

	Gross Amount at Which Carried at Close of Period						
	Land	Building and Improvements	Furniture, Fixtures and Equipment	Constuction in Progress	Total	Accumulated Depreciation	Total Cost Net of Accumulated Depreciation
Shopping Centers/Entities:							
Bristol Shopping Center	$132	$13,033	$0	$3	$13,168	$6,186	$6,982
Boulder Plaza	2,919	9,840	0	0	12,759	3,232	9,527
Capitola Mall	11,309	48,199	78	0	59,586	5,153	54,433
Carmel Plaza	9,080	36,757	23	11	45,871	1,336	44,535
Chesterfield Towne Center	18,517	80,281	2,179	0	100,977	15,237	85,740
Citadel, The	21,600	89,410	273	129	111,412	4,904	106,508
Corte Madera, Village at	24,433	98,957	34	4	123,428	3,752	119,676
County East Mall	4,099	27,894	811	94	32,898	11,694	21,204
Crossroads Mall - Boulder	21,616	42,312	158	10,476	74,562	24,520	50,042
Crossroads Mall - Oklahoma	13,357	53,270	367	101	67,095	9,164	57,931
Fresno Fashion Fair	17,966	70,523	140	210	88,839	5,602	83,237
Great Falls Marketplace	3,090	12,370	0	0	15,460	619	14,841
Greeley Mall	5,601	20,377	142	16	26,136	10,806	15,330
Green Tree Mall	4,947	38,198	547	0	43,692	22,570	21,122
Holiday Village Mall	5,807	34,810	249	6	40,872	22,036	18,836
Northgate Mall	8,400	53,832	949	161	63,342	21,173	42,169
Northwest Arkansas Mall	18,800	76,413	41	22	95,276	2,096	93,180
Pacific View (formerly known as Buenaventura Mall)	8,697	8,797	277	85,282	103,053	712	102,341
Parklane Mall	2,426	25,246	411	4,862	32,945	17,323	15,622
Queens Center	21,454	87,498	647	2,636	112,235	9,195	103,040
Rimrock Mall	8,737	38,847	112	0	47,696	3,223	44,473
Salisbury, The Centre at	15,284	64,821	582	0	80,687	7,653	73,034
Santa Monica Place	26,400	105,864	9	0	132,273	476	131,797

South Plains Mall	23,100	94,004	130	20	117,254	3,791	113,463
South Towne Center	19,600	84,018	161	11	103,790	6,417	97,373
Valley View Center	17,100	73,116	639	5,457	96,312	6,617	89,695
Villa Marina Marketplace	15,852	65,666	38	16	81,572	6,826	74,746
Vintage Faire Mall	14,298	59,656	718	862	75,534	4,987	70,547
Westside Pavilion	34,100	137,149	1,557	710	173,516	5,372	168,144
The Macerich Partnership, L.P.	451	1,844	0	0	2,295	448	1,847
	$399,172	$1,653,002	$11,272	$111,089	$2,174,535	$243,120	$1,931,415

(DOLLARS IN THOUSANDS)

SCHEDULE III. REAL ESTATE AND ACCUMULATED DEPRECIATION - CONTINUED:

Depreciation and amortization of the Company's investment in buildings and improvements reflected in the statements of income are calculated over the estimated useful lives of the asset as follows:

Buildings and improvements	5 - 40 years
Tenant improvements	life of related lease
Equipment and furnishings	5 - 7 years

The changes in total real estate assets for the three years ended December 31, 1999 are as follows:

	1997	1998	1999
Balance, beginning of year	$1,273,085	$1,607,429	$2,213,125
Additions	334,344	605,696	224,322
Disposals and retirements	-	-	(262,912)
Balance, end of year	$1,607,429	$2,213,125	$2,174,535

The changes in accumulated depreciation and amortization for the three years ended December 31, 1999 are as follows:

	1997	1998	1999
Balance, beginning of year	$164,417	$200,250	$246,280
Additions	35,833	46,030	52,592
Disposals and retirements	-	-	(55,752)
Balance, end of year	$200,250	$246,280	$243,120

PACIFIC PREMIER RETAIL TRUST
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1999
(DOLLARS IN THOUSANDS)

SCHEDULE III. REAL ESTATE AND ACCUMULATED DEPRECIATION

	Initial Cost to Trust		Cost Capitalized Subsequent to Acquisition	Gross Amount Which Carried at Close of Period				
Properties:	Land	Building and Improvements		Land	Building and Improvements	Furniture, Fixtures and Equipment	Construction in Progress	Total
Cascade Mall	$ 8,200	$ 32,843	$ 23	$ 8,200	$ 32,842	$ 19	$ 5	$ 41,066
Creekside Crossing Mall	620	2,495	11	620	2,495	-	11	3,126
Cross Court Plaza	1,400	5,629	-	1,400	5,629	-	-	7,029
Kitsap Mall	13,590	56,672	239	13,590	56,893	18	-	70,501
Kitsap Place Mall	1,400	5,627	-	1,400	5,627	-	-	7,027
Lakewood Mall	48,025	112,059	2,825	48,025	112,128	1	2,755	162,909
Los Cerritos Center	57,000	133,000	69	57,000	133,052	17	-	190,069
Northpoint Plaza	1,400	5,627	-	1,400	5,627	-	-	7,027
Redmond Towne Center	18,381	73,868	1,593	18,381	74,217	39	1,205	93,842
Redmond Office	20,676	90,929	8,347	20,676	82,904	-	16,372	119,952
Stonewood Mall	30,902	72,104	-	30,902	72,104	-	-	103,006
Washington Square Mall	33,600	135,084	719	33,600	135,742	53	8	169,403
Washington Square Too	4,000	16,087	1	4,000	16,087	1	-	20,088
	$239,194	$742,024	$13,827	$239,194	$735,347	$148	$20,356	$995,045

Properties:	Accumulated Depreciation	Total Cost Net of Accumulated Depreciation
Cascade Mall	$ 735	$ 40,331
Creekside Crossing Mall	56	3,070
Cross Court Plaza	125	6,904
Kitsap Mall	1,283	69,218
Kitsap Place Mall	125	6,902
Lakewood Mall	752	162,157
Los Cerritos Center	627	189,442
Northpoint Plaza	125	6,902
Redmond Towne Center	1,672	92,170
Redmond Office	1,010	118,942
Stonewood Mall	386	102,620
Washington Square Mall	3,048	166,355
Washington Square Too	358	19,730
	$10,302	$984,743

Depreciation and amortization of the Trust's investment in buildings and improvements reflected in the statement of income are calculated over the estimated useful lives of the assets as follows:

Building and improvements	5 - 39 years
Tenant improvements	life of related lease
Equipment and furnishings	5 years

The changes in total real estate assets for the year ended December 31, 1999 are as follows:

Balance, beginning of period	$ -
Acquisitions	981,218
Additions	13,827
Disposals and retirements	-
Balance, end of period	$ 995,045

The changes in accumulated depreciation for the year ended December 31, 1999 are as follows:

Balance, beginning of period	$ -
Additions	10,302
Disposals and retirements	-
Balance, end of period	$ 10,302

SDG MACERICH PROPERTIES, L.P.

Schedule III - Real Estate and Accumulated Depreciation

As of December 31, 1999
(Dollars in thousands)

Shopping Center (1)	Location	Initial Cost to Partnership: Land	Initial Cost to Partnership: Building and Improvements	Initial Cost to Partnership: Equipment and Furnishings	Costs Capitalized Subsequent to Acquisition
Mesa Mall	Grand Junction, Colorado	$ 11,155	44,635	--	576
Lake Square Mall	Leesburg, Florida	7,348	29,392	--	716
South Park Mall	Moline, Illinois	21,341	85,540	--	1,518
Eastland Mall	Evansville, Indiana	28,160	112,642	--	2,727
Lindale Mall	Cedar Rapids, Iowa	12,534	50,151	--	521
North Park Mall	Davenport, Iowa	17,210	69,042	--	1,443
South Ridge Mall	Des Moines, Iowa	11,524	46,097	--	3,708
Granite Run Mall	Media, Pennsylvania	26,147	104,671	--	1,446
Rushmore Mall	Rapid City, South Dakota	12,089	50,588	--	1,089
Empire Mall	Sioux Falls, South Dakota	23,706	94,860	--	1,574
Empire East	Sioux Falls, South Dakota	2,073	8,291	--	--
Southern Hills Mall	Sioux City, South Dakota	15,697	62,793	--	925
Valley Mall	Harrisonburg, Virginia	10,393	41,572	--	913
		$199,377	800,274	--	17,156

Shopping Center (1)	Location	Gross Book Value at December 31, 1999: Land	Gross Book Value at December 31, 1999: Building and Improvements	Gross Book Value at December 31, 1999: Equipment and Furnishings	Accumulated Depreciation	Total Cost Net of Accumulated Depreciation
Mesa Mall	Grand Junction, Colorado	11,155	45,186	25	2,155	54,211
Lake Square Mall	Leesburg, Florida	7,348	30,044	64	1,438	36,018
South Park Mall	Moline, Illinois	21,341	86,965	92	4,177	104,221
Eastland Mall	Evansville, Indiana	28,160	115,160	209	5,433	138,096
Lindale Mall	Cedar Rapids, Iowa	12,535	50,646	25	2,438	60,768
North Park Mall	Davenport, Iowa	17,210	70,463	22	3,323	84,372
South Ridge Mall	Des Moines, Iowa	12,278	48,897	154	2,279	59,050
Granite Run Mall	Media, Pennsylvania	26,147	105,819	298	5,013	127,251
Rushmore Mall	Rapid City, South Dakota	12,089	51,641	36	2,550	61,216
Empire Mall	Sioux Falls, South Dakota	23,697	96,343	101	4,607	115,534
Empire East	Sioux Falls, South Dakota	2,073	8,291	-	390	9,974
Southern Hills Mall	Sioux City, South Dakota	15,697	63,632	86	3,045	76,370
Valley Mall	Harrisonburg, Virginia	10,393	42,472	13	1,970	50,908
		200,123	815,559	1,125	38,818	977,989

Depreciation and amortization of the Partnership's investment in shopping center properties reflected in the statement of operations are calculated over the estimated useful lives of the assets as follows:

Building and improvements	39 years
Equipment and furnishings	5-7 years

The changes in total shopping center properties for the years ended December 31, 1999 and 1998 are as follows:

Balance at January 1, 1998	$ --
Acquisitions in 1998	999,651
Additions in 1998	4,922
Disposals and retirements in 1998	--
Balance at December 31, 1998	1,004,573
Acquisitions in 1999	--
Additions in 1999	12,394
Disposals and retirements in 1999	(160)
Balance at December 31, 1999	$ 1,016,807

The changes in accumulated depreciation for the years ended December 31, 1999 and 1998 are as follows:

Balance at January 1, 1998	$ --
Additions in 1998	17,383
Disposals and retirements in 1998	--

Balance at December 31, 1998	17,383
Additions in 1999	21,451
Disposals and retirements in 1999	(16)
Balance at December 31, 1999	$ 38,818

(1) All of the shopping centers are encumbered by mortgage notes payable with a carrying value of $503,565 and $505,868 at December 31, 1999 and 1998, respectively.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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/ ARTHUR M. COPPOLA

Arthur M. Coppola
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

SIGNATURE	CAPACITY	DATE
/s/ ARTHUR M. COPPOLA Arthur M. Coppola	President and Chief Executive Officer And Director	March 21, 2000
/s/ MACE SIEGEL Mace Siegel	Chairman of the Board	March 21, 2000
/s/ DANA K. ANDERSON Dana K. Anderson	Vice Chairman of the Board	March 21, 2000
/s/ EDWARD C. COPPOLA Edward C. Coppola	Executive Vice President	March 21, 2000
/s/ JAMES COWNIE James Cownie	Director	March 21, 2000
/s/ THEODORE HOCHSTIM Theodore Hochstim	Director	March 21, 2000
/s/ FREDERICK HUBBELL Frederick Hubbell	Director	March 21, 2000
/s/ STANLEY MOORE Stanley Moore	Director	March 21, 2000
/s/ WILLIAM SEXTON William Sexton	Director	March 21, 2000
/s/ THOMAS E. O'HERN Thomas E. O'Hern	Executive Vice President, Treasurer and Chief Financial and Accounting Officer	March 21, 2000

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
3.1*	Articles of Amendment and Restatement of the Company	
3.1.1**	Articles Supplementary of the Company	
3.1.2***	Articles Supplementary of the Company (Series A Preferred Stock)	
3.1.3****	Articles Supplementary of the Company (Series B Preferred Stock)	
3.1.4###	Articles Supplementary of the Company (Series C Junior Participating Preferred Stock)	
3.2*****	Amended and Restated Bylaws of the Company	
4.1*****	Form of Common Stock Certificate	
4.2******	Form of Preferred Stock Certificate (Series A Preferred Stock)	
4.2.1###	Form of Preferred Stock Certificate (Series B Preferred Stock)	
4.2.2*****	Form of Preferred Stock Certificate (Series C Junior Participating Preferred Stock)	
4.3*******	Indenture for Convertible Subordinated Debentures dated June 27, 1997	
4.4*****	Agreement dated as of November 10, 1998 between the Company and First Chicago Trust Company of New York, as Rights Agent	
10.1********	Amended and Restated Limited Partnership Agreement for the Operating Partnership dated as of March 16, 1994	
10.1.1******	Amendment to Amended and Restated Limited Partnerships Agreement for the Operating Partnership dated June 27, 1997	
10.1.2******	Amendment to Amended and Restated Limited Partnership Agreement for the Operating Partnership dated November 16, 1997	
10.1.3******	Fourth Amendment to Amended and Restated Limited Partnership Agreement for the Operating Partnership dated February 25, 1998	
10.1.4******	Fifth Amendment to Amended and Restated Limited Partnership Agreement for the Operating Partnership dated February 26, 1998	
10.1.5###	Sixth Amendment to Amended and Restated Limited Partnership Agreement for the Operating Partnership dated June 17, 1998	
10.1.6###	Seventh Amendment to Amended and Restated Limited Partnership Agreement for the Operating Partnership dated December 31, 1999	

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
10.2********	Employment Agreement between the Company and Mace Siegel dated as of March 16, 1994	
10.2.1********	List of Omitted Employment Agreements	
10.2.2******	Employment Agreement between Macerich Management Company and Larry Sidwell dated as of February 11, 1997	
10.3******	The Macerich Company Amended and Restated 1994 Incentive Plan	
10.4#	The Macerich Company 1994 Eligible Directors' Stock Option Plan	
10.5#	The Macerich Company Deferred Compensation Plan	
10.6#	The Macerich Company Deferred Compensation Plan for Mall Executives	
10.7********	The Macerich Company Eligible Directors' Deferred Compensation Plan/Phantom Stock Plan	
10.8********	The Macerich Company Executive Officer Salary Deferral Plan	
10.9####	1999 Cash Bonus/Restricted Stock Program and Stock Unit Program under the Amended and Restated 1994 Incentive Plan (including the forms) Award Agreements	
10.10********	Registration Rights Agreement, dated as of March 16, 1994, between the Company and The Northwestern Mutual Life Insurance Company	
10.11********	Registration Rights Agreement, dated as of March 16, 1994, among the Company and Mace Siegel, Dana K. Anderson, Arthur M. Coppola and Edward C. Coppola	
10.12*******	Registration Rights Agreement, dated as of March 16, 1994, among the Company, Richard M. Cohen and MRII Associates	
10.13*******	Registration Rights Agreement dated as of June 27, 1997	
10.14*******	Registration Rights Agreement dated as of February 25, 1998 between the Company and Security Capital Preferred Growth Incorporated	
10.15********	Incidental Registration Rights Agreement dated March 16, 1994	
10.16******	Incidental Registration Rights Agreement dated as of July 21, 1994	
10.17******	Incidental Registration Rights Agreement dated as of August 15, 1995	
10.18******	Incidental Registration Rights Agreement dated as of December 21, 1995	
10.18.1******	List of Incidental/Demand Registration Rights Agreements, Election Forms, Accredited/Non-Accredited Investors Certificates and Investor Certificates	

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
10.19###	Registration Rights Agreement dated as of June 17, 1998 between the Company and the Ontario Teachers' Pension Plan Board	
10.20###	Redemption, Registration Rights and Lock-Up Agreement dated as of July 24, 1998 between the Company and Harry S. Newman, Jr. and LeRoy H. Brettin	
10.21********	Indemnification Agreement, dated as of March 16, 1994, between the Company and Mace Siegel	
10.21.1********	List of Omitted Indemnification Agreements	
10.22*	Partnership Agreement for Macerich Northwestern Associates, dated as of January 17, 1985, between Macerich Walnut Creek Associates and the Northwestern Mutual Life Insurance Company	
10.23********	First Amendment to Macerich Northwestern Associates Partnership Agreement between Operating Partnership and the Northwestern Mutual Life Insurance Company	
10.24*	Agreement of Lease (Crossroads-Boulder), dated December 31, 1960, between H.R. Hindry, as lessor, and Gerri Von Frellick, as lessee, with amendments and supplements thereto	
10.25******	Secured Full Recourse Promissory Note dated November 17, 1997 Due November 16, 2007 made by Edward C. Coppola to the order of the Company	
10.25.1******	List of Omitted Secured Full Recourse Notes	
10.26******	Stock Pledge Agreement dated as of November 17, 1997 made by Edward C. Coppola for the benefit of the Company	
10.26.1******	List of omitted Stock Pledge Agreement	
10.27******	Promissory Note dated as of May 2, 1997 made by David J. Contis to the order of Macerich Management Company	
10.28##	Purchase and Sale Agreement between the Equitable Life Assurance Society of the United States and S.M. Portfolio Partners	
10.29******	Partnership Agreement of S.M. Portfolio Ltd. Partnership	
10.30###	First Amended and Restated Credit Agreement, dated as of June 25, 1998, between the Operating Partnership, the Company and Wells Fargo Bank, National Association	
10.31	Secured full recourse promissory note dated November 30, 1999 due November 29, 2009 made by Arthur M. Coppola to the order of the Company.	
10.32	Stock Pledge Agreement dated as of November 30, 1999 made by Arthur M. Coppola for the benefit of the Company.	

EXHIBIT NUMBER	DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
21.1	List of Subsidiaries	
23.1	Consent of Independent Accountants (PricewaterhouseCoopers LLP)	
23.2	Consent of Independent Auditors (KPMG LLP)	
*	Previously filed as an exhibit to the Company's Registration Statement on Form S-11, as amended (No. 33-68964), and incorporated herein by reference.	
**	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date May 30, 1995, and incorporated herein by reference.	
***	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date February 25, 1998, and incorporated herein by reference.	
****	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date June 17, 1998, and incorporated herein by reference.	
*****	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date November 10, 1998, as amended, and incorporated herein by reference.	
******	Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 1997, and incorporated herein by reference.	
*******	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date June 20, 1997, and incorporated herein by reference.	
********	Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 1996, and incorporated herein by reference.	
#	Previously filed as an exhibit to the Company's Quarterly Statement on Form 10-Q for the quarter ended June 30, 1994, and incorporated herein by reference.	
##	Previously filed as an exhibit to the Company's Current Report on Form 8-K, event date February 27, 1998, and incorporated herein by reference.	
###	Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 1998, and incorporated herein by reference.	
####	Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1999.	

EXHIBIT 10.31

SECURED FULL RECOURSE
PROMISSORY NOTE
DUE NOVEMBER __, 2009

$1,000,000.00 Los Angeles, CA
November __, 1999

FOR VALUE RECEIVED, Arthur M. Coppola, an individual ("MAKER"), unconditionally promises to pay to The Macerich Company, a Maryland corporation (together with any successor or assignee by operation of law or otherwise, the "PAYEE"), on the earlier of December __, 2009 or such other date as provided herein, in the manner and at the place hereinafter provided, the lesser of (i) one million dollars ($1,000,000.00) and (ii) the unpaid principal amount of all advances made by Payee to Maker for the purposes of Maker's purchase of common stock of the Payee pursuant to the terms of The Macerich Company Amended and Restated 1994 Incentive Plan (the "Plan"). All advances made under this Note shall be noted hereon; PROVIDED, HOWEVER, that the failure to make a notation shall not limit or otherwise affect the obligations of Maker hereunder with respect to payments of principal or interest on this Note.

Maker also promises to pay interest on the unpaid principal balance of this Note from the date such principal is advanced until such principal is paid in full at a rate per annum equal to the lesser of: (i) the maximum amount allowable pursuant to applicable law; or (ii) 7.00%. Interest that is due and payable but not yet paid shall be added to principal and accrue interest from the date due. Interest on this Note shall be computed on the basis of a 365-day year, based on the actual number of days elapsed and shall be payable in arrears quarterly on the fifteenth (15th) day of each March, June, September and December, commencing on March 15, 2000, upon any prepayment of this Note (to the extent accrued on the amount being prepaid) and at maturity.

1. PAYMENTS; VOLUNTARY REPAYMENT. All payments of principal and interest in respect of this Note shall be made in lawful money of the United States of America. Each payment made hereunder shall be credited first to interest then due and the remainder of such payment shall be credited to principal, and interest shall thereupon cease to accrue upon the principal so credited. Maker shall have the right at any time and from time to time to prepay the principal of this Note in whole or in part, without premium or penalty, such prepayment hereunder being accompanied by interest on the principal amount of the Note being prepaid to the date of prepayment. Notwithstanding any payment or prepayment of principal hereunder by Maker, Maker acknowledges and agrees that the aggregate advances made by Payee hereunder shall in no event exceed the sum of $1,000,000.

2. MANDATORY REPAYMENT.

(a) If the Board of Directors of Payee (the "Board") makes any dividend or other distribution to its stockholders which it determines for these purposes to be unusual or extraordinary (an "Extraordinary Distribution"), then the Board, or the Compensation Committee of the Board, may, in its sole discretion, require that Maker use the Net Cash Proceeds (as defined below) of the Extraordinary Distribution to repay this Note. The Net Cash Proceeds shall be applied first to accrued and unpaid interest on this Note and second to the unpaid principal balance of this Note. As used herein, Net Cash Proceeds means all cash or cash proceeds from an Extraordinary Distribution in respect of the Pledged Collateral (as defined in that certain Pledge Agreement (the "Pledge Agreement") dated as of November __, 1999 between Maker and Payee) MINUS the amount of applicable federal, state and local taxes which the Board, or the Compensation Committee of the Board, reasonably determines will be payable by Maker in connection with the Extraordinary Distribution. The Board, or the Compensation Committee of the Board, shall cause Payee to notify Maker in writing at least 10 days prior to the payment date of any Extraordinary Distribution with respect to which it intends to require Maker to use the Net Cash Proceeds to repay this Note. If Maker is required to use the Net Cash Proceeds to repay this Note, then within three (3) business days of receipt of the Net Cash Proceeds, Maker shall pay to Payee an amount equal to the Net Cash Proceeds to be so applied.

(b) In the event that Maker sells, transfers, assigns or otherwise disposes of any of the Pledged Collateral as permitted by and in accordance with Section 6 of the Pledge Agreement, Maker shall concurrently repay the unpaid principal balance of this Note in an amount equal to the greater of: (i)(A) the percentage of the total Pledged Collateral (prior to such disposition) that the shares so disposed of represents MULTIPLIED BY (B) the unpaid principal amount of this Note or (ii) the amount by which the unpaid principal amount of this Note exceeds the Fair Market Value (as defined in the Pledge Agreement) of the Pledged Collateral (after giving effect to the release of collateral set forth in Section 6 of the Pledge Agreement).

(c) If there shall occur a Termination of Employment (as such term is defined in the Plan) of Maker, the unpaid principal amount of this Note together with accrued interest thereon shall become due and payable on the 10th business day after the Termination of Employment of Maker except as otherwise provided in Section 1.8(d) of the Plan.

3. FULL RECOURSE NOTE. This Note is the Note referred to in the Pledge Agreement. This Note is a full recourse Note and Maker shall be liable for the full payment of

principal of and interest on this Note. This Note is also secured by, and is entitled to the benefit of, the Pledge Agreement, the terms and provisions of which are hereby incorporated herein as if set forth herein in full.

4. EVENTS OF DEFAULT. Each of the following shall constitute an Event of Default:

(a) The sale, transfer, assignment or other disposition of any Pledged Collateral, other than in accordance with the terms and conditions of Section 2(b) of this Note and Section 6(c) of the Pledge Agreement;

(b) The failure by Maker to pay any principal under this Note when due, whether at stated maturity, by acceleration, or otherwise, or failure to pay any interest or other amount due under this Note within five (5) days after the date due;

(c) any challenge, or institution of any proceedings to challenge by Maker of the validity, binding effect or enforceability of this Note or any endorsement of this Note;

(d) any default by Maker of any other obligation under this Note or the Pledge Agreement; or

(e) The initiation of any proceeding relating to Maker under any bankruptcy, reorganization, arrangement of debt, insolvency, readjustment of debt or receivership law or statute, whether filed by or against Maker, or the assignment for the benefit of creditors by Maker.

Upon an Event of Default set forth in clauses (a), (b) and (e) above, the principal amount of this Note together with accrued interest thereon shall become immediately due and payable, without presentment, demand, notice, protest or other requirements of any kind (all of which are hereby expressly waived by Maker). Upon any other Event of Default, Payee may, by written notice to Maker, declare the principal amount of this Note together with accrued interest thereon to be due and payable, and the principal amount of this Note together with such interest shall thereupon immediately become due and payable without presentment, further notice, protest or other requirements of any kind (all of which are hereby expressly waived by Maker).

5. SET-OFF. Payee shall be entitled to set-off against this Note any and all amounts owed by Payee to Maker as and when such amounts become due and payable, whether presently existing or hereafter incurred, to the maximum extent allowable under applicable laws. To the extent that Maker's consent to the set-off is required, this Note constitutes Maker's consent.

6. MISCELLANEOUS.

(a) All notices and other communications provided for hereunder shall be in writing (including telegraphic, telex, telefacsimile or cable communication) and hand-delivered, mailed, or telecopied as follows: if to Maker, at its address specified opposite its signature below; and if to Payee, at 401 Wilshire Boulevard, Santa Monica, CA 90401; or in each case at such other address as shall be designated by Payee or Maker. All such notices and communications shall, when hand-delivered, mailed, or telecopied (with answer-back confirmation) be effective when deposited in the mails, delivered or sent by telecopier.

(b) No failure or delay on the part of Payee or any other holder of this Note to exercise any right, power or privilege under this Note and no course of dealing between Maker and Payee shall impair such right, power or privilege or operate as a waiver of any default or an acquiescence therein, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies expressly provided in this Note are cumulative to, and not exclusive of, any rights or remedies that Payee would otherwise have. No notice to or demand on Maker in any case shall entitle Maker to any other or further notice or demand in similar or other circumstances or constitute a waiver of the right of Payee to any other or further action in any circumstances without notice or demand.

(c) Maker and any endorser of this Note hereby consent to renewals and extensions of time at or after the maturity hereof, without notice, and hereby waive diligence, presentment, protest, demand and notice of every kind and, to the full extent permitted by law, the right to plead any statute of limitations as a defense to any demand hereunder. To the fullest extent permitted by law, the obligations of Maker hereunder shall not be subject to any counterclaim, set-off, deduction, diminution, abatement, recoupment, deferment, suspension, reduction or defense (other than the full and strict compliance by Maker with those obligations) based on any claim that Maker may have against Payee or any other person.

(d) No provision of this Note may be waived, modified or discharged orally, but only by an agreement signed by the party against whom enforcement is sought.

(e) If any provision in or obligation under this Note shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

(f) This note and the rights and obligations of maker and payee hereunder shall be governed by, and shall be construed and enforced in accordance with the laws of the State of California except for such matters as are subject to the General Corporation Law of the State of Maryland.

IN WITNESS WHEREOF, Maker has executed and delivered this Note as of the day and year and at the place first above written.

Arthur M. Coppola

Notice Address:

Arthur M. Coppola
c/o The Macerich Company
401 Wilshire Blvd., Suite 700
Santa Monica, CA 90401

TRANSACTIONS ON PROMISSORY NOTE

DATE	AMOUNT OF LOAN MADE ON THIS DATE	AMOUNT OF PRINCIPAL REPAID ON THIS DATE	OUTSTANDING PRINCIPAL BALANCE ON THIS DATE

EXHIBIT 10.32

STOCK PLEDGE AGREEMENT

This STOCK PLEDGE AGREEMENT (this "AGREEMENT") is dated as of November __, 1999 and entered into by and between ARTHUR M. COPPOLA, AN INDIVIDUAL("PLEDGOR"), and THE MACERICH COMPANY, a Maryland corporation ("SECURED PARTY").

WITNESSETH

WHEREAS, pursuant to the terms of a promissory note dated of even date herewith executed by Pledgor in favor of Secured Party (said promissory note, as it may hereafter be amended, supplemented or otherwise modified from time to time, being the "NOTE," the terms defined therein and not otherwise defined herein being used herein as therein defined), Secured Party has agreed to loan (the "LOAN") up to one million dollars ($1,000,000) to Pledgor;

WHEREAS, the proceeds of the Loan will be used to pay for the purchase by Pledgor of shares of common stock of the Secured Party; and

WHEREAS, as a condition to the making of such Loans by Secured Party the repayment of which is evidenced by the Note, Pledgor has agreed to grant the security interests and undertake the obligations contemplated by this Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce Secured Party to make the Loan the repayment of which is evidenced by the Note and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Pledgor hereby agrees with Secured Party as follows:

SECTION 1. CERTAIN DEFINITIONS. The following terms used in this Agreement shall have the following meanings:

"AGREEMENT" means this Pledge Agreement dated as of November __, 1999 by and between Pledgor and Secured Party.

"BOARD" means the Board of Directors of Secured Party, or the Compensation Committee thereof.

"CONTRACTUAL OBLIGATION," as applied to any Person, means any provision of any security issued by that Person or of any material indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

"EVENT OF DEFAULT" has the meaning assigned to such term in the Note.

"FAIR MARKET VALUE," with respect to shares of the Company's common stock or any other securities, means the average closing sale price as reported on the New York Stock Exchange (or such other national exchange or market system on which the Company's common stock or such other securities may then be listed or quoted) for the ten (10) trading days immediately preceding the date of valuation or such other method as may be required by applicable Legal Limits, or, if the Company's common stock or such other securities are not listed or quoted on a national exchange or market system, then a value determined in good faith by the Board. "Fair Market Value," with respect to any other property shall be determined in good faith by the Board of Directors.

"LEGAL LIMITS" means any legal restrictions applicable to the release of the Pledged Collateral and the extension or maintenance of credit or its repayment, including without limitation those included in Regulation G of the Federal Reserve Board.

"LIEN" means any lien, mortgage, pledge, assignment, security interest, charge or encumbrance of any kind (including any conditional sale or other title retention agreement, any lease in the nature thereof, and any agreement to give any security interest) and any option, trust or other preferential arrangement having the practical effect of any of the foregoing.

"LOAN" has the meaning assigned to such term in the recitals to this Agreement.

"MANDATORY REPAYMENT OBLIGATIONS" means the obligations of Pledgor to repay the Note pursuant to Section 2 of the Note.

"NOTE" has the meaning assigned to such term in the recitals to this Agreement.

"PERSON" means and includes natural persons, corporations, limited partnerships, general partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and governments and agencies and political subdivisions thereof.

"PLEDGED COLLATERAL" has the meaning assigned to such term in Section 2.

"PLEDGED SHARES" means all shares of common stock of the Company purchased by Pledgor using the proceeds of the Loan, and any other securities into which such shares are converted or reclassified (by stock split, merger, extraordinary distribution or otherwise) or for which such shares are exchanged by operation of law or consent of Secured Party.

"PLEDGOR" means Arthur M. Coppola, Jr.

"PROCEEDS" has the meaning assigned to such term in Section 2(c).

"SEC" means the Securities and Exchange Commission.

"SECURED OBLIGATIONS" has the meaning assigned to such term in Section 3.

"SECURED PARTY" means The Macerich Company, a Maryland corporation, and its successors and assigns by operation of law or otherwise.

"SECURITIES ACT" means the Securities Act of 1933, as amended.

"UNDERLYING DEBT" has the meaning assigned to such term in Section 3.

SECTION 2. PLEDGE OF SECURITY. Subject to Section 8(a), Pledgor hereby pledges and assigns to Secured Party, and hereby grants to Secured Party a security interest in, all of Pledgor's right, title and interest in and to the following and all interests therein (the "PLEDGED COLLATERAL"):

(a) the Pledged Shares and the certificates representing the Pledged Shares and any interest of Pledgor in the entries on the books of any financial intermediary pertaining to the Pledged Shares, and all dividends, warrants, rights, securities, instruments and other property or proceeds distrib uted in respect of or in exchange for any or all of the Pledged Shares; and

(b) all proceeds of any or all of the foregoing Pledged Collateral. For purposes of this Agreement, the term "PROCEEDS" includes whatever is receivable or received when Pledged Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes, without limitation, proceeds of any indemnity or guaranty payable to Pledgor or Secured Party from time to time with respect to any of the Pledged Collateral.

SECTION 3. SECURITY FOR OBLIGATIONS. This Agreement secures, and the Pledged Collateral is collateral security for, the prompt payment or performance in full when due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. Section 362(a)), of all obligations and liabilities of every nature of Pledgor now or hereafter existing under or arising out of or in connection with the Note and all extensions or renewals thereof, whether for principal, interest (including without limitation interest that, but for the filing of a petition in bankruptcy with respect to Pledgor, would accrue on such obligations), fees, expenses, indemnities or otherwise, whether voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, whether or not jointly owed with others, and whether or not from time to time decreased or extinguished and later increased, created or incurred, and all or any portion of such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from Secured Party as a preference, fraudulent transfer or otherwise (all such obligations and liabilities being the "UNDERLYING DEBT"), and all obligations of every nature of Pledgor now or hereafter existing under this Agreement (all such obligations of Pledgor, together with the Underlying Debt, being the "SECURED OBLIGATIONS").

SECTION 4. DELIVERY OF PLEDGED COLLATERAL. All certificates or instruments representing or evidencing the Pledged Collateral shall be delivered to and held by or on behalf of Secured Party pursuant hereto and shall be in suitable form for transfer by delivery or, as applicable, shall be accompanied by Pledgor's endorsement, where necessary, or duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to Secured Party. Secured Party shall have the right, at any time in its discretion and without notice to Pledgor, to transfer to or to register in the name of Secured Party or any of its nominees any or all of the Pledged Collateral. In addition, Secured Party shall have the right at any time to exchange certificates or instruments representing or evidencing Pledged Collateral for certificates or instruments of smaller or larger denominations.

SECTION 5. REPRESENTATIONS AND WARRANTIES. Pledgor represents and warrants that, as of the date that the Loan is made and at all times that the Loan remains outstanding:

(a) GOOD TITLE. Pledgor is the record and beneficial owner of, and has good and marketable title to, the Pledged Shares and such shares are and will remain free and clear of all adverse claims, pledges, liens, security interests and other encumbrances, restrictions and rights whatsoever, except the lien and security interest created by this Pledge Agreement.

(b) BINDING OBLIGATION. Each of the Note and this Agreement has been duly executed and delivered by Pledgor and is the legally valid and binding obligation of Pledgor, enforceable against him in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(c) PERFECTION. The pledge of the Pledged Collateral pursuant to this Agreement creates a valid and perfected first priority security interest in the Pledged Collateral, securing the payment of the Secured Obligations.

(d) OTHER INFORMATION. All information heretofore, herein or hereafter supplied to Secured Party by or on behalf of Pledgor with respect to the Pledged Collateral is and will be accurate and complete in all respects.

(e) NO CONSENTS. No consent, approval or authorization of or designation or filing with any authority or third party on the part of Pledgor is required in connection with the execution, delivery or performance of the Note, this Agreement or the pledge and security interest granted pursuant to this Agreement.

SECTION 6. TRANSFERS AND OTHER LIENS; ADDITIONAL PLEDGED COLLATERAL; RELEASE OF COLLATERAL.

(a) Pledgor shall not, without the prior written consent of Secured Party (i) sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the Pledged Collateral or (ii) create or suffer to exist any Lien upon or with respect to any of the Pledged Collateral, except for the security interest under this Agreement.

(b) Pledgor shall pay promptly when due all taxes, assessments and governmental charges or levies imposed upon, and all claims against, the Pledged Collateral, except to the extent the validity thereof is being contested in good faith; PROVIDED that Pledgor shall in any event pay such taxes, assessments, charges, levies or claims not later than five days prior to the date of any proposed sale under any judgement, writ or warrant of attachment entered or filed against Pledgor or any of the Pledged Collateral as a result of the failure to make such payment.

(c) Secured Party currently anticipates that it will consent to a sale, assignment, transfer or other disposition (each, a "TRANSFER") of all or any portion of the Pledged Collateral so long as: (i) Pledgor repays the Note to the extent required by Section 2(b) thereof; (ii) no Event of Default is is continuing under the Note and Pledgor is not in default of his obligations hereunder; and (iii) the sale, assignment, transfer or disposition, including the effect thereof on Secured Party, complies with Section 1.8 of The Macerich Company Amended and Restated 1994 Incentive Plan and any applicable Legal Limits (as determined by the Board in its sole discretion). In the event of any such Transfer of Pledged Collateral to which Secured Party has given its consent, Secured Party shall release its security interest and lien with respect to the Pledged Collateral so transferred in accordance with Section 6(d) below. Such release shall take place promptly upon receipt of the proceeds of any required prepayment under the Note or, to the extent permitted by applicable law, in advance of Secured Party's receipt of the proceeds if Secured Party has received assurances satisfactory to Secured Party that such release would be in conformity with any applicable Legal Limits and that all such proceeds will be delivered to Secured Party. With respect to any disposition of the Pledged Collateral under this Section 6(c), Pledgor shall pay all costs and expenses, including broker's commissions, of such disposition.

(d) Upon any repayment of the principal of the Loan, whether a voluntary or mandatory repayment, Secured Party shall, subject to any applicable Legal Limits, release that percentage of the Pledged Collateral obtained by dividing (i) the amount of such repayment, by (ii) the unpaid principal balance of the Loan (prior to the repayment); PROVIDED, HOWEVER, that Pledged Collateral shall be released only to the extent that the Fair Market Value of Pledged Collateral remaining after such release is at least equal to the remaining unpaid principal amount of the Loan.

(e) Notwithstanding anything in this Section 6 to the contrary, Pledgor may not sell, transfer, assign or otherwise dispose of any part of the Pledged Collateral at any time that such sale, transfer, assignment or disposition: (i) would violate any applicable Legal Limits or other applicable law, including without limitation restrictions on insider trading; (ii) would impair the Payee's ability to have any then-pending or completed transaction be accounted for as a pooling of interests; or (iii) is prohibited by Secured Party's policies relating to insider trading of its stock.

SECTION 7. FURTHER ASSURANCES; PLEDGE AMENDMENTS.

Pledgor agrees that from time to time Pledgor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that Secured Party may request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable Secured Party to exercise and enforce its rights and remedies hereunder with respect to any Pledged Collateral. Without limiting the generality of the foregoing, Pledgor will: (i) execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary or desirable, or as Secured Party may request, in order to perfect and preserve the security interests granted or purported to be granted hereby; (ii) deliver any certificates representing any security issued in connection with any share dividend, share distribution, or any other rights, whether as an addition to, in substitution for, or in exchange for any of the Pledged Collateral together with stock transfer powers duly endorsed in blank; and (iii) at Secured Party's request, appear in and defend any action or proceeding that may affect Pledgor's title to or Secured Party's security interest in all or any part of the Pledged Collateral.

SECTION 8. VOTING RIGHTS; DIVIDENDS; ETC.

(a) So long as no Event of Default shall have occurred and be continuing:

(i) Pledgor shall be entitled to exercise any and all voting and other consensual rights pertaining to the Pledged Collateral or any part thereof for any purpose not inconsistent with the terms of this Agree ment or the Note.

(ii) Subject to the Mandatory Repayment Obligations, Pledgor may retain, and may utilize free and clear of the lien of this Agreement, all dividends, distributions and other payments paid (or payable) in cash with respect to the Pledged Collateral.

(iii) All dividends, distributions and other payments paid or payable other than in cash in respect of, and instruments and other property received, receivable or otherwise distributed in respect of, or in exchange for, any Pledged Collateral shall be, and shall forthwith be delivered to, Secured Party to hold as Pledged Collateral and shall, if received by Pledgor, be received in trust for the benefit of Secured Party, be segregated from the other property or funds of Pledgor and be forthwith delivered to Secured Party as Pledged Collateral in the same form as so received (with all necessary endorsements); PROVIDED THAT Pledgor may retain, to the extent divisible, the portion of such non-cash dividends, distributions and other payments that the Board reasonably determines must be used by Pledgor for the sole purpose of paying taxes applicable to such dividends, distributions or other payments.

(iv) Secured Party shall promptly execute and deliver (or cause to be executed and delivered) to Pledgor all such proxies, dividend payment orders and other instruments as Pledgor may from time to time reasonably request for the purpose of enabling Pledgor to exercise the voting and other consensual rights which it is entitled to exercise pursuant to paragraph (i) above and to receive the dividends, principal or interest payments which it is authorized to receive and retain pursuant to paragraph (ii) above.

(b) Upon the occurrence and during the continuation of an Event of Default:

(i) Upon written notice from Secured Party to Pledgor, all rights of Pledgor to exercise the voting and other consensual rights which it would otherwise be entitled to exercise pursuant to Section 8(a)(i) shall cease, and all such rights shall thereupon become vested in Secured Party who shall thereupon have the sole right to exercise such voting and other consensual rights.

(ii) Without limiting the Mandatory Repayment Obligations, all rights of Pledgor to receive the dividends, distributions and other payments which it would otherwise be authorized to receive and retain pursuant to Section 8(a)(ii) shall cease, and all such rights shall thereupon become vested in Secured Party who shall thereupon have the sole right to receive and hold as Pledged Collateral such dividends and interest payments.

(iii) All dividends, distributions and other payments which are received by Pledgor contrary to the provisions of paragraph (ii) of this Section 8(b) shall be received in trust for the benefit of Secured Party, shall be segregated from other funds of Pledgor and shall forthwith be paid over to Secured Party as Pledged Collateral in the same form as so received (with any necessary endorsements).

(c) In order to permit Secured Party to exercise the voting and other consensual rights which it may be entitled to exercise pursuant to Section 8(b)(i) and to receive all dividends and other distributions which it may be entitled to receive under Section 8(a)(ii) or Section 8(b)(ii), (i) Pledgor shall promptly execute and deliver (or cause to be executed and delivered) to Secured Party all such proxies, dividend payment orders and other instruments as Secured Party may from time to time reasonably request and (ii) without limiting the effect of the immediately preceding clause (i), Pledgor hereby grants to Secured Party an irrevocable proxy to vote (to the extent permitted by law) the Pledged Shares and to exercise all other rights, powers, privileges and remedies to which a holder of the Pledged Shares would be entitled (including, without limitation, giving or withholding written consents of shareholders, calling special meetings of shareholders and voting at such meetings), which proxy shall be effective, automatically and without the necessity of any action (including any transfer of any Pledged Shares on the record books of the issuer thereof) by any other Person (including the issuer of the Pledged Shares or any officer or agent thereof), upon the occurrence of an Event of Default and which proxy shall only terminate upon the payment in full of the Secured Obligations or the curing (as determined by Secured Party) of such Event of Default.

SECTION 9. SECURED PARTY APPOINTED ATTORNEY-IN-FACT. Pledgor hereby irrevocably appoints Secured Party as Pledgor's attorney-in-fact, with full authority in the place and stead of Pledgor and in the name of Pledgor, Secured Party or otherwise, from time to time in Secured Party's discretion to take any action and to execute any instrument that Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement, including without limitation:

(a) to file one or more financing or continuation statements, or amendments thereto, relative to all or any part of the Pledged Collateral without the signature of Pledgor;

(b) to ask, demand, collect, sue for, recover, compound, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Pledged Collateral;

(c) to receive, endorse and collect any instruments made payable to Pledgor representing any dividend, principal or interest payment or other distribution in respect of the Pledged Collateral or any part thereof and to give full discharge for the same; and

(d) to file any claims or take any action or institute any proceedings that Secured Party may deem necessary or desirable for the collection of any of the Pledged Collateral or otherwise to enforce the rights of Secured Party with respect to any of the Pledged Collateral.

SECTION 10. SECURED PARTY MAY PERFORM. If Pledgor fails to perform any agreement contained herein, Secured Party may itself perform, or cause performance of, such agreement, and the expenses of Secured Party incurred in connection therewith shall be payable by Pledgor under Section 13(b).

SECTION 11. STANDARD OF CARE. The powers conferred on Secured Party hereunder are solely to protect its interest in the Pledged Collateral and shall not impose any duty upon it to exercise any such powers. Except for the exercise of reasonable care in the custody of any Pledged Collateral in its possession and the accounting for moneys actually received by it hereunder, Secured Party shall have no duty as to any Pledged Collateral, it being understood that Secured Party shall have no responsibility for (a) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relating to any Pledged Collateral, whether or not Secured Party has or is deemed to have knowledge of such matters, (b) taking any necessary steps (other than steps taken in accordance with the standard of care set forth above to maintain possession of the Pledged Collateral) to preserve rights against any parties with respect to any Pledged Collateral, (c) taking any necessary steps to collect or realize upon the Secured Obligations or any guarantee therefor, or any part thereof, or any of the Pledged Collateral, or (d) initiating any action to protect the Pledged Collateral against the possibility of a decline in market value. Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of Pledged Collateral in its possession if such Pledged Collateral is accorded treatment substantially equal to that which Secured Party accords its own property consisting of negotiable securities.

SECTION 12. REMEDIES.

(a) If any Event of Default shall have occurred and be continuing, all of the Secured Obligations shall immediately become due and payable and Secured Party may exercise in respect of the Pledged Collateral, in addition to all other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party on default under the Uniform Commercial Code as in effect in any relevant jurisdiction (whether or not the Uniform Commercial Code applies to the affected Pledged Collateral). Secured Party shall have full recourse to Pledgor (directly and as to a deficiency in respect of the Pledged Collateral) and the Pledged Collateral in respect of the Secured Obligations arising under the Note. In exercising its remedies against the Pledged Collateral, Secured Party may, upon ten (10) days' written notice to Pledgor, but without any other demand or notice whatsoever, transfer ownership of the Pledged Collateral to Secured Party in discharge of the Secured Obligations to the extent of the Fair Market Value of the Pledged Collateral so transferred, to the extent required to pay all of the Secured Obligations, such transfer to be free and clear of any right or equity of redemption, which right or equity is hereby expressly waived and released.

(b) In the event that Pledged Collateral is transferred to Secured Party in discharge of any or all of the Secured Obligations as set forth in the last sentence of the foregoing paragraph, such transfer shall be applied first to all costs and expenses of such transfer and second to the Secured Obligations arising in respect of the Note (first to interest and then to principal). All proceeds received by Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Pledged Collateral shall be applied first to all costs and expenses of such sale, collection or other realization and second to the Secured Obligations arising in respect of the Note (first to interest and then to principal).

In the event that the amount received from the sale of, collection from, or other realization upon the Pledged Collateral, or in the case of a transfer of the Pledged Collateral to Secured Party, the Fair Market Value of the Pledged Collateral, exceeds the aggregate amount of the Secured Obligations (plus the costs and expenses described above) Secured Party shall pay such excess to or upon the order of Pledgor, or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct. All rights and remedies hereunder are in addition to whatever other rights the parties hereto may otherwise have against one another, and no exercise of any such rights or remedies shall be deemed to preclude the exercise of any other rights or remedies.

(c) Pledgor recognizes that Secured Party may be unable to effect a public sale or disposition of any or all the Pledged Collateral by reason of certain prohibitions contained in the Securities Act, the rules promulgated by the SEC thereunder, and applicable state securities laws but may be compelled to resort to one or more private sales or dispositions thereof to a restricted group of purchasers who will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Pledgor acknowledges and agrees that any such private sale or disposition may result in prices and other terms (including the terms of any securities or other property received in connection therewith) less favorable to the seller than if such sale or disposition were a public sale or disposition and, notwithstanding such circumstances, agrees that any such private sale or disposition shall be deemed to have been made in a commercially reasonable manner. Secured Party shall be under no obligation to delay a sale or disposition of any of the Pledged Collateral to permit the registration of such securities (or trust certificates representing such securities) for public sale under the Act, or under applicable state securities laws, even if the Company would agree to do so.

(d) Pledgor further agrees to do or cause to be done all such other acts and things as may be necessary to make such sale or sales or dispositions of any portion or all of the Pledged Collateral valid and binding and in compliance with any and all applicable laws, regulations, orders, writs, injunctions, decrees or awards of any and all courts, arbitrators or governmental instrumentalities, domestic or foreign, having jurisdiction over any such sale or sales or dispositions, all at Pledgor's expense. Pledgor further agrees that a breach of any of the covenants contained in this Section 12 will cause irreparable injury to Secured Party, that Secured Party has no adequate remedy at law in respect of such breach and, as a consequence, agrees that each and every covenant contained in this section shall be specifically enforceable against Pledgor, and Pledgor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants except for a defense that no Event of Default has occurred hereunder.

(e) If Secured Party determines to exercise its right to sell any or all of the Pledged Collateral, upon written request, Pledgor shall and shall cause each issuer of any Pledged Shares to be sold hereunder from time to time to furnish to Secured Party all such information as Secured Party may request in order to determine the number of shares and other instruments included in the Pledged Collateral which may be sold by Secured Party in exempt transactions under the Securities Act and the rules and regulations of the SEC thereunder, as the same are from time to time in effect.

SECTION 13. INDEMNITY. Pledgor agrees to indemnify Secured Party from and against any and all claims, losses and liabilities in any way relating to, growing out of or resulting from this Agreement and the transactions contemplated hereby (including, without limitation, enforcement of this Agreement), except to the extent such claims, losses or liabilities result solely from Secured Party's gross negligence or willful misconduct as finally determined by a court of competent jurisdiction.

SECTION 14. CONTINUING SECURITY INTEREST; TRANSFER OF NOTE. This Agreement shall create a continuing security interest in the Pledged Collateral and shall (a) remain in full force and effect until the payment in full of all Secured Obligations, (b) be binding upon Pledgor, its successors and assigns, and (c) inure, together with the rights and remedies of Secured Party hereunder, to the benefit of Secured Party and its successors and assigns by operation of law or otherwise. Upon the payment in full of all Secured Obligations, the security interest granted hereby shall terminate and all rights to the Pledged Collateral shall revert to Pledgor. Upon any such termination Secured Party will, at Pledgor's expense, execute and deliver to Pledgor such documents as Pledgor shall reasonably request to evidence such termination and Pledgor shall be entitled to the return, upon its request and at its expense, against receipt and without recourse to Secured Party, of such of the Pledged Collateral as shall not have been sold or otherwise applied pursuant to the terms hereof.

SECTION 15. AMENDMENTS; ETC. No amendment, modification, termination or waiver of any provision of this Agreement, and no consent to any departure by Pledgor therefrom, shall in any event be effective unless the same shall be in writing and signed by Secured Party and, in the case of any such amendment or modification, by Pledgor. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

SECTION 16. NOTICES. Any notice or other communication herein required or permitted to be given shall be in writing and may be personally served, telexed or sent by telefacsimile or United States mail or courier service and shall be deemed to have been given when delivered in person or by courier service, upon receipt of telefacsimile (with answer-back confirmation) or telex, or three business days after depositing it in the United States mail with postage prepaid and properly addressed. For the purposes hereof, the address of each party hereto shall be as set forth under such party's name on the signature pages hereof or, as to either party, such other address as shall be designated by such party in a written notice delivered to the other party hereto.

SECTION 17. FAILURE OR INDULGENCE NOT WAIVER; REMEDIES CUMULATIVE. No failure or delay on the part of Secured Party in the exercise of any power, right or privilege hereunder shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude any other or further exercise thereof or of any other power, right or privilege. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

SECTION 18. SEVERABILITY. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

SECTION 19. HEADINGS. Section and subsection headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

SECTION 20. GOVERNING LAW; TERMS. This Agreement and the rights and obligations of the parties hereunder shall be governed by, and shall be construed and enforced in accordance with the laws of the State of California except: (i) for such matters as are subject to the jurisdiction of the General Corporation Law of the State of Maryland; and (ii) to the extent that the Uniform Commercial Code in effect in any jurisdiction provides that the validity or perfection of the security interest hereunder, or remedies hereunder, in respect of any particular pledged collateral are governed by the laws of a jurisdiction other than the State of California. Unless otherwise defined herein or in the Note, terms used in Articles 8 and 9 of the Uniform Commercial Code in the State of California are used herein as therein defined.

SECTION 21. COUNTERPARTS. This Agreement and any amendment hereto may be executed in one or more counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document.

IN WITNESS WHEREOF, Pledgor and Secured Party have caused this Agreement to be duly executed and delivered as of the date first written above.

Arthur M. Coppola

Notice Address:

Arthur M. Coppola
c/o The Macerich Company
401 Wilshire Blvd., Suite 700
Santa Monica, CA 90401

THE MACERICH COMPANY

Richard A. Bayer
Executive Vice President &
General Counsel

Notice Address:

The Macerich Company
401 Wilshire Boulevard, Suite 700
Santa Monica, California 90401
Attn: General Counsel

Exhibit 21.1

LIST OF SUBSIDIARIES

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

LAKEWOOD MALL BUSINESS COMPANY, a Delaware business trust

LAKEWOOD MALL FINANCE COMPANY, a Delaware corporation

MACERICH BRISTOL ASSOCIATES, a California general partnership

MACERICH BUENAVENTURA LIMITED PARTNERSHIP, a California limited partnership

MACERICH BUENAVENTURA GP CORP., a Delaware corporation

MACERICH CARMEL GP CORP, a Delaware corporation

MACERICH CARMEL LIMITED PARTNERSHIP, a California limited partnership

MACERICH CERRITOS, LLC, a California limited liability company

MACERICH CERRITOS MALL CORP., a Delaware corporation

MACERICH CITADEL LIMITED PARTNERSHIP, a California limited partnership

MACERICH CITADEL GP CORP., a Delaware corporation

MACERICH CM VILLAGE GP CORP, a Delaware corporation

MACERICH CM VILLAGE LIMITED PARTNERSHIP, a California limited partnership

MACERICH EQ LIMITED PARTNERSHIP, a California limited partnership

MACERICH EQ GP CORP., a Delaware corporation

MACERICH FARGO ASSOCIATES, a California general partnership

MACERICH FAYETTEVILLE GP CORP, a Delaware corporation

MACERICH FAYETTEVILLE LIMITED PARTNERSHIP, a California limited partnership

MACERICH FRESNO LIMITED PARTNERSHIP, a California limited partnership

MACERICH FRESNO GP CORP., a Delaware corporation

MACERICH GREAT FALLS LIMITED PARTNERSHIP, a California limited partnership

MACERICH GREAT FALLS GP CORP., a Delaware corporation

MACERICH GREELEY ASSOCIATES, a California general partnership

MACERICH HUNTINGTON LIMITED PARTNERSHIP, a California limited partnership

MACERICH HUNTINGTON GP CORP., a Delaware corporation

MACERICH LAKEWOOD, LLC, a Delaware limited liability company

MACERICH LUBBOCK GP CORP, a Delaware corporation

MACERICH LUBBOCK LIMITED PARTNERSHIP, a California limited partnership

MACERICH MANAGEMENT COMPANY, a California corporation

MACERICH MANHATTAN LIMITED PARTNERSHIP, a California limited partnership

MACERICH MANHATTAN GP CORP., a Delaware corporation

MACERICH MANHATTAN MANAGEMENT COMPANY, a California corporation

MACERICH MARINA LIMITED PARTNERSHIP, a California limited partnership

MACERICH MARINA GP CORP., a Delaware corporation

MACERICH NORTHWESTERN ASSOCIATES, a California general partnership

MACERICH OKLAHOMA LIMITED PARTNERSHIP, a California limited partnership

MACERICH OKLAHOMA GP CORP., a Delaware corporation

MACERICH PPR CORP, a Maryland corporation

MACERICH PROPERTY EQ GP CORP., a Delaware corporation

MACERICH PROPERTY MANAGEMENT COMPANY, a California corporation

MACERICH QUEENS ADJACENT GP CORP., a Delaware corporation

MACERICH QUEENS ADJACENT GUARANTOR CORP., a Delaware corporation

MACERICH QUEENS ADJACENT LIMITED PARTNERSHIP, a California limited partnership

MACERICH QUEENS LIMITED PARTNERSHIP, a California limited partnership

MACERICH QUEENS FUNDING CORP., a Delaware corporation

MACERICH QUEENS GP CORP., a Delaware corporation

MACERICH RIMROCK GP CORP., a Delaware corporation

MACERICH RIMROCK LIMITED PARTNERSHIP, a California limited partnership

MACERICH SCG FUNDING GP CORP., a Delaware corporation

MACERICH SCG FUNDING LIMITED PARTNERSHIP, a California limited partnership

MACERICH SCG GP CORP., a Delaware corporation

MACERICH SCG HOLDINGS LIMITED PARTNERSHIP, a California limited partnership

MACERICH SCG LIMITED PARTNERSHIP, a California limited partnership

MACERICH SANTA MONICA LLC, a Delaware limited liability company

MACERICH SANTA MONICA PLACE CORP., a Delaware corporation

MACERICH SASSAFRAS GP CORP., a Delaware corporation

MACERICH SASSAFRAS LIMITED PARTNERSHIP, a California limited partnership

MACERICH SOUTH TOWNE GP CORP., a Delaware corporation

MACERICH SOUTH TOWNE LIMITED PARTNERSHIP, a California limited partnership

MACERICH ST MARKETPLACE GP CORP., a Delaware corporation

MACERICH ST MARKETPLACE LIMITED PARTNERSHIP, a California limited partnership

MACERICH STONEWOOD CORP., a Delaware corporation

MACERICH STONEWOOD GP CORP., a Delaware corporation

MACERICH STONEWOOD LIMITED PARTNERSHIP, a California limited partnership

MACERICH STONEWOOD LLC, a Delaware limited liability company

MACERICH VALLEY VIEW ADJACENT GP CORP., a Delaware corporation

MACERICH VALLEY VIEW ADJACENT LIMITED PARTNERSHIP, a California limited partnership

MACERICH VALLEY VIEW GP CORP., a Delaware corporation

MACERICH VALLEY VIEW LIMITED PARTNERSHIP, a California limited partnership

MACERICH VINTAGE FAIRE GP CORP., a Delaware corporation

MACERICH VINTAGE FAIRE LIMITED PARTNERSHIP, a California limited partnership

MACERICH WESTSIDE ADJACENT GP CORP., a Delaware corporation

MACERICH WESTSIDE ADJACENT LIMITED PARTNERSHIP, a California limited partnership

MACERICH WESTSIDE GP CORP, a Delaware corporation

MACERICH WESTSIDE LIMITED PARTNERSHIP, a California limited partnership

MANHATTAN VILLAGE, LLC, a California limited liability company

NORTHGATE MALL ASSOCIATES, a California general partnership

NORTH VALLEY PLAZA ASSOCIATES, a California general partnership

PACIFIC PREMIER RETAIL TRUST, a Maryland real estate investment trust

PANORAMA CITY ASSOCIATES, a California general partnership

PPR ALBANY PLAZA LLC, a Delaware limited liability company

PPR CASCADE LLC, a Delaware limited liability company

PPR CREEKSIDE CROSSING LLC, a Delaware limited liability company

PPR CROSS COURT LLC, a Delaware limited liability company

PPR EASTLAND PLAZA LLC, a Delaware limited liability company

PPR KITSAP MALL LLC, a Delaware limited liability company

PPR KITSAP PLACE LLC, a Delaware limited liability company

PPR NORTH POINT LLC, a Delaware limited liability company

PPR REDMOND DEVELOPMENT LLC, a Delaware limited liability company

PPR REDMOND OFFICE LLC, a Delaware limited liability company

PPR REDMOND RETAIL LLC, a Delaware limited liability company

PPR SQUARE TOO LLC, a Delaware limited liability company

PPR WASHINGTON SQUARE LLC, a Delaware limited liability company

PPRT LAKEWOOD MALL CORP., a Delaware corporation

SOUTHRIDGE ADJACENT LLC, a California limited liability company

SDG MACERICH PROPERTIES, L.P., a Delaware limited partnership

SM PORTFOLIO LIMITED PARTNERSHIP, a Delaware limited partnership

WEST ACRES DEVELOPMENT, a North Dakota general partnership

Exhibit 23.1

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the registration statements of The Macerich Company on Form S-3 (File No. 333-21157), Form S-3 (File No. 333-38721) and Form S-8 of our report dated February 14, 2000, on our audits of the consolidated financial statements and financial statement schedule of The Macerich Company as of December 31, 1999 and 1998 and for the years ended December 31, 1999, 1998 and 1997, which report is included in the Annual Report on Form 10-K.

PricewaterhouseCoopers LLP
Los Angeles, California
March 21, 2000

Exhibit 23.2

CONSENT OF INDEPENDENT AUDITORS

The Partners
SDG Macerich Properties, L.P.
and
The Board of Directors
The Macerich Company

We consent to the incorporation by reference in the registration statements of The Macerich Company on Form S-3 (File No. 333-21157), Form S-3 (File No. 333-38721) and Form S-8 of our report dated February 11, 2000, relating to the balance sheets of SDG Macerich Properties, L.P. as of December 31, 1999 and 1998, and the related consolidated statements of operations, cash flows, and partners' equity for the years then ended, and the related schedule, which report appears in the December 31, 1999 Annual Report on Form 10-K of The Macerich Company.

KPMG LLP
Indianapolis, Indiana
March 21, 2000

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEETS AND CONSOLIDATED STATEMENTS OF OPERATIONS FOUND ON PAGES 40 AND 41 OF THE COMPANY'S FORM 10-K FOR THE YEAR AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

YEAR
DEC-31-1999
JAN-01-1999
DEC-31-1999
40,455
0
34,423
0
0
0
2,174,535
(243,120)
2,404,293
34,784
1,561,127
91
0
338
619,857
2,404,293
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327,444
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(4,070)
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0
0
0
(1,478)
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