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CEO, Arhaus

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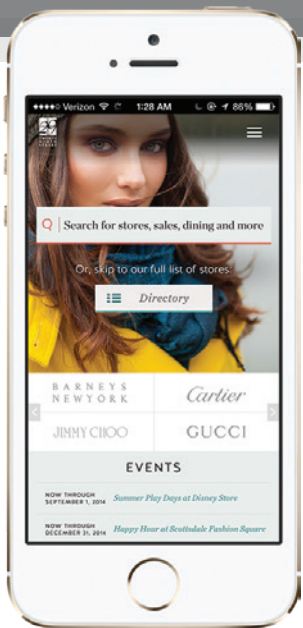
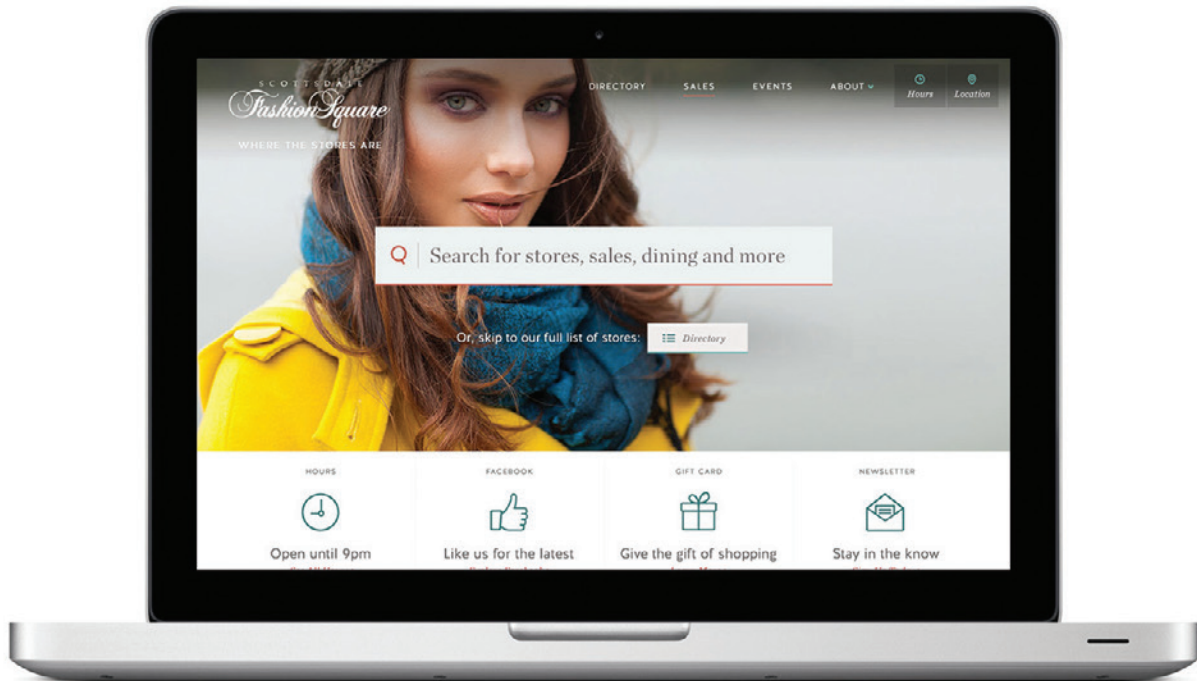


HAPPENINGS

INSIDE: New Property Websites Showcase Retailers, Meet Fred Yeries, VP Digital Marketing and Technology Advancement, New Retail and New Technology Power Macerich's Pipeline

New Property Websites Put Retail First

Pull up any Macerich property website on your phone. What’s the first thing you see? A can’t-miss-it navigation bar that makes it easy to search for stores, sales, dining and more.



Launched in early 2015, Macerich’s new property websites are built for users on the go or at home, utilizing “responsive” design – one single site that scales seamlessly across desktop, tablet and smartphone devices. In other words, exactly how our shoppers shop today.

“The new property websites put retailer information front and center,” said Jameson Valone, AVP, Macerich Digital Marketing. “Our top goal in redesigning the sites was to ensure it would be simple and intuitive for shoppers exploring our properties using any device to find specific retailer information, including location, sales and special events, from anywhere on the sites.”

Beyond the powerful search capabilities, other key new features on the property websites are:

- Interactive map showing the exact location of retailers, closest parking and the ability to filter by category (women’s apparel, shoes, restaurants, cosmetics, etc.).
- Text Concierge pop-up that appears after 30 seconds inviting the guest to text the concierge and a live person will text right back (currently available at nearly 30 centers).
- Integration with OpenTable for restaurant reservations.
- Retailer detail pages provide a single landing environment for each retailer, including store information, closest parking, sales and events, map location and cross-promotion of similar retailers within the mall.

- Easy access for retailers to post sales. Retailers can email SalesAndEvents@macerich.com to have a sale or event — including imagery and video — posted to all center websites across the Macerich portfolio that have that particular store.
- Jobs section posting all open retail positions at the center.

“I love how easy it is for guests to find our restaurant and see what’s going on,” said JK Kahl, Marketing Director, Concept Entertainment, Thirsty Lion at Washington Square Mall. “Our guests want information quickly and easily, whether they are at the mall, at home, or even in the car wondering where’s the best place to park. The new website is really great.”



Fred Yeries, Macerich’s new VP of Digital Marketing & Technology Advancement, brings a fresh point of view to his mission of building even stronger connections with shoppers: More butler, less stalker. This approach, refined over his years spent as an executive at Disney Store, translates to anticipating a guest’s needs and communicating with an appropriate message and in proper cadence.

When it comes to technology, “We want to be available at all times, but we don’t want to distract from the rich sensory experience of being in a great shopping environment – the sights, the scents, the sounds of a premier retail center,” said Yeries.

Macerich’s Fred Yeries: Getting Digital Just Right

For Yeries, technology is a means to an end – guest engagement – and a platform for storytelling. “As a mall developer and operator, the real value we bring is the power of the physical, and if technology can enhance the guest’s sensory experience, then we have done our job. I think it’s important to think of the mall as a place where hospitality meets entertainment meets commerce. People want to be inspired, they want to understand how a product or an experience can be useful in their lives and that leads to action and conversion. Context is critical for any message.”

Yeries comes to Macerich with a blue-chip background in digital customer communications, working with such experiential and entertainment leaders as FAO Schwarz, RedEnvelope.com, CBS and Comcast, in addition to his most recent role with Disney.

Today, three words are guideposts for Yeries in shaping Macerich’s digital strategy – discovery, inspiration and facilitation. “Our goal is to help guests discover more about our properties, be introduced and engage with more retailers than they would typically. We want to inspire them through compelling content and facilitate commerce with our tenants via omni-channel strategies including mobile apps, concierge style services and alternate delivery and pick-up options.”

In fact, Macerich’s newly updated property websites are designed to do just that: Powerful and up-front search capabilities make it easy for shoppers to engage

with retailers, from anywhere and from any device.

Interestingly, Yeries sees technology enhancing concierge services at the mall. “Text Concierge is an effective program with tremendous potential. Right now, this is one of the best ways to initially engage a guest and that engagement starts around trying to solve a real need: How do I find a particular store? Where can I have lunch?” But Yeries is thinking ahead to how Text Concierge can develop more complex, nuanced capabilities – to help a guest select a perfect gift, have it gift-wrapped and delivered same day through Deliv.

Part of Yeries’ charge is to look not only at the present, but also to the future. “Technology is a never-ending story. We are putting the infrastructure in place to be ready to quickly adapt to the latest technology applications, including those that have yet to be introduced. At Macerich, we have a dedicated team that is focused on the intersection of technology and the guest experience through a number of digital, physical and human touch points.”

It all goes back to inspiring shoppers. “I am a dyed-in-the-wool believer that great content drives engagement for retailers and the same is true for malls.” In fact, Macerich is exploring new ways to deliver unique and valuable content through technology that should be ready for shoppers in time for the next holiday season. There’s much more, of course. But as Yeries would say, technology is a story that always has a next chapter.

Pipeline Update

Exciting Retail Concepts, New Technology Power the Pipeline



Danbury Fair Mall, Danbury, CT



Rendering of Arrowhead Towne Center, Glendale, AZ

Crowd-pleasing, technology-forward updates are adding to the shopper experience at four, market-dominant Macerich properties – Arrowhead Towne Center in Phoenix’s West Valley, Danbury Fair in Connecticut, Freehold Raceway Mall in New Jersey and Green Acres Mall on Long Island. Top retailers joining these high-performing malls include Century 21, H&M and new-to-the-U.S. retailer, Primark.

Arrowhead Towne Center Adds H&M and New Digital Amenities

Building on more than two decades as the leading retail destination in Phoenix’s growing West Valley, Arrowhead Towne Center in Glendale begins a significant renovation this spring. New attractions include a 25,000-square-foot H&M, set to open in fall 2016, along with new opportunities for more new retailers and restaurants to join this high-quality property.

New technology-focused amenities are a major focus of the interior and exterior renovation at Arrowhead Towne Center that will be complete by late 2015. These include a brand-new Text Concierge program to provide shoppers with personalized customer service at their fingertips; free and reliable, high-speed center-wide WiFi; a state-of-the-art, 17-foot, large-screen Center Court digital LED board; device charging stations; and four new touch screen digital directories. New technology will also be available to deliver special offers and promotions to shoppers’

smartphones that they can take advantage of in real time, while they are shopping on property.

The renovations also will update the look of the common areas, storefronts and finishes at the mall, including a refreshing new color palette with touches of the desert. Comfortable new seating areas will inspire shoppers to relax and recharge. Additional highlights include a plant-based “green wall” against the elevator and new light fixtures, as well as new coffee and food kiosks.

“The whole idea of these targeted physical and technological renovations is to give shoppers a more comfortable, relaxing environment that invites them to stay, to explore and to discover more retailers,” said Tim Gibbons, VP of Leasing, Macerich. “We’re building on the strengths of this market-dominant, well-loved regional shopping center and creating enhanced opportunities to engage shoppers and retailers.”

Other key updates include new architectural elements in the food court to create a more intimate setting, including a retractable glass wall, which will provide a transition from indoors to outdoors, plus a new Panera Bread.

Century 21 Changes the Game at Green Acres

A new Century 21 Department Store, set to open in fall 2015, will bring a destination anchor and a whole new set

of possibilities to Macerich’s Green Acres Mall on the South Shore of Long Island.

“We expect this iconic retailer, with just a handful of very high-volume locations, to draw highly sophisticated, brand-focused shoppers from an expanded trade area,” said Dawn Simon, New York City Area Senior Marketing Manager, Macerich. “Our company’s vision for this property centers on increasing its appeal for nearby, upscale suburban shoppers while deepening the allure for savvy urban shoppers. Adding Century 21 is a key step toward this future.”

Macerich also is developing Green Acres Commons on the nearly 20-acre parcel contiguous with the mall to deliver more of what this attractive market wants. The project will include a 350,000- square-foot power center to accommodate more of the big-box stores and freestanding restaurants that are proven draws for New York City and Long Island shoppers.

Primark Comes to Danbury Fair and Freehold Raceway Mall

Primark, a leading fashion retailer in Europe offering trend-forward, affordable styles for babies, kids, women and men, plus accessories, beauty products and home goods, is following the successful path of brands like ZARA and H&M to connect with U.S. shoppers. Among Primark’s first locations in this country will be Danbury Fair and Freehold Raceway Mall.

Primark takes second-level space at both properties later this year through lease agreements with Sears. At both malls, Sears will continue to operate on the lower level.

“The introduction of Primark at two of our top East Coast malls really is a win-win-win,” said F.K. Grunert, VP of Leasing, Macerich. “Primark will benefit from these premier locations, our properties

will gain exciting, traffic-driving new retail attractions and Sears is able to maximize the value of its well-positioned real estate.”

Look for more updates about Macerich’s active development/redevelopment pipeline that focuses on creating exceptional opportunities for retailers and brand partners to reach affluent shoppers at market-leading properties around the country.



Rendering of Arrowhead Towne Center, Glendale, AZ

A Look at What’s New

Some of the most recent openings across our portfolio (openings from previous 6 months)

ATLAS PARK

- Grand Insurance Agency
- Foot Locker
- PSI Services LLC
- TJ Maxx
- AJ Bart Inc.
- SOHO Solutions
- Tully Construction

CHANDLER FASHION CENTER

- Microsoft
- All Mobile Matters
- Sir Veza’s

CROSS COUNTY SHOPPING CENTER

- LongHorn Steakhouse
- Olive Garden
- Red Mango
- AT&T

DESERT SKY MALL

- Gus’ New York Pizza
- Wave

ESTRELLA FALLS, THE MARKET AT

- GNC Live Well
- Oregano’s Pizza Bistro

FASHION OUTLETS CHICAGO

- Kensie

FASHION OUTLETS NIAGARA FALLS USA (EXPANSION)

- Saks Fifth Avenue Off 5th
- Under Armour
- Nike
- Francesca’s

FLAGSTAFF MALL

- Denny’s

FREEHOLD RACEWAY MALL

- Journeys Kidz
- Fuzziwig’s Candy Factory
- Brighton Collectibles
- Meridian Community Resource Center

FRESNO FASHION FAIR

- Chick-fil-A

GREEN ACRES MALL

- Chipotle Mexican Grill
- Panera Bread
- Cricket Wireless
- Journeys Kidz
- Starbucks

KINGS PLAZA

- GNC Live Well

LAKEWOOD CENTER

- SanSai Japanese Grill
- Massage Envy Spa

LOS CERRITOS CENTER

- Motherhood Maternity
- Zara

SHOPS AT NORTH BRIDGE

- Shake Shack
- True Religion Brand Jeans
- M.A.C. Cosmetics
- Le Creuset
- Last Call Studio by Neiman Marcus

PACIFIC VIEW

- Mojado Grill

PROMENADE AT CASA GRANDE, THE

- Bloom Salon and Spa
- Bealls Outlet

QUEENS CENTER

- PUMA
- U.S. POLO ASSN.
- Michael Hill Jewelers
- House of Hoops
- Vitamin World
- Invicta

SANTAN VILLAGE REGIONAL CENTER

- Lorna Jane Active Living

SCOTTSDALE 101 RETAIL, LLC

- Bourbon Jacks Bar & Grill
- Men’s Club Barbershop
- PGA TOUR Superstore
- Beautif-Eye Studio
- Frogurt 101

- Lucky’s Burgers and Hotdog Grill

SCOTTSDALE FASHION SQUARE

- Thirsty Lion Gastropub and Grill
- Fired Pie
- Totally Chi Reflexology

SOUTHRIDGE MALL

- Party City

STONEWOOD CENTER

- JOURNEYS

SUPERSTITION SPRINGS CENTER

- Kids Kare Pediatrics

TYSONS CORNER CENTER

- Punjab Grill
- Nespresso
- Charlotte Russe
- Precision Vision Care
- Eddie V’s Prime Seafood

VALLEY MALL

- Popeye’s
- Everything Darlin

VINTAGE FAIRE MALL

- Eyebrow Plus
- Aldo
- Charlotte Russe

WASHINGTON SQUARE

- KOi Fusion
- Panera Bread
- ivivva
- Kiehl’s
- Michael Kors
- Athleta

WESTSIDE PAVILION

- Wetzels Pretzels

WILTON MALL

- H&R BLOCK
- ULTA Beauty
- C & C UNISEX



Moving Furniture: Arhaus Opens Stylish New Doors

Q&A with CEO John Reed

The home furnishings segment seems to be sitting pretty. The healthier economy is expected to double the rate of growth in U.S. furniture and bedding retail sales this year to 4%, pushing the industry past the \$100 billion mark, according to *Furniture/Today's Economic Forecast* for 2015.

Bringing its own, globally influenced, sustainably built chair to the table is Arhaus, the growing, privately held retailer based in Ohio. With average store sizes of 16,000+ square feet, Arhaus has plenty of room to showcase its philosophy of “furnishing a better world.”

In addition to highly productive stores at four of Macerich's market-dominant regional properties – Danbury Fair, Freehold Raceway Mall, Twenty Ninth Street and Tysons Corner Center – Arhaus is tapping Macerich's strength in Arizona to open two new stores in fall 2015 at Biltmore Fashion Park and Kierland Commons.

Happenings asked Arhaus CEO and Co-founder John Reed to share his point of view on how the brand is going home with more and more affluent Americans.

Q: Arhaus is expanding – we see new stores opening around the country and we read a recent article where you said you hope to grow by 20% per year. Can you please talk about your growth plans for Arhaus?

A: Our growth is strategic. We're in no hurry. When we're considering a new location, everything has to be right. The market. The property. The space. We're opportunistic, only choosing sites that are great for us versus just adding to our total store count. We want to be the very

best in home furnishings, not necessarily the biggest. In 2016, we're looking at sites from coast to coast.

Q: How do you choose your markets and store locations? Where do you like to be?

A: Our customers determine new store locations. We look at where they live in relation to the prospective site or property. And while we like upscale lifestyle centers where we're surrounded by brands that complement us and our offering, we also have some freestanding stores that are equally as beautiful and successful.

Q: How is Arhaus different from other home furnishings retailers with many locations? There was a great piece in the *New York Daily News* from 2011 in which you talked about your direct sourcing/no middleman approach. Can you please talk more about this?

A: What sets Arhaus apart from other home furnishings retailers is the way we develop our products. We work directly with the artisan or manufacturer to design and make pieces to our exact specifications and quality standards. Our partners are all over the world and they're exclusive, making furniture and accessories for us. We specify quality, design and workmanship. We work one-on-one with the craftsman. There's no middleman, no sales person. Finished pieces are shipped directly to our distribution center, where we then ship to the customer. The process allows us to give our customers the best quality at a fantastic value.

Q: In your view, what do you believe matters most to customers when making home furnishings purchases?

A: Product and presentation. Retail is theatre and this is how we merchandise our stores. As soon as you walk in the door, we want you to fall in love with everything you see. We want to inspire you to take Arhaus home with you...customers often times copy an entire look or they recreate it and make it their own.

Q: Can you please talk more about your view of “retail as theatre?”

A: When you walk into a store, we take you on a journey. Every time you turn a corner, you discover something new. We have fresh flowers delivered weekly. We repaint the stores twice a year. We have a spring look and we have a fall look, so every time a customer comes into the store, it's new, refreshing...inspiring.

We're not just selling furniture; we're selling a lifestyle.

Q: How do you view your in-store and on-line channels – does the same customer shop both ways? Or is it a distinct set of customers?

A: Arhaus is a “lifestyle,” and it doesn't matter if you're experiencing it in-store or online. We've found that the majority of customers that buy online live within a 50-mile radius of a store location and they've shopped the store too. They're very familiar with our aesthetic. We truly have a cult following...our customers are passionate about us and passionate about their homes. We keep them engaged both in-store and online with new, unique products throughout the year for every room, indoors and out.



Scottsdale Fashion Square Intercepts Super Bowl Buzz with Fan Fest Scottsdale



How did Scottsdale Fashion Square, located miles away from the 2015 Super Bowl, take the ball – and the buzz – from everything else happening around Phoenix?

The answer was Fan Fest Scottsdale: a groundbreaking, large-scale, free public event built around ESPN's full week of live Super Bowl coverage outdoors at this luxury retail property.

This impressive play, developed in partnership with the City of Scottsdale and the Scottsdale Convention & Visitors Bureau, led to a major win for the property and its retailers. Stunning results included nearly 500,000 weekly shopper visits, significantly increased sales for mall retailers, expanded partnerships with more than a dozen top sponsors and spectacular local and national news coverage that yielded more than 240 million impressions.

"With Fan Fest Scottsdale, we placed Scottsdale Fashion Square at the center of the action for hundreds of thousands of fans who came to Arizona not only for football, but also for shopping, dining and great entertainment experiences," said Ken Volk, Senior Vice President, Chief Marketing Officer, Macerich. "This unique, week-long event was the right

platform for fans and brands to interact at our exceptional retail property, driving valuable, added traffic to the mall and our retailers."

In addition to ESPN's live broadcasts featuring coach, player and celebrity appearances, Fan Fest Scottsdale hosted the 14th Annual NFL Players' Wives Fashion Show, plus product demonstrations and interactive events from top brands in sports, food, and fashion.

Engaging brand experiences included tastings, games, competitions, giveaways and more provided by sponsors Chobani, Chrysler, Coca-Cola, Dick's Sporting Goods, Dole, Maui Jim, Sparkling Ice and others. Breakout experiences and attractions designed to connect with visitors ranged from U.S. Air Force-sponsored training missions in an F-22 simulator to "The World's Largest Snack Stadium" created by Yelp.

Macy's, one of Scottsdale Fashion Square's five anchor department stores, made the

most of Fan Fest Scottsdale by creating a special Locker Room by Lids shop inside the store filled with officially licensed apparel and headwear, and offering a line-up of in-store special events, from pro football player appearances to homegating demos and giveaways.

Many retailers at Scottsdale Fashion Square reported substantial sales increases as a direct result of Fan Fest Scottsdale, including Macy's, which netted double-digit increases for the week over last year.

Macerich drew on its sizable strength in Business Development, Tourism, Property Management and Marketing to ensure this high-profile major event would succeed in attracting shoppers, world-class sponsors and media attention. Beyond ESPN, Macerich secured national media coverage in *USA Today*, *Newsweek* and *Sports Illustrated*, as well as all top local broadcast and print media outlets.

The tremendous success of this event from a sponsorship standpoint resulted in a major feature story in key marketing trade *Event Marketer*, with a very happy presenting sponsor, Cox Communications, commenting: "The Scottsdale Fan Fest was a great way for Cox to interact with our local customers and visitors during an exciting time in Phoenix."



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