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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2013

Commission File No. 1-12504

THE MACERICH COMPANY

(Exact name of registrant as specified in its charter)

MARYLAND	**95-4448705**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

401 Wilshire Boulevard, Suite 700, Santa Monica, California 90401
(Address of principal executive office, including zip code)

(310) 394-6000
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve (12) months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past ninety (90) days.

YES ý NO o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding twelve (12) months (or for such shorter period that the registrant was required to submit and post such files).

YES ý NO o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer ý	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES o NO ý

Number of shares outstanding as of May 3, 2013 of the registrant's common stock, par value $0.01 per share: 137,498,591 shares

THE MACERICH COMPANY

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THE MACERICH COMPANY

CONSOLIDATED BALANCE SHEETS

(Dollars in thousands, except share data)

(Unaudited)

	March 31, 2013	December 31, 2012
ASSETS:		
Property, net	$ 7,932,563	$ 7,479,546
Cash and cash equivalents	68,814	65,793
Restricted cash	78,128	78,658
Marketable securities	23,612	23,667
Tenant and other receivables, net	99,767	103,744
Deferred charges and other assets, net	579,302	565,130
Loans to unconsolidated joint ventures	3,366	3,345
Due from affiliates	31,197	17,068
Investments in unconsolidated joint ventures	945,935	974,258
Total assets	$ 9,762,684	$ 9,311,209
LIABILITIES AND EQUITY:		
Mortgage notes payable:		
Related parties	$ 273,328	$ 274,609
Others	4,637,327	4,162,734
Total	4,910,655	4,437,343
Bank and other notes payable	797,138	824,027
Accounts payable and accrued expenses	89,237	70,251
Other accrued liabilities	326,095	318,174
Distributions in excess of investments in unconsolidated joint ventures	193,608	152,948
Co-venture obligation	89,360	92,215
Total liabilities	6,406,093	5,894,958
Commitments and contingencies		
Equity:		
Stockholders' equity:		
Common stock, $0.01 par value, 250,000,000 shares authorized, 137,628,403 and 137,507,010 shares issued and outstanding at March 31, 2013 and December 31, 2012, respectively	1,376	1,375
Additional paid-in capital	3,717,091	3,715,895
Accumulated deficit	(701,447)	(639,741)
Total stockholders' equity	3,017,020	3,077,529
Noncontrolling interests	339,571	338,722
Total equity	3,356,591	3,416,251
Total liabilities and equity	$ 9,762,684	$ 9,311,209

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

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THE MACERICH COMPANY

CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in thousands, except per share amounts)

(Unaudited)

	For the Three Months Ended March 31, 2013	2012
Revenues:		
Minimum rents	$ 149,157	$ 119,528
Percentage rents	4,377	3,753
Tenant recoveries	85,324	64,695
Management Companies	10,148	11,215
Other	13,776	10,752
Total revenues	262,782	209,943
Expenses:		
Shopping center and operating expenses	85,372	65,498
Management Companies' operating expenses	23,149	22,527
REIT general and administrative expenses	6,024	4,518
Depreciation and amortization	93,160	73,841
	207,705	166,384
Interest expense:		
Related parties	3,780	3,940
Other	49,916	38,583
	53,696	42,523
Total expenses	261,401	208,907
Equity in income of unconsolidated joint ventures	18,115	30,618
Co-venture expense	(2,041)	(1,092)
Income tax benefit (provision)	243	(1,850)
Gain on remeasurement, sale or write down of assets, net	4,828	19,497
Income from continuing operations	22,526	48,209
Discontinued operations:		
Gain (loss) on the disposition of assets, net	6	(55,568)
Loss from discontinued operations	(2)	(4,364)
Income (loss) from discontinued operations	4	(59,932)
Net income (loss)	22,530	(11,723)
Less net income attributable to noncontrolling interests	4,438	2,345
Net income (loss) attributable to the Company	$ 18,092	$ (14,068)
Earnings per common share attributable to Company basic:		

Income from continuing operations	$ 0.13	$ 0.31
Discontinued operations		(0.42)
Net income (loss) attributable to common stockholders	$ 0.13	$ (0.11)
Earnings per common share attributable to Company diluted:		
Income from continuing operations	$ 0.13	$ 0.31
Discontinued operations		(0.42)
Net income (loss) attributable to common stockholders	$ 0.13	$ (0.11)
Weighted average number of common shares outstanding:		
Basic	137,538,000	132,273,000
Diluted	137,616,000	132,273,000

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

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THE MACERICH COMPANY

CONSOLIDATED STATEMENT OF EQUITY

(Dollars in thousands, except per share data)

(Unaudited)

	Stockholders' Equity						
	Common Stock						
	Shares	Par Value	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
Balance at January 1, 2013	137,507,010	$ 1,375	$ 3,715,895	$ (639,741)	$ 3,077,529	$ 338,722	$ 3,416,251
Net income				18,092	18,092	4,438	22,530
Share and unit-based compensation plans	60,020		5,137		5,137		5,137
Distributions paid ($0.58) per share				(79,798)	(79,798)		(79,798)
Distributions to noncontrolling interests						(6,409)	(6,409)
Other			(98)		(98)		(98)
Conversion of noncontrolling interests to common shares	61,373	1	973		974	(974)	
Redemption of noncontrolling interests			(703)		(703)	(319)	(1,022)
Adjustment of noncontrolling interest in Operating Partnership			(4,113)		(4,113)	4,113	
Balance at March 31, 2013	137,628,403	$ 1,376	$ 3,717,091	$ (701,447)	$ 3,017,020	$ 339,571	$ 3,356,591

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

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THE MACERICH COMPANY

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars in thousands)

(Unaudited)

	For the Three Months Ended March 31, 2013	2012
Cash flows from operating activities:		
Net income (loss)	$ 22,530	$ (11,723)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Gain on remeasurement, sale or write down of assets, net	(4,828)	(19,497)
(Gain) loss on the disposition of assets, net from discontinued operations	(6)	55,568
Depreciation and amortization	95,465	81,002
Amortization of net (premium) discount on mortgages, bank and other notes payable	(2,441)	1,422
Amortization of share and unit-based plans	3,700	2,798
Provision for doubtful accounts	756	821
Income tax (benefit) provision	(243)	1,850
Equity in income of unconsolidated joint ventures	(18,115)	(30,618)
Distributions of income from unconsolidated joint ventures	8,538	4,444
Co-venture expense	2,041	1,092
Changes in assets and liabilities, net of acquisitions and dispositions:		
Tenant and other receivables	3,221	17,905
Other assets	13,422	(1,940)
Due from affiliates	(799)	(1,604)
Accounts payable and accrued expenses	15,073	1,849
Other accrued liabilities	(30,771)	(17,148)
Net cash provided by operating activities	107,543	86,221
Cash flows from investing activities:		
Acquisitions of property	(470,000)	(70,925)
Development, redevelopment, expansion and renovation of properties	(36,741)	(15,105)
Property improvements	(10,901)	(1,187)
Issuance of notes receivable	(13,330)	(12,500)
Proceeds from maturities of marketable securities	99	99
Deferred leasing costs	(10,885)	(8,723)
Distributions from unconsolidated joint ventures	104,708	24,697
Contributions to unconsolidated joint ventures	(26,134)	(8,008)
Collection of/loans to unconsolidated joint ventures, net	(21)	695
Proceeds from sale of assets	6,059	23,180
Restricted cash	530	(3,710)
Net cash used in investing activities	(456,616)	(71,487)

THE MACERICH COMPANY

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

(Dollars in thousands)

(Unaudited)

	For the Three Months Ended March 31,	
	2013	**2012**
Cash flows from financing activities:		
Proceeds from mortgages, bank and other notes payable	1,735,123	755,885
Payments on mortgages, bank and other notes payable	(1,286,303)	(521,054)
Deferred financing costs	(4,601)	(1,883)
Redemption of noncontrolling interests	(1,022)	(10)
Contribution from noncontrolling interests		266
Dividends and distributions	(86,207)	(81,644)
Distributions to co-venture partner	(4,896)	(4,282)
Net cash provided by financing activities	352,094	147,278
Net increase in cash and cash equivalents	3,021	162,012
Cash and cash equivalents, beginning of period	65,793	67,248
Cash and cash equivalents, end of period	$ 68,814	$ 229,260
Supplemental cash flow information:		
Cash payments for interest, net of amounts capitalized	$ 53,933	$ 40,431
Non-cash transactions:		
Accrued development costs included in accounts payable and accrued expenses and other accrued liabilities	$ 25,761	$ 4,228
Conversion of noncontrolling interests to common shares	$ 974	$ 774
Application of deposit to acquire property	$ 30,000	$

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

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THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in thousands, except per share amounts)

(Unaudited)

1. Organization:

The Macerich Company (the "Company") is involved in the acquisition, ownership, development, redevelopment, management and leasing of regional and community shopping centers (the "Centers") located throughout the United States.

The Company commenced operations effective with the completion of its initial public offering on March 16, 1994. As of March 31, 2013, the Company was the sole general partner of, and held a 93% ownership interest in, The Macerich Partnership, L.P. (the "Operating Partnership"). The Company was organized to qualify as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code").

The property management, leasing and redevelopment of the Company's portfolio is provided by the Company's management companies, Macerich Property Management Company, LLC, a single member Delaware limited liability company, Macerich Management Company, a California corporation, Macerich Arizona Partners LLC, a single member Arizona limited liability company, Macerich Arizona Management LLC, a single member Delaware limited liability company, Macerich Partners of Colorado, LLC, a Colorado limited liability company, MACW Mall Management, Inc., a New York corporation, and MACW Property Management, LLC, a single member New York limited liability company. All seven of the management companies are collectively referred to herein as the "Management Companies."

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

2. Summary of Significant Accounting Policies:

Basis of Presentation:

The accompanying consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. They do not include all of the information and footnotes required by GAAP for complete financial statements and have not been audited by independent public accountants.

The accompanying consolidated financial statements include the accounts of the Company and the Operating Partnership. Investments in entities in which the Company has a controlling financial interest or entities that meet the definition of a variable interest entity in which the Company has, as a result of ownership, contractual or other financial interests, both the power to direct activities that most significantly impact the economic performance of the variable interest entity and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the variable interest entity are consolidated; otherwise they are accounted for under the equity method of accounting and are reflected as investments in unconsolidated joint ventures.

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

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

2. Summary of Significant Accounting Policies: (Continued)

The unaudited interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2012. In the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the consolidated financial statements for the interim periods have been made. The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The accompanying consolidated balance sheet as of December 31, 2012 has been derived from the audited financial statements, but does not include all disclosures required by GAAP.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

3. Earnings per Share ("EPS"):

The following table reconciles the numerator and denominator used in the computation of earnings per share for the three months ended March 31, 2013 and 2012 (shares in thousands):

	For the Three Months Ended March 31, 2013	2012
Numerator		
Income from continuing operations	$ 22,526	$ 48,209
Income (loss) from discontinued operations	4	(59,932)
Net income attributable to noncontrolling interests	(4,438)	(2,345)
Net income (loss) attributable to the Company	18,092	(14,068)
Allocation of earnings to participating securities	(66)	(317)
Numerator for basic and diluted earnings per share net income (loss) attributable to common stockholders	$ 18,026	$ (14,385)
Denominator		
Denominator for basic earnings per share weighted average number of common shares outstanding	137,538	132,273
Effect of dilutive securities:(1)		
Share and unit-based compensation plans	78	
Denominator for diluted earnings per share weighted average number of common shares outstanding	137,616	132,273
Earnings per common share basic:		
Income from continuing operations	$ 0.13	$ 0.31
Discontinued operations		(0.42)
Net income (loss) attributable to common stockholders	$ 0.13	$ (0.11)
Earnings per common share diluted:		
Income from continuing operations	$ 0.13	$ 0.31
Discontinued operations		(0.42)
Net income (loss) attributable to common stockholders	$ 0.13	$ (0.11)

(1) The convertible senior notes ("Senior Notes") are excluded from diluted EPS for the three months ended March 31, 2012 as their impact was antidilutive. The Senior Notes were paid off in full on March 15, 2012 (See Note 10 Bank and Other Notes Payable).

Diluted EPS excludes 184,304 and 208,640 convertible preferred units for the three months ended March 31, 2013 and 2012, respectively, as their impact was antidilutive.

Diluted EPS excludes 1,156,985 unexercised stock appreciation rights ("SARs") for the three months ended March 31, 2012 as their impact was antidilutive.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

3. Earnings per Share ("EPS"): (Continued)

Diluted EPS excludes 13,500 unexercised stock options for the three months ended March 31, 2012 as their impact was antidilutive.

Diluted EPS excludes 623,572 unexercised stock warrants for the three months ended March 31, 2012 as their impact was antidilutive. The stock warrants were exercised in full on October 24, 2012.

Diluted EPS excludes 10,206,924 and 11,178,828 Operating Partnership units ("OP Units") for the three months ended March 31, 2013 and 2012, respectively, as their impact was antidilutive.

4. Investments in Unconsolidated Joint Ventures:

During 2012, the Company made the following investments and dispositions relating to its unconsolidated joint ventures:

On March 30, 2012, the Company sold its 50% ownership interest in Chandler Village Center, a 273,000 square foot community center in Chandler, Arizona, for a total sales price of $14,795, resulting in a gain on sale of assets of $8,184 that was included in gain on remeasurement, sale or write down of assets, net during the three months ended March 31, 2012. The sales price was funded by a cash payment of $6,045 and the assumption of the Company's share of the mortgage note payable on the property of $8,750. The Company used the cash proceeds from the sale to pay down its line of credit and for general corporate purposes.

On March 30, 2012, the Company sold its 50% ownership interest in Chandler Festival, a 500,000 square foot community center in Chandler, Arizona, for a total sales price of $30,975, resulting in a gain on sale of assets of $12,347 that was included in gain on remeasurement, sale or write down of assets, net during the three months ended March 31, 2012. The sales price was funded by a cash payment of $16,183 and the assumption of the Company's share of the mortgage note payable on the property of $14,792. The Company used the cash proceeds from the sale to pay down its line of credit and for general corporate purposes.

On March 30, 2012, the Company's joint venture in SanTan Village Power Center, a 491,000 square foot community center in Gilbert, Arizona, sold the property for $54,780, resulting in a gain on sale of assets to the joint venture of $23,294. The cash proceeds from the sale were used to pay off the $45,000 mortgage loan on the property and the remaining $9,780 was distributed to the partners. The Company's share of the gain recognized was $11,502, which was included in equity in income of unconsolidated joint ventures, offset in part by $3,565 that was included in net income attributable to noncontrolling interests. The Company used its share of the proceeds to pay down its line of credit and for general corporate purposes.

On May 31, 2012, the Company sold its 50% ownership interest in Chandler Gateway, a 260,000 square foot community center in Chandler, Arizona, for a total sales price of $14,315, resulting in a gain on sale of assets of $3,363. The sales price was funded by a cash payment of $4,921 and the assumption of the Company's share of the mortgage note payable on the property of $9,394. The Company used the cash proceeds from the sale to pay down its line of credit and for general corporate purposes.

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THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

4. Investments in Unconsolidated Joint Ventures: (Continued)

On August 10, 2012, the Company was bought out of its ownership interest in NorthPark Center, a 1,946,000 square foot regional shopping center in Dallas, Texas, for $118,810, resulting in a gain of $24,590. The Company used the cash proceeds to pay down its line of credit.

On October 3, 2012, the Company acquired the 75% ownership interest in FlatIron Crossing, a 1,439,000 square foot regional shopping center in Broomfield, Colorado, that it did not own for $310,397. The purchase price was funded by a cash payment of $195,900 and the assumption of the third party's share of the mortgage note payable on the property of $114,497. Prior to the acquisition, the Company had accounted for its investment in FlatIron Crossing under the equity method. Since the date of acquisition, the Company has included FlatIron Crossing in its consolidated financial statements (See Note 14 Acquisitions).

On October 26, 2012, the Company acquired the remaining 33.3% ownership interest in Arrowhead Towne Center, a 1,196,000 square foot regional shopping center in Glendale, Arizona, that it did not own for $144,400. The purchase price was funded by a cash payment of $69,025 and the assumption of the third party's pro rata share of the mortgage note payable on the property of $75,375. Prior to the acquisition, the Company had accounted for its investment in Arrowhead Towne Center under the equity method. Since the date of acquisition, the Company has included Arrowhead Towne Center in its consolidated financial statements (See Note 14 Acquisitions).

Combined condensed balance sheets and statements of operations are presented below for all unconsolidated joint ventures.

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THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

4. Investments in Unconsolidated Joint Ventures: (Continued)

Combined Condensed Balance Sheets of Unconsolidated Joint Ventures:

	March 31, 2013	December 31, 2012
Assets(1):		
Properties, net	$ 3,664,484	$ 3,653,631
Other assets	324,402	411,862
Total assets	$ 3,988,886	$ 4,065,493
Liabilities and partners' capital(1):		
Mortgage notes payable(2)	$ 3,274,872	$ 3,240,723
Other liabilities	171,073	148,711
Company's capital	237,806	304,477
Outside partners' capital	305,135	371,582
Total liabilities and partners' capital	$ 3,988,886	$ 4,065,493
Investments in unconsolidated joint ventures:		
Company's capital	$ 237,806	$ 304,477
Basis adjustment(3)	514,521	516,833
	$ 752,327	$ 821,310
Assets Investments in unconsolidated joint ventures	$ 945,935	$ 974,258
Liabilities Distributions in excess of investments in unconsolidated joint ventures	(193,608)	(152,948)
	$ 752,327	$ 821,310

(1) These amounts include the assets and liabilities of the following joint ventures as of March 31, 2013 and December 31, 2012:

	Pacific Premier Retail LP	Tysons Corner LLC
As of March 31, 2013:		
Total Assets	$ 1,035,401	$ 431,221
Total Liabilities	$ 939,057	$ 330,230
As of December 31, 2012:		
Total Assets	$ 1,039,742	$ 409,622
Total Liabilities	$ 942,370	$ 329,145

(2)

Certain mortgage notes payable could become recourse debt to the Company should the joint venture be unable to discharge the obligations of the related debt. As of March 31, 2013 and December 31, 2012, a total of $51,151 and $51,171, respectively, could become recourse debt to

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

4. Investments in Unconsolidated Joint Ventures: (Continued)

the Company. As of March 31, 2013 and December 31, 2012, the Company has indemnity agreements from joint venture partners for $21,270 of the guaranteed amount.

Included in mortgage notes payable are amounts due to affiliates of Northwestern Mutual Life ("NML") of $435,262 and $436,857 as of March 31, 2013 and December 31, 2012, respectively. NML is considered a related party because it is a joint venture partner with the Company in Macerich Northwestern Associates Broadway Plaza. Interest expense incurred on these borrowings amounted to $6,943 and $11,055 for the three months ended March 31, 2013 and 2012, respectively.

(3) The Company amortizes the difference between the cost of its investments in unconsolidated joint ventures and the book value of the underlying equity into income on a straight-line basis consistent with the lives of the underlying assets. The amortization of this difference was $2,562 and $(57) for the three months ended March 31, 2013 and 2012, respectively.

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THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

4. Investments in Unconsolidated Joint Ventures: (Continued)

Combined Condensed Statements of Operations of Unconsolidated Joint Ventures:

	Pacific Premier Retail LP	Tysons Corner LLC	Other Joint Ventures	Total
Three Months Ended March 31, 2013				
Revenues:				
Minimum rents	$ 33,132	$ 15,497	$ 60,961	$ 109,590
Percentage rents	989	566	1,302	2,857
Tenant recoveries	13,954	11,024	27,212	52,190
Other	1,251	918	7,413	9,582
Total revenues	49,326	28,005	96,888	174,219
Expenses:				
Shopping center and operating expenses	14,448	8,482	36,171	59,101
Interest expense	11,574	2,240	24,117	37,931
Depreciation and amortization	10,910	4,430	21,821	37,161
Total operating expenses	36,932	15,152	82,109	134,193
Loss on sale or distribution of assets			(190)	(190)
Net income	$ 12,394	$ 12,853	$ 14,589	$ 39,836
Company's equity in net income	$ 5,691	$ 4,877	$ 7,547	$ 18,115
Three Months Ended March 31, 2012				
Revenues:				
Minimum rents	$ 33,635	$ 15,340	$ 90,105	$ 139,080
Percentage rents	963	400	3,290	4,653
Tenant recoveries	13,474	10,815	42,412	66,701
Other	1,266	677	8,580	10,523
Total revenues	49,338	27,232	144,387	220,957
Expenses:				
Shopping center and operating expenses	14,162	8,514	55,923	78,599
Interest expense	13,288	3,021	39,123	55,432
Depreciation and amortization	10,462	5,076	31,053	46,591
Total operating expenses	37,912	16,611	126,099	180,622
Gain on sale or distribution of assets			22,990	22,990

Net income	$ 11,426	$ 10,621	$ 41,278	$ 63,325
Company's equity in net income	$ 5,810	$ 4,047	$ 20,761	$ 30,618

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

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THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

5. Property:

Property consists of the following:

	March 31, 2013	December 31, 2012
Land	$ 1,723,388	$ 1,572,621
Buildings and improvements	6,715,582	6,417,674
Tenant improvements	534,354	496,203
Equipment and furnishings	150,559	149,959
Construction in progress	408,860	376,249
	9,532,743	9,012,706
Less accumulated depreciation	(1,600,180)	(1,533,160)
	$ 7,932,563	$ 7,479,546

Depreciation expense was $71,098 and $57,322 for the three months ended March 31, 2013 and 2012, respectively.

The gain on remeasurement, sale or write down of assets, net includes the write off of development costs of $591 and $1,034 during the three months ended March 31, 2013 and 2012, respectively. In addition, the gain on remeasurement, sale or write down of assets, net includes the gain of $5,419 on the sale of assets during the three months ended March 31, 2013.

6. Marketable Securities:

Marketable securities consist of the following:

	March 31, 2013	December 31, 2012
Government debt securities, at par value	$ 23,670	$ 23,769
Less discount	(58)	(102)
	23,612	23,667
Unrealized gain	416	685
Fair value (Level 1 measurement)	$ 24,028	$ 24,352

The future contractual maturities of marketable securities are less than one year. The proceeds from maturities and interest receipts from the marketable securities are restricted to the service of the Greeley Note (See Note 10 Bank and Other Notes Payable).

7. Tenant and Other Receivables, net:

Included in tenant and other receivables, net, is an allowance for doubtful accounts of $1,771 and $2,374 at March 31, 2013 and December 31, 2012, respectively. Also included in tenant and other receivables, net, are accrued percentage rents of $2,584 and $9,168 at March 31, 2013 and

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

7. Tenant and Other Receivables, net: (Continued)

December 31, 2012, respectively, and deferred rent receivable due to straight-line rent adjustments of $50,685 and $49,129 at March 31, 2013 and December 31, 2012, respectively.

Included in tenant and other receivables, net, are the following notes receivable:

On March 31, 2006, the Company received a note receivable that is secured by a deed of trust, bears interest at 5.5% and matures on March 31, 2031. At March 31, 2013 and December 31, 2012, the note had a balance of $8,433 and $8,502, respectively.

On August 18, 2009, the Company received a note receivable from J&R Holdings XV, LLC ("Pederson") that bears interest at 11.6% and matures on December 31, 2013. Pederson is considered a related party because it has an ownership interest in Promenade at Casa Grande. The note is secured by Pederson's interest in Promenade at Casa Grande. Interest income on the note was $153 and $104 for the three months ended March 31, 2013 and 2012, respectively. The balance on the note at March 31, 2013 and December 31, 2012 was $3,445.

8. Deferred Charges and Other Assets, net:

Deferred charges and other assets, net, consist of the following:

	March 31, 2013	December 31, 2012
Leasing	$ 232,555	$ 234,498
Financing	47,444	42,868
Intangible assets:		
In-place lease values	204,046	175,735
Leasing commissions and legal costs	50,499	46,419
Above-market leases	129,256	118,033
Deferred tax assets	33,843	33,414
Deferred compensation plan assets	25,526	24,670
Acquisition deposit		30,000
Other assets	61,935	72,811
	785,104	778,448
Less accumulated amortization(1)	(205,802)	(213,318)
	$ 579,302	$ 565,130

(1) Accumulated amortization includes $64,047 and $62,792 relating to in-place lease values, leasing commissions and legal costs at March 31, 2013 and December 31, 2012, respectively. Amortization expense of in-place lease values, leasing commissions and legal costs was $13,893 and $9,652 for the three months ended March 31, 2013 and 2012, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

8. Deferred Charges and Other Assets, net: (Continued)

The allocated values of above-market leases and below-market leases consist of the following:

	March 31, 2013	December 31, 2012
Above-Market Leases		
Original allocated value	$ 129,256	$ 118,033
Less accumulated amortization	(41,930)	(46,361)
	$ 87,326	$ 71,672
Below-Market Leases(1)		
Original allocated value	$ 195,814	$ 164,489
Less accumulated amortization	(74,083)	(77,131)
	$ 121,731	$ 87,358

(1) Below-market leases are included in other accrued liabilities.

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9. Mortgage Notes Payable:

Mortgage notes payable at March 31, 2013 and December 31, 2012 consist of the following:

	Carrying Amount of Mortgage Notes(1)						
	March 31, 2013		December 31, 2012				
Property Pledged as Collateral	Related Party	Other	Related Party	Other	Effective Interest Rate(2)	Monthly Debt Service(3)	Maturity Date(4)
Arrowhead Towne Center	$	$ 241,406	$	$ 243,176	2.76%	$ 1,131	2018
Chandler Fashion Center(5)		200,000		200,000	3.77%	625	2019
Chesterfield Towne Center		110,000		110,000	4.80%	573	2022
Danbury Fair Mall	119,161	119,161	119,823	119,823	5.53%	1,538	2020
Deptford Mall		204,358		205,000	3.76%	947	2023
Deptford Mall		14,736		14,800	6.46%	101	2016
Eastland Mall		168,000		168,000	5.79%	811	2016
Fashion Outlets of Chicago(6)		34,959		9,165	3.00%	79	2017
Fashion Outlets of Niagara Falls USA		125,930		126,584	4.89%	727	2020
Fiesta Mall(7)		84,000		84,000	4.98%	341	2015
Flagstaff Mall		37,000		37,000	5.03%	151	2015
FlatIron Crossing		171,024		173,561	1.96%	1,102	2013
Freehold Raceway Mall(5)		232,900		232,900	4.20%	805	2018
Fresno Fashion Fair	80,306	80,306	80,601	80,602	6.76%	1,104	2015
Great Northern Mall		36,166		36,395	5.19%	234	2013
Green Acres Mall(8)		324,420			3.61%	1,447	2021
Kings Plaza Shopping Center(9)		497,609		354,000	3.67%	2,229	2019
Northgate Mall(10)		64,000		64,000	3.08%	131	2017
Oaks, The		217,164		218,119	4.14%	1,064	2022
Pacific View		137,744		138,367	4.08%	668	2022
Paradise Valley Mall(11)		80,250		81,000	6.30%	618	2014
Promenade at Casa Grande(12)		66,134		73,700	5.21%	248	2013
Salisbury, Centre at		115,000		115,000	5.83%	555	2016
Santa Monica Place		239,147		240,000	2.99%	1,004	2018
SanTan Village Regional Center(13)		138,087		138,087	2.61%	265	2013
South Plains Mall		100,949		101,340	6.57%	648	2015
South Towne Center(14)		84,915		85,247	6.39%	555	2015
Towne Mall		23,273		23,369	4.48%	117	2022
Tucson La Encantada	73,861		74,185		4.23%	368	2022
Twenty Ninth Street(15)		107,000		107,000	3.04%	252	2016
Valley Mall		42,703		42,891	5.85%	280	2016
Valley River Center		120,000		120,000	5.59%	558	2016
Victor Valley, Mall of(16)		90,000		90,000	2.11%	135	2014
Vintage Faire Mall(14)(17)		135,000		135,000	3.49%	480	2015
Westside Pavilion		153,986		154,608	4.49%	783	2022
Wilton Mall(18)		40,000		40,000	1.21%	29	2013
	$ 273,328	$ 4,637,327	$ 274,609	$ 4,162,734			

(1) The mortgage notes payable balances include the unamortized debt premiums (discounts). Debt premiums (discounts) represent the excess (deficiency) of the fair value of debt over (under) the principal value of debt assumed in various acquisitions and are amortized to interest expense over the remaining term of the related debt in a manner that approximates the effective interest method.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

9. Mortgage Notes Payable: (Continued)

Debt premiums (discounts) consist of the following:

Property Pledged as Collateral	March 31, 2013	December 31, 2012
Arrowhead Towne Center	$ 16,948	$ 17,716
Deptford Mall	(18)	(19)
Fashion Outlets of Niagara Falls USA	7,038	7,270
FlatIron Crossing	3,806	5,232
Great Northern Mall	(21)	(28)
Valley Mall	(285)	(307)
	$ 27,468	$ 29,864

(2) The interest rate disclosed represents the effective interest rate, including the debt premiums (discounts) and deferred finance costs.

(3) The monthly debt service represents the payment of principal and interest.

(4) The maturity date assumes that all extension options are fully exercised and that the Company does not opt to refinance the debt prior to these dates. These extension options are at the Company's discretion, subject to certain conditions, which the Company believes will be met.

(5) A 49.9% interest in the loan has been assumed by a third party in connection with a co-venture arrangement (See Note 11 Co-Venture Arrangement).

(6) The construction loan on the property allows for borrowings up to $140,000, bears interest at LIBOR plus 2.50% and matures on March 5, 2017, including extension options. At March 31, 2013 and December 31, 2012, the total interest rate was 3.00%.

(7) The Company is in negotiations with the loan servicer, which will likely result in a transition of the property to the loan servicer or receiver.

(8) On January 24, 2013, in connection with the Company's acquisition of Green Acres Mall (See Note 14 Acquisitions), the Company placed a new loan on the property that allowed for borrowings up to $325,000, bears interest at an effective interest rate of 3.61% and matures on February 3, 2021. Concurrent with the acquisition, the Company borrowed $100,000 on the loan. On January 31, 2013, the Company exercised its option to borrow an additional $225,000 on the loan.

(9) On January 3, 2013, the Company exercised its option to borrow an additional $146,000 on the loan.

(10)

The loan bears interest at LIBOR plus 2.25% and matures on March 1, 2017. At March 31, 2013 and December 31, 2012, the total interest rate was 3.08% and 3.09%, respectively.

(11)

The loan bears interest at LIBOR plus 4.0% with a total interest rate floor of 5.50% and matures on August 31, 2014. At March 31, 2013 and December 31, 2012, the total interest rate was 6.30%.

(12)

The loan bears interest at LIBOR plus 4.0% with a LIBOR rate floor of 0.50% and matures on December 30, 2013. At March 31, 2013 and December 31, 2012, the total interest rate was 5.21%.

(13)

The loan bears interest at LIBOR plus 2.10% and matures on June 13, 2013. At March 31, 2013 and December 31, 2012, the total interest rate was 2.61%. On April 29, 2013, the Company obtained a loan commitment to replace the existing loan with a new six-year $138,000 loan that will bear interest at a fixed rate of 3.09%.

(14)

On April 30, 2013, the existing loan on Vintage Faire Mall was paid off in full and the loan on South Towne Center was assumed by Vintage Faire Mall. An additional $15,200 loan was added to the Vintage Faire loan that bears interest at 2.50% and matures on November 5, 2015.

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

9. Mortgage Notes Payable: (Continued)

(15) The loan bears interest at LIBOR plus 2.63% and matures on January 18, 2016. At March 31, 2013 and December 31, 2012, the total interest rate was 3.04%.

(16) The loan bears interest at LIBOR plus 1.60% until May 6, 2013 and increases to LIBOR plus 2.25% until maturity on November 6, 2014. At March 31, 2013 and December 31, 2012, the total interest rate was 2.11% and 2.12%, respectively.

(17) On April 30, 2013, the loan was paid off in full.

(18) The loan bears interest at LIBOR plus 0.675% and matures on August 1, 2013. As additional collateral for the loan, the Company is required to maintain a deposit of $40,000 with the lender, which has been included in restricted cash. The interest on the deposit is not restricted. At March 31, 2013 and December 31, 2012, the total interest rate was 1.21% and 1.22%, respectively.

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

Most of the Company's mortgage notes payable are secured by the properties on which they are placed and are non-recourse to the Company. As of March 31, 2013 and December 31, 2012, a total of $282,830 and $213,466, respectively, of the mortgage notes payable could become recourse to the Company. The Company has indemnity agreements from consolidated joint venture partners for $21,270 and $28,208 of the guaranteed amounts at March 31, 2013 and December 31, 2012, respectively.

The Company expects that all loan maturities during the next twelve months will be refinanced, restructured, extended and/or paid-off from the Company's line of credit or with cash on hand.

Total interest expense capitalized was $3,507 and $2,353 during the three months ended March 31, 2013 and 2012, respectively.

Related party mortgage notes payable are amounts due to affiliates of NML. See Note 17 Related Party Transactions for interest expense associated with loans from NML.

The fair value of mortgage notes payable at March 31, 2013 and December 31, 2012 was $5,038,759 and $4,567,658, respectively, based on current interest rates for comparable loans. The method for computing fair value (Level 2 measurement) was determined using a present value model and an interest rate that included a credit value adjustment based on the estimated value of the property that serves as collateral for the underlying debt.

10. Bank and Other Notes Payable:

Bank and other notes payable consist of the following:

Senior Notes:

On March 16, 2007, the Company issued $950,000 in Senior Notes that matured on March 15, 2012. The Senior Notes bore interest at 3.25%, payable semiannually, were senior to unsecured debt of the Company and were guaranteed by the Operating Partnership. On or after December 15, 2011, the Senior Notes were convertible at any time prior to March 13, 2012. The conversion right was not

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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10. Bank and Other Notes Payable: (Continued)

exercised prior to the maturity date of the Senior Notes. On March 15, 2012, the Company paid-off in full the $439,318 of Senior Notes then outstanding.

Line of Credit:

On May 2, 2011, the Company obtained a $1,500,000 revolving line of credit that bears interest at LIBOR plus a spread of 1.75% to 3.0% depending on the Company's overall leverage and matures on May 2, 2015 with a one-year extension option. This extension option is at the Company's discretion, subject to certain conditions, which the Company believes will be met. Based on the Company's current leverage levels, the borrowing rate on the facility is LIBOR plus 2.25%. The line of credit can be expanded, depending on certain conditions, up to a total facility of $2,000,000 less the outstanding balance of the $125,000 unsecured term loan as described below. As of March 31, 2013 and December 31, 2012, borrowings under the line of credit were $635,000 and $675,000, respectively, at an average interest rate of 2.74% and 2.76%, respectively. The fair value (Level 2 measurement) of the line of credit at March 31, 2013 and December 31, 2012 was $636,502 and $675,107, respectively, based on a present value model using a credit interest rate spread offered to the Company for comparable debt.

Term Loan:

On December 8, 2011, the Company obtained a $125,000 unsecured term loan under the line of credit that bears interest at LIBOR plus a spread of 1.95% to 3.20% depending on the Company's overall leverage and matures on December 8, 2018. Based on the Company's current leverage levels, the borrowing rate is LIBOR plus 2.20%. As of March 31, 2013 and December 31, 2012, the total interest rate was 2.56% and 2.57%, respectively. The fair value (Level 2 measurement) of the term loan at March 31, 2013 and December 31, 2012 was $122,847 and $121,821, respectively, based on a present value model using a credit interest rate spread offered to the Company for comparable debt.

Greeley Note:

On July 27, 2006, concurrent with the sale of Greeley Mall, the Company provided marketable securities to replace Greeley Mall as collateral for the mortgage note payable on the property (See Note 6 Marketable Securities). As a result of this transaction, the mortgage note payable was reclassified to bank and other notes payable. This note bears interest at an effective rate of 6.34% and matures in September 2013. At March 31, 2013 and December 31, 2012, the Greeley Note had a balance outstanding of $23,808 and $24,027, respectively. The fair value (Level 2 measurement) of the note at March 31, 2013 and December 31, 2012 was $24,222 and $24,685, respectively, based on current interest rates for comparable notes. The method for computing fair value was determined using a present value model and an interest rate that included a credit value adjustment based on the estimated value of the collateral for the underlying debt.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

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10. Bank and Other Notes Payable: (Continued)

Prasada Note:

On March 29, 2013, the Company issued a $13,330 note payable that bears interest at 5.25% and matures on March 29, 2016. The note payable is collateralized by a development reimbursement agreement with the City of Surprise, Arizona. The fair value (Level 2 measurement) of the note at March 31, 2013 was $13,330 based on current interest rates for comparable notes. The method for computing fair value was determined using a present value model and an interest rate that included a credit value adjustment based on the estimated value of the collateral for the underlying debt.

As of March 31, 2013 and December 31, 2012, the Company was in compliance with all applicable financial loan covenants.

11. Co-Venture Arrangement:

On September 30, 2009, the Company formed a joint venture, whereby a third party acquired a 49.9% interest in Freehold Raceway Mall and Chandler Fashion Center. As part of this transaction, the Company issued a warrant in favor of the third party to purchase 935,358 shares of common stock of the Company at an exercise price of $46.68 per share. See Note 13 Stockholders' Equity. The Company received approximately $174,650 in cash proceeds for the overall transaction, of which $6,496 was attributed to the warrant.

As a result of the Company having certain rights under the agreement to repurchase the assets after the seventh year of the venture formation, the transaction did not qualify for sale treatment. The Company, however, is not obligated to repurchase the assets. The transaction has been accounted for as a profit-sharing arrangement, and accordingly the assets, liabilities and operations of the properties remain on the books of the Company and a co-venture obligation was established for the amount of $168,154, representing the net cash proceeds received from the third party less costs allocated to the warrant. The co-venture obligation is increased for the allocation of income to the co-venture partner and decreased for distributions to the co-venture partner. The co-venture obligation was $89,360 and $92,215 at March 31, 2013 and December 31, 2012, respectively.

12. Noncontrolling Interests:

The Company allocates net income of the Operating Partnership based on the weighted average ownership interest during the period. The net income of the Operating Partnership that is not attributable to the Company is reflected in the consolidated statements of operations as noncontrolling interests. The Company adjusts the noncontrolling interests in the Operating Partnership at the end of each period to reflect its ownership interest in the Company. The Company had a 93% ownership interest in the Operating Partnership as of March 31, 2013 and December 31, 2012. The remaining 7% limited partnership interest as of March 31, 2013 and December 31, 2012 was owned by certain of the Company's executive officers and directors, certain of their affiliates, and other third party investors in the form of OP Units. The OP Units may be redeemed for shares of stock or cash, at the Company's option. The redemption value for each OP Unit as of any balance sheet date is the amount equal to the average of the closing price per share of the Company's common stock, par value $0.01 per share, as reported on the New York Stock Exchange for the 10 trading days ending on the respective balance

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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12. Noncontrolling Interests: (Continued)

sheet date. Accordingly, as of March 31, 2013 and December 31, 2012, the aggregate redemption value of the then-outstanding OP Units not owned by the Company was $643,659 and $586,409, respectively.

The Company issued common and preferred units of MACWH, LP in April 2005 in connection with the acquisition of the Wilmorite portfolio. The common and preferred units of MACWH, LP are redeemable at the election of the holder, the Company may redeem them for cash or shares of the Company's stock at the Company's option and they are classified as permanent equity.

Included in permanent equity are outside ownership interests in various consolidated joint ventures. The joint ventures do not have rights that require the Company to redeem the ownership interests in either cash or stock.

13. Stockholders' Equity:

Stock Warrants:

On September 30, 2009, the Company issued a warrant in connection with its formation of a co-venture to own and operate Freehold Raceway Mall and Chandler Fashion Center (See Note 11 Co-Venture Arrangement). The warrant provided for the purchase of 935,358 shares of the Company's common stock. The warrant was valued at $6,496 and recorded as a credit to additional paid-in capital. The warrant was immediately exercisable upon its issuance and was scheduled to expire on December 1, 2012. The warrant had an exercise price of $46.68 per share, with such price subject to anti-dilutive adjustments. The warrant allowed for either gross or net issue settlement at the option of the warrant holder. In the event that the warrant holder elected a net issue settlement, the Company could have elected to settle the warrant in cash or shares; provided, however, that in the event the Company elected to deliver cash, the holder could have elected to instead have the exercise of the warrant satisfied in shares. In addition, the Company had entered into a registration rights agreement with the warrant holders requiring the Company to provide certain registration rights regarding the resale of shares of common stock underlying the warrant. On December 30, 2011, the holders requested a net issue exercise of 311,786 shares of the warrant and the Company elected to deliver a cash payment of $1,278 in exchange for the portion of the warrant exercised. On April 10, 2012, the holders requested a net issue exercise of an additional 311,786 shares of the warrant and the Company elected to deliver a cash payment of $3,448 in exchange for the portion of the warrant exercised. On October 24, 2012, the holders requested a net issue exercise of the remaining 311,786 shares of the warrant and the Company elected to deliver a cash payment of $3,922 in exchange for the portion of the warrant exercised.

At-The-Market Stock Offering Program ("ATM Program"):

On August 17, 2012, the Company entered into an equity distribution agreement ("Distribution Agreement") with a number of sales agents to issue and sell, from time to time, shares of common stock, par value $0.01 per share, having an aggregate offering price of up to $500,000 (the "Shares"). Sales of the Shares, if any, may be made in privately negotiated transactions and/or any other method permitted by law, including sales deemed to be an "at the market" offering, which includes sales made directly on the New York Stock Exchange or sales made to or through a market maker other than on

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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13. Stockholders' Equity: (Continued)

an exchange. The Company will pay each sales agent a commission that will not exceed, but may be lower than, 2% of the gross proceeds of the Shares sold through such sales agent under the Distribution Agreement.

During the three months ended September 30, 2012, the Company sold 2,961,903 shares of common stock under the ATM Program in exchange for aggregate gross proceeds of $177,896 and net proceeds of $175,649 after commissions and other transaction costs. The proceeds from the sales were used to pay down the Company's line of credit. As of March 31, 2013, $322,104 remained available to be sold under the ATM Program. Actual future sales will depend upon a variety of factors including but not limited to market conditions, the trading price of the Company's common stock and the Company's capital needs. The Company has no obligation to sell the remaining shares available for sale under the ATM Program.

Stock Issued to Acquire Property:

On November 28, 2012, the Company issued 535,265 restricted shares of common stock in connection with the acquisition of Kings Plaza Shopping Center (See Note 14 Acquisitions) for a value of $30,000, based on the average closing price of the Company's common stock for ten preceding trading days.

14. Acquisitions:

500 North Michigan Avenue:

On February 29, 2012, the Company acquired a 327,000 square foot mixed-use retail/office building in Chicago, Illinois ("500 North Michigan Avenue") for $70,925. The purchase price was funded from borrowings under the Company's line of credit. The acquisition was completed in order to gain control over the property adjacent to The Shops at North Bridge.

The following is a summary of the allocation of the fair value of 500 North Michigan Avenue:

Property	$ 66,033
Deferred charges	7,450
Other assets	2,143
Total assets acquired	75,626
Other accrued liabilities	4,701
Total liabilities assumed	4,701
Fair value of acquired net assets	$ 70,925

The Company determined that the purchase price represented the fair value of the assets acquired and liabilities assumed.

Since the date of acquisition, the Company has included 500 North Michigan Avenue in its consolidated financial statements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

14. Acquisitions: (Continued)

FlatIron Crossing:

On October 3, 2012, the Company acquired the 75% ownership interest in FlatIron Crossing, a 1,439,000 square foot regional shopping center in Broomfield, Colorado, that it did not own for $310,397. The acquisition was completed in order to gain 100% ownership and control over this asset. The purchase price was funded by a cash payment of $195,900 and the assumption of the third party's share of the mortgage note payable on the property of $114,497. Prior to the acquisition, the Company had accounted for its investment in FlatIron Crossing under the equity method (See Note 4 Investments in Unconsolidated Joint Ventures). As a result of this transaction, the Company obtained 100% ownership of FlatIron Crossing.

The following is a summary of the allocation of the fair value of FlatIron Crossing:

Property	$ 443,391
Deferred charges	25,251
Cash and cash equivalents	3,856
Other assets	2,101
Total assets acquired	474,599
Mortgage note payable	175,720
Accounts payable	366
Other accrued liabilities	11,071
Total liabilities assumed	187,157
Fair value of acquired net assets (at 100% ownership)	$ 287,442

The Company determined that the purchase price represented the fair value of the additional ownership interest in FlatIron Crossing that was acquired.

Fair value of existing ownership interest (at 25% ownership)	$ 91,542
Carrying value of investment	(33,382)
Prior gain deferral recognized	26,067
Gain on remeasurement	$ 84,227

The following is the reconciliation of the purchase price to the fair value of the acquired net assets:

Purchase price	$ 310,397
Less debt assumed	(114,497)
Carrying value of investment	33,382
Remeasurement gain	84,227
Less prior gain deferral	(26,067)
Fair value of acquired net assets (at 100% ownership)	$ 287,442

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

14. Acquisitions: (Continued)

The prior gain deferral relates to the prior sale of the 75% ownership interest in FlatIron Crossing. Due to certain contractual rights that were afforded to the buyer of the interest, a portion of that gain was deferred.

Since the date of acquisition, the Company has included FlatIron Crossing in its consolidated financial statements.

Arrowhead Towne Center:

On October 26, 2012, the Company acquired the remaining 33.3% ownership interest in Arrowhead Towne Center, a 1,196,000 square foot regional shopping center in Glendale, Arizona, that it did not own for $144,400. The acquisition was completed in order to gain 100% ownership and control over this asset. The purchase price was funded by a cash payment of $69,025 and the assumption of the third party's pro rata share of the mortgage note payable on the property of $75,375. Prior to the acquisition, the Company had accounted for its investment in Arrowhead Towne Center under the equity method (See Note 4 Investments in Unconsolidated Joint Ventures). As a result of this transaction, the Company obtained 100% ownership of Arrowhead Towne Center.

The following is a summary of the allocation of the fair value of Arrowhead Towne Center:

Property	$ 423,349
Deferred charges	31,500
Restricted cash	4,009
Tenant receivables	926
Other assets	4,234
Total assets acquired	464,018
Mortgage note payable	244,403
Accounts payable	815
Other accrued liabilities	10,449
Total liabilities assumed	255,667
Fair value of acquired net assets (at 100% ownership)	$ 208,351

The Company determined that the purchase price represented the fair value of the additional ownership interest in Arrowhead Towne Center that was acquired.

Fair value of existing ownership interest (at 66.7% ownership)	$ 139,326
Carrying value of investment	(23,597)
Gain on remeasurement	$ 115,729

THE MACERICH COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Dollars in thousands, except per share amounts)

(Unaudited)

14. Acquisitions: (Continued)

The following is the reconciliation of the purchase price to the fair value of the acquired net assets:

Purchase price	$ 144,400
Less debt assumed	(75,375)
Carrying value of investment	23,597
Remeasurement gain	115,729
Fair value of acquired net assets (at 100% ownership)	$ 208,351

Since the date of acquisition, the Company has included Arrowhead Towne Center in its consolidated financial statements.

Kings Plaza Shopping Center:

On November 28, 2012, the Company acquired Kings Plaza Shopping Center, a 1,199,000 square foot regional shopping center in Brooklyn, New York, for a purchase price of $756,000. The purchase price was funded from a cash payment of $726,000 and the issuance of $30,000 in restricted common stock of the Company. The cash payment was provided by the placement of a mortgage note payable on the property that allowed for borrowings of up to $500,000 and from borrowings under the Company's line of credit. Concurrent with the acquisition, the Company borrowed $354,000 on the loan. On January 3, 2013, the Company exercised its option to borrow the remaining $146,000 on the loan. The acquisition was completed to acquire a prominent center in Brooklyn, New York.

The following is a summary of the allocation of the fair value of Kings Plaza Shopping Center:

Property	$ 714,589
Deferred charges	37,371
Other assets	29,282
Total assets acquired	781,242
Other accrued liabilities	25,242
Total liabilities assumed	25,242
Fair value of acquired net assets	$ 756,000

The Company determined that the purchase price represented the fair value of the assets acquired and liabilities assumed.

Since the date of acquisition, the Company has included Kings Plaza Shopping Center in its consolidated financial statements.

Green Acres Mall:

On January 24, 2013, the Company acquired Green Acres Mall, a 1,800,000 square foot regional shopping center in Valley Stream, New York, for a purchase price of $500,000. A purchase deposit of $30,000 was funded during the year ended December 31, 2012, and the remaining balance of $470,000 was funded upon closing of the acquisition. The cash payment made at the time of closing was

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