



George Blankenship,
Tesla's VP of Worldwide Sales & Ownership Experience

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MACERICH

HAPPENINGS

INSIDE: Tysons Corner Center Vision | Retailer Spotlight: Interview with Tesla's George Blankenship | Where the Stores Are



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With our long-term partner, the Alaska Permanent Fund, we are redefining the position of Tysons Corner Center as a remarkably productive asset for many years to come.

—Art Coppola,
Chairman & CEO

Macerich's continued momentum at Tysons Corner Center is just one facet of the robust picture this summer for our company and our industry. With solid fundamentals across our operations, including very strong sales and leasing trends, Macerich is able to act on a select set of big opportunities – particularly our new, under-construction Fashion Outlets of Chicago in addition to Tysons' exciting mixed-used expansion.

Our work at Tysons represents a once-in-a-generation opportunity to protect and enhance the value of this extraordinary retail asset. With key entitlements and transit links now in place, Macerich has built a team of best-in-class development specialists in hotel, office and residential to help realize our vision for a dynamic urban hub that elevates our retail jewel. With our long-term partner, the Alaska Permanent Fund, we are redefining the position of Tysons Corner Center as a remarkably productive asset for many years to come.

Our sharp focus on our assets in our best markets – from Scottsdale to Santa Monica and the San Francisco Bay Area, from New York to Washington, D.C. and Chicago – sets Macerich apart. We are committed to continually making our properties even better, especially when it comes to attracting the most talked-about retail concepts. Tesla, now open at Scottsdale Fashion Square and Washington Square in the greater Portland SMSA, is a terrific example of how our shopping centers always help drive new ideas.

Best regards,

Art Coppola

Tysons Corner Center



This summer's big news – now that Washington, D.C.'s Metrorail Silver Line is under construction – is that Macerich has built a team with best-in-class development specialists in hotel, office and residential to transform Tysons into a fully connected, transit-accessible community where people will work, shop, dine and live.

Macerich's vision for what will be one of the nation's signature new mixed-use communities is located in Fairfax County just outside Washington, D.C., unfolding next to Tysons Corner Center and elevating one of the country's top-performing regional malls. A long-standing powerhouse, the retail mix draws tens of millions of visitors a year.

"We're acting on a once-in-a-generation opportunity to amplify the success of Tysons Corner Center by capitalizing on our retail magnet, master-planning to ensure the highest levels of quality across the board," said Art Coppola, Chairman and



Macerich Defines Development Team for Tysons Corner Center

Chief Executive Officer, Macerich. “With valuable entitlements and the transit line in place, now is the time to start building the infrastructure for the mixed-use future that will ensure the dominance of one of our signature retail assets for decades to come.”

The best-in-class, third-party development agreements align Macerich with hotel specialist Woodbine Development Corporation, multifamily development company Kettler, and Hines, which will manage the office development. Together the firms will bring a high-end hotel, luxury apartments, and a trophy-class office tower within steps of one of the nation’s premier shopping destinations, Tysons Corner Center.

“When you look at one of the very best shopping centers in the country and then the opportunity comes along to be part of a visionary, vertical development that will bring 24/7 activity to this ideally situated property – it’s a homerun,” said John Harrison, VP Development, Macerich. “People already know and love Tysons Corner Center, it’s an established draw pulling millions of shoppers in this part of the country. So making Tysons the centerpiece of a dynamic new development, ‘beyond the mall,’ if you will, is brilliant planning.”

The extraordinary vision for the site has been contemplated by Macerich and long-term investment partner, Alaska Permanent Fund Corporation, for many years. Since Macerich became involved in 2005 with the acquisition of Wilmorite, the two organizations have pursued a path of high-quality enhancements.

Macerich as Master Developer

Macerich is the master developer of the Tysons Corner Center expansion, taking its famed suburban real estate and maximizing its value by transforming the property into a multi-dimensional destination. The expansion adds 1.4 million square feet of office, residential, hotel and retail space.

Connecting the properties will be a first-of-its-kind elevated outdoor plaza measuring over an acre and a half. The plaza will act as a retail-friendly center court for the regional mall, located directly outside its second level doors, providing an attractive and activated shared venue for activities and events, such as a concert series, festivals, and seasonal shows.

Further differentiating itself from the competition is the fact that this will be the first commercial hub – and only office

space in Tysons Corner – with a direct connection by covered walkway to the new Metro station, just minutes away from Dulles International Airport and downtown Washington, D.C.

Tysons Corner Center mall attracts tens of millions of shoppers each year from around the world. At 2.2 million square feet, the shopping center offers 300+ specialty shops and restaurants, as well as a 16-screen movie theater with IMAX. With Bloomingdale’s, Lord & Taylor, Macy’s and Nordstrom, Tysons Corner Center delivers the largest concentration of retail on the East Coast outside of New York City. Among its many retail firsts are the first-ever Apple store and the very first Cusp from Neiman Marcus and Microsoft’s first East Coast location.

Taking the unusual role for a retail developer as both owner and master developer of a mixed-use project of this size, Macerich is determined to ensure the high-quality expression of every element of the expansion. “We have a true vision for this community and for this valuable property, which is why we want to own and fully guide the development of every aspect, including the hotel, office, residential components and the outdoor

Continued on pg. 4



Tysons Corner Center

Tysons FUTURE



Elevated Places, Spaces and Lifestyles

Now rising alongside one of the country's most famed and dynamic shopping centers is the new Tysons Corner Center - the nation's signature new mixed-use community offering the very best of city life: sweeping high-rise views. Steps from a dedicated Metro stop. An unparalleled retail mix. The perfect collection of amenities.

Everything starts with world-class shopping and dining, now the heart of a new city neighborhood with a glamorous residential tower, a luxury hotel and a sophisticated, trophy-class office tower. All wrapped with panoramic views of nearby Washington, D.C. Rooftop terraces, an elevated "heart-of-the-city" plaza with refreshing green spaces and gardens, state-of-the-art fitness centers and magnificent public art translate to modern life lived exceptionally well.

TYSONS CORNER CENTER
Visit Site >

TYSONS TOWER
Visit Site >

EMAIL UPDATES

Tysons Corner Center Project Website
www.tysonsfuture.com

Continued from pg. 3

elements at Tysons, of course with the help of outstanding development specialists in all disciplines," said Coppola.

Macerich is working to achieve the experience of a seamless, world-class destination, where guests, shoppers, residents and office workers can enjoy the highest quality amenities in a fully integrated, thoughtfully developed and well-managed setting.

Currently in pre-leasing is Tysons Tower, the 22-floor, trophy office tower that will become the tallest office building in Northern Virginia and offer panoramic views of the D.C. Metro area. The tower will include four levels of parking, a restaurant, a sweeping two-story lobby and a fully equipped fitness center. Pre-certified by the U.S. Green Building Council for LEED Gold status, the tower incorporates a green roof, floor-to-ceiling windows and solar shades. "We are currently partnering with CBRE to target professional service companies and higher-end government contract end users, offering not only an ideal location but a superb collection of amenities," said Tim Steffan, Senior Vice President, Property Management.

The entire redevelopment, including a series of pedestrian walkways and bicycle paths serving the area, will open in 2014, anticipated to follow the opening of the new Metrorail.

DEVELOPMENT TEAM

THIRD PARTY DEVELOPERS:

KEY PROJECTS

Hines, global development management company

Dallas & Houston Gallerias; 101 North Wacker in Chicago; City Center, DC

Kettler, Inc.

Metropolitan Park in Arlington, Va.; Midtown Bethesda North, Bethesda, Md.

Woodbine Development Corporation

Hyatt Regency Dallas at Reunion Dallas; Kierland Commons and Westin Hotel at Kierland

ARCHITECTS/DESIGNERS:

KEY PROJECTS

RTKL, a global design firm

Mirdif City Center in Dubai; City Crossing, Shenzhen, China; LA Live

Gensler, a global architecture, design and planning firm

Ritz Carlton Tower, LA Live; PNC Place; Shanghai Tower

Rios Clementi Hale Studios, a multi-disciplinary design firm

Nokia Plaza at LA Live; Grand Park, Los Angeles

Sasaki Associates, Inc., interdisciplinary landscape architects

2008 Beijing Olympics Masterplan; Lincoln Memorial Reflecting Pool Restoration

Shalom Baranes Associates, a Washington, D.C.-based architectural firm

Archstone CityCenter, D.C.; Cityline at Tenley, D.C.; 22 West, D.C.

OFFICE TOWER LEASING:

KEY PROJECTS

CBRE Group, Inc., global commercial real estate services firm

Hess Tower in Houston; global advisor to HSBC Holdings

A Look at What's New

Some of the most recent openings across our portfolio

CHANDLER FASHION CENTER

- Francesca's Collections
- The Art of Shaving
- Lush Fresh Handmade Cosmetics
- Soma Intimates
- Vera Bradley

DANBURY FAIR MALL

- Microsoft
- The Art of Shaving

EASTLAND MALL

- Zumiez
- White House | Black Market
- Pandora
- Forever 21

FLATIRON CROSSING

- Tricked Out Accessories
- Pandora

FREEHOLD RACEWAY MALL

- Microsoft
- Lush Fresh Handmade Cosmetics
- Best Buy Mobile
- The Art of Shaving

NORTH PARK MALL

- Tilly's

NORTHRIDGE MALL

- Zumiez

THE OAKS

- Young Soles

PACIFIC VIEW

- Cotton On
- crazy 8

“Where the Stores Are” Puts Brands Front and Center

Launching this fall is a sophisticated new campaign for Macerich’s top-tier centers that zeroes in on why people love to shop: It’s the stores.

Smart styling, interesting people and relatable regional settings form the winning backdrop for the campaign that makes store names the heart of the message. “Simply put, stores are the stars of this program,” said Ken Volk, Chief Marketing Officer for Macerich. “This campaign, ‘Where the Stores Are,’ communicates that our regionally dominant properties are the best places to find the best stores. Store names feature prominently in every single treatment.”

The new campaign is inspired by a widely recognized, still-talked-about advertising series started at Tysons Corner Center. Tysons is one of 11 Macerich shopping centers participating in the brand new campaign, along with Danbury Fair, Fashion Fair, FlatIron Crossing, Freehold Raceway Mall, Los Cerritos

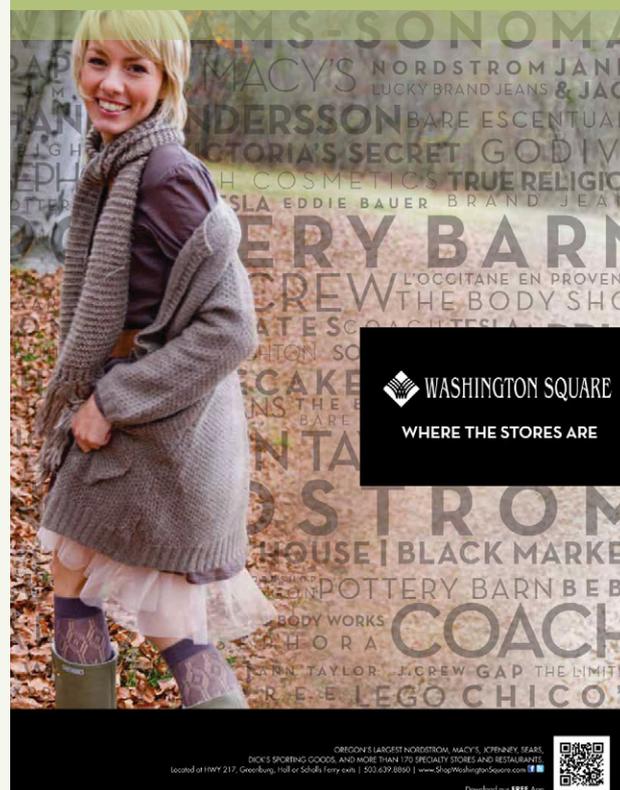
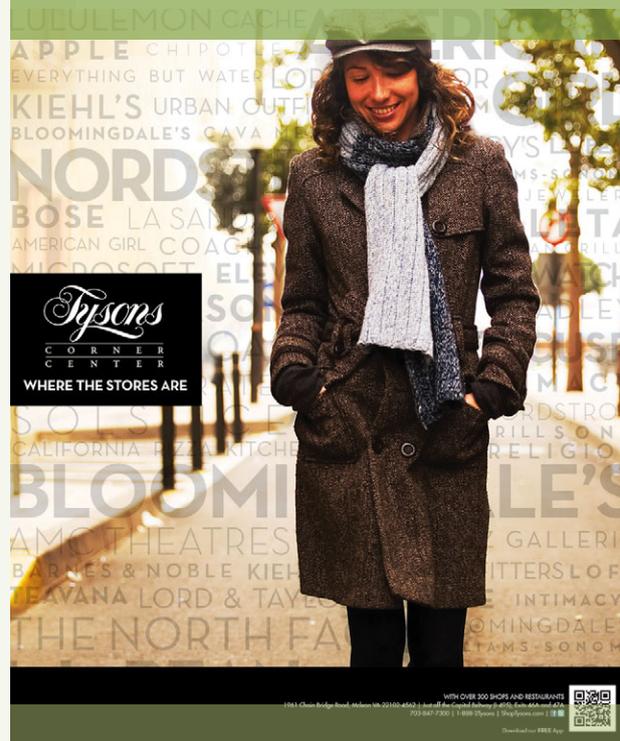
Center, Queens Center, Scottsdale Fashion Square, The Oaks, The Shops at North Bridge and Washington Square.

The look and feel of the new ads are customized and designed for regional resonance. For example, a beach scene and bare feet create the right tone for key properties in Southern California while a tweed coat on a chilly wind-swept day says it all for Tysons Corner Center. A sophisticated desert environment compliments Scottsdale Fashion Square, and the open space of the Pacific Northwest defines Washington Square. For each center’s ads, a precise set of retailer names is boldly layered onto the image to describe the property’s unique shopping experience.

The shopping center names – not the Macerich name – appear in the ads and on the properties themselves. “Each of our properties are different and reflect the singular communities they serve,” said Volk. “A huge differentiator is the customized merchandise mix at each of our top centers and we are proud to showcase the powerful retail names that make each center special.”

The new campaign is designed for optimum impact. “How we use these terrific new images will heighten their effectiveness too,” said Kurt Ivey, VP, Marketing for Macerich. “For us, less is definitely more. You’ll see us using bigger, more impactful signage versus lots of smaller ones on property – and media placements will be bold and designed to capture shoppers’ attention.”

Look for the new campaign beginning this September.



PANORAMA MALL

- Shoe Time
- The Children’s Place

QUEENS CENTER

- 16 Handles
- Best Buy Mobile

SANTA MONICA PLACE

- Lorna Jane
- Marbles The Brain Store

SCOTTSDALE FASHION SQUARE

- Rebecca Taylor
- Tesla

SOUTH PLAINS MALL

- Radio Shack

SUPERSTITION SPRINGS CENTER

- Shoe Dept. Encore

TOWNE MALL

- Longhorn Steakhouse
- Body Central

TWENTY NINTH STREET

- Moosejaw
- N3L

TYSONS CORNER CENTER

- Athleta

VALLEY RIVER CENTER

- The Briar Shoppe
- The Body Shop

VINTAGE FAIRE MALL

- Foreign Exchange
- Sporters

WASHINGTON SQUARE

- The Buckle
- Jos. A. Bank Clothiers
- Tesla

WESTSIDE PAVILION

- Urban Home

WILTON MALL

- Planet Fitness

Tesla Drives Relationships at Top Shopping Centers

An Interview with Tesla's Retail Guru, George Blankenship



George Blankenship is bringing the world another new product – this time it's the sleek and sumptuous, all-electric Model S sedan from Tesla. Before joining Tesla, Blankenship spent time making Gap a colossal global retail presence. Then he helped Apple become a household word – and one of the top brands anywhere – with a retail strategy that placed stores in top shopping centers and a fresh sales approach designed to engage shoppers and build relationships.

Tesla's using the same GPS to revolutionize how cars are purchased. The stores aren't meant to sell products that day, or even that year, but to entice, inform and engage consumers for the long term. This summer, Tesla opened new stores at Macerich's Scottsdale Fashion Square and Washington Square properties and is holding Test Drive Tours around the country.

Happenings talked with Blankenship, Tesla's VP of Worldwide Sales & Ownership Experience, during a pit stop on the West Coast.

Q: It's revolutionary to be selling automobiles in a mall setting. Why are you doing this?

A: Purchasing a car is the second largest expenditure for people – and most people don't enjoy the whole experience of buying a car. We are out to prove it can be fun. We love fun.

We are creating an environment where that can happen – at the mall. Shopping centers offer a unique opportunity to engage people when they're not thinking about buying a car. They don't feel any pressure. They're not buying a car right now. I can't sell you or anyone a car right now. So people ask questions, they sit in the car, and they take pictures to put on Facebook. It's just an opportunity to learn about the car. And people are bringing their friends back, so they can experience Tesla. I call it, "Entice, inform and then engage."

Q: What have you learned in your time in retail that helped you realize upscale shopping centers could be a fit for Tesla?

A: At Apple, we started with everything I'd learned at Gap. Apple brought me to where we are at with Tesla.

When I started with Apple, we went to the property owners and said, listen,





MAC Leasing Coast to Coast: Doug Healey and Tom Unis

Doug Healey and Tom Unis have seen it all -- and that's a good thing.

"Between us, we have intimate knowledge of every single property in the Macerich portfolio," said Healey, who has been part of Macerich for more than 7 years and leads property leasing on the East Coast from his office in New York.

Tom Unis, based in Texas, has spent 30 years with Macerich and heads up leasing in the West. "Doug and I have the ability to look at our portfolio from the broadest perspective. We usually have a good sense which properties will be the perfect fit," said Unis.

"Through our partnership, we have more of a national leasing organization," said Healey.

Though they hail from two different parts of the country, the two SVP's do agree that retailers today are choosing new store locations with more care than ever before. "It's a very thoughtful process. Today, retailers want surety, not risk. At Macerich, we've worked to become more astute about the real estate so we can accurately represent each

center, whether it's demographics or sales performance. It's our job to make it easy for retailers when they present a deal to their boards, not harder," Unis adds.

With new leadership from Bob Perlmutter, Executive Vice President, Leasing, Healey believes Macerich Leasing is focused more than ever on being responsive to retailers. He and Unis guide the leasing team responsible for specific properties.

According to Unis, when retailers shop for store locations, they want two things: honesty and efficiency. "We work to make sure we hold integrity in high regard," he said. "We hope retailers know we stand by our deals and try to be efficient in bringing them to fruition."

Healey emphasizes that helping retailers locate the right opportunities is a matter of listening. "If they make suggestions about synergies with other retailers, for instance, with a goal of better productivity, we do all we can to accommodate them," Healey said. "We're better prepared than ever before with the right information and research to help make it happen."

we'd like 7,500 square feet at the 50-yard line. They said the last thing we need is a 7,500 square-foot computer store at the center of the mall. I said, "Trust me." After a couple stores, we showed what we could do. Mall owners took a risk, and the rest is history. We got in front of people where we could really engage with them. We needed a pipeline to explain the product and everything just worked.

Q: How did you choose Washington Square and Scottsdale Fashion Square within the Macerich portfolio?

A: Scottsdale – well the whole Phoenix market is a great market. There are lots of very good centers there, but Scottsdale Fashion Square is the one place everybody goes. What Macerich achieved when it did the right kind of remodel at Washington Square was really good long-term positioning so that now this is the dominant center for an affluent market. These are all excellent centers.

Q: Clearly you like shopping centers. What is it about this channel?

A: Shopping centers are where people go when they are looking for something new. They don't go to the mall to see what people were wearing last year – they go for what's new. What's happening now. That's why we go there.



Property Promotions Scale New Heights

Movie Studios and Other Top Brands, and even Spiderman, Choose Macerich



Malls and movies go together like popcorn and Twizzlers – they always have. What’s new and especially exciting is how Macerich is attracting film studios and top brands of all kinds for increasingly elaborate and attention-getting mall promotions.

This summer, Santa Monica Place got to play the hero when Sony spun a one-of-a-kind web of excitement – literally – across this high-profile property to create buzz for its newest blockbuster, “The Amazing Spiderman.” The extraordinary, life-size custom-designed Spiderman installation (more than a thousand hours in the making) greeted shoppers with a fun, experiential interaction that took advantage of the high-traffic, open-air setting in the heart of taste-making Santa Monica.

It’s not the first time Macerich has brought movie magic to its shoppers. Last year, a 40-foot inflatable Smurf at Santa Monica Place got people talking about the Sony fun summer flick, and in Chicago at The Shops at North Bridge, DreamWorks’ “Madagascar 3” engaged young kids with a memorable scavenger hunt. Children sported rainbow-colored afro wigs (à la the movie’s zebra character) and hunted for “Madagascar 3” ads throughout the

mall. Each child also received a free movie pass – a great way to make sure they’d see the film – supervised, of course, by ticket-buying family members.

With more than 60 shopping centers in many of the best markets across the United States, Macerich has an extensive consumer reach – and it’s not just movie studios that are taking advantage of it. Ken Volk, Macerich’s Chief Marketing Officer, explains it this way: “People shopping at our properties are open to new brand experiences – in fact, that’s why they’re here. Brands are increasingly interested in reaching consumers at our centers in the most creative of ways, and we think it is important to deliver promotional experiences to our guests that match the high-quality shopping experiences people expect from Macerich properties.”

Currently, in addition to the studio executions, major brands partnering with Macerich malls include Coca-Cola, Fiat, and Universal Music Group to name a few. Even pop star Nicki Minaj recently decided to showcase her brand in a big way by promoting her new album release on the large-format billboard on the exterior of Queen’s Center.

It’s true – Hollywood endings can happen at the mall. Think boy gets girl, girl gets a makeover, and brands get important exposure to ready shoppers. Roll credits.



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