

A photograph of John Slavinsky, a middle-aged man with short brown hair, smiling. He is wearing a dark navy blue blazer over a light green button-down shirt. He is standing in a retail environment, likely a Louis Vuitton store, with shelves in the background displaying various luxury items including handbags and suitcases. The lighting is warm and focused on him.

John Slavinsky
SVP, Real Estate and Store Planning,
Louis Vuitton Americas

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MACERICH®

HAPPENINGS

INSIDE: Hear from John Slavinsky at Luxury Leader Louis Vuitton, Plus Big News on Scottsdale Fashion Square Starting with Luxury Wing Renovations, Macerich's New Content Partnership with POPSUGAR, More Santa HQ, and Exclusive New Plug-and-Play Retail Comes to Our Common Areas.

Getting Ready for Big Updates at Scottsdale Fashion Square: Meet VP of Construction John Wallace



When the renovations at Scottsdale Fashion Square kick off next year, shoppers and retailers will be in good hands. Meet John Wallace, VP of Construction for Macerich, who brings a wealth of experience, a calm demeanor and a thoughtful approach to this important work.

One thing retailers should expect is a construction process that puts their needs at the very top of the list. “Any time we do this kind of construction, job one is to make sure we are able to execute our work with minimal impact on tenants,” said Wallace, who is based in Phoenix. One big way to mitigate: “We do most of our work at night, and focus on keeping the shopping experience comfortable and welcoming throughout the project.”

Wallace draws on wide construction experience in retail real estate around the country and the world. One of his toughest assignments was a project for The Mills Corporation outside of Madrid, Spain, where he says: “We assembled a great international team, but I worked in a sense without a net. Due to the pace of the development, there was little time to adjust to a new language, a different currency and an unfamiliar measurement system. It was also more challenging than most projects because I did not have any established relationships with the local construction community. Despite the initial challenges, we delivered a spectacular project for the company.”

Conversely, Wallace expects the project at Scottsdale Fashion Square to run smoothly from the outset. He credits the

professionalism of Macerich and its proven partnerships with top-tier construction, design and engineering firms. “What you have at this company is a real sense of everyone working toward common goals. All of our departments, from Leasing and Real Estate Services to Property Management, form a well-integrated whole that know how to overcome hurdles and deliver terrific projects. This kind of professionalism is what sets Macerich apart and makes me proud to be part of the team.”

Just prior to joining Macerich in 2014, Wallace spent four years as Program Director for the reconstruction of public schools in New Orleans after Hurricane Katrina – rebuilding a grand total of 87 schools. This work was close to his heart, because he went to Tulane University and wanted to play a significant role in both the City’s recovery and its future by rebuilding its educational infrastructure.

Giving back to communities is clearly something Wallace is proud of. “We lead our industry in sustainability and are keenly aware of the impact we have on our surroundings. This awareness builds goodwill, and communities come to know Macerich as a partner.”

A New Look For Luxury At Scottsdale Fashion Square



Luxury takes the lead: A luxury renovation at Scottsdale Fashion Square is the first phase of a just-announced multi-part project to further enhance Macerich's market-leading Arizona retail powerhouse.

Following phases include the addition of high-end residences, class A office space and a new hotel to maximize Scottsdale Fashion Square's prime position in the heart of upscale Scottsdale. World-famous art galleries, high-end restaurants, posh resorts, and a vibrant club and bar scene are all within walking distance of the region's premier shopping destination.

The first deliverable of this multi-dimensional project will update and redefine the luxury wing anchored by Neiman Marcus. Scottsdale Fashion Square will enhance its luxury presentation with a striking new entrance and arrival point, bold, two-story storefronts, and impactful exterior-facing retail buildings and restaurants.

"Macerich is capitalizing on the strong growth in Scottsdale and greater Phoenix to enhance our market-dominant retail property, already the region's undisputed luxury leader, to better serve this attractive and buoyant metropolitan area for the long term," said Art Coppola, Chairman and Chief Executive Officer, Macerich.

The luxury renovation and added mixed-use elements will complement key investments in other aspects of the shopping center, including refinements and updates to the contemporary wing anchored by Nordstrom and the property's entertainment/young fashion wing anchored by the new Harkins Theatre. Plans also include the addition of new restaurant and food offerings at the 1.9 million square-foot Scottsdale Fashion Square.

Among the elevated amenities for visitors will be a dedicated luxury valet with a private lounge and house car, platinum-level concierge,

personal shopping experts and style consultants, bespoke art installations and fine furnishings, resort-caliber restrooms, plus a signature fountain and lush gardens influenced by renowned landscapes from around the world.

Already, luxury leader Louis Vuitton has signed a new, long-term lease at Scottsdale Fashion Square with plans for a major store renovation in 2017. "We're very excited about Macerich's plans for Scottsdale Fashion Square," said Anthony Ledru, CEO of Louis Vuitton Americas. "The luxury market in Arizona is strong and on the rise, and this property is the right real estate in the region for our brand."

"Scottsdale Fashion Square has long been synonymous with luxury in the Southwest, with more than 40 of the world's finest luxury and contemporary brands including Cartier, Bottega Veneta, Louis Vuitton, Gucci, Tiffany & Co., Bulgari and Prada, alongside our top-performing Neiman Marcus and Nordstrom department stores," said Robert Perlmutter, Chief Operating Officer, Macerich. "This is part of Macerich's long-term strategy, as well as the center's own history, of continually reinvesting in irreplaceable retail destinations."

When it first opened in 1961, Scottsdale Fashion Square was an open-air center that featured Goldwater's Department Store and a handful of specialty shops. Today, with four anchor department stores and more than 200 shops and restaurants, Scottsdale Fashion Square is one of the premier shopping destinations in the country with total annual sales exceeding \$650 million.

Can't wait for what's next at Scottsdale Fashion Square? Construction on the first phase is set to begin in 2017.

Pipeline Update



Just in time for the holidays, the first set of breakthrough WithMe hybrid stores is already delivering e-tail-to-retail and hard-to-find brands at six Macerich shopping centers. These include Los Cerritos Center, Tysons Corner Center, The Oaks, The Shops at North Bridge, Washington Square and Santa Monica Place, where WithMe launched its only inline store with the West Coast debut of Century 21 Department Store this past May.

Macerich Debuts WithMe ‘Stores Without Walls’ at Marquee Properties

Come shop WithMe. Macerich is bringing new WithMe “stores without walls” to common areas across the portfolio. Designed to welcome retail’s next big thing in a matter of days, tech-forward WithMe is a plug-and-play platform for emerging concepts, new ideas from top retailers and real-life stores for buzzworthy e-tailers.

WithMe answers retail’s age-old question – “what’s new?” – with an always-changing selection of exclusive brands available for limited runs, presented with a customer experience that blends the best of traditional and online shopping.

“Macerich is committed to bringing emerging, often digitally native, concepts and new ideas from top retailers to our shopping centers. The interactive experience WithMe delivers to our common areas is a flexible and powerful platform that continues to differentiate our high-performing properties,” said Eric Salo, Chief Strategy Officer, Macerich. “The WithMe concept is a tremendous way to add newness and excitement for shoppers in our common areas.”

WithMe’s state-of-the-art technology creates highly personalized experiences thanks to interactive tags, responsive display tables, directional audio and more. The new common area retail platform ranges in size from 100 to 300 square feet. Here are Macerich’s pre-holiday WithMe concepts:

- **Lanai Collection** offers luxurious, casual menswear inspired by the fabled Hawaiian island (The Oaks, Tysons Corner Center and the inline WithMe flagship at Santa Monica Place)
- **Ezekiel** is a longtime Southern California clothing brand that has emerged via a community of surfers, skaters, musicians and artists (The Oaks)
- **The Tie Bar** is a popular online destination for men’s neckwear and other accessories (Tysons Corner Center)
- **Kappa Toys** offers new and classic toys (Tysons Corner Center)
- **BucketFeet** steps out with artist-designed shoes (The Shops at North Bridge)
- **Sandilake Clothing** features simple and modern screen-printed looks for kids (Washington Square)

Other sought-after brands expanding their reach in WithMe common area locations this holiday season include **Lorna Jane** (The Oaks, Tysons Corner Center and Washington Square); **Urban Outfitters** (Los Cerritos Center); and **Wired Magazine** (Santa Monica Place).

For WithMe leasing information, retail concepts and brands are invited to contact Jason Chen at jason.chen@with.me or 800-278-5419 x704.

Macerich Launches Content Partnership With POPSUGAR

Leveraging #1 Lifestyle Brand for Young Women

Macerich content is really starting to “pop.” An exciting new partnership with POPSUGAR launched in November is providing custom content for the portfolio’s on-mall, online and social platforms. POPSUGAR, which reaches 1 in 3 millennial women, is a leader in lifestyle content in multiplatforms across entertainment, fashion, beauty, fitness, food and parenting.

The partnership with Macerich encompasses custom videos, imagery and social posts, with opportunities for a broad array of brand experiences, in-mall appearances and other tailored, high-profile collaborations.

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“POPSUGAR’s spot-on connection with young women is a unique lever for heightening the experience with our malls for this important set of shoppers,” said Ken

Volk, Chief Marketing Officer, Macerich. “This brand’s captivating, on-trend lifestyle content supports nearly every retail category at our high-performing properties and we see powerful synergies as we continue focusing on our malls’ relationships with targeted consumers.”

Shoppers will experience new custom content under the name “Modern Muse,” a new microsite that will be a home and landing page for traffic coming in from the POPSUGAR site and elsewhere. The term Modern Muse captures the spirit of the partnership with POPSUGAR and will inspire shoppers’ “inner muse” with vignette-length stories that show how Macerich properties help celebrate important moments through the year – a springtime wedding, summer entertaining, lunch with friends at the mall and more.

Across its media business, POPSUGAR has built successful collaborations with premium retailers, including brands that feature prominently within the Macerich portfolio. “Macerich’s

high-quality malls in top markets are shopping destinations for our huge audience of young women,” said Geoff Schiller, CRO of POPSUGAR. “We know how to reach Macerich’s consumers and how to communicate with them.”

Schiller adds: “As the brick and mortar retail experience continues to evolve, POPSUGAR’s inspiring, informative and entertaining

content, plus our proprietary data technology, creates the perfect platform for Macerich properties in making their malls the most innovative and engaging experiences for consumers.”

Enjoy the rush of POPSUGAR’s approachable, fun and positive content online and on-mall at Macerich properties from coast to coast.

Macerich Unwraps Santa HQ At More Centers



HGTV’s Santa HQ invites families to enjoy the unparalleled wonder of Santa’s world reimagined for the digital age. Visitors can take an ELFIE selfie and star in their own holiday video, explore Santa’s Observatory using ELF-RAY Vision’s augmented reality platform, test their luck on the Naughty or Nice O’Meter, capture a memorable photo with Santa and be dazzled by a synchronized light and audio show.

The five new Santa HQ centers include Fashion Outlets of Chicago, Freehold Raceway Mall, Fresno Fashion Fair, Queens Center and The Oaks. Santa HQ will continue to deliver holiday cheer at the 10 legacy properties where the program launched in 2014 (Chandler Fashion Center, Danbury Fair Mall, Deptford Mall, FlatIron Crossing, Lakewood Center, Los Cerritos Center, Scottsdale Fashion Square, Tysons Corner Center, Vintage Faire Mall and Washington Square).

You better watch out: This holiday season, Macerich is bringing its popular, interactive Santa HQ experience to even more top retail properties. This star attraction presented by HGTV is debuting at five additional centers for a total of 15 across the Macerich portfolio. New this year, the experience is entertaining families in both Chicago and metro New York, as well as adding locations in California.

“Our goal is to enhance our customers’ experience in every way possible. We are delighted to have a partner like HGTV that shares our passion about delivering exciting opportunities guests can’t find anywhere else,” said Petra Maruca, Vice President of Business Development, Macerich. “Visits and photos with Santa at the mall are a well-loved holiday tradition and we are so pleased to bring our breakthrough Santa HQ experience to even more markets this year.”

Macerich Launches Digital Shopper Rewards Program



their registered cards to shop at the center, they earn rewards on their statements.

“This new program really is so easy for shoppers and retailers and initial sign-ups have been very strong,” said Kurt Ivey, Vice President, Property Marketing, Macerich. “There are no coupons, no need to show receipts, it’s all automatic. We think this is the essence of what a shopper loyalty program should be – effortless and truly rewarding.”

Retailers are set to benefit significantly from the program’s smart analytics tool, which tracks the details of shopper spending in real time. The data will help Macerich better understand shoppers’ spend patterns and in turn assist with tools to better market to the best shoppers as well as gauge the effectiveness of the program. “Retailer adoption is picking up at a rapid pace,” said Ivey. “Hundreds of retailers are already providing transaction data, which enables the program to track and analyze store level spend in detail.”

Shoppers Earn \$10 for Every \$250 They Spend

Four top Macerich properties are the first in the portfolio to launch a new digital Shopper Rewards program that lets shoppers earn \$10 in rewards for every \$250 they spend at each property.

Shoppers at Fashion Outlets of Chicago, Santa Monica Place, The Shops at North Bridge and Tysons Corner Center sign up through a simple, one-stop process at the mall website or at special kiosks on property to register a credit or debit card. Any time shoppers use

Macerich is partnering with Chicago-based Spring Rewards, an expert technology partner with loyalty programs like this one at many shopping centers and other businesses across the country.



Good Real Estate is Good Retail for Louis Vuitton

Q&A with John Slavinsky, SVP,
Real Estate and Store Planning,
Louis Vuitton Americas

The interlocking L and V – among the most recognized and coveted luxury symbols the world over – represents two lasting ideas: What's classic and what's modern. This fascinating juxtaposition has been successfully drawing fashion enthusiasts to the brand since 1854.

The momentum continues, and this year *Forbes* ranked Louis Vuitton as the world's #1 most valuable luxury brand worth more than \$27 billion. For *Happenings*, John Slavinsky, SVP, Real Estate and Store Planning, Louis Vuitton Americas, helped unpack the reasons behind the brand's enduring appeal and how it connects with customers.

How are things going with the LV brand in the U.S.?

Business year to date is strong. There are always cycles in the retail business. No matter the cycle, one advantage we have is that Louis Vuitton is classic, but there is still style and fashion and most importantly the product is going to last. In the last several years, we have designed so many exceptional handbag styles, with interesting looks and different leathers, different fabrics. Louis Vuitton has been known for a century and a half for quality, but also for modernity. We are modern, not retrospective at all. There is always a hint of what's happening now, and our customers take comfort in that.

In your view, what's driving the brand's performance in the U.S. now?

It's our people. Everyone says, our people are special. But our people really are. Over the last 30 years I have seen how our client advisors make it their responsibility to make customers feel comfortable. The best sales people never put making a sale first – it's about knowing the customer. We look for client advisors who are friendly and outgoing. You can teach someone to sell, but you can't teach them what to care about, the social graces, what they learned growing up. The best client advisors never sell. They talk to their customers, and everything takes care of itself.

How does Louis Vuitton view the synergy between the online experience and the in-store experience?

One of our biggest goals is creating a relationship with our digital client in a way that mirrors the way our client advisors greet you when you walk into one of our stores. It is not so easy to do, but we are determined to do it.

We think we understand that we have customers who go online to make purchases who may not live near a freestanding Louis Vuitton retail store. That is why we also value our presence in department stores, which many clients find to be a comfortable place to experience our brand. There are lots of different kinds of clients in the world. Our goal is to make all of these different clients comfortable with Louis Vuitton. People talk about omni-channel retail, but it's all retail, in whatever environment our clients prefer.

Let's talk about your real estate in the United States. How do you choose where to locate your stores?

To me, good real estate is good retail. In fact, I think the best landlords really are merchants who merchandise their centers to fit their clientele.



Clearly we are in the best shopping centers around the country. Scottsdale Fashion Square is a great example of that. I'm real excited about the ideas for Scottsdale Fashion Square, where luxury has been in Arizona and where it's going. I'm excited about what Macerich is doing. It's good for the property and good for the city.

When we choose locations, we don't mind being a pioneer – being the first luxury brand – but we really require a commitment from the landlord to evolve the shopping center, and to draw more viable luxury brands to the roster. The shopping center is definitely an American phenomenon. Elsewhere, for luxury shoppers, it's street retail, although shopping centers are increasingly important in China. And with street retail, we are looking for critical mass. In the U.S., we are trying to perfect our network, not necessarily grow it. One of the great things about Louis Vuitton is that we don't have to rush into anything. We take our time to make the right decision.

Generally, who is your customer in the U.S.? Can you please describe your shopper?

I love being in our stores and watching the customers who come in. I have to say, our

customer is every age, men and women, every nationality. Our customers are far too diverse to categorize. Why? I think it goes back to the fact that everyone appreciates quality. It's – and this isn't exactly the right way to say it – the way everyone loves a puppy. They want to hold it, and when they do, they feel better about themselves. It's appealing to everyone. Once we get the client in the door and put the product in their hands the most difficult part of the transaction is over.

From very classic items to new leather just a couple of years old, there is something for everyone. Clients can be sure that whatever they choose, it is going to last. We have great quality. They can put it away for two years and bring it out again. They can give it to their children and grandchildren. Louis Vuitton has a classic appeal.

How do you bring new shoppers into the fold?

It's bringing innovation to what is classic. Newness is so important. Because of our outreach to customers there is so much more awareness now of our offerings. It used to be a customer would come in and say, "Tell me what's new." Now, they know

the bag they want, the stock number, the colors and position of the striping, which celebrity carries the bag, that kind of detail. We do a great job with marketing – in creating awareness of our new goods. Really, our ability to connect with people about our brand is not just very good, it is excellent.

Let's talk a little bit about you. What's your history with LV?

I do the real estate for the Americas and I oversee a very large department – me. We have very short meetings. I started in 1988 as VP of Retail, I've been VP of Stores, SVP of Stores. In 2002 I moved to this function, and I also handle it for other LVMH brands, including Christian Dior and Céline.

What do you like most about your work?

I think about that a lot. I'm much closer to retiring than I am to starting out. I really like the people so much. Working with our people, with our landlords, with the department stores. I would miss interacting with them. I truly enjoy these relationships. And I still have fun every day.



New CNBC Show Films at The Shops at North Bridge

The new Marcus Lemonis TV show on CNBC, “The Partner,” recently shot a full episode at The Shops at North Bridge. The new show, which debuts in February 2017, poses challenges for contestants aiming to become Lemonis’ new business partner.

The episode shot at Macerich’s property was a kiosk challenge for participants

to sell products owned or invested in by Lemonis himself. No matter who wins, a huge winner is The Shops at North Bridge for its high-traffic common areas, which are earning positive buzz as the best place to launch a business on Michigan Avenue.

Lemonis shared his North Bridge star turn with his 1M+ Twitter followers. No lemons, only lemonade here.

Twenty Ninth Street Rolls Out ‘The Barrel’

The only thing people in Boulder, Colorado, might like better than craft beer is an environmentally friendly setting for it. That’s why The Barrel – a new craft beer, wine and spirits garden created from used shipping containers – is a perfect match for Macerich’s Twenty Ninth Street property and in line with Macerich’s overarching commitment to sustainability.

Already a success in nearby Estes Park, The Barrel rolled into its second location at Twenty Ninth Street this fall. The sustainability-focused, open-air concept – with community seating, umbrellas, bar



stools and live music – is a great fit for the quality-conscious yet laid-back Boulder lifestyle.

Featuring enough taps, 50, to include hard-to-find and seasonal brews along with a steady stream of higher-end beers, The Barrel is proving to be a crowd-pleasing attraction.

“More and more, Twenty Ninth Street offers not only Boulder’s best retail,

but also unique experiences that mean so much to shoppers here,” said Kate Taggart Honea, Property and Marketing Manager, Twenty Ninth Street. “Ours is such a special property for this one-of-a-kind market. Where else can you find Macy’s, Sephora, Apple, Trader Joe’s and Nordstrom Rack all in one place? The Barrel is a great addition to our always-changing mix of retail and dining that’s just right for Boulder.”

Sustainability X 3

Third time is much more than the charm:

In November Macerich earned NAREIT’s prestigious annual Retail “Leader in the Light” sustainability award for the third straight year – an unprecedented honor.

Macerich also earned a place for the second year in a row on CDP’s 2016 Climate A List for mitigating climate change. This ranking puts the company in the top 4% of 3,800 global companies that participate in CDP.

“Being recognized by our own industry, and the global business community overall, for our fully integrated focus on sustainability is important to Macerich – but even more gratifying is the positive impact our efforts have on the environment,” said Jeff Bedell, LEED AP, CEM, CEP, Vice President of Sustainability for Macerich. “We’re proud to lead in the critical area of sustainability.”

Other major environmental accolades earned by Macerich this year include the #1 ranking in the North American Retail Sector for 2016, based on scores published by Global Real Estate Sustainability Benchmark (GRESB) – the same top rank

also earned in 2015. As well, Macerich in both 2015 and 2016 made the Environmental Protection Agency’s Green Power Partnership list of Top 30 On-Site Generation companies.

Key results of Macerich’s comprehensive program include 205 million kWhs of electricity reduced since 2008 and more than 350,000 metric tons in reduced greenhouse gas emissions over the past six years.

To learn more about Macerich’s award-winning approach, go to www.Macerich.com to view the 2015 Sustainability Report.



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