



Rob Wallstrom,
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MACERICH[®] HAPPENINGS

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Time for Tysons

Macerich Opens First Phase of Expanded Tysons Corner Center

Early Bird is more than just the name of the public art project at the just-opened Tysons Corner Center expansion. In fact, Macerich was the true early bird when it began planning nearly a decade ago to make its high-performing mall the center of an all-new, mixed-use, high-rise community with its own stop on the new Metro Silver Line.

In late July, Macerich officially opened the first phase of its large-scale, urban expansion at Tysons Corner Center in Northern Virginia, including the 22-story Tysons Tower office building, signature outdoor Plaza and a new mall entrance that connects the region's dominant retail property with the new development.

Together with Alaska Permanent Fund Corporation, Macerich's long-standing partner at Tysons Corner, the company is transforming this top retail destination into an innovative, connected community,

adding 1.4 million square feet of office, residential, hotel and retail uses.

As planned, the remaining elements of the Tysons Corner expansion, Tysons' 300-room Hyatt Regency Hotel and 430-unit residential tower, VITA, are scheduled to open first quarter 2015.

"As we launch the exciting mixed-use urban community at Tysons Corner, it is clear this development is one of the premier projects of its kind in the country," said Art Coppola, Chairman and Chief Executive Officer, Macerich. "This project leverages one of the nation's top-performing retail properties into a sustainable urban community now linked by mass transit with the entire Washington, D.C., metro area. Already we see a strong positive impact for our retailers, as well as long-term benefits of this smart densification for the entire region."

Market response to the forward-looking, transit-focused development has been strong. Within the project, Tysons Tower opened with more than 75% of its square footage leased, including marquee anchor Intelsat, the world's leading provider of satellite services.

Tysons Tower is not only strikingly beautiful – it's also sustainable. The office tower, designed to achieve LEED Gold

certification, offers a green roof, floor-to-ceiling windows and solar shades on the southern exposure to capitalize on natural sunlight for energy management.

Initial response from locals also has been positive for the now-open, 1.5-acre elevated open Plaza, set 32 feet above street level, which provides Tysons Corner with direct access to the Metro Silver Line. One reader of *Greater Greater Washington* posted, "I predict the Plaza on the Metro side of Tysons Corner Center will be well loved. It's a nice little space...lots of happy shoppers on the trains on Saturday and I heard plenty of people there on Sunday."

The Plaza links together every element of the expanded project and was designed to offer something for everyone: green lawns, landscaped outdoor sitting rooms with comfortable seating, an interactive children's play area named Cox "Discovery Cove," and concert and movie series scheduled throughout the summer. A key feature is Early Bird, the art project commissioned by Macerich and created by Workingman Collective, a local artist group led by George Mason University Artists Peter Winant and Tom Ashcraft. Early Bird is made up of over 60 individual bronze sculptures of birds native to Virginia placed throughout The Plaza.



For retailers, the new connectivity at Tysons Corner Center means more of the region's shoppers can readily reach the nearly 2 million square-foot, super regional mall that is the largest shopping center in the Washington, D.C., area and one of the top malls in the entire country. Home to stores including Apple, Bloomingdale's, Gucci, L.L. Bean, Lord & Taylor, Louis Vuitton, Macy's, Michael Kors, Tesla, American Girl, Nordstrom and more than 300 specialty stores, restaurants and eateries, plus AMC Theatres, Tysons truly earns its tagline, "Where the Stores Are."

"Tysons has always had critical mass, in terms of terrific stores that are a powerful draw," said Melissa Madden, Manager, Lord & Taylor, Tysons Corner Center. "Now, with the one-two punch of the new Silver Line plus the new high-rise community here, the mall is set to benefit from the shoppers who not only live or work at Tysons, but also those who can now get here by Metro from all over D.C."

Not surprisingly, robust leasing momentum inside the mall reflects the added energy from the Plaza and beyond at the expanded Tysons Corner Center. "With these new elements, we've added a second, 50-yard line to this stellar property, which will be an even more productive platform for retailers thanks to thousands more shoppers arriving at our doorstep every day," said Coppola.

Three Questions for Dianne VanBeber, Vice President, Investor Relations and Communications for Intelsat

Q: How do your employees like their new corporate home?

A: The first week, our employees were literally beaming—and squinting! We definitely are not used to so much daylight and such broad horizons. It's been a WOW! moment, and very special in this, our 50th year in the satellite sector. Every day gets a little bit better—there are so many fun features to the office, many of us are still in the discovery phase.

Q: Why did you choose to relocate Intelsat's U.S. headquarters to this new setting?

A: Roughly 17% of our employees use public transportation, so being on the Metro line was not optional for us—it was essential. In addition, we needed easier access to Dulles. We do business in over 200 countries and territories—we're on the move constantly, and the

easier access to international flights reduces wear and tear on our team. We were also attracted to the talent pool in Northern Virginia. Lastly, our executive team was looking for an environment with an energy that would play off of the natural energy and drive in our business. I loved working in D.C., but Tysons has a progressive vibe that is a major upgrade from our former spot.

Q: What do you see as the advantages of working just steps away from one of the country's top-performing malls?

A: I think that being part of the Tysons community will support many aspects of work/life balance, allowing all of us who work here to get errands done at lunch time—freeing up more time for the weekend. I can hardly wait for the holiday season.

Pipeline Update

Exciting Changes Now Underway at Kings Plaza, Los Cerritos Center and South Plains Mall

Three Macerich properties in very different parts of the country – Los Cerritos Center in greater Los Angeles, Kings Plaza in Brooklyn and South Plains Mall in Lubbock, TX – are each undergoing exciting renovations to enhance the shopper experience and make way for some great new retail.

“We consistently reinvest in our assets to maximize the customer experience, improve our merchandise mix and the productivity of our retailers,” said Robert Perlmutter, Executive Vice President of Leasing for Macerich. “How we go about refining the look and feel, as well as the overall customer experience, is always different from property to property, and these customized enhancements are a big part of what makes our portfolio so unique.”

Kings Plaza

Right now Macerich is elevating Kings Plaza, Brooklyn’s premier regional mall, to stay in step with this trend-forward part of the city. A new and improved Old Navy is set to re-open this fall, offering apparel, accessories and shoes for men, women, children and teens in an 18,000+ square-foot store. More just-announced new retail for the property includes Vans, Kiko Milano, Chipotle, Fossil, Starbucks, a new prototype Guess store and the addition of House of Hoops to Foot Locker. First-to-market Michael Kors is set to open late August as well.

Significant property improvements now underway at Kings Plaza include reconstruction of its parking garage – including new lighting throughout, renovation of the exterior façade and signage – as well as renovation of the interior common areas with new tile flooring on the second level and new and improved lighting throughout the center. New amenities and intimate seating



locations also will be added to multiple locations on both levels of the mall.

Los Cerritos Center

Los Cerritos Center in greater Los Angeles – always a high-performing property and a long-standing Macerich asset – is set for increased productivity with a targeted redevelopment. Currently the former two-story Nordstrom building, as well as a former movie theater and a portion of the adjacent in-line mall shops, are being demolished to make room for an all-new Dick’s Sporting Goods and a luxury multiplex Harkins Theatre. Microsoft recently announced that it will open a new store at Los Cerritos Center by the end of the year, and a 22,500 square-foot ZARA is under construction and is scheduled to open this fall. In early 2015, the center

Engaging Shoppers with YouTube



Retail marketing execs know that people ages 18-34 watch more YouTube than any cable network. YouTube is also the #2 search engine following Google. That’s why Macerich is now creating engaging and informative, center-specific content for this exciting platform to grow customer engagement.

As part of Macerich’s aggressive national-meets-hyperlocal digital marketing strategies, three key centers are piloting their own YouTube channels: Santa Monica Place, The Shops at North Bridge and Tysons Corner Center.

Since launching in April, more than 80 videos have been uploaded, generating over 439,000 total views and exceeding 7.2 million media impressions. Captivating videos cover everything from Prepping for Fun in the Sun: Beach Must-Haves and Holy Guacamole! Learn How to Make this Smash Hit with a Chef from La Sandia to How to Customize Your Converse.



will start construction that includes new entrances, lighting, flooring and exterior signage. The property also will welcome Uniqlo in 2015, adding another great name to a property that is filled with top brands and experiences.

South Plains Mall

At South Plains Mall in Lubbock, TX (hometown of Buddy Holly, record high numbers of Texas Tech University students and with one of the lowest unemployment rates in all of Texas), Macerich is making some smart, well-timed improvements.

Designed to enhance the curb appeal and interior ambience at

South Plains Mall, improvements will include renovations to all major and minor courts, new signage throughout the interior and exterior of the property, new logo and rebranding, and replaced flooring, ceiling, paint and lighting throughout the center to freshen and brighten the overall look. Renovations of six entrances, plus additional seating in the common areas, will round out the set of enhancements for this favorite West Texas mall. Work is set to begin in January. Recently the center opened a Life is PINK is Life store and a 19,000 square-foot Sheplers Western Wear and Charlotte Russe are set to open this fall.

“Our YouTube content highlights the range of appealing retailers, merchandise and great experiences at our unique assets,” said Kurt Ivey, Vice President, Marketing, Macerich. “When you see a butcher and a chef at Eataly with a gorgeous porterhouse, offering tips for how to buy this cut and then how to grill it to perfection, you can’t help but want to experience Eataly at The Shops at North Bridge. We’ve always been successful in getting TV news segments to tell these kinds of stories – and now there’s no limit to what we can showcase with our own programming.”

Retailers are taking note. For example, Tommy Bahama was so impressed with a video highlighting its Sexy and Flattering Swimsuit Trends that it shared Macerich’s YouTube video with its 350,000+ Facebook fans and Twitter followers.

Look for more Macerich properties on YouTube as three added centers get ready to upload – Kings Plaza, The Oaks and Westside Pavilion. What to watch now:

www.youtube.com/santamonicaplace

www.youtube.com/shopnorthbridge

www.youtube.com/tysonscornercenter

FAN FEST SCOTTSDALE 2015

ESPN Chooses Scottsdale Fashion Square for Super Bowl Home

Scottsdale Fashion Square is ready for some football: ESPN has chosen this top retail property as its week-long home for Super Bowl XLIX in Arizona. “Fan Fest Scottsdale – Home of the ESPN Live Broadcast” kicks off on Monday, January 26 – Super Bowl Sunday, February 1, 2015.

Recognizing this opportunity for the powerful visitor magnet it certainly will be – more than 360,000 football fans are expected to come attend Fan Fest Scottsdale over the week-long celebration – the City of Scottsdale agreed to contribute an unprecedented \$475,000 toward the event.

“ESPN looked at locations all over the Valley, but at the end of the day, they chose Scottsdale Fashion Square because of our unparalleled location in the heart of Scottsdale, the beautiful vistas of Camelback Mountain, and most importantly, because of the strong consumer traffic they knew we would deliver based on our track record,” said Steve Helm, AVP, Property Management, Scottsdale Fashion Square.

It’s going to be a busy January for Scottsdale Fashion Square. Just two weeks before ESPN’s Fan Fest Scottsdale, the upscale mall will host Gooding & Company’s 2015 Scottsdale Auto Auction, which last year brought more than 10,000 visitors to the property over two days and netted more than \$49 million in classic car sales (including the auction’s most expensive automobile – a 1958 Ferrari 250 GT Series Cabriolet that sold for more than \$6 million).

The exciting ESPN activation at Scottsdale Fashion Square will be set outdoors on a two-acre site just north of Macy’s, which is slated for future development. This high-profile event provides a wide variety of sponsorship opportunities for major brands, retailers and other corporate partners. For sponsorship information, please contact Emily Ginzl at Emily.Ginzl@Macerich.com.



New Patterns: Growing the Vera Bradley Brand

An Interview with CEO Rob Wallstrom

A fave of fashion-centric teens and a go-to choice for, well, anyone drawn to its “be happy/be fun” attitude, Vera Bradley has something very few brands can claim: loyal shoppers in almost every age group. Happenings talked with the company’s new CEO, Rob Wallstrom, about how Vera Bradley – where power paisleys and fantastic florals have built an iconic accessories brand – is leveraging the love to expand its offerings and success.

Q: Vera Bradley has fans from Millennials to Baby-Boomers, and seems poised for growth. Could you talk about what you see ahead for the company?

A: I am excited about the future. One area of opportunity is that while we have been very multi-generational, we have not necessarily been multi-lifestyle. Our offerings have been casual and less formal. For the fall season we will have new designs in leather, faux leather and geometric prints designed to appeal across lifestyles. We want Vera Bradley designs to be able to go from the soccer field to the board room, wherever our customers go.

Q: What is the biggest opportunity you see for Vera Bradley right now?

A: Vera Bradley founders Patricia Miller and Barbara Bradley Baekgaard took their idea for luggage that was colorful, fun and feminine and, starting in Barbara’s basement in the early ‘80s, built a \$500 million company. It’s a great American success story, but that was only the first chapter. Now it’s time to write the second chapter of the Vera Bradley story – to take the brand to the next level, modernizing the brand so that it is even more relevant to today. We hope to add newness and freshness, and make Vera Bradley more current.

A way to think about the potential for Vera Bradley is Louis Vuitton before Marc Jacobs. He brought the brand new creativity and really unusual offerings – designs that attracted not only new customers, but interested current customers. And people who had not considered Louis Vuitton became their customers. At Vera Bradley, we have a great foundation to build from, and we think many of those who are not customers now will look at our new offerings and see there is something for them. You’ll also see products in new categories – for example, we are introducing our new jewelry collection next year and may eventually expand into other areas like apparel, home and footwear.

Q: What are you doing to bring these new offerings to market?

A: We are putting more resources into marketing and advertising to tell our story and attract new customers to the brand. Early next year we also will be introducing a new full-line store design, updating the color palette and giving it a more modern design so the merchandise really pops. The store experience is central because it is where we build relationships with our customers. Because of our very hands-on sales approach, our stores have become places to strike up new friendships, and it is hard to replicate this experience through digital channels. We like the one-on-one, unique interaction of a bricks-and-mortar store. We’ll also be enhancing the digital experience in our stores.

Q: There is a new Vera Bradley deal with Macy’s, and plans for many new Vera Bradley stores, as well. Could you talk about all this?

A: Department stores are very important to Vera Bradley because half of all handbag purchasing is made in department stores. Customers want to compare and choose from a variety of brands, and we want to be in the mix as customers make their decisions.

In terms of our own stores, we are absolutely in growth mode. We are looking to open 20-25 full-line stores per year, and move our store count up from about 100 to nearly 300 over the longer term. Even though we have a strong digital presence, we are also focusing our efforts and resources on physical stores.



A Look at What's New

Some of the most recent openings across our portfolio

Q: You came to Vera Bradley from a leadership role at Saks Fifth Avenue OFF 5TH. How will your experience impact the outlet strategy for Vera Bradley?

A: Vera Bradley definitely has an opportunity in the outlet sector – we see this as a 100-store opportunity – and we likely will be building 10-15 outlet stores each year. Yet, we want to continue to protect our brand by keeping the outlet-to-full-line store ratio fairly low compared to the industry average. Protecting the full-line experience enhances the experience for our customers across all channels.

Q: What do you enjoy most about your work?

A: My challenge and what I'm completely focused on is the chance to create a premier, global lifestyle brand. We will do this with the talented team we are building – a terrific blend of those with Vera Bradley history and others from outside the company with great industry experience. Thankfully, Barbara Bradley Baekgaard remains an integral and inspirational part of the team as our Chief Creative Officer.

For me, it's about two things: Helping people I work with grow and develop their careers, and of course, helping the business to grow and develop. We're investing in Vera Bradley's brand experience, and the brand is very special to people. Very few lifestyle brands appeal to such a broad spectrum of customers, and we are building on this signature strength. This is a huge part of what I love about my work here.

ARDEN FAIR

- Tilly's

ATLAS PARK

- Auntie Annes
- Crazy 8
- Ulta Beauty

ARROWHEAD TOWNE CENTER

- Lex & Lu

BILTMORE FASHION PARK

- Mother of Gideon
- FROST A Gelato Shoppe

CHANDLER FASHION CENTER

- Athleta
- Free People
- HOUSE OF HOOPS by Foot Locker
- Lovesac
- Apex by Sunglass Hut

CROSS COUNTY SHOPPING CENTER

- KAY Jewelers

FASHION OUTLETS NIAGARA FALLS

- Godiva Chocolatier

FREEHOLD RACEWAY MALL

- ULTA Beauty

GREEN ACRES MALL

- Haagen-Dazs
- Perfume Point
- Starbucks

KINGS PLAZA

- Chipotle Mexican Grill
- MICHAEL KORS
- Starbucks

LA ENCANTADA

- LOFT

LAKEWOOD CENTER

- Applebee's

THE SHOPS AT NORTH BRIDGE

- DOC B's FRESH KITCHEN

NORTH PARK MALL

- Shoe Dept. Encore

QUEENS CENTER

- KIKO Milano
- L'Occitane
- Panda Express

SANTAN VILLAGE

- Luxe Salon and Spa

SANTA MONICA PLACE

- SPANX

SCOTTSDALE 101

- Potato Barn

SCOTTSDALE FASHION SQUARE

- DVF

SOUTH PARK MALL

- Shoe Dept. Encore

SOUTH PLAINS MALL

- life is PINK is life

SOUTH TOWNE CENTER

- SHOE DEPT. ENCORE

STONEWOOD CENTER

- BROW Art23

TWENTY NINTH STREET

- motomaki
- Lucky Brand

TYSONS CORNER CENTER

- Beau
- Soma INTIMATES
- Sleep Number
- Tysons Market
- ZARA

TYSONS CORNER PLAZA

- Shake Shack

VALLEY RIVER CENTER

- H&M
- Spencer's

WASHINGTON SQUARE

- PANDORA

WILTON MALL

- Charlotte Russe

Bringing it All Together at Tysons

Talking with Macerich's John Harrison

This summer Macerich opened the first elements in its dynamic Tysons Corner expansion, including the 22-story Tysons Tower office building, a new mall entrance that directly links the retail property to the rest of the project, and the signature outdoor Plaza, an important connection point in the exciting new design.

Another key connector is Macerich's John Harrison, Vice President of Development, who has guided the project since its earliest days. "I actually started working on this project in 2001, when I was with Wilmorite and we were first exploring land use issues and zoning," said Harrison. "Back then we were starting to imagine something more at Tysons, but I don't think any of us could have envisioned the truly incredible project Macerich is delivering on now."

For Macerich, master developer of the entire project, Harrison describes his role as the quarterback, working closely with key members of a large, multi-faceted development team. This includes Macerich experts in every area from leasing and construction to asset

management and marketing, as well as major partners in the project, long-term financial partner Alaska Permanent Fund, plus a set of top-rated development companies: Hines for the Tysons Tower office, Kettler for VITA, the residential tower, and Woodbine for the new Hyatt Regency hotel.

As master developer, Macerich has tapped the expertise of these exceptional partners, while retaining ownership of every element of the development in order to shape the full experience. "I think what Macerich understands better than almost any developer is place-making, how to create a public realm, knitting the different pieces together to originate an incredible destination. This all-encompassing viewpoint is what makes a difference here at Tysons," said Harrison.

Because Macerich is in charge, retail is not only the heart of the new project, but it also leads the list of engaging incentives and opportunities available to the 2,000+ people who will live, work or stay at Tysons – plus the 10,000 or more daily Metro riders who can now step right off at the property. Says Harrison: "Macerich is providing preferred benefits – an 'All Access Card' – to Tysons residents, office workers and guests intended to drive business to retailers and restaurants in the mall. In some ways, the entire expansion serves to create a new, built-in market for



the mall, potentially adding more than 10,000 people a day, and that is a very powerful number."

Beyond the retail impact, the new mixed-use urban hub at Tysons is getting top marks from early visitors for its strikingly beautiful design and exceptional functionality. "When we do tours of the office tower, people are blown away by everything Tysons offers. The architecture is dramatic, the views are amazing, it's energy efficient and sustainable, parking is plentiful and easy and the amenities, from the mall to the Plaza, are remarkable," said Harrison.

For Harrison, the entire process has been gratifying, but the best part is right now. "The Tysons Team was given a lot of responsibility on this project and Macerich put a tremendous amount of faith in us. So now, to be able to deliver something that exceeds everyone's expectations is really the most rewarding part of the experience for me."



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