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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 2003

SIMON PROPERTY GROUP, L.P.
(Exact name of registrant as specified in its charter)

Delaware	**333-11491**	**34-1755769**
(State of incorporation or organization)	(Commission File No.)	(I.R.S. Employer Identification No.)

National City Center
115 West Washington Street, Suite 15 East
Indianapolis, Indiana 46204
(Address of principal executive offices)
(317) 636-1600
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: None

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 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 90 days. YES ☒ NO o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. o

Indicate by check mark whether Registrant is an accelerated filer (as defined by Rule 12b-2 of the Securities Exchange Act of 1934). YES o NO ☒

Registrant had no publicly-traded voting equity as of June 30, 2003.

Registrant has no common stock outstanding.

Documents Incorporated By Reference

Portions of Simon Property Group, Inc.'s Proxy Statement in connection with its 2004 Annual Meeting of Shareholders are incorporated by reference in Part III.

SIMON PROPERTY GROUP, L.P.
Annual Report on Form 10-K
December 31, 2003

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Part I

Item 1. Business

Background

Simon Property Group, L.P. (the "Operating Partnership"), a Delaware limited partnership, is a majority owned subsidiary of Simon Property Group, Inc. ("Simon Property"), a Delaware corporation. Simon Property is a self-administered and self-managed real estate investment trust ("REIT"). In this report, the terms "we", "us" and "our" refer to the Operating Partnership and its subsidiaries.

We are engaged primarily in the ownership, operation, leasing, management, acquisition, expansion and development of real estate properties. Our real estate properties consist primarily of regional malls and community shopping centers. As of December 31, 2003, we owned or held an interest in 245 income-producing properties in North America, which consisted of 174 regional malls, 67 community shopping centers, and four office and mixed-use properties in 37 states and Canada (collectively, the "Properties", and individually, a "Property"). Mixed-use properties are properties that include a combination of retail space, office space, and/or hotel components. In addition, we also own interests in three parcels of land held for future development (together with the Properties, the "Portfolio"). Finally, we have ownership interests in 47 assets in Europe (France, Italy, Poland and Portugal).

Mergers and Acquisitions

Mergers and acquisitions have been a significant component of the growth and development of our business. In 2003, we completed a series of acquisitions that added to our overall portfolio:

- On March 14, 2003, we purchased the remaining minority interest in The Forum Shops at Caesars in Las Vegas, NV for $174.0 million in cash and assumed our $74.2 million share of debt from the minority limited partner.
- On August 20, 2003, we purchased a 100% leasehold stake in Stanford Shopping Center in Palo Alto, California from Stanford University for $333.0 million. Stanford University holds, as lessor, a long-term ground lease underlying the asset.
- In the fourth quarter 2003, through a series of transactions, we increased our ownership interest in Kravco Investments L.P., a Philadelphia, PA based owner of regional malls, and acquired additional interests in Kravco's affiliated management company, for approximately $293 million. The portfolio consists of six regional malls, five of which are in the Philadelphia metropolitan area, and four community centers.
- Finally, in December 2003, we increased our presence in Europe through the formation of Gallerie Commerciali Italia S.p.A ("GCI") with The Rinascente Group, an Italian retailer company. The Rinascente Group contributed 38 shopping centers as well as development opportunities to GCI and then sold 49% of GCI to one of our affiliates. The initial gross value of GCI was approximately €860 million or over $1.0 billion and our initial equity investment was approximately €187 million, or $232 million.

On October 8, 2003, Simon Property and Westfield America, Inc. ("Westfield"), the U.S. subsidiary of Westfield America Trust, withdrew their tender offer for all of the outstanding common shares of Taubman Centers, Inc. The withdrawal of the tender offer followed the enactment of a law amending the Michigan Control Share Acquisitions Act which allowed the Taubman family group to effectively block their ability to conclude the tender offer. Under the terms of our partnership agreement, we reimburse the operating expenses incurred by Simon Property. As a result we expensed deferred acquisition costs of $10.6 million, net, related to this acquisition during 2003.

Structural Simplification

On January 1, 2003, we acquired all of the remaining equity interests of M.S. Management Associates, Inc. (the "Management Company"). The interests acquired consist of 95% of the voting common stock and 1.25% of the non-voting stock of the Management Company and approximately 2% of the economic interests of the Management Company. The interests were acquired from Melvin Simon, Herbert Simon, and David Simon (the "Simons"), for a total purchase price of $425,000, which was equal to the appraised value of the interests as determined by an independent third party. The acquisition was unanimously approved by the independent directors of Simon Property. As a result, the Management Company is now our wholly owned consolidated taxable REIT subsidiary.

Dispositions

As part of our strategic plan to own quality retail real estate, we continually evaluate our properties and sell those which no longer meet our strategic criteria. We may use the capital generated from these dispositions to invest in higher-quality, higher-growth properties. We believe that the sale of these non-core Properties will not have a material impact on our future results of operations or cash flows nor will their sale materially affect our ongoing operations. In addition, we expect any earnings dilution from the sales on our results of operations from these dispositions will be offset by the positive impact of our acquisitions and development and redevelopment activities.

During 2003, we sold 13 non-core Properties, consisting of seven regional malls, five community centers and one mixed-use property. The Properties and their dates of sale were:

- Richmond Square, Mounds Mall, Mounds Mall Cinema and Memorial Mall on January 9, 2003
- Forest Village Park Mall on April 29, 2003
- North Riverside Park Plaza on May 8, 2003
- Memorial Plaza on May 21, 2003
- Fox River Plaza on May 22, 2003
- Eastern Hills Mall on July 1, 2003
- New Orleans Center on October 1, 2003
- Mainland Crossing on October 28, 2003
- SouthPark Mall on November 3, 2003
- Bergen Mall on December 12, 2003

Operating Policies and Strategies

The following is a discussion of our investment policies, financing policies, conflict of interest policies and policies with respect to certain other activities, which are consistent with those of Simon Property, our general partner. The Simon Property Board of Directors may amend or rescind these policies from time to time at its discretion without a stockholder vote.

Investment Policies

Our primary business objectives are to increase Funds From Operations ("FFO") per share, operating results and the value of our Properties while maintaining a stable balance sheet consistent with our financing policies. We intend to achieve these objectives by:

- pursuing a leasing strategy that capitalizes on the desirable location of our Properties;
- improving the performance of our Properties by using the economies of scale that result from our size to help control operating costs and by generating additional revenues through merchandising, marketing and promotional activities;
- renovating and/or expanding our Properties where appropriate;
- developing new shopping centers which meet our economic criteria; and
- acquiring additional shopping centers and the portfolios of other retail real estate companies that meet our investment criteria.

We cannot assure you, however, that we will achieve our business objectives.

We develop and acquire properties to generate both current income and long-term appreciation in value. We do not have a policy limiting the amount or percentage of assets that may be invested in any particular property or type of property or in any geographic area. We may purchase or lease properties for long-term investment or develop, redevelop, and/or sell our Properties, in whole or in part, when circumstances warrant. We participate with other entities in property ownership, through joint ventures or other types of co-ownership. These equity investments may be subject to existing mortgage financing and other indebtedness that have priority over our equity interest.

While we emphasize equity real estate investments, we may, in our discretion, invest in mortgages and other real estate interests consistent with Simon Property's qualification as a REIT under the Internal Revenue Code ("Code"). Mortgages in which we invest may or may not be insured by a governmental agency. We do not intend to invest to a significant extent in mortgages or deeds of trust, however, we hold an interest in one Property through a mortgage note which results in us receiving 100% of the economics of the Property. We may invest in participating or convertible mortgages, however, if we conclude that we may benefit from the cash flow or any appreciation in the value of the property.

We may also invest in securities of other entities engaged in real estate activities or securities of other issuers. However, any of these investments would be subject to the percentage ownership limitations and gross income tests

necessary for Simon Property's REIT qualification under the Code. These REIT limitations mean that we cannot make an investment that would cause Simon Property's real estate assets to be less than 75% of its total assets. In addition, Simon Property must derive at least 75% of its gross income from "rents from real estate" and at least 95% must be derived from rents from real estate, interest, dividends and gains from the sale or disposition of stock or securities.

Subject to these REIT limitations, we and Simon Property may invest in the securities of other issuers in connection with acquisitions of indirect interests in real estate. Such an investment would normally be in the form of general or limited partnership or membership interests in special purpose partnerships and limited liability companies that own one or more properties. We may, in the future, acquire all or substantially all of the securities or assets of other REITs, management companies or similar entities where such investments would be consistent with our investment policies. We do not intend to invest in securities of other issuers for the purpose of exercising control other than certain wholly-owned subsidiaries and to acquire interests in real estate. We do not intend that our investments in securities will require us to register as an "investment company" under the Investment Company Act of 1940, as amended. We intend to divest securities before any such registration would be required.

Financing Policies

We must comply with the covenant restrictions of debt agreements that limit our ratio of debt to total market valuation. For example, our lines of credit and the indentures for our debt securities contain covenants that restrict the total amount of debt to 60% of adjusted total assets, as defined, and secured debt to 55% of adjusted total assets. In addition, these agreements contain other covenants requiring compliance with financial ratios. Furthermore, the amount of debt that we may incur is limited as a practical matter by our desire to maintain acceptable ratings for Simon Property's equity securities and our debt securities.

If the Simon Property Board of Directors determines to seek additional capital, we may raise such capital through additional debt financing, creation of joint ventures with existing ownership interests in Properties, retention of cash flows or a combination of these methods. Our ability to retain cash flows is subject to Internal Revenue Code provisions requiring REITs to distribute a certain percentage of their taxable income. We must also take into account taxes that would be imposed on undistributed taxable income. If Simon Property determines to raise additional equity capital at the Operating Partnership level, it may as our general partner, without limited partner approval, issue additional units. Simon Property may issue units in any manner and on such terms and for such consideration as it deems appropriate. This may include issuing units in exchange for property. Such securities may be senior to the outstanding classes of our units. Such securities also may include additional classes of preferred units which may be convertible into units. Existing unitholders will have no preemptive right to purchase units in any subsequent offering of our securities. Any such offering could dilute a unitholder's investment in us.

We anticipate that any additional borrowings would be in the form of bank borrowings, publicly and privately placed debt instruments, or purchase money obligations to the sellers of properties. Any of such indebtedness may be unsecured or may be secured by any or all of our assets or any existing or new property-owning partnership. Any such indebtedness may also have full or limited recourse to all or any portion of the assets of any of the foregoing. Although we may borrow to fund the payment of dividends, we currently have no expectation that we will regularly be required to do so.

We may obtain unsecured or secured lines of credit. We also may determine to issue debt securities. Any such debt securities may be convertible into units or be accompanied by warrants to purchase units. We also may sell or securitize our lease receivables. The proceeds from any borrowings or financings may be used for the following:

- financing acquisitions;
- developing or redeveloping properties;
- refinancing existing indebtedness;
- working capital or capital improvements; or
- meeting the income distribution requirements applicable to REITs if Simon Property has income without the receipt of cash sufficient to enable it to meet such distribution requirements.

We also may determine to finance acquisitions through the following:

- issuance of additional units of limited partnership interest;
- sale or exchange of ownership interests in Properties;

- issuance of shares of preferred units;
- issuance of other securities.

The ability to offer units to transferors may result in beneficial tax treatment for the transferors. This is because the exchange of units for properties may defer the recognition of gain for tax purposes by the transferor. It may also be an advantage for us since certain transferors may be limited in the number of units that they may purchase.

If the Simon Property Board of Directors determines to obtain additional debt financing, we intend to do so generally through mortgages on Properties, drawings against revolving lines of credit or term loan facilities, or the issuance of unsecured debt. We may do this directly or through an entity owned or controlled by us. The mortgages may be non-recourse, recourse, or cross-collateralized. We do not have a policy limiting the number or amount of mortgages that may be placed on any particular property. Mortgage financing instruments, however, usually limit additional indebtedness on such properties.

We only invest in or form special purpose entities to obtain permanent financing for properties on attractive terms. Permanent financing for properties is typically structured as a mortgage loan on one or a group of properties in favor of an institutional third party or as a joint venture with a third party or as a securitized financing. For securitized financings, we are required to create special purpose entities to own the properties. These special purpose entities are structured so that they would not be consolidated with us in the event we would ever become subject to a bankruptcy proceeding. We decide upon the structure of the financing based upon the best terms then available to us and whether the proposed financing is consistent with our other business objectives. For accounting purposes, we include the outstanding securitized debt of special purpose entities owning consolidated properties as part of our consolidated indebtedness.

Conflicts of Interest Policies

We maintain policies and have entered into agreements designed to reduce or eliminate potential conflicts of interest. In 2003, Simon Property adopted governance principles governing its affairs and the Simon Property Board of Directors, as well as written charters for each of the standing Committees of the Simon Property Board of Directors. In addition, in 2003, the Simon Property Board of Directors adopted a Code of Business Conduct and Ethics which apply to all of its officers, directors, and employees. At least a majority of the members of the Simon Property Board of Directors must qualify as independent under the listing standards for New York Stock Exchange companies and cannot be affiliated with the Simon and DeBartolo families. Any transaction between us and the Simons or the DeBartolos, including property acquisitions, service and property management agreements and retail space leases, must be approved by a majority of non-affiliated directors.

The sale of any property may have an adverse tax impact on the Simons or the DeBartolos and the other limited partners. In order to avoid any conflict of interest between Simon Property and our limited partners, Simon Property's charter requires that at least six of the independent directors must authorize and require us to sell any property we own. Any such sale is subject to applicable agreements with third parties. Noncompetition agreements executed by each of the Simons contain covenants limiting the ability of the Simons to participate in certain shopping center activities in North America.

Policies With Respect To Certain Other Activities

We do not intend to make investments other than as previously described. We intend to make investments in such a manner as to be consistent with the REIT requirements of the Code applicable to Simon Property, unless the Simon Property Board of Directors determines that it is no longer in Simon Property's best interests to qualify as a REIT. The Simon Property Board of Directors may make such a determination because of changing circumstances or changes in the REIT requirements. We have authority to offer units or other securities in exchange for property. We also have authority to repurchase or otherwise reacquire our units or any other securities. We may engage in such activities in the future. We have not made loans to other entities or persons, including our officers and directors. It is now our policy to not make any loans to our directors and executive officers for any purpose and all loans previously made to current executive officers have been repaid in full. We may in the future make loans to the Management Company and to joint ventures in which we participate. We do not intend to engage in the following:

- trading, underwriting or agency distribution or sale of securities of other issuers; or
- the active trade of loans and investments.

Operating Strategies

We plan to achieve our primary business objectives through a variety of methods discussed below, although we cannot assure you that we will achieve such objectives.

Leasing. We pursue a leasing strategy that includes:

- marketing available space to maintain or increase occupancy levels;
- renewing existing leases and originating new leases at higher base rents per square foot;
- negotiating leases that allow us to recover from our tenants for the majority of our property operating, real estate tax, repairs and maintenance, and advertising and promotion expenditures; and
- executing leases that provide for percentage or overage rents and/or regular or periodic fixed contractual increases in base rents.

Management. We draw upon our expertise gained through management of a geographically diverse Portfolio, nationally recognized as comprising high quality retail and mixed-use Properties. In doing so, we seek to maximize cash flow through a combination of:

- an active merchandising program to maintain our shopping centers as inviting shopping destinations;
- efforts to minimize overhead and operating costs which not only benefits our operations but also reduces the costs reimbursed to us from our tenants. A tenant's ability to pay rent is affected by the percentage of its sales represented by occupancy costs, which consist of rent and expense recoveries. As sales levels increase, if expenses subject to recovery are controlled, the tenant can afford to pay higher base rent.
- coordinated marketing and promotional activities that establish and maintain customer loyalty; and
- systematic planning and monitoring of results.

We believe that if we are successful in our efforts to increase sales while controlling operating expenses we will be able to continue to increase base rents at the Properties.

We manage substantially all our Properties held as joint venture Properties and as a result we derive revenues from management fees and other fee revenues.

Other Revenues. Due to our size, tenant and vendor relationships, we also generate revenues from other sources, including:

- Simon Brand Venture ("Simon Brand") which obtains revenues from establishing our malls as leading market resource providers for retailers and other businesses and consumer-focused corporate alliances. Simon Brand revenues include payment services, national media contracts, a national beverage contract and other contracts with national companies.
- Simon Brand also pursues mall marketing initiatives, including the sale of gift cards. We tested a Simon Visa Gift Card in some of our regional malls in the fall of 2001 and completed the roll-out of our Simon Gift Card program to substantially all our regional malls during 2002 and 2003. The gift card program has replaced our existing paper certificates.
- Simon Business Network ("Simon Business") obtains revenues from offering products and property operating services, resulting from its relationships with vendors, to our tenants and others. These services include such items as energy services, facility services, waste handling, vertical transportation, as well as major capital expenditures such as roofing, parking lots and energy systems. The tenant services provided through Simon Business include a national waste management services program, a national total facility service program which includes operational and maintenance services, a national automatic teller machine program, a national security services program, and parking service programs.

We also generate other revenues through the sale of land adjacent to our Properties commonly referred to as "outlots" or "outparcels." We create value in these outparcels through the operating performance of our Properties and replenish the inventory of these parcels by the development of new Properties and the redevelopment of existing or acquired Properties.

International Expansion. Our investments in Europe are currently conducted through two joint ventures, GCI and European Retail Enterprises, B.V. ("ERE"). We do not derive any significant consolidated revenues from European activities since our investments are held through joint ventures and therefore are accounted for under the equity method as defined by accounting policies generally accepted in the United States.

We believe that the expertise we have gained through the development, leasing, management, and marketing of our domestic Properties can be utilized in retail properties abroad. We may pursue additional international opportunities to enhance shareholder value under the right circumstances. There are risks inherent in international operations that may be beyond our control. These include the following risks that may have a negative impact on our results of operations:

- changes in foreign currency exchange rates;
- declines in economic conditions abroad;
- changes in foreign political environments; and
- changes in foreign laws.

Competition

We consider our principal competitors to be seven other major United States or internationally publicly-held, companies that own or operate regional malls in the United States. We also compete with many commercial developers, real estate companies and other owners of retail real estate that operate in our trade areas. Some of our Properties are of the same type and are within the same market area as other competitive properties. The existence of competitive properties could have a material adverse effect on our ability to lease space and on the level of rents we can obtain. This results in competition for both the acquisition of prime sites (including land for development and operating properties) and for tenants to occupy the space that we and our competitors develop and manage. In addition, our malls compete against non-physical based forms of retailing such as catalog companies and e-commerce websites that offer similar retail products.

We believe that our Portfolio is the largest, as measured by gross leasable area ("GLA"), of any publicly-traded retail REIT or partnership. In addition, we own more regional malls than any other publicly-traded REIT or partnership. We believe that we have a competitive advantage in the retail real estate business as a result of:

- the size, quality and diversity of our Properties
- our management and operational expertise
- our extensive experience and relationships with retailers and lenders
- our mall marketing initiatives and consumer focused strategic corporate alliances including those developed by Simon Brand and Simon Business, and
- our ability to use our size to reduce the total occupancy cost of our tenants.

Our size has allowed us to reduce dependence upon individual retail tenants. More than 3,800 different retailers occupy more than 20,800 stores in our Properties and no retail tenant represents more than 4.6% of our Properties' total minimum rents.

Environmental Matters

General Compliance. We believe that the Portfolio is in compliance, in all material respects, with all Federal, state and local environmental laws, ordinances and regulations regarding hazardous or toxic substances. Nearly all of the Portfolio has been subjected to Phase I or similar environmental audits (which generally involve only a review of records and visual inspection of the property without soil sampling or ground water analysis) by independent environmental consultants. Phase I environmental audits are intended to discover information regarding, and to evaluate the environmental condition of, the surveyed properties and surrounding properties. These environmental audits have not revealed, nor are we aware of, any environmental liability that we believe will have a material adverse effect on our results of operations. We cannot assure you that:

- existing environmental studies with respect to the Portfolio reveal all potential environmental liabilities;
- any previous owner, occupant or tenant of a Property did not create any material environmental condition not known to us;
- the current environmental condition of the Portfolio will not be affected by tenants and occupants, by the condition of nearby properties, or by other unrelated third parties; or
- future uses or conditions (including, without limitation, changes in applicable environmental laws and regulations or the interpretation thereof) will not result in environmental liabilities.

Asbestos-Containing Materials. Asbestos-containing materials are present in most of the Properties, primarily in the form of vinyl asbestos tile, mastics and roofing materials, which we believe are generally in good condition.

Fireproofing and insulation containing asbestos is also present in certain Properties in limited concentrations or in limited areas. The presence of such asbestos-containing materials does not violate currently applicable laws. Generally, we remove asbestos-containing materials as required in the ordinary course of any renovation, reconstruction, or expansion, and in connection with the retenanting of space.

Underground Storage Tanks. Several of the Properties contain, or at one time contained, underground storage tanks used to store waste oils or other petroleum products primarily related to auto service center establishments or emergency electrical generation equipment. We believe that regulated tanks have been removed, upgraded or abandoned in accordance with applicable environmental laws. Site assessments have revealed certain soil and groundwater contamination associated with such tanks at some of these Properties. Subsurface investigations (Phase II assessments) and remediation activities are either completed, ongoing, or scheduled to be conducted at such Properties. The costs of remediation with respect to such matters has not been material and we do not expect these costs will have a material adverse effect on our results of operations.

Properties to be Developed or Acquired. Land held for mall development or that may be acquired for development may contain residues or debris associated with the use of the land by prior owners or third parties. In certain instances, such residues or debris could be or contain hazardous wastes or hazardous substances. Prior to exercising any option to acquire properties, we typically conduct environmental due diligence consistent with acceptable industry standards.

Certain Activities

During the past three years, we have:

- issued 14,383,201 units to Simon Property upon the conversion of Series A and B preferred units;

- issued 19,817 units to Simon Property in lieu of preferred dividends on Series A preferred units;
- issued 4,013,249 units to Simon Property upon the exchange of units of limited partnership interest for common stock of Simon Property;
- issued 814,491 restricted units to Simon Property, net of forfeitures, in exchange for a like number of shares issued under The Simon Property Group 1998 Stock Incentive Plan;
- issued 1,805,479 units to Simon Property in exchange for cash contributed resulting from the exercise of stock options under The Simon Property Group 1998 Stock Incentive Plan;
- issued 3,328,540 units of Series H preferred units to Simon Property in 2003 and repurchased 3,250,528 of such units in 2003 and 78,012 of such units in 2004;
- borrowed a maximum amount of $863.0 million under our $1.25 billion unsecured revolving credit facility; the outstanding amount of borrowings as of December 31, 2003 was $327.9 million;
- borrowed a maximum of $1.4 billion under a $1.4 billion unsecured acquisition loan taken out in connection with our merger in 1998 with Corporate Property Investors, Inc.; the outstanding balance of this loan was paid off on August 6, 2001;
- borrowed a maximum of $600 million under a $600 million 12-month acquisition credit facility taken out in connection with the Rodamco acquisition; the outstanding balance of this acquisition credit facility was paid off during the third quarter of 2002;
- not made loans to other entities or persons, including our officers and directors, other than to the Management Company and certain officers to pay income taxes due upon the vesting of restricted stock; all loans previously made to current executive officers have been repaid in full;
- not invested in the securities of other issuers for the purpose of exercising control, other than certain wholly-owned subsidiaries and to acquire interests in real estate, except for 11,000 shares of Taubman Centers, Inc. common stock acquired in connection with Simon Property's withdrawn tender offer for Taubman Centers, Inc.;
- not underwritten securities of other issuers;
- not engaged in the purchase and sale or turnover of investments: and
- provided annual reports containing financial statements certified by independent public accountants and quarterly reports containing unaudited financial statements to our security holders.

Employees

At February 9, 2004 we and our affiliates employed approximately 4,030 persons at various properties and offices throughout the United States, of which approximately 1,590 were part-time. Approximately 860 of these employees were located at our corporate headquarters.

Corporate Headquarters

Our corporate headquarters are located at National City Center, 115 West Washington Street, Indianapolis, Indiana 46204, and our telephone number is (317) 636-1600.

Executive Officers of the Registrant

The following table sets forth certain information with respect to the executive officers of Simon Property, the general partner of the Operating Partnership, as of December 31, 2003.

Name	Age	Position
Melvin Simon (1)	77	Co-Chairman
Herbert Simon (1)	69	Co-Chairman
David Simon (1)	42	Chief Executive Officer
Richard S. Sokolov	54	President and Chief Operating Officer
Hans C. Mautner	66	Chairman, Simon Global Limited and President, International Division
Gary L. Lewis	45	Executive Vice President — Leasing
Stephen E. Sterrett	48	Executive Vice President and Chief Financial Officer
J. Scott Mumphrey	52	Executive Vice President — Property Management
John Rulli	47	Executive Vice President — Chief Operating Officer — Operating Properties
James M. Barkley	52	General Counsel; Secretary
Andrew A. Juster	51	Senior Vice President and Treasurer

(1) Melvin Simon is the brother of Herbert Simon and the father of David Simon.

Set forth below is a summary of the business experience of the executive officers of Simon Property. The executive officers of Simon Property serve at the pleasure of the Board of Directors. For biographical information of Melvin Simon, Herbert Simon, David Simon, Hans C. Mautner, and Richard S. Sokolov, see Item 10 of this report.

Mr. Lewis is the Executive Vice President — Leasing of Simon Property. Mr. Lewis joined MSA in 1986 and held various positions with MSA and Simon Property prior to becoming Executive Vice President in charge of Leasing of Simon Property in 2002.

Mr. Sterrett serves as Simon Property's Executive Vice President and Chief Financial Officer. He joined MSA in 1989 and held various positions with MSA until 1993 when he became Simon Property's Senior Vice President and Treasurer. He became Simon Property's Chief Financial Officer in 2001.

Mr. Mumphrey serves as Simon Property's Executive Vice President — Property Management. He joined MSA in 1974 and also held various positions with MSA before becoming Senior Vice President of property management in 1993. In 2000, he became the President of Simon Business Network. Mr. Mumphrey became Executive Vice President — Property Management in 2002.

Mr. Rulli serves as Simon Property's Executive Vice President — Chief Operating Officer — Operating Properties and served as Executive Vice President and Chief Administrative Officer for the majority of 2003. He joined MSA in 1988 and held various positions with MSA before becoming Simon Property's Executive Vice President in 1993 and Chief Administrative Officer in 2000. In December 2003, he was appointed to Executive Vice President — Chief Operating Officer — Operating Properties.

Mr. Barkley serves as Simon Property's General Counsel and Secretary. Mr. Barkley holds the same position for MSA. He joined MSA in 1978 as Assistant General Counsel for Development Activity.

Mr. Juster serves as Simon Property's Senior Vice President and Treasurer. He joined MSA in 1989 and held various financial positions with MSA until 1993 and thereafter has held various positions with Simon Property. Mr. Juster became Treasurer in 2001.

Item 2. Properties

North American Properties

Our Properties primarily consist of regional malls and community shopping centers. Our Properties contain an aggregate of approximately 189.4 million square feet of GLA, of which we own 108.0 million square feet ("Owned GLA"). Total estimated retail sales at the Properties in 2003 were approximately $40 billion.

Regional malls generally contain two or more anchors and a wide variety of smaller stores ("Mall" stores) located in enclosed malls connecting the anchors. Additional stores ("Freestanding" stores) are usually located along the perimeter of the parking area. Our 174 regional malls range in size from approximately 200,000 to 2.9 million square feet of GLA, with all but four regional malls over 400,000 square feet. Our regional malls contain in the aggregate more than 18,400 occupied stores, including over 700 anchors, which are mostly national retailers.

Community shopping centers are generally unenclosed and smaller than regional malls. Our 67 community shopping centers generally range in size from approximately 50,000 to 950,000 square feet of GLA. Community shopping centers generally are of three types. First, we own "power centers" that are designed to serve a larger trade area and contain at least two anchors, and usually as many as 5 to 7, that are usually national retailers among the leaders in their markets and occupy more than 70% of the GLA in the center. Second, we own traditional community centers that focus primarily on value-oriented and convenience goods and services. These centers are usually anchored by a supermarket, discount retailer, or drugstore and are designed to service a neighborhood area. Finally, we also own open air centers adjacent to our regional malls designed to take advantage of the drawing power of the mall.

We also own lifestyle centers that are included in regional malls, community centers, and properties under development. These centers are typically open air centers and contain at least 50,000 square feet of GLA of specialty retail regional mall type tenants as well as restaurants.

We also have interests in four office and mixed-use Properties. The four office and mixed-use Properties range in size from approximately 496,000 to 1,214,000 square feet of GLA. Two of these Properties are regional malls with connected office buildings, and two are located in mixed-use developments and contain primarily office space.

The following table provides data as of December 31, 2003:

	Regional Malls	Community Centers	Office and Other
% of total annualized base rent	91.3%	5.6%	3.1%
% of total GLA	89.0%	9.4%	1.6%
% of Owned GLA	85.5%	11.7%	2.8%

As of December 31, 2003, approximately 92.4% of the Mall and Freestanding Owned GLA in regional malls and the retail space in the mixed-use Properties was leased, and approximately 90.2% of Owned GLA in the community shopping centers was leased.

We own 100% of 155 of our 245 Properties, control 14 Properties in which we have a joint venture interest, and hold the remaining 76 Properties through unconsolidated joint venture interests. We are the managing or co-managing general partner or member of 234 of our Properties. Substantially all of our joint venture Properties are subject to rights of first refusal, buy-sell provisions, or other sale rights for all partners which are customary in real estate partnership agreements and the industry. Our partners in our joint ventures may initiate these provisions at any time, which will result in either the use of available cash or borrowings to acquire their partnership interest or the disposal of our partnership interest.

SIMON PROPERTY GROUP, L.P.
PROPERTY TABLE
North American Properties

							Gross Leasable Area			
Property Name	State	City (Metropolitan area)	Ownership Interest (Expiration if Lease) (1)	Our Percentage Interest (2)	Year Built or Acquired	Occupancy (3)	Anchor	Mall & Freestanding	Total	Retail Anchors and Major Tenants
UNITED STATES REGIONAL MALLS										

1.	Alton Square	IL	Alton (St. Louis)	Fee	100.0%	Acquired 1993	79.2%	426,315	212,746	639,061	Sears, JCPenney, Famous Barr
2.	Anderson Mall	SC	Anderson	Fee	100.0%	Built 1972	94.7%	404,394	212,337	616,731	Belk, Belk Mens & Home Store, JCPenney, Sears, Goody's
3.	Apple Blossom Mall	VA	Winchester	Fee	49.1% (4)	Acquired 1999	90.8%	229,011	214,414	443,425	Belk, JCPenney, Sears
4.	Arsenal Mall	MA	Watertown (Boston)	Fee	100.0%	Acquired 1999	77.3%	191,395	310,476	501,871 (20)	Marshalls, Home Depot, Linens-N-Things, Filene's Basement, Old Navy
5.	Atrium Mall	MA	Chestnut Hill (Boston)	Fee	49.1% (4)	Acquired 1999	97.7%	0	205,477	205,477	Border Books & Music, Cheesecake Factory, Tiffany
6.	Auburn Mall	MA	Auburn (Boston)	Fee	49.1% (4)	Acquired 1999	95.8%	417,620	174,632	592,252	Filene's, Filene's Home Store, Sears
7.	Aurora Mall	CO	Aurora (Denver)	Fee	100.0%	Acquired 1998	76.2%	566,015	448,381	1,014,396	JCPenney, Foley's, Foley's Mens & Home, Sears
8.	Aventura Mall (5)	FL	Miami Beach	Fee	33.3% (4)	Built 1983	96.8%	1,242,098	661,951	1,904,049	Macy's, Sears, Bloomingdales, JCPenney, Lord & Taylor (17), Burdines-Macy's
9.	Avenues, The	FL	Jacksonville	Fee	25.0% (14) (4)	Built 1990	95.7%	754,956	362,343	1,117,299	Belk, Dillard's, JCPenney, Parisian, Sears
10.	Bangor Mall	ME	Bangor	Fee	32.6% (4)	Acquired 2003	86.4%	417,757	236,125	653,882	Filene's, JCPenney, Porteous, Sears
11.	Barton Creek Square	TX	Austin	Fee	100.0%	Built 1981	97.5%	922,266	507,248	1,429,514	Dillard's Womens & Home, Dillard's Mens & Children, Foley's, Sears, Nordstrom, JCPenney
12.	Battlefield Mall	MO	Springfield	Fee and Ground Lease (2056)	100.0%	Built 1970	96.9%	770,111	405,857	1,175,968	Dillard's Women, Dillard's Mens, Children & Home, Famous Barr, Sears, JCPenney
13.	Bay Park Square	WI	Green Bay	Fee	100.0%	Built 1980	99.5%	447,508	268,282	715,790	Younkers, Elder-Beerman, Kohl's, Shopko
14.	Biltmore Square	NC	Asheville	Fee	100.0%	Built 1989	83.0%	242,576	251,372	493,948	Belk, Dillard's, Proffitt's, Goody's
15.	Bowie Town Center	MD	Bowie (Washington, D.C.)	Fee	100.0%	Built 2001	100.0%	338,567	325,684	664,251	Hecht's, Sears, Safeway, Barnes & Noble, Bed, Bath & Beyond, Old Navy
16.	Boynton Beach Mall	FL	Boynton Beach	Fee	100.0%	Built 1985	97.6%	883,720	300,005	1,183,725	Macy's, Burdines-Macy's, Sears, Dillard's Mens & Home, Dillard's Women, JCPenney
17.	Brea Mall	CA	Brea	Fee	100.0%	Acquired 1998	98.4%	874,802	441,126	1,315,928	Macy's, JCPenney, Robinsons-May, Nordstrom, Sears

	Property Name	State	City (Metropolitan area)	Ownership Interest (Expiration if Lease) (1)	Our Percentage Interest (2)	Year Built or Acquired	Occupancy (3)	Gross Leasable Area: Anchor	Gross Leasable Area: Mall & Freestanding	Gross Leasable Area: Total	Retail Anchors and Major Tenants
18.	Broadway Square	TX	Tyler	Fee	100.0%	Acquired 1994	97.0%	427,730	191,011	618,741	Dillard's, JCPenney, Sears
19.	Brunswick Square	NJ	East Brunswick (New York)	Fee	100.0%	Built 1973	93.9%	467,626	305,355	772,981	Macy's, JCPenney, Barnes & Noble
20.	Burlington Mall	MA	Burlington (Boston)	Ground Lease (2048)	100.0%	Acquired 1998	99.8%	836,236	417,847	1,254,083	Macy's, Lord & Taylor, Filene's, Sears
21.	Cape Cod Mall	MA	Hyannis	Ground Leases (7) (2009-2073)	49.1% (4)	Acquired 1999	100.0%	420,199	303,574	723,773	Macy's, Filene's, Marshalls, Sears, Best Buy, Barnes & Noble
22.	Castleton Square	IN	Indianapolis	Fee	100.0%	Built 1972	97.2%	1,105,913	366,272	1,472,185	Galyan's, L.S. Ayres, Lazarus-Macy's,

	Property Name	State	City (Metropolitan area)	Ownership Interest (Expiration if Lease) (1)	Our Percentage Interest (2)	Year Built or Acquired	Occupancy (3)	Anchor	Mall & Freestanding	Total	Retail Anchors and Major Tenants
											JCPenney, Sears, Von Maur
23.	Century III Mall	PA	West Mifflin (Pittsburgh)	Fee	100.0%	Built 1979	88.2%	773,439	507,556	1,280,995	JCPenney, Sears, Kaufmann's, Kaufmann's Home Store, Wickes Furniture, Steve & Barry's
24.	Charlottesville Fashion Square	VA	Charlottesville	Ground Lease (2076)	100.0%	Acquired 1997	98.5%	381,153	191,288	572,441	Belk Womens & Children, Belk Mens & Home, JCPenney, Sears
25.	Chautauqua Mall	NY	Lakewood	Fee	100.0%	Built 1971	95.0%	213,320	219,014	432,334	Sears, JCPenney, Office Max, The Bon Ton
26.	Cheltenham Square	PA	Philadelphia	Fee	100.0%	Built 1981	97.0%	368,266	270,987	639,253	Burlington Coat Factory, Home Depot, Value City, Seaman's Furniture, Shop Rite
27.	Chesapeake Square	VA	Chesapeake	Fee and Ground Lease (2062)	75.0% (13)	Built 1989	96.9%	537,279	272,040	809,319	Dillard's Women, Dillard's Mens, Children & Home, JCPenney, Sears, Hecht's, Target
28.	Cielo Vista Mall	TX	El Paso	Fee and Ground Lease (7) (2005)	100.0%	Built 1974	97.7%	793,716	399,062	1,192,778	Dillard's Womens & Furniture, Dillard's Mens, Children & Home, JCPenney, Foley's, Sears
29.	Circle Centre	IN	Indianapolis	Property Lease (2097)	14.7% (4)	Built 1995	96.7%	350,000	441,116	791,116	Nordstrom, Parisian, Gameworks
30.	College Mall	IN	Bloomington	Fee and Ground Lease (7) (2048)	100.0%	Built 1965	83.5%	439,766	266,006	705,772	Sears, L.S. Ayres, Target, (8)
31.	Columbia Center	WA	Kennewick	Fee	100.0%	Acquired 1987	97.8%	408,052	333,553	741,605	Sears, JCPenney, Barnes & Noble, Bon-Macy's, Bon-Macy's Mens & Children
32.	Coral Square	FL	Coral Springs (Miami-Ft. Lauderdale)	Fee	97.2%	Built 1984	97.4%	648,144	296,619	944,763	Dillard's, JCPenney, Sears, Burdines-Macy'sMens, Children & Home, Burdines-Macy's Women
33.	Cordova Mall	FL	Pensecola	Fee	100.0%	Acquired 1998	89.8%	488,263	345,563	833,826	Parisian, Dillard's Men, Dillard's Women, Best Buy, Bed, Bath & Beyond, Cost Plus World Market (6)
34.	Cottonwood Mall	NM	Albuquerque	Fee	100.0%	Built 1996	84.8%	631,556	409,743	1,041,299	Dillard's, Foley's, JCPenney, Mervyn's, Sears

								Gross Leasable Area			
	Property Name	**State**	**City (Metropolitan area)**	**Ownership Interest (Expiration if Lease) (1)**	**Our Percentage Interest (2)**	**Year Built or Acquired**	**Occupancy (3)**	**Anchor**	**Mall & Freestanding**	**Total**	**Retail Anchors and Major Tenants**
35.	Crossroads Mall	NE	Omaha	Fee	100.0%	Acquired 1994	94.6%	609,669	248,914	858,583	Dillard's, Sears, Younkers, Barnes & Noble
36.	Crystal Mall	CT	Waterford	Fee	74.6% (4)	Acquired 1998	97.8%	442,311	351,425	793,736	Macy's, Filene's, JC Penney, Sears
37.	Crystal River Mall	FL	Crystal River	Fee	100.0%	Built 1990	96.7%	302,495	121,798	424,293	JCPenney, Sears, Belk, Kmart
38.	Dadeland Mall	FL	North Miami Beach	Fee	50.0% (4)	Acquired 1997	97.9%	1,062,072	334,404	1,396,476	Saks Fifth Avenue, JCPenney, Burdines-Macy's, Burdines-Macy's Home Gallery, The Limited, Nordstrom (6)
39.	DeSoto Square	FL	Bradenton	Fee	100.0%	Built 1973	92.1%	435,467	255,776	691,243	JCPenney, Sears, Dillard's, Burdines-Macy's
40.	Eastland Mall	IN	Evansville	Fee	50.0% (4)	Acquired	90.5%	532,955	365,646	898,601	JCPenney, Famous

							1998					Barr, Lazarus-Macy's, (8)
41.	Eastland Mall	OK	Tulsa	Fee	100.0%	Built 1986	69.3%	305,732	177,166	482,898		Dillard's, Mervyn's, Mickey's, (8)
42.	Edison Mall	FL	Fort Meyers	Fee	100.0%	Acquired 1997	98.1%	742,667	299,405	1,042,072		Dillard's, JCPenney, Sears, Burdines-Macy's Mens, Children & Home, Burdines-Macy's Women
43.	Emerald Square	MA	North Attleboro	Fee	49.1% (4)	Acquired 1999	98.5%	647,372	375,149	1,022,521		Filene's, JCPenney, Lord & Taylor, Sears
44.	Empire Mall (5)	SD	Sioux Falls	Fee and Ground Lease (7) (2013)	50.0% (4)	Acquired 1998	92.4%	497,341	549,942	1,047,283		JCPenney, Younkers, Sears, Richman Gordman, Marshall Field's
45.	Fashion Mall at Keystone at the Crossing, The	IN	Indianapolis	Ground Lease (2067)	100.0%	Acquired 1997	91.4%	249,721	408,678	658,399	(20)	Parisian, Saks Fifth Avenue
46.	Fashion Valley Mall	CA	San Diego	Fee	50.0% (4)	Acquired 2001	99.4%	1,053,305	653,913	1,707,218		JCPenney, Macy's, Neiman-Marcus, Nordstrom, Robinson-May, Saks Fifth Avenue
47.	Florida Mall, The	FL	Orlando	Fee	50.0% (4)	Built 1986	97.4%	1,232,416	615,247	1,847,663		Dillard's, JCPenney, Lord & Taylor (17), Saks Fifth Avenue, Sears, Burdines-Macy's, Nordstrom
48.	Forest Mall	WI	Fond Du Lac	Fee	100.0%	Built 1973	93.6%	327,260	173,994	501,254		JCPenney, Kohl's, Younkers, Sears, Staples
49.	Forum Shops at Caesars, The	NV	Las Vegas	Ground Lease (2050)	100.0%	Built 1992	97.3%		483,838	483,838		
50.	Granite Run Mall	PA	Media (Philadelphia)	Fee	50.0% (4)	Acquired 1998	94.9%	500,809	546,358	1,047,167		JCPenney, Sears, Boscovs
51.	Great Lakes Mall	OH	Mentor (Cleveland)	Fee	100.0%	Built 1961	92.5%	879,300	422,040	1,301,340		Dillard's Men, Dillard's Women, Kaufmann's, JCPenney, Sears

	Property Name	State	City (Metropolitan area)	Ownership Interest (Expiration if Lease) (1)	Our Percentage Interest (2)	Year Built or Acquired	Occupancy (3)	Gross Leasable Area: Anchor	Gross Leasable Area: Mall & Freestanding	Gross Leasable Area: Total		Retail Anchors and Major Tenants
52.	Greendale Mall	MA	Worcester (Boston)	Fee and Ground Lease (7) (2009)	49.1% (4)	Acquired 1999	98.8%	132,634	298,662	431,296	(20)	Best Buy, Marshalls, T.J. Maxx & More, Family Fitness, DSW Shoe Warehouse
53.	Greenwood Park Mall	IN	Greenwood	Fee	100.0%	Acquired 1979	98.2%	898,928	412,711	1,311,639		JCPenney, JCPenney Home Store, Lazarus-Macy's, L.S. Ayres, Sears, Von Maur, Dick's Sporting Goods (6)
54.	Gulf View Square	FL	Port Richey (Tampa-St. Pete)	Fee	100.0%	Built 1980	97.1%	461,852	234,012	695,864		Sears, Dillard's, JCPenney, Burdines-Macy's, Linens N Things (6), Best Buy (6)
55.	Gwinnett Place	GA	Duluth (Atlanta)	Fee	50.0% (4)	Acquired 1998	90.7%	843,609	433,571	1,277,180		Parisian, Rich's-Macy's, JCPenney, Sears, (8)
56.	Haywood Mall	SC	Greenville	Fee and Ground Lease (7) (2017)	100.0%	Acquired 1998	96.9%	913,633	329,971	1,243,604		Rich's-Macy's, Sears, Dillard's, JCPenney, Belk
57.	Heritage Park Mall	OK	Midwest City	Fee	100.0%	Built 1978	59.4%	382,700	223,639	606,339		Dillard's, Sears, (8)
58.	Highland Mall (5)	TX	Austin	Fee and Ground Lease (2070)	50.0% (4)	Acquired 1998	94.9%	732,000	358,685	1,090,685		Dillard's Women & Home, Dillard's Mens & Children, Foley's, JCPenney
59.	Hutchinson Mall	KS	Hutchinson	Fee	100.0%	Built 1985	90.1%	277,665	247,703	525,368		Dillard's, JCPenney, Sears, Hobby Lobby
60.	Independence Center	MO	Independence (Kansas City)	Fee	100.0%	Acquired 1994	96.5%	499,284	522,772	1,022,056		Dillard's, Sears, The Jones Store Co.
61.	Indian River Mall	FL	Vero Beach	Fee	50.0% (4)	Built 1996	88.3%	445,552	302,456	748,008		Sears, JCPenney, Dillard's, Burdines-Macy's
62.	Ingram Park Mall	TX	San Antonio	Fee	100.0%	Built 1979	95.5%	751,704	377,536	1,129,240		Dillard's, Dillard's Home Center, Foley's, JCPenney, Sears, Beall's
63.	Irving Mall	TX	Irving (Dallas-Ft. Worth)	Fee	100.0%	Built 1971	95.9%	726,574	376,567	1,103,141		Foley's, Dillard's, Mervyn's, Sears, Barnes & Noble,

												FYE, Circuit City (6)
64.	Jefferson Valley Mall	NY	Yorktown Heights (New York)	Fee	100.0%	Built 1983	97.1%	310,095	277,055	587,150		Macy's, Sears, H&M
65.	King of Prussia Mall	PA	King of Prussia	Fee	12.9% (4)	Acquired 2003	98.0%	1,775,871	1,074,756	2,850,627	(20)	JCPenney, Lord & Taylor, Neiman Marcus, Nordstrom, Sears, Strawbridge's, Bloomingdale's, Macy's
66.	Knoxville Center	TN	Knoxville	Fee	100.0%	Built 1984	91.9%	597,028	381,539	978,567		Dillard's, JCPenney, Proffitt's, Sears, The Rush
67.	La Plaza Mall	TX	McAllen	Fee and Ground Lease (7) (2040)	100.0%	Built 1976	99.6%	778,768	426,751	1,205,519		Dillard's, JCPenney, Foley's, Foley's Home Store, Sears, Beall's, Joe Brand-Lady Brand
68.	Lafayette Square	IN	Indianapolis	Fee	100.0%	Built 1968	97.5%	937,223	272,091	1,209,314		JCPenney, L.S. Ayres, Sears, Burlington Coat Factory, Steve & Barry's, Kittles Rooms Express, (8)

SIMON PROPERTY GROUP, L.P.

PROPERTY TABLE

North American Properties

	Property Name	State	City (Metropolitan area)	Ownership Interest (Expiration if Lease) (1)	Our Percentage Interest (2)	Year Built or Acquired	Occupancy (3)	Gross Leasable Area Anchor	Mall & Freestanding	Total		Retail Anchors and Major Tenants
69.	Laguna Hills Mall	CA	Laguna Hills (Orange County)	Fee	100.0%	Acquired 1997	95.8%	536,500	331,133	867,633		Macy's, JCPenney, Sears
70.	Lake Square Mall	FL	Leesburg	Fee	50.0% (4)	Acquired 1998	91.8%	296,037	264,930	560,967		JCPenney, Sears, Belk, Target
71.	Lakeline Mall	TX	Austin	Fee	100.0%	Built 1995	94.3%	745,179	355,192	1,100,371		Dillard's, Foley's, Sears, JCPenney, Mervyn's
72.	Las Vegas Premium Outlets (5)	NV	Las Vegas	Fee	50.0% (4)	Built 2003	96.3%		432,478	432,478		
73.	Lehigh Valley Mall	PA	Whitehall	(15)	(15)	Acquired 2003	91.2%	564,353	502,908	1,067,261	(20)	JCPenney, Macy's, Strawbridge's
74.	Lenox Square	GA	Atlanta	Fee	100.0%	Acquired 1998	89.6%	821,356	662,867	1,484,223		Neiman Marcus, Rich's-Macy's, Bloomingdale's
75.	Liberty Tree Mall	MA	Danvers (Boston)	Fee	49.1% (4)	Acquired 1999	97.6%	498,000	359,018	857,018		Marshalls, Sports Authority, Target, Old Navy, Stop and Shop, Best Buy, Staples, Bed, Bath & Beyond, Kohl's
76.	Lima Mall	OH	Lima	Fee	100.0%	Built 1965	98.3%	541,861	203,238	745,099		Elder-Beerman, Sears, Lazarus-Macy's, JCPenney
77.	Lincolnwood Town Center	IL	Lincolnwood (Chicago)	Fee	100.0%	Built 1990	98.1%	220,830	201,045	421,875		Kohl's, Carson Pirie Scott
78.	Lindale Mall (5)	IA	Cedar Rapids	Fee	50.0% (4)	Acquired 1998	89.5%	305,563	385,392	690,955		Von Maur, Sears, Younkers
79.	Livingston Mall	NJ	Livingston (New York)	Fee	100.0%	Acquired 1998	99.6%	616,128	369,449	985,577		Macy's, Sears, Lord & Taylor
80.	Longview Mall	TX	Longview	Fee	100.0%	Built 1978	90.3%	402,843	210,112	612,955		Dillard's, Dillard's Men, JCPenney, Sears, Beall's, (8)
81.	Mall at Chestnut Hill	MA	Newton (Boston)	Lease (2039) (9)	47.2% (4)	Acquired 2002	96.5%	297,253	180,932	478,185		Bloomingdale's, Filene's
82.	Mall at Rockingham Park	NH	Salem (Boston)	Fee	24.6% (4)	Acquired 1999	100.0%	638,111	382,110	1,020,221		Macy's, Filene's, JCPenney, Sears
83.	Mall of America	MN	Bloomington (Minneapolis-St. Paul)	Fee	27.5% (4) (12)	Acquired 1999	92.7%	1,220,305	1,558,937	2,779,242		Macy's, Bloomingdales, Nordstrom, Sears, Knott's Camp Snoopy, Barnes & Noble, Old Navy, DSW Shoe Warehouse, Marshalls, Sportmart, Nordstrom Rack
84.	Mall of Georgia	GA	Mill Creek (Atlanta)	Fee	50.0%(13)	Built 1999	94.2%	989,590	795,581	1,785,171		Lord & Taylor

					(4)						(17), Rich's-Macy's, Dillard's, Galyan's, Haverty's, JCPenney, Nordstrom, Bed, Bath & Beyond
85.	Mall of New Hampshire	NH	Manchester (Boston)	Fee	49.1% (4)	Acquired 1999	97.8%	444,889	361,605	806,494	Filene's, JCPenney, Sears, Best Buy

								Gross Leasable Area			
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86.	Maplewood Mall	MN	Minneapolis	Fee	100.0%	Acquired 2002	88.5%	578,060	330,337	908,397	Sears, Marshall Field's, Kohl's, Mervyn's
87.	Markland Mall	IN	Kokomo	Ground Lease (2041)	100.0%	Built 1968	98.7%	273,094	140,070	413,164	Lazarus-Macy's, Sears, Target
88.	McCain Mall	AR	N. Little Rock	Fee and Ground Lease (10) (2032)	100.0%	Built 1973	99.7%	554,156	222,306	776,462	Sears, Dillard's, JCPenney, M.M. Cohn
89.	Melbourne Square	FL	Melbourne	Fee	100.0%	Built 1982	92.0%	471,173	258,236	729,409	Belk, Dillard's Mens, Children & Home, Dillard's Women, JCPenney, Burdines-Macy's, Office Max
90.	Menlo Park Mall	NJ	Edison (New York)	Fee	100.0%	Acquired 1997	92.1%	527,591	756,111	1,283,702 (20)	Macy's Women, Macy's Men, Macy's Children & Home, Nordstrom, Barnes & Noble
91.	Mesa Mall (5)	CO	Grand Junction	Fee	50.0% (4)	Acquired 1998	92.4%	425,817	435,741	861,558	Sears, Herberger's, JCPenney, Target, Mervyn's, Gant Sports
92.	Metrocenter	AZ	Phoenix	Fee	50.0% (4)	Acquired 1998	94.0%	876,027	515,828	1,391,855	Macy's, Dillard's, Robinsons-May, JCPenney, Sears, ZeroG Sports & Entertainment
93.	Miami International Mall	FL	South Miami	Fee	47.8% (4)	Built 1982	95.8%	783,308	290,791	1,074,099	Sears, Dillard's, JCPenney, Burdines-Macy's Mens & Home, Burdines-Macy's Women & Children
94.	Midland Park Mall	TX	Midland	Fee	100.0%	Built 1980	94.3%	339,113	278,980	618,093	Dillard's, Dillard's Mens & Juniors, JCPenney, Sears, Beall's, Ross Dress for Less
95.	Miller Hill Mall	MN	Duluth	Ground Lease (2008)	100.0%	Built 1973	98.7%	429,508	375,911	805,419	JCPenney, Sears, Younkers, Barnes & Noble
96.	Montgomery Mall	PA	Montgomeryville	Fee	23.1% (4)	Acquired 2003	91.9%	684,855	435,540	1,120,395	JCPenney, Macy's, Sears, Strawbridge's
97.	Muncie Mall	IN	Muncie	Fee	100.0%	Built 1970	97.3%	435,756	218,986	654,742	JCPenney, L.S. Ayres, Sears, Elder Beerman
98.	Nanuet Mall	NY	Nanuet (New York)	Fee	100.0%	Acquired 1998	90.7%	583,711	331,915	915,626	Macy's, Boscov, Sears
99.	North East Mall	TX	Hurst (Dallas-Ft. Worth)	Fee	100.0%	Built 1971	97.9%	1,194,589	357,283	1,551,872	Saks Fifth Avenue, Nordstrom, Dillard's, JCPenney, Sears, Foley's, (8)
100.	Northfield Square Mall	IL	Bourbonnais (Chicago)	Fee	31.6%(13) (4)	Built 1990	83.7%	310,994	247,375	558,369	Sears, JCPenney, Carson Pirie Scott Womens, Carson Pirie Scott Mens, Children & Home
101.	Northgate Mall	WA	Seattle	Fee	100.0%	Acquired 1987	99.2%	688,391	308,873	997,264	Nordstrom, JCPenney, Gottschalk,

102.	Northlake Mall	GA	Atlanta	Fee	100.0%	Acquired 1998	94.9%	665,745	296,402	962,147	Bon-Macy's, Toys "R" Us Parisian, Rich's-Macy's, Sears, JCPenney

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North American Properties

	Property Name	State	City (Metropolitan area)	Ownership Interest (Expiration if Lease) (1)	Our Percentage Interest (2)	Year Built or Acquired	Occupancy (3)	Gross Leasable Area: Anchor	Gross Leasable Area: Mall & Freestanding	Gross Leasable Area: Total	Retail Anchors and Major Tenants
103.	Northpark Mall	IA	Davenport	Fee	50.0% (4)	Acquired 1998	92.5%	651,533	426,420	1,077,953	Von Maur, Younkers, Dillard's, JCPenney, Sears, Barnes & Noble
104.	Northshore Mall	MA	Peabody (Boston)	Fee	49.1% (4)	Acquired 1999	97.7%	989,277	695,441	1,684,718	Macy's, Filene's, JCPenney, Lord & Taylor, Sears, Filene's Basement, Bally Total Fitness
105.	Northwoods Mall	IL	Peoria	Fee	100.0%	Acquired 1983	98.7%	472,969	222,415	695,384	Famous Barr, JCPenney, Sears
106.	Oak Court Mall	TN	Memphis	Fee	100.0%	Acquired 1997	86.6%	535,000	318,375	853,375 (20)	Dillard's Women, Dillard's Mens, Children & Home, Goldsmith's-Macy's
107.	Orange Park Mall	FL	Orange Park	Fee	100.0%	Acquired 1994	97.2%	534,180	390,175	924,355	Dillard's, JCPenney, Sears, Belk
108.	Orland Square	IL	Orland Park (Chicago)	Fee	100.0%	Acquired 1997	96.6%	773,295	433,648	1,206,943	JCPenney, Marshall Field's, Sears, Carson Pirie Scott
109.	Oxford Valley Mall	PA	Langhorne	Fee	65.8%	Acquired 2003	94.3%	762,558	509,674	1,272,232 (20)	JCPenney, Macy's, Sears, Strawbridge's
110.	Paddock Mall	FL	Ocala	Fee	100.0%	Built 1980	95.3%	387,378	172,786	560,164	JCPenney, Sears, Belk, Burdines-Macy's
111.	Palm Beach Mall	FL	West Palm Beach	Fee	100.0%	Built 1967	96.9%	749,288	335,941	1,085,229	Dillard's, JCPenney, Sears, Burdines-Macy's, Borders Books & Music, DSW Shoe Warehouse, Old Navy
112.	Penn Square	OK	Oklahoma City	Ground Lease (2060)	94.5%	Acquired 2002	97.4%	588,137	425,255	1,013,392	Foley's, JCPenney, Dillard's Womens, Dillard's Mens, Children & Home
113.	Pheasant Lane Mall	NH	Nashua (Boston)	(16)	(16) (4)	Acquired 2002	98.5%	675,759	313,135	988,894	Macy's, Filene's, JC Penney, Sears, Target
114.	Phipps Plaza	GA	Atlanta	Fee	100.0%	Acquired 1998	96.9%	472,385	348,931	821,316	Lord & Taylor (17), Parisian, Saks Fifth Avenue
115.	Port Charlotte Town Center	FL	Port Charlotte	Ground Lease (2064)	80.0%(13)	Built 1989	88.9%	458,554	321,928	780,482	Dillard's, JCPenney, Beall's, Sears, Burdines-Macy's, DSW Shoe Warehouse
116.	Prien Lake Mall	LA	Lake Charles	Fee and Ground Lease (7) (2025)	100.0%	Built 1972	97.9%	631,762	178,931	810,693	Dillard's, JCPenney, Foley's (19), Sears
117.	Quaker Bridge Mall	NJ	Lawrenceville	Fee	39.6% (4)	Acquired 2003	95.9%	686,760	423,047	1,109,807	JCPenney, Lord & Taylor, Macy's, Sears
118.	Raleigh Springs Mall	TN	Memphis	Fee and Ground Lease (7) (2018)	100.0%	Built 1971	45.0%	691,230	226,369	917,599	Sears, (8)

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119.	Richardson Square	TX	Richardson (Dallas-Ft. Worth)	Fee	100.0%	Built 1977	73.4%	471,436	283,900	755,336		Dillard's, Sears, Target, Ross Dress for Less, Barnes & Noble, Oshman's
120.	Richmond Town Square	OH	Richmond Heights (Cleveland)	Fee	100.0%	Built 1966	99.5%	685,251	331,526	1,016,777		Sears, JCPenney, Kaufmann's, Barnes & Noble
121.	River Oaks Center	IL	Calumet City (Chicago)	Fee	100.0%	Acquired 1997	90.0%	834,588	544,223	1,378,811	(20)	Sears, JCPenney, Carson Pirie Scott, Marshall Field's
122.	Rockaway Townsquare	NJ	Rockaway (New York)	Fee	100.0%	Acquired 1998	95.3%	786,626	461,697	1,248,323		Macy's, Lord & Taylor, JCPenney, Sears
123.	Rolling Oaks Mall	TX	San Antonio	Fee	100.0%	Built 1988	68.3%	460,857	276,312	737,169		Sears, Dillard's, Foley's, Tony Hawk's Skate Park, JC Penney (6)
124.	Roosevelt Field Mall	NY	Garden City (New York)	Fee and Ground Lease (7) (2090)	100.0%	Acquired 1998	98.2%	1,430,425	750,101	2,180,526		Macy's, Bloomingdale's, JCPenney, Nordstrom, Gaylans, Bloomingdale's Furniture (6)
125.	Ross Park Mall	PA	Pittsburgh	Fee	100.0%	Built 1986	97.5%	827,015	407,583	1,234,598		Lazarus-Macy's, JCPenney, Sears, Kaufmann's, Media Play, DSW Shoe Warehouse
126.	Rushmore Mall (5)	SD	Rapid City	Fee	50.0% (4)	Acquired 1998	98.1%	470,660	364,948	835,608		JCPenney, Sears, Herberger's, Hobby Lobby, Target, Scheel's Sports
127.	Santa Rosa Plaza	CA	Santa Rosa	Fee	100.0%	Acquired 1998	93.6%	428,258	270,487	698,745		Macy's, Mervyn's, Sears
128.	Seminole Towne Center	FL	Sanford	Fee	45.0%(14) (4)	Built 1995	93.8%	768,798	384,802	1,153,600		Dillard's, JCPenney, Parisian, Sears, Burdines-Macy's
129.	Shops at Mission Viejo Mall, The	CA	Mission Viejo (Orange County)	Fee	100.0%	Built 1979	98.6%	677,215	472,699	1,149,914		Macy's, Saks Fifth Avenue, Robinsons-May, Nordstrom
130.	Shops at Sunset Place, The	FL	Miami	Fee	37.5% (4)	Built 1999	88.7%		500,143	500,143		Niketown, Barnes & Noble, Gameworks, Virgin Megastore, Z Gallerie
131.	Smith Haven Mall	NY	Lake Grove (New York)	Fee	25.0% (4)	Acquired 1995	96.7%	902,595	455,400	1,357,995		Macy's, Sears, JCPenney, H&M, Stern's
132.	Solomon Pond Mall	MA	Marlborough (Boston)	Fee	49.1% (4)	Acquired 1999	100.0%	538,843	373,754	912,597		Filene's, Sears, JCPenney, Linens-N-Things
133.	Source, The	NY	Westbury (New York)	Fee	25.5% (4)	Built 1997	93.5%	210,798	518,354	729,152		Off 5th-Saks Fifth Avenue, Fortunoff, Nordstrom Rack, Old Navy, Circuit City, Virgin Megastore, Rosewood Home Furnishings, H&M
134.	South Hills Village	PA	Pittsburgh	Fee	100.0%	Acquired 1997	96.5%	655,987	454,033	1,110,020		Sears, Kaufmann's, Lazarus-Macy's
135.	South Shore Plaza	MA	Braintree (Boston)	Fee	100.0%	Acquired 1998	98.3%	847,603	614,037	1,461,640		Macy's, Filene's, Lord & Taylor, Sears, Filene's Basement

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136.	Southern Hills Mall (5)	IA	Sioux City	Fee	50.0% (4)	Acquired 1998	71.0%	372,937	428,619	801,556	Younkers, Sears, Sheel's Sporting Goods, Barnes & Noble (6), (8)
137.	Southern Park Mall	OH	Boardman	Fee	100.0%	Built 1970	97.5%	811,858	385,922	1,197,780	Dillard's, JCPenney, Sears, Kaufmann's
138.	Southgate Mall	AZ	Yuma	Fee	100.0%	Acquired 1988	99.7%	252,264	69,310	321,574	Sears, Dillard's, JCPenney, Albertson's
139.	SouthPark	NC	Charlotte	Fee & Ground Lease (11) (2040)	100.0%	Acquired 2002	87.9%	857,254	332,104	1,189,358	Nordstrom (6), Hecht's, Belk, Dillard's, Gaylans (6)
140.	Southpark Mall	IL	Moline	Fee	50.0% (4)	Acquired 1998	93.5%	578,056	447,997	1,026,053	JCPenney, Younkers, Sears, Von Maur
141.	SouthRidge Mall (5)	IA	Des Moines	Fee	50.0% (4)	Acquired 1998	71.2%	497,806	504,732	1,002,538	Sears, Younkers, JCPenney, Target, (8)
142.	Square One Mall	MA	Saugus (Boston)	Fee	49.1% (4)	Acquired 1999	99.4%	540,101	324,593	864,694	Filene's, Sears, Best Buy, T.J. Maxx N More, Filene's Basement
143.	St. Charles Towne Center	MD	Waldorf (Washington, D.C.)	Fee	100.0%	Built 1990	96.0%	631,602	354,007	985,609	Sears, JCPenney, Kohl's, Hecht's, Hecht's Home Store
144.	Stanford Shopping Center	CA	Palo Alto (San Francisco)	Ground Lease (2054)	100.0%	Acquried 2003	97.8%	849,153	522,459	1,371,612	Macy's, Neiman Marcus, Nortstrom, Bloomingdales
145.	Summit Mall	OH	Akron (Cleveland)	Fee	100.0%	Built 1965	94.1%	432,936	331,297	764,233	Dillard's Women & Children, Dillard's Mens & Home, Kaufmann's
146.	Sunland Park Mall	TX	El Paso	Fee	100.0%	Built 1988	89.9%	575,837	342,131	917,968	JCPenney, Mervyn's, Sears, Dillard's Women & Children, Dillard's Mens & Home
147.	Tacoma Mall	WA	Tacoma	Fee	100.0%	Acquired 1987	98.7%	924,045	370,419	1,294,464	Nordstrom, Sears, JCPenney, Bon-Macy's, Mervyn's
148.	The Galleria	TX	Houston	Fee	31.5% (4)	Acquired 2002	88.3%	1,300,466	1,104,346	2,404,812	Macy's, Saks Fifth Avenue, Neiman Marcus, Lord & Taylor (17), Nordstrom, Foley's, University Club
149.	Tippecanoe Mall	IN	Lafayette	Fee	100.0%	Built 1973	98.5%	568,373	291,153	859,526	L.S. Ayres, JCPenney, Sears, Kohl's, (8)
150.	Town Center at Boca Raton	FL	Boca Raton	Fee	100.0%	Acquired 1998	99.4%	1,061,076	494,247	1,555,323	Lord & Taylor (17), Saks Fifth Avenue, Bloomingdale's, Sears, Burdines-Macy's, Nordstrom
151.	Town Center at Cobb	GA	Kennesaw (Atlanta)	Fee	50.0% (4)	Acquired 1998	97.9%	851,346	421,107	1,272,453	Rich's-Macy's, Parisian, Sears, JCPenney, Rich's-Macy's Furniture
152.	Towne East Square	KS	Wichita	Fee	100.0%	Built 1975	95.9%	779,490	399,619	1,179,109	Dillard's, JCPenney, Sears, Von Maur

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153.	Towne West Square	KS	Wichita	Fee	100.0%	Built 1980	89.4%	619,269	336,062	955,331	Dillard's Women & Home, Dillard's Mens & Children, Sears, JCPenney,

											Dick's Sporting Goods
154.	Treasure Coast Square	FL	Jensen Beach	Fee	100.0%	Built 1987	91.7%	511,372	358,197	869,569	Dillard's, Sears, Borders, JCPenney, Burdines-Macy's
155.	Trolley Square	UT	Salt Lake City	Fee	90.0%	Acquired 1986	81.2%		221,863	221,863	—
156.	Tyrone Square	FL	St. Petersburg (Tampa-St. Pete)	Fee	100.0%	Built 1972	99.1%	748,269	380,012	1,128,281	Dillard's, JCPenney, Sears, Borders, Burdines-Macy's
157.	University Mall	AR	Little Rock	Ground Lease (2026)	100.0%	Built 1967	89.8%	412,761	153,192	565,953	JCPenney, M.M. Cohn
158.	University Mall	FL	Pensacola	Fee	100.0%	Acquired 1994	82.8%	478,449	228,579	707,028	JCPenney, Sears, McRae's
159.	University Park Mall	IN	Mishawaka	Fee	60.0%	Built 1979	98.4%	622,508	320,315	942,823	L.S. Ayres, JCPenney, Sears, Marshall Field's
160.	Upper Valley Mall	OH	Springfield	Fee	100.0%	Built 1971	93.3%	479,418	271,132	750,550	Lazarus-Macy's, JCPenney, Sears, Elder-Beerman
161.	Valle Vista Mall	TX	Harlingen	Fee	100.0%	Built 1983	97.5%	389,781	266,579	656,360	Dillard's, Mervyn's, Sears, JCPenney, Marshalls, Beall's, Office Max
162.	Valley Mall	VA	Harrisonburg	Fee	50.0% (4)	Acquired 1998	99.2%	307,798	179,631	487,429	JCPenney, Belk, Wal-Mart, Peebles
163.	Virginia Center Commons	VA	Glen Allen	Fee	100.0%	Built 1991	96.5%	506,639	280,855	787,494	Dillard's Women, Dillard's Mens, Children & Home, Hecht's, JCPenney, Sears
164.	Walt Whitman Mall	NY	Huntington Station (New York)	Ground Rent (2012)	100.0%	Acquired 1998	95.7%	742,214	292,533	1,034,747	Macy's, Lord & Taylor, Bloomingdale's, Saks Fifth Avenue, Organized Living
165.	Washington Square	IN	Indianapolis	Fee	100.0%	Built 1974	87.0%	706,174	308,064	1,014,238	L.S. Ayres, Target, Sears, Burlington Coat Factory (6), (8)
166.	West Ridge Mall	KS	Topeka	Fee	100.0%	Built 1988	66.1%	716,811	310,002	1,026,813	Dillard's, JCPenney, The Jones Store, Sears, (8)
167.	West Town Mall	TN	Knoxville	Ground Lease (2042)	50.0% (4)	Acquired 1991	96.7%	878,311	450,691	1,329,002	Parisian, Dillard's, JCPenney, Proffitt's, Sears
168.	Westchester, The	NY	White Plains (New York)	Fee	40.0% (4)	Acquired 1997	99.5%	349,393	475,026	824,419	Neiman Marcus, Nordstrom
169.	Westminster Mall	CA	Westminster (Orange County)	Fee	100.0%	Acquired 1998	86.5%	716,939	503,533	1,220,472	Sears, JCPenney, Robinsons-May, Macy's
170.	White Oaks Mall	IL	Springfield	Fee	77.5%	Built 1977	95.1%	601,708	347,497	949,205	Famous Barr, Sears, Bergner's, Dick's Sporting Goods (6)
171.	Wolfchase Galleria	TN	Memphis	Fee	94.5%	Acquired 2002	96.9%	761,648	506,453	1,268,101	Goldsmith's-Macy's, JC Penney, Sears, Dillard's
172.	Woodland Hills Mall	OK	Tulsa	Fee	47.2% (4)	Acquired 2002	96.8%	709,447	382,848	1,092,295	Foley's, JCPenney, Sears, Dillard's
173.	Woodville Mall	OH	Northwood	Fee	100.0%	Built 1969	79.6%	518,792	254,613	773,405	Sears, Elder-Beerman, Andersons, Woodville Skate Park

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	COMMUNITY SHOPPING CENTERS										
1.	Arboretum, The	TX	Austin	Fee	100.0%	Acquired 1998	94.9%	35,773	170,738	206,511	Barnes & Noble, Cheescake Factory
2.	Bloomingdale Court	IL	Bloomingdale	Fee	100.0%	Built 1987	94.1%	436,255	168,256	604,511	Best Buy, T.J. Maxx N More, Frank's Nursery, Office Max, Old Navy, Linens-N-Things, Wal-Mart, Cicuit City, Dress Barn, JoAnn Etc (6)
3.	Boardman Plaza	OH	Youngstown	Fee	100.0%	Built 1951	72.4%	375,502	265,273	640,775	Burlington Coat Factory, Giant Eagle, Michael's, Linens-N-Things, T.J. Maxx, Steinmart, Sav-A-Lot, (8)
4.	Bridgeview Court	IL	Bridgeview	Fee	100.0%	Built 1988	86.9%	216,491	57,187	273,678	Northwestern

											Business College, (8)
5.	Brightwood Plaza	IN	Indianapolis	Fee	100.0%	Built 1965	100.0%	0	38,493	38,493	Preston Safeway
6.	Celina Plaza	TX	El Paso	Fee and Ground Lease (11) (2005)	100.0%	Built 1978	26.7%	23,927	8,695	32,622	(8)
7.	Charles Towne Square	SC	Charleston	Fee	100.0%	Built 1976	100.0%	199,693	0	199,693	Regal Cinema, (8)
8.	Chesapeake Center	VA	Chesapeake	Fee	100.0%	Built 1989	70.4%	213,670	85,934	299,604	K-Mart, Petsmart, Michael's, Movies 10, (8)
9.	Cobblestone Court	NY	Victor	Fee and Ground Lease (7) (2038)	35.0% (14) (4)	Built 1993	98.8%	206,680	58,819	265,499	Dick's Sporting Goods, Kmart, Office Max
10.	Countryside Plaza	IL	Countryside	Fee and Ground Lease (7) (2058)	100.0%	Built 1977	80.4%	290,216	145,392	435,608	Best Buy, Old Country Buffet, Burlington Coat, Home Depot, (8)
11.	Crystal Court	IL	Crystal Lake	Fee	35.0% (14) (4)	Built 1989	86.1%	201,993	76,978	278,971	Cub Foods, Wal-Mart
12.	Dekalb Plaza	PA	King of Prussia	Fee	52.4%	Acquired 2003	46.4%	81,368	20,345	101,713	ACME
13.	Eastland Convenience Center	IN	Evansville	Ground Lease (2075)	50.0% (4)	Acquired 1998	96.2%	60,000	115,639	175,639	Marshalls, Kids "R" Us (17), Toys "R" Us, Bed, Bath & Beyond
14.	Eastland Plaza	OK	Tulsa	Fee	100.0%	Built 1986	84.7%	152,451	33,698	186,149	Marshalls, Target, Toys "R" Us
15.	Empire East (5)	SD	Sioux Falls	Fee	50.0% (4)	Acquired 1998	97.9%	253,388	44,875	298,263	Kohl's, Target
16.	Fairfax Court	VA	Fairfax	Fee	26.3% (14) (4)	Built 1992	89.2%	168,743	80,614	249,357	Burlington Coat Factory, Circuit City Superstore, (8)
17.	Forest Plaza	IL	Rockford	Fee	100.0%	Built 1985	98.0%	325,170	100,588	425,758	Kohl's, Marshalls, Media Play, Michael's, Factory Card Outlet, Office Max, T.J. Maxx, Bed, Bath & Beyond, Petco

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18.	Gaitway Plaza	FL	Ocala	Fee	23.3% (14) (4)	Built 1989	89.1%	123,027	93,328	216,355	Books-A-Million, Office Depot, T.J. Maxx, Ross Dress for Less, Bed, Bath & Beyond
19.	Great Lakes Plaza	OH	Mentor (Cleveland)	Fee	100.0%	Built 1976	100.0%	142,229	21,875	164,104	Circuit City, Best Buy, Michael's, Cost Plus World Market
20.	Great Northeast Plaza	PA	Philadelphia	Fee	50.0% (4)	Acquired 1989	100.0%	238,158	57,600	295,758	Sears
21.	Greenwood Plus	IN	Greenwood	Fee	100.0%	Built 1979	100.0%	134,141	25,790	159,931	Best Buy, Kohl's
22.	Griffith Park Plaza	IN	Griffith	Ground Lease (2060)	100.0%	Built 1979	34.5%	175,595	98,640	274,235	K-mart, (8)
23.	Grove at Lakeland Square, The	FL	Lakeland	Fee	100.0%	Built 1988	91.9%	142,317	73,274	215,591	Sports Authority
24.	Henderson Square	PA	King of Prussia	Fee	79.1%	Acquired 2003	97.2%	72,683	34,661	107,344	ACME, Staples
25.	Highland Lakes Center	FL	Orlando	Fee	100.0%	Built 1991	77.3%	372,316	105,764	478,080	Marshalls, Bed, Bath & Beyond, American Signature Home, Save-Rite, Ross Dress for Less, Office Max, Burlington Coat Factory, (8)
26.	Indian River Commons	FL	Vero Beach	Fee	50.0% (4)	Built 1997	90.8%	233,358	27,510	260,868	Lowe's, Best Buy, Ross Dress for Less, Bed, Bath & Beyond, Michael's
27.	Ingram Plaza	TX	San Antonio	Fee	100.0%	Built 1980	100.0%	0	111,518	111,518	—
28.	Keystone Shoppes	IN	Indianapolis	Ground Lease (2067)	100.0%	Acquired 1997	88.7%	0	29,140	29,140	—
29.	Knoxville Commons	TN	Knoxville	Fee	100.0%	Built 1987	100.0%	91,483	88,980	180,463	Office Max, Circuit City
30.	Lake Plaza	IL	Waukegan	Fee	100.0%	Built 1986	98.7%	170,789	44,673	215,462	Pic 'N Save, Home Owners Bargain Outlet
31.	Lake View Plaza	IL	Orland Park (Chicago)	Fee	100.0%	Built 1986	91.7%	270,628	100,852	371,480	Best Buy, Marshalls, Ulta Cosmetics, Factory Card Outlet, Golf Galaxy, Linens-N-Things, Petco Supplies & Fish,

32.	Lakeline Plaza	TX	Austin	Fee	100.0%	Built 1998	98.4%	306,317	79,431	385,748	Value City Furniture, (8) Old Navy, Best Buy, Cost Plus World Market, Linens-N-Things, Office Max, Petsmart, Ross Dress for Less, T.J. Maxx, Party City, Ulta Cosmetics, Ultimate Electronics
33.	Lima Center	OH	Lima	Fee	100.0%	Built 1978	94.2%	159,584	47,294	206,878	Kohl's, Hobby Lobby
34.	Lincoln Crossing	IL	O'Fallon	Fee	100.0%	Built 1990	100.0%	134,935	13,446	148,381	Wal-Mart, PetsMart

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								Anchor	Mall & Freestanding	Total	
35.	Lincoln Plaza	PA	King of Prussia	Fee	65.8%	Acquired 2003	100.0%	143,649	123,582	267,231	Burlington Coat Factory, Circuit City
36.	Mall of Georgia Crossing	GA	Mill Creek (Atlanta)	Fee	50.0% (4)	Built 1999	97.8%	341,503	99,109	440,612	Target, Nordstrom Rack, Best Buy, Staples, T.J. Maxx N More, American Signature Home
37.	Markland Plaza	IN	Kokomo	Fee	100.0%	Built 1974	90.0%	49,552	41,675	91,227	Best Buy, Bed, Bath & Beyond
38.	Martinsville Plaza	VA	Martinsville	Space Lease (2046)	100.0%	Built 1967	97.1%	60,000	42,105	102,105	Rose's
39.	Matteson Plaza	IL	Matteson	Fee	100.0%	Built 1988	43.5%	230,885	44,570	275,455	Dominick's, Michael's Arts & Crafts, Value City, (8)
40.	Muncie Plaza	IN	Muncie	Fee	100.0%	Built 1998	100.0%	271,656	27,195	298,851	Kohl's, Office Max, Shoe Carnival, T.J. Maxx, Target
41.	New Castle Plaza	IN	New Castle	Fee	100.0%	Built 1966	97.3%	24,912	66,736	91,648	Goody's
42.	North Ridge Plaza	IL	Joliet	Fee	100.0%	Built 1985	74.3%	190,323	114,747	305,070	Minnesota Fabrics, Hobby Lobby, Office Max, (8)
43.	Northland Plaza	OH	Columbus	Fee and Ground Lease (7) (2085)	100.0%	Built 1988	62.7%	118,304	91,230	209,534	Marshalls, Hobby Lobby, (8)
44.	Northwood Plaza	IN	Fort Wayne	Fee	100.0%	Built 1974	92.0%	99,028	71,841	170,869	Target, Cinema Grill
45.	Park Plaza	KY	Hopkinsville	Fee and Ground Lease (7) (2039)	100.0%	Built 1968	95.2%	82,398	32,626	115,024	Big Lots, Wal-Mart (18)
46.	Plaza at Buckland Hills, The	CT	Manchester	Fee	35.0%(14) (4)	Built 1993	84.6%	252,179	82,308	334,487	Toys "R" Us, Jo-Ann Etc., Kids "R" Us (17), Comp USA, Linens-N-Things, Party City, Petsmart, (8)
47.	Regency Plaza	MO	St. Charles	Fee	100.0%	Built 1988	100.0%	210,627	76,899	287,526	Wal-Mart, Sam's Wholesale, Petsmart
48.	Ridgewood Court	MS	Jackson	Fee	35.0%(14) (4)	Built 1993	100.0%	185,939	54,723	240,662	T.J. Maxx, Bed, Bath & Beyond, Best Buy, Marshalls, Lifeway Christian Stores, Michael's
49.	Rockaway Convenience Center	NJ	Rockaway (New York)	Fee	100.0%	Acquired 1998	100.0%	131,438	100,184	231,622	Kids "R" Us (17), AMCE Grocery, Best Buy, Borders Books & Music, Linens N Things, Michael's
50.	Royal Eagle Plaza	FL	Coral Springs (Miami-Ft. Lauderale)	Fee	35.0%(14) (4)	Built 1989	100.0%	124,479	74,643	199,122	Kmart, Stein Mart
51.	St. Charles Towne Plaza	MD	Waldorf (Washington, D.C.)	Fee	100.0%	Built 1987	68.7%	292,752	113,202	405,954	Value City Furniture, T.J. Maxx, Jo Ann Fabrics, CVS, Shoppers Food Warehouse, Dollar Tree, (8)

	Property Name	State	City (Metropolitan area)	Ownership Interest (Expiration if Lease) (1)	Our Percentage Interest (2)		Year Built or Acquired	Occupancy (3)	Gross Leasable Area: Anchor	Gross Leasable Area: Mall & Freestanding	Gross Leasable Area: Total	Retail Anchors and Major Tenants
52.	Shops at Northeast Mall, The	TX	Hurst	Fee	100.0%		Built 1999	98.9%	265,595	98,989	364,584	Old Navy, Nordstrom Rack, Bed, Bath & Beyond, Office Max, Michael's, Petsmart, T.J. Maxx, Ulta Cosmetics, Best Buy, Pier 1 Imports
53.	Teal Plaza	IN	Lafayette	Fee	100.0%		Built 1962	100.0%	98,337	2,750	101,087	Circuit City, Hobby-Lobby, The Pep Boys
54.	Terrace at the Florida Mall	FL	Orlando	Fee	100.0%		Built 1989	73.8%	281,446	47,531	328,977	Marshalls, Target, American Signature Home, Bed, Bath & Beyond
55.	Tippecanoe Plaza	IN	Lafayette	Fee	100.0%		Built 1974	95.5%	85,811	8,787	94,598	Best Buy, Barnes & Noble
56.	University Center	IN	Mishawaka	Fee	60.0%		Built 1980	87.1%	104,359	46,177	150,536	Best Buy, Michaels
57.	Village Park Plaza	IN	Carmel (Indianapolis)	Fee	35.0%	(14) (4)	Built 1990	98.3%	431,018	112,430	543,448	Wal-Mart, Galyan's, Frank's Nursery, Kohl's, Marsh, Bed, Bath & Beyond, Regal Cinema
58.	Wabash Village	IN	West Lafayette	Ground Lease (2063)	100.0%		Built 1970	12.2%	109,388	15,148	124,536	(8)
59.	Washington Plaza	IN	Indianapolis	Fee	100.0%		Built 1976	57.1%	21,500	28,607	50,107	(8)
60.	Waterford Lakes Town Center	FL	Orlando	Fee	100.0%		Built 1999	100.0%	622,244	329,559	951,803	L.A. Fitness, T.J. Maxx, Barnes & Noble, Ross Dress for Less, Petsmart, Bed, Bath & Beyond, Old Navy, Best Buy, Office Max, Ashley Furniture, Jo-Ann Fabrics, Target
61.	West Ridge Plaza	KS	Topeka	Fee	100.0%		Built 1988	100.0%	182,161	55,622	237,783	Target, T.J. Maxx, Toys "R" Us, Famous Footwear
62.	West Town Corners	FL	Altamonte Springs	Fee	23.3%	(14) (4)	Built 1989	99.1%	263,782	121,285	385,067	Wal-Mart, Sports Authority, PetsMart, Winn Dixie, American Signature Furniture
63.	Westland Park Plaza	FL	Orange Park	Fee	23.3%	(14) (4)	Built 1989	96.3%	123,548	39,606	163,154	Burlington Coat Factory, PetsMart, Sports Authority, Sound Advice
64.	Whitehall Mall	PA	Whitehall	Fee	39.6%	(4)	Acquired 2003	99.0%	378,642	175,079	553,721	Kohl's, Sears, Bed, Bath and Beyond
65.	White Oaks Plaza	IL	Springfield	Fee	100.0%		Built 1986	98.3%	275,703	115,723	391,426	Kohl's, Kids "R" Us (17), Office Max, T.J. Maxx, Toys "R" Us, Cub Foods
66.	Willow Knolls Court	IL	Peoria	Fee	35.0%	(14) (4)	Built 1990	100.0%	309,440	72,937	382,377	Kohl's, Sam's Wholesale Club, Willow Knolls Cinema, Burlington Coat Factory
67.	Yards Plaza, The	IL	Chicago	Fee	35.0%	(14) (4)	Built 1990	100.0%	228,813	36,607	265,420	Burlington Coat Factory, Value City, Ralphs Food for Less

Property Name	State	City (Metropolitan area)	Ownership Interest (Expiration if Lease) (1)	Our Percentage Interest (2)	Year Built or Acquired	Occupancy (3)	Gross Leasable Area: Anchor	Gross Leasable Area: Mall & Freestanding	Gross Leasable Area: Total	Retail Anchors and

												Major Tenants
	OFFICE CENTERS											
1.	O'Hare International Center	IL	Rosemont	Fee	100.0%	Built 1988	85.2%	0	495,546	495,546	(20)	—
2.	Riverway	IL	Rosemont	Fee	100.0%	Acquired 1991	84.5%	0	819,201	819,201	(20)	—
	MIXED-USE CENTERS											
1.	Copley Place	MA	Boston	Fee	98.1%	Acquired 2002	91.4%	104,332	1,109,880	1,214,212	(20)	Neiman Marcus
2.	Fashion Centre at Pentagon City, The	VA	Arlington	Fee	42.5% (4)	Built 1989	99.8%	472,729	514,979	987,708	(20)	Macy's, Nordstrom
	Total U.S. Portfolio							116,563,140	72,554,171	189,117,311		
	CANADA REGIONAL MALLS											
1.	Forum Entertainment Centre (5)		Montreal	Fee	35.6% (4)	Built 2001	88.7%	246,972	—	246,972		AMC Entertainment
	Total North American Portfolio							116,810,112	72,554,171	189,364,283		
	PROPERTIES UNDER CONSTRUCTION					**Expected Opening**						
1.	Chicago Premium Outlets	IL	Aurora (Chicago)		50.0% (4)	2nd Quarter 2004						—
2.	Clay Terrace	IN	Carmel (Indianapolis)		50.0% (4)	4th Quarter 2004						Dicks Sporting Goods, DSW Shoe Warehouse, Circuit City, Wild Oats
3.	St. Johns Town Center	FL	Jacksonville		50.0%(13)	1st Quarter 2005						Target, JoAnn Fabribcs, PetsMart
4.	Firewheel Town Center	TX	Garland		100.0%	4th Quarter 2005						Foley's, Dillard's, Barnes & Noble, Circuit City, Sports Authority, Linens N Things
5.	WolfRanch	TX	Georgetown (Austin)		100.0%	3rd Quarter 2005						Target, Kohl's, Linens N Things, Office Depot, Petsmart

Footnotes:

(1) The date listed is the expiration date of the last renewal option available to the operating entity under the ground lease. In a majority of the ground leases, we have a right of first refusal or the right to purchase the lessor's interest. Unless otherwise indicated, each ground lease listed in this column covers at least 50% of its respective Property.

(2) The Operating Partnership's direct and indirect interests in some of the Properties held as joint venture interests are subject to preferences on distributions in favor of other partners or the Operating Partnership.

(3) Regional Malls—Executed leases for all company-owned GLA in mall and freestanding stores, excluding majors. Also includes company owned retail space at specialty centers and mixed-use properties. Community Centers—Executed leases for all company-owned GLA including majors, mall stores and freestanding stores.

(4) Joint Venture Properties accounted for under the equity method.

(5) This Property is managed by a third party.

(6) Indicates anchor is currently under construction or in predevelopment.

(7) Indicates ground lease covers less than 50% of the acreage of this Property.

(8) Indicates vacant anchor space(s).

(9) The lease at the Mall at Chestnut Hill includes the entire premises including land and building.

(10) Indicates ground lease covers all of the Property except for parcels owned in fee by anchors.

(11) Indicates ground lease covers outparcel only.

(12) This interest is currently subject to a constructive trust imposed by an court order issued by the Federal District Court for the State of Minnesota. We have appealed that order. See footnote 11 of the accompanying financial statements for further discussion regarding Mall of America.

(13) The Operating Partnership receives substantially all the economic benefit of the property due to a partner preference or advances.

(14) Outside partner receives substantially all of the economic benefit due to a partner preference.

(15) The ownership of the property is evidenced by the Operating Partnership's note secured by an equity interest the property.

(16) The Operating Partnership owns a mortgage note that encumbers Pheasant Lane Mall that entitles it to 100% of the economics of this property.

(17) Indicates anchor has announced its intent to close this location.

(18) Indicates anchor has closed, but the Operating Partnership still collects rents and/or fees under an agreement.

(19) This retailer operates multiple stores at this Property.

(20) Mall & Freestanding GLA consists of a combination of Office and Retail space.

Mall	Retail GLA	Office GLA	Total Mall & Freestanding GLA

Arsenal Mall	204,669	105,807	310,476
Fashion Mall at Keystone at the Crossing, The	378,636	30,042	408,678
Greendale Mall	178,802	119,860	298,662
King of Prussia Mall	1,061,060	13,696	1,074,756
Lehigh Valley Mall	491,154	11,754	502,908
Menlo Park Mall	705,679	50,432	756,111
Oak Court Mall	188,434	129,941	318,375
O'Hare International Center	12,838	482,708	495,546
Oxford Valley Mall	399,116	110,558	509,674
River Oaks Center	426,168	118,055	544,223
Riverway	24,809	794,392	819,201
Copley Place	263,058	846,822	1,109,880
Fashion Centre at Pentagon City, The	345,890	169,089	514,979

International

The following summarizes our investments in Europe and the countries of real estate ownership and operation as of December 31, 2003:

Investment	Ownership Interest	Properties open and operating	Countries
Gallerie Commerciali Italia, S.p.A.	49.0%	38	Italy
European Retail Enterprises ("ERE"), B.V.	35.2%	9	France, Poland, Portugal

In addition, we jointly hold with a third party an interest in one parcel of land for development near Paris, France outside of these two joint ventures. ERE also operates through a wholly-owned subsidiary Groupe BEG, S.A. ("BEG"). ERE and BEG are fully integrated European retail real estate developers, lessors and managers.

Our properties in Europe consist primarily of hypermarket anchored shopping centers. Substantially all of our European properties are anchored by either the hypermarket retailer Auchan, primarily in Italy, who is affiliated with our partner in GCI, The Rinascente Group, or are anchored by the hypermarket Carrefour in France, Poland, and Portugal. Certain of these properties are subject to leaseholds that entitle the lessor to receive substantially all the economic benefits of the portion of the property subject to the leasehold.

As of December 31, 2003, our European properties were approximately 99.3% occupied. These properties contain an aggregate of approximately 8.9 million square feet of GLA, of which approximately 3.8 million square feet is Owned GLA.

SIMON PROPERTY GROUP, L.P.
PROPERTY TABLE
European Properties

	Property Name	City (Metropolitan area)	Ownership Interest	Our Percentage Interest	Year Built	Gross Leasable Area (1) Anchor	Mall & Freestanding	Total	Retail Anchors and Major Tenants
	FRANCE								
1.	Bay 2	Torcy (Paris)	Freehold	35.2%	2003	132,396	408,910	541,306	Carrefour, Leroy Merlin
2.	Bel'Est	Bagnolet (Paris)	Freehold	12.3%	1992	150,695	62,980	213,675	Auchan
3.	Villabé A6	Villabé (Paris)	Freehold	5.3%	1992	102,257	104,507	206,764	Carrefour
	Subtotal France					**385,348**	**576,397**	**961,745**	
	ITALY								
1.	Ancona — Senigallia	Senigallia (Ancona)	Freehold	49.0%	1995	41,193	41,581	82,774	Cityper
2.	Ascoli Piceno — Grottammare	Grottammare (Ascoli Piceno)	Freehold	49.0%	1995	38,901	55,929	94,830	Cityper
3.	Ascoli Piceno — Porto Sant'Elpidio	Porto Sant'Elpidio (Ascoli Piceno)	Freehold	49.0%	1999	47,986	114,259	162,245	Cityper
4.	Bari — Casamassima	Casamassima (Bari)	Freehold	49.0%	1995	159,015	388,825	547,840	Auchan, Coin, Upim, Leroy Merlin, Decathlon
5.	Brescia — Mazzano	Mazzano (Brescia)	Freehold/Leasehold (2)	49.0%	1994	103,290	127,359	230,649	Auchan, Bricocenter, Upim
6.	Cagliari — Santa Gilla	Cagliari	Freehold/Leasehold (2)	49.0%	1992	75,939	114,754	190,693	Auchan, Bricocenter
7.	Catania — La Rena	Catania	Freehold	49.0%	1998	124,065	22,077	146,142	Auchan
8.	Milano — Rescaldina	Rescaldina (Milano)	Freehold	49.0%	2000	165,108	212,017	377,125	Auchan, Bricocenter, Decathlon, Upim
9.	Milano — Vimodrone	Vimodrone (Milano)	Freehold	49.0%	1989	110,384	80,202	190,586	Auchan, Bricocenter
10.	Napoli — Pompei	Pompei (Napoli)	Freehold	49.0%	1990	74,314	17,147	91,461	Auchan
11.	Padova	Padova	Freehold	49.0%	1989	73,324	32,485	105,809	Auchan
12.	Palermo	Palermo	Freehold	49.0%	1990	73,065	9,849	82,914	Auchan
13.	Pesaro — Fano	Fano (Pesaro)	Freehold	49.0%	1994	56,274	55,951	112,225	Auchan
14.	Pescara	Pescara	Freehold	49.0%	1998	96,337	65,186	161,523	Auchan, Upim
15.	Pescara — Cepagatti	Cepagatti (Pescara)	Freehold	49.0%	2001	80,213	189,617	269,830	Auchan
16.	Piacenza — San Rocco al Porto	San Rocco al Porto (Piacenza)	Freehold	49.0%	1992	104,485	20,419	124,904	Auchan, Flunch
17.	Roma — Collatina	Collatina (Roma)	Freehold	49.0%	1999	59,524	4,101	63,625	Auchan
18.	Sassari — Predda Niedda	Predda Niedda (Sassari)	Freehold/Leasehold (2)	49.0%	1990	56,263	107,779	164,042	Auchan, Bricocenter, Upim
19.	Taranto	Taranto	Freehold	49.0%	1997	75,240	126,508	201,748	Auchan, Bricocenter, Upim
20.	Torino	Torino	Freehold	49.0%	1989	105,056	66,682	171,738	Auchan, Upim
21.	Torino — Venaria	Venaria (Torino)	Freehold	49.0%	1982	101,557	64,045	165,602	Auchan, Bricocenter
22.	Venezia — Mestre	Mestre (Venezia)	Freehold	49.0%	1995	114,076	132,644	246,720	Auchan
23.	Vicenza	Vicenza	Freehold	49.0%	1995	78,415	20,064	98,479	Auchan
24.	Brindisi-Mesagne	Mesagne (Brindisi)	Freehold	49.0%	2003	88,049	140,598	228,647	Auchan

SIMON PROPERTY GROUP, L.P.
PROPERTY TABLE
European Properties

	Property Name	City (Metropolitan area)	Ownership Interest	Our Percentage Interest	Year Built	Gross Leasable Area (1) Anchor	Mall & Freestanding	Total	Retail Anchors and Major Tenants
25.	Ancona	Ancona	Leasehold (3)	49.0%	1993	82,947	82,333	165,280	Auchan, Upim
26.	Bergamo	Bergamo	Leasehold (3)	49.0%	1976	103,011	16,921	119,932	Auchan
27.	Brescia — Concesio	Concesio (Brescia)	Leasehold (3)	49.0%	1972	89,932	27,566	117,498	Auchan
28.	Cagliari — Marconi	Cagliari	Leasehold (3)	49.0%	1994	83,549	109,943	193,492	Auchan, Bricocenter
29.	Catania — Misterbianco	Misterbianco (Catania)	Leasehold (3)	49.0%	1989	83,259	15,984	99,243	Auchan
30.	Merate — Lecco	Merate (Lecco)	Leasehold (3)	49.0%	1976	73,496	88,501	161,997	Auchan, Bricocenter
31.	Milano — Cinisello-Balsamo	Cinisello-Balsamo (Milano)	Leasehold (3)	49.0%	1993	68,426	18,589	87,015	Auchan
32.	Milano — Nerviano	Nerviano (Milano)	Leasehold (3)	49.0%	1991	83,840	27,782	111,622	Auchan
33.	Napoli — Mugnano di Napoli	Mugnano di Napoli	Leasehold (3)	49.0%	1992	97,952	94,852	192,804	Auchan, Bricocenter, Upim
34.	Olbia	Olbia	Leasehold (3)	49.0%	1993	48,976	48,814	97,790	Auchan
35.	Roma — Casalbertone	Roma	Leasehold (3)	49.0%	1998	62,667	84,927	147,594	Auchan, Upim
36.	Sassari — Centro Azuni	Sassari	Leasehold (3)	49.0%	1995	—	35,564	35,564	
37.	Torino — Rivoli	Rivoli (Torino)	Leasehold (3)	49.0%	1986	61,785	32,346	94,131	Auchan
38.	Verona — Bussolengo	Bussolengo (Verona)	Leasehold (3)	49.0%	1975	89,319	75,326	164,645	Auchan, Bricocenter
	Subtotal Italy					**3,131,232**	**2,969,526**	**6,100,758**	
	POLAND								
1.	Borek Shopping Center	Wroclaw	Freehold	35.2%	1999	119,942	129,393	249,335	Carrefour
2.	Dabrowka Shopping Center	Katowice	Freehold	35.2%	1999	120,986	172,868	293,854	Carrefour, Castorama
3.	Turzyn Shopping Center	Szczecin	Freehold	35.2%	2001	87,188	120,943	208,131	Carrefour
4.	Wilenska Station Shopping Center	Warsaw	Freehold	35.2%	2002	92,688	215,935	308,623	Carrefour
5.	Zakopianka Shopping Center	Krakow	Freehold	35.2%	1998	120,190	432,688	552,878	Carrefour, Castorama
	Subtotal Poland					**540,994**	**1,071,827**	**1,612,821**	
	PORTUGAL								
1.	Minho center	Braga (Porto)	Leasehold (3)	35.2%	1997	120,018	101,622	221,640	Carrefour, Toys R Rus, Fitness, Sport Zone
	TOTAL EUROPEAN ASSETS					**4,177,592**	**4,719,372**	**8,896,964**	

Footnotes:

(1) All gross leasable area listed in square feet.

(2) This property is held partially in fee and partially encumbered by a leasehold on the premise which entitles the lessor to the majority of the economics of the portion of the property subject to the leasehold.

(3) This property is encumbered by a leasehold on the entire premises which entitles the lessor the majority of the economics of the property.

Land Held for Development

We have direct or indirect ownership interests in three parcels of land held for future development, containing an aggregate of approximately 275 acres located in three states.

Mortgage Financing on Properties

The following table sets forth certain information regarding the mortgages and other debt encumbering the Properties. Substantially all of the mortgage and property related debt is nonrecourse to us.

MORTGAGE AND OTHER DEBT ON PORTFOLIO PROPERTIES
As of December 31, 2003
(Dollars in thousands)

Property Name	*Interest Rate*	*Face Amount*	*Annual Debt Service*	*Maturity Date*
Consolidated Indebtedness:				
Secured Indebtedness:				
Simon Property Group, LP:				
Anderson Mall	6.20%	$ 29,763	$ 2,216	10/10/12
Arsenal Mall — 1	6.75%	32,977	2,724	09/28/08
Arsenal Mall — 2	8.20%	1,796	286	05/05/16
Battlefield Mall	4.60%	100,000	4,603 (2)	07/01/13
Biltmore Square	7.95%	26,000	2,067 (2)	12/11/10 (30)
Bloomingdale Court	7.78%	28,695 (4)	2,578	11/01/09
Bowie Mall	2.62% (1)	52,700	1,381 (2)	12/14/05 (3)
Brunswick Square	2.62% (1)	45,000	1,179 (2)	06/12/05 (3)
Century III Mall	6.20%	87,859 (10)	6,541	10/10/12
Chesapeake Center	8.44%	6,563 (32)	554 (2)	06/15/05 (30)
Chesapeake Square	3.87% (13)	47,000	1,819 (2)	07/01/06 (3)

Cielo Vista Mall — 1	9.38%	51,033 (5)	5,828	05/01/07
Cielo Vista Mall — 2	8.13%	675	376	11/01/05
Cielo Vista Mall — 3	6.76%	36,614 (5)	3,039	05/01/07
CMBS Loan — Fixed (encumbers 7 Properties)	7.31%	172,290 (6)	14,065	12/15/04 (30)
CMBS Loan — Variable (encumbers 7 Properties)	6.20% (7)	48,157 (6)	1,722	12/15/04 (30)
College Mall — 1	7.00%	37,013 (8)	3,908	01/01/09
College Mall — 2	6.76%	11,281 (8)	935	01/01/09
Copley Place	7.44%	180,836	16,266	08/01/07
Coral Square	8.00%	88,946	8,065	10/01/10
Crossroads Mall	6.20%	44,127	3,285	10/10/12
Crystal River	7.63%	15,867	1,385	11/11/10 (30)
DeKalb Mall	9.35%	2,711	699	10/01/04
Forest Mall	6.20%	17,671 (11)	1,316	10/10/12
Forest Plaza	7.78%	15,738 (4)	1,414	11/01/09
Forum Shops at Caesars, The	4.78%	550,000	26,312 (2)	12/01/10
Greenwood Park Mall — 1	7.00%	31,000 (8)	3,273	01/01/09
Greenwood Park Mall — 2	6.76%	58,284 (8)	4,831	01/01/09
Grove at Lakeland Square, The	8.44%	3,750 (32)	317 (2)	06/15/05 (30)
Gulf View Square	8.25%	34,260	3,652	10/01/06
Henderson Square	6.94%	15,625	1,270	07/01/11
Highland Lakes Center	6.20%	16,288 (10)	1,213	10/10/12
Ingram Park Mall	6.99%	82,423 (24)	6,724	08/11/11
Jefferson Valley Mall	2.37% (1)	60,000	1,422 (2)	01/11/04
Keystone at the Crossing	7.85%	60,518	5,642	07/01/27
Knoxville Center	6.99%	62,415 (24)	5,092	08/11/11
Lake View Plaza	7.78%	20,921 (4)	1,880	11/01/09
Lakeline Mall	7.65%	68,549	6,300	05/01/07
Lakeline Plaza	7.78%	22,937 (4)	2,061	11/01/09
Lincoln Crossing	7.78%	3,167 (4)	285	11/01/09
Longview Mall	6.20%	33,070 (10)	2,462	10/10/12
Markland Mall	6.20%	23,397 (11)	1,742	10/10/12
Matteson Plaza	7.78%	9,213 (4)	828	11/01/09
McCain Mall — 1	9.38%	23,829 (5)	2,721	05/01/07
McCain Mall — 2	6.76%	16,900 (5)	1,402	05/01/07
Melbourne Square	7.42%	36,595	3,374	02/01/05
Midland Park Mall	6.20%	34,157 (11)	2,543	10/10/12
Muncie Plaza	7.78%	7,965 (4)	716	11/01/09
North East Mall	2.50% (1)	140,000	3,493 (2)	05/21/04
Northlake Mall	6.99%	72,003 (24)	5,874	08/11/11
Oxford Valley Mall	6.76%	86,418	7,801	01/10/11

Paddock Mall	8.25%	27,248	2,905	10/01/06
Palm Beach Mall	6.20%	54,641	4,068	10/10/12
Penn Square Mall	7.03%	71,319	6,003	03/01/09 (30)
Port Charlotte Town Center	7.98%	53,250	4,249 (2)	12/11/10 (30)
Raleigh Springs Mall	3.80% (31)	11,000	418 (2)	12/09/05
Regency Plaza	7.78%	4,318 (4)	388	11/01/09
Richmond Towne Square	6.20%	47,977 (11)	3,572	10/10/12
Riverway	2.27% (18)	110,000	2,497 (2)	10/01/06 (3)
St. Charles Towne Plaza	7.78%	27,639 (4)	2,483	11/01/09
St. Johns Town Center	2.37% (1)	37,500	889 (2)	03/02/04
Stanford Shopping Center	3.60% (34)	220,000	7,920 (2)	09/11/08
Sunland Park Mall	8.63% (14)	37,229	3,773	01/01/26
Tacoma Mall	7.00%	131,903	10,778	10/01/11
Terrace at Florida Mall, The	8.44%	4,688 (32)	396 (2)	06/15/05 (30)
Tippecanoe Mall — 1	8.45%	41,676	4,647	01/01/05
Tippecanoe Mall — 2	6.81%	15,049	1,253	01/01/05
Towne East Square — 1	7.00%	48,935 (8)	5,167	01/01/09
Towne East Square — 2	6.81%	23,513 (8)	1,958	01/01/09
Towne West Square	6.99%	53,952 (24)	4,402	08/11/11
Treasure Coast Square — 1	7.42%	50,254	3,729 (2)	01/01/06
Treasure Coast Square — 2	8.06%	11,736	946 (2)	01/01/06
Trolley Square	9.03%	29,133	2,880	08/01/10 (30)
University Park Mall	7.43%	58,799	4,958	10/01/07
Valle Vista Mall — 1	9.38%	31,561 (5)	3,604	05/01/07
Valle Vista Mall — 2	6.81%	7,515 (5)	626	05/01/07
Waterford Lakes	2.42% (1)	68,000	1,646 (2)	08/16/04
West Ridge Plaza	7.78%	5,567 (4)	500	11/01/09
White Oaks Mall	2.22% (1)	48,563	1,078 (2)	02/25/08 (3)
White Oaks Plaza	7.78%	16,987 (4)	1,526	11/01/09
Wolfchase Galleria	7.80%	74,437	6,911	06/30/07
Total Consolidated Secured Indebtedness		$ 4,179,385		
Unsecured Indebtedness:				
Simon Property Group, LP:				
Unsecured Revolving Credit Facility	1.77% (16)	$ 327,901	$ 5,804 (2)	04/16/06 (3)
Medium Term Notes — 1	7.13%	100,000	7,125 (15)	06/24/05
Medium Term Notes — 2	7.13%	180,000	12,825 (15)	09/20/07
SPG, L.P. Unsecured Term Loan — 1	1.92% (1)	65,000	1,248 (2)	03/15/04
SPG, L.P. Unsecured Term Loan — 2	1.77% (1)	150,000	2,655 (2)	02/28/04
SPG, L.P. Unsecured Euro Term Loan	2.70% (9)	204,679	5,527 (2)	12/16/06 (3)
Unsecured Notes — 1	6.88%	250,000	17,188 (15)	11/15/06
Unsecured Notes — 2A	6.75%	100,000	6,750 (15)	07/15/04
Unsecured Notes — 2B	7.00%	150,000	10,500 (15)	07/15/09
Unsecured Notes — 3	6.88%	150,000	10,313 (15)	10/27/05
Unsecured Notes — 4B	6.75%	300,000	20,250 (15)	06/15/05
Unsecured Notes — 4C	7.38%	200,000	14,750 (15)	06/15/18
Unsecured Notes — 5A	6.75%	300,000	20,250 (15)	02/09/04
Unsecured Notes — 5B	7.13%	300,000	21,375 (15)	02/09/09
Unsecured Notes — 6A	7.38%	300,000	22,125 (15)	01/20/06
Unsecured Notes — 6B	7.75%	200,000	15,500 (15)	01/20/11
Unsecured Notes — 7	6.38%	750,000	47,813 (15)	11/15/07
Unsecured Notes — 8A	6.35%	350,000	22,225 (15)	08/28/12
Unsecured Notes — 8B	5.38%	150,000	8,063 (15)	08/28/08
Unsecured Notes — 9A	4.88%	300,000	14,625 (15)	03/18/10
Unsecured Notes — 9B	5.45%	200,000	10,900 (15)	03/15/13

Mandatory Par Put Remarketed Securities	7.00%	200,000	14,000 (15)	06/15/08 (17)
Floating Rate Mandatory Extension Notes	1.92% (12)	113,100	2,172 (2)	11/15/14
		5,340,680		
Shopping Center Associates, subsidiary:				
Unsecured Notes — SCA 1	6.75%	150,000	10,125 (15)	01/15/04
Unsecured Notes — SCA 2	7.63%	110,000	8,388 (15)	05/15/05
		260,000		
The Retail Property Trust, subsidiary:				
Unsecured Notes — CPI 3	7.75%	150,000	11,625 (15)	08/15/04
Unsecured Notes — CPI 4	7.18%	75,000	5,385 (15)	09/01/13
Unsecured Notes — CPI 5	7.88%	250,000	19,688 (15)	03/15/16
		475,000		
Total Consolidated Unsecured Indebtedness		$ 6,075,680		
Total Consolidated Indebtedness at Face Amounts		$ 10,255,065		
Fair Value Interest Rate Swaps		1,195 (28)		
Net Premium on Indebtedness		36,591		
Net Discount on Indebtedness		(26,463)		
Total Consolidated Indebtedness		$ 10,266,388 (23)		
Joint Venture Indebtedness:				
Secured Indebtedness:				
Simon Property Group, LP:				
Apple Blossom Mall	7.99%	$ 39,567	$ 3,607	09/10/09
Atrium at Chestnut Hill	6.89%	47,812	3,880	03/11/11 (30)
Auburn Mall	7.99%	46,322	4,222	09/10/09
Aventura Mall — A	6.55%	141,000	9,231 (2)	04/06/08
Aventura Mall — B	6.60%	25,400	1,675 (2)	04/06/08
Aventura Mall — C	6.89%	33,600	2,314 (2)	04/06/08
Avenues, The	5.29%	79,260	5,325	04/01/13
Bangor Mall	7.06%	24,051	2,302	12/01/07
Cape Cod Mall	6.80%	97,222	7,821	03/11/11
Circle Centre Mall	5.02%	79,268	5,165	04/11/13
Clay Terrace Partners	2.87% (1)	22,847	656 (2)	02/15/04
CMBS Loan — Fixed (encumbers 13 Properties)	7.52%	357,100 (19)	26,871 (2)	05/15/06
CMBS Loan — 1 Floating (encumbers 13 Properties)	1.53% (1)	186,500 (19)	2,853 (2)	05/15/06
CMBS Loan — 2 Floating (encumbers 13 Properties)	1.49% (1)	81,400 (19)	1,212 (2)	05/15/06
Cobblestone Court	7.64%	6,178 (20)	472 (2)	01/01/06
Crystal Court	7.64%	4,044 (20)	309 (2)	01/01/06
Crystal Mall	5.62%	104,344	7,319	09/11/12 (30)
Dadeland Mall	6.75%	196,290	15,566	02/11/12 (30)
Emerald Square Mall	5.13%	143,548	9,479	03/01/13
European Retail Enterprises — Fixed Components	6.49%	72,363	10,821	01/17/13
European Retail Enterprises — Variable Components	4.27% (29)	188,834	11,428	09/05/13
Fairfax Court	7.64%	10,318 (20)	788 (2)	01/01/06
Fashion Centre Pentagon Retail	6.63%	163,085	12,838	09/11/11 (30)
Fashion Centre Pentagon Office	2.62% (1)	33,000	865 (2)	09/10/04
Fashion Valley Mall — 1	6.49%	166,263	13,255	10/11/08 (30)
Fashion Valley Mall — 2	6.58%	29,124	1,915 (2)	10/11/08 (30)
Florida Mall, The	7.55%	262,948	22,766	12/10/10
Galleria Commerciali Italia	3.30% (33)	618,294	20,405 (2)	06/22/05 (3)
Gaitway Plaza	7.64%	7,348 (20)	561 (2)	01/01/06

Great Northeast Plaza	9.04%	16,751	1,744	06/01/06
Greendale Mall	8.23%	40,713	3,779	12/10/06
Gwinnett Place — 1	7.54%	37,454	3,412	04/01/07
Gwinnett Place — 2	7.25%	82,568	7,070	04/01/07
Highland Mall	6.83%	69,297	5,571	07/11/11
Houston Galleria — 1	7.93%	217,595	19,684	12/01/05 (30)
Houston Galleria — 2	2.62% (1)	83,558	2,189 (2)	06/25/07 (3)
Indian River Commons	7.58%	8,136	710	11/01/04
Indian River Mall	7.58%	45,145	3,941	11/01/04
King of Prussia — 1	7.49%	192,940	23,183	01/01/17
King of Prussia — 2	8.53%	13,259	1,685	01/01/17
Liberty Tree Mall	5.22%	35,000	1,827 (2)	10/11/13
Mall at Rockingham	7.88%	96,938	8,705	09/01/07
Mall at Chestnut Hill	8.45%	14,696	1,396	02/02/10
Mall of America	1.65% (21)	278,429	4,608 (2)	03/10/05 (3)
MOA Entertainment	1.65% (21)	33,571	556 (2)	03/10/05 (3)
Mall of Georgia	7.09%	200,000	14,180 (2)	07/01/10
Mall of Georgia Crossing	3.12% (1)	33,214	2,824	06/09/06
Mall of New Hampshire — 1	6.96%	100,395	8,345	10/01/08 (30)
Mall of New Hampshire — 2	8.53%	8,239	786	10/01/08
Metrocenter	8.45%	28,777	3,031	02/28/08
Miami International Mall	5.35%	97,500	5,216 (2)	10/01/13
Montgomery Mall	7.48%	27,000	2,020 (2)	08/10/06
Montreal Forum — Canada	5.76% (22)	43,159	2,486 (2)	08/08/06 (3)
Northfield Square	3.62% (25)	34,670	1,255 (2)	04/01/04
Northshore Mall	9.05%	161,000	14,571 (2)	05/14/04
Quaker Bridge Mall	7.03%	24,077	2,407	04/01/16
Plaza at Buckland Hills, The	7.64%	17,678 (20)	1,351 (2)	01/01/06
Ridgewood Court	7.64%	7,978 (20)	610 (2)	01/01/06
Royal Eagle Plaza	7.64%	7,920 (20)	605 (2)	01/01/06
Seminole Towne Center	3.62% (26)	69,355	3,445	07/01/05 (3)
Shops at Sunset Place, The	4.12% (1)	95,315	3,927 (2)	10/15/04
Smith Haven Mall	7.86%	115,000	9,039 (2)	06/01/06
Solomon Pond	3.97%	114,000	6,505	08/01/13
Source, The	6.65%	124,000	8,246 (2)	03/11/09

Square One	6.73%	93,363	7,380	03/11/12
Town Center at Cobb — 1	7.54%	47,718	4,347	04/01/07
Town Center at Cobb — 2	7.25%	62,837	5,381	04/01/07
Village Park Plaza	7.64%	8,482 (20)	648 (2)	01/01/06
West Town Corners	7.64%	10,328 (20)	789 (2)	01/01/06
West Town Mall	6.90%	76,000	5,244 (2)	05/01/08 (30)
Westchester, The — 1	8.74%	144,712	14,478	09/01/05
Westchester, The — 2	7.20%	51,178	4,399	09/01/05
Westin Hotel — NYC	3.87% (1)	182,500	7,063 (2)	06/05/06
Westland Park Plaza	7.64%	4,950 (20)	378 (2)	01/01/06
Whitehall Mall	6.77%	14,149	1,282	11/01/08
Willow Knolls Court	7.64%	6,488 (20)	496 (2)	01/01/06
Woodland Hills Mall	7.00%	85,244	7,185	01/01/09 (30)
Yards Plaza, The	7.64%	8,270 (20)	632 (2)	01/01/06
Total Joint Venture Secured Indebtedness at Face Amounts		$ 6,638,876		
Net Premium on Indebtedness		$ 4,176		
Total Joint Venture Indebtedness		$ 6,643,052 (27)		

(Footnotes on following page)

(Footnotes for preceding pages)

(1) Variable rate loans based on LIBOR plus interest rate spreads ranging from 37 bps to 300 bps. LIBOR as of December 31, 2003 was 1.12%.

(2) Requires monthly payment of interest only.

(3) Includes applicable extension available at the Operating Partnership's option.

(4) Loans secured by these eleven Properties are cross-collateralized and cross-defaulted.

(5) Loans secured by these three Properties are cross-collateralized and cross-defaulted.

(6) Secured by cross-collateralized and cross-defaulted mortgages encumbering seven of the Properties (Bay Park Square, Boardman Plaza, Cheltenham Square, De Soto Square, Upper Valley Mall, Washington Square, and West Ridge Mall).

(7) LIBOR + 0.405%, through an interest rate protection agreement is effectively fixed at an all-in-one rate of 6.200%.

(8) Loans secured by these three Properties are cross-collateralized and cross-defaulted.

(9) Euribor + 0.600%. Euros 200 million term loan. As of December 31, 2003, Euros 37 million available after outstanding borrowings.

(10) Loans secured by these three Properties are cross-collateralized.

(11) Loans secured by these four Properties are cross-collateralized.

(12) LIBOR + .8000% through November 15, 2004 at which time callable at our option or remarketed and resold via a competitive bid proces.

(13) LIBOR + 2.750%, with LIBOR capped at 6.500%.

(14) Lender also participates in a percentage of certain gross receipts above a specified base.

(15) Requires semi-annual payments of interest only.

(16) $1,250,000 Credit Facility. Currently, bears interest at LIBOR + 0.650% and provides for different pricing based upon the Operating Partnership's investment grade rating. Two interest rate caps currently limit LIBOR on $90,000 and $49,023 of this indebtedness to 11.530% and 12.664% respectively. As of December 31, 2003, $898,018 was available after outstanding borrowings and letters of credit. As of December 31, 2003, Euros 48.5 million was drawn on the EURO sub-tranche.

(17) The MOPPRS have an actual maturity of June 15, 2028, but are subject to mandatory tender on June 15, 2008.

(18) LIBOR + 1.150% with LIBOR capped at 8.100%.

(19) These Commercial Mortgage Notes are secured by cross-collateralized mortgages encumbering thirteen Properties (Eastland Mall, Empire East, Empire Mall, Granite Run Mall, Mesa Mall, Lake Square, Lindale Mall, Northpark Mall, Southern Hills Mall, Southpark Mall, Southridge Mall, Rushmore Mall, and Valley Mall). A weighted average rate is used for each component. The floating components have interest protection agreements which caps LIBOR at 10.630% and 11.830% respectively.

(20) Loans secured by these twelve Properties are cross-collateralized and cross-defaulted.

(21) LIBOR + 0.5348%, with LIBOR capped at 8.716%.

(22) Canadian Prime + 3.000%.

(23) Our share of consolidated indebtedness was $10,141,126.

(24) Loans secured by these four Properties are cross-collateralized and cross-defaulted.

(25) LIBOR + 2.500%, with LIBOR capped at 8.500%.

(26) LIBOR + 2.500%, with LIBOR capped at 8.000%.

(27) Our share of joint venture indebtedness was $2,739,630.

(28) Represents the fair market value of interest rate swaps entered into by the Operating Partnership.

(29) EURIBOR + 2.169%

(30) The maturity date shown represents the Anticipated Maturity Date of the loan which is typically 10-20 years earlier than the stated Maturity Date of the loan. Should the loan not be repaid at the Anticipated Repayment Date the applicable interest rate shall increase as specified in each loan agreement.

(31) LIBOR + 2.000%, with LIBOR floor at 1.800%.

(32) Loans secured by these three Properties are cross-collateralized and cross-defaulted.

(33) Debt is denominated in Euros and bears interest at Euribor + 1.200%. Debt consists of a Euros 400 million tranche which is fully drawn and a Euros 100 million tranche facility of which Euros 32.4 million is drawn.

(34) Simultaneous with the issuance of this loan, the Operating Partnership entered into a $70 million notional amount variable rate swap agreement which is designated as a hedge against this loan. As of December 31, 2003, after including the impacts of this swap, the terms of the loan are effectively $150 million fixed at 3.60% and $70 million variable rate at 1.16%.

Item 3. Legal Proceedings

Triple Five of Minnesota, Inc., a Minnesota corporation, v. Melvin Simon, et. al. On or about November 9, 1999, Triple Five of Minnesota, Inc. commenced an action in the District Court for the State of Minnesota, Fourth Judicial District, against, among others, Mall of America, certain members of the Simon family and entities allegedly controlled by such individuals, and us. The action was later removed to federal court. Two transactions form the basis of the complaint: (i) the sale by Teachers Insurance and Annuity Association of America of one-half of its partnership interest in Mall of America Company and Minntertainment Company to the Operating Partnership and related entities; and (ii) a financing transaction involving a loan in the amount of $312.0 million obtained from The Chase Manhattan Bank that is secured by a mortgage placed on Mall of America's assets. The complaint, which contains twelve counts, seeks remedies of unspecified damages, rescission, constructive trust, accounting, and specific performance. Although the complaint names all defendants in several counts, we are specifically identified as a defendant in connection with the sale by Teachers. On August 12, 2002, the court granted in part and denied in part motions for partial summary judgment filed by the parties.

Trial on all of the equitable claims in this matter began June 2, 2003. On September 10, 2003, the court issued its decision in a Memorandum and Order (the "Order"). In the Order, the court found that certain entities and individuals, breached their fiduciary duties to Triple Five. The court did not award Triple Five damages but instead awarded Triple Five equitable and other relief and imposed a constructive trust on that portion of the Mall of America owned by us. Specifically, as it relates to us, the court ordered that Triple Five was entitled to purchase from us the one-half partnership interest that we purchased from Teachers in October 1999, provided Triple Five remits to us the sum of $81.38 million within nine months of the Order. The court further held that we must disgorge all net profits that we received as a result of our ownership interest in the Mall from October 1999 to the present. The court has appointed a Special Master to determine net profits. The court also held that the current day-to-day management of the Mall remains unchanged unless and until Triple Five purchases our interest in the Mall.

We disagree with many aspects of the Order and have appealed the Order to the United States Court of Appeals for the Eighth Circuit. We are currently working with the Special Master appointed by the court. It is not possible to provide an assurance of the ultimate outcome of the litigation.

As a result of the Order, we recorded a $6.0 million loss that is included in "Gain (loss) on sales of assets and other, net" in the accompanying statements of operations and comprehensive income, reflecting our estimate of the financial impact to us from complying with the Order and we have ceased recording any contribution to either net income or Funds from Operations ("FFO") from Mall of America.

We are currently not subject to any other material litigation other than routine litigation, claims and administrative proceedings arising in the ordinary course of business. We believe that such routine litigation, claims and administrative proceedings will not have a material adverse impact on our financial position or our results of operations.

Item 4. Submission of Matters to a Vote of Security Holders

None.

Part II

Item 5. Market for the Registrant and Related Unitholder Matters

Market Information

There is no established public trading market for our units or preferred units. The following table sets forth for the periods indicated, the distributions declared on the units:

	Declared Distribution
2003	
1st Quarter	**$ 0.60**
2nd Quarter	**$ 0.60**
3rd Quarter	**$ 0.60**
4th Quarter	**$ 0.60**
2002	
1st Quarter	$ 0.525
2nd Quarter	$ 0.55
3rd Quarter	$ 0.55
4th Quarter	$ 0.55

Holders

The number of holders of units was 253 as of February 17, 2004.

Distributions

We make distributions to Simon Property in order to maintain Simon Property's REIT status under the Code. To maintain its status as a REIT, Simon Property is required each year to distribute to its shareholders at least 90% of its taxable income after certain adjustments. Future distributions will be determined in the discretion of the Simon Property Board of Directors based on actual results of operations, cash available for distribution, and what may be required to maintain Simon Property's status as a REIT.

Unregistered Sales of Equity Securities

We issued 3,328,540 units of Series H Variable Rate Preferred Units on December 15, 2003 to Simon Property for cash proceeds in the amount of $83.2 million. We used a portion of the proceeds to fund the redemption of our 6.5% Series B Convertible Preferred Units which were called for redemption on December 15, 2003. The Series H preferred units were not registered under the Securities Act of 1933, as amended, in reliance upon the exemption contained in Section 4(2) regarding private transactions.

Item 6. Selected Financial Data

The following tables set forth selected financial data. The selected financial data should be read in conjunction with the financial statements and notes thereto and with Management's Discussion and Analysis of Financial Condition and Results of Operations. Other data we believe is important in understanding trends in the Operating Partnership's business is also included in the tables.

	As of or for the Year Ended December 31,				
	2003	2002(1)	2001(1)	2000(1)	1999(1)
	(in thousands, except per share data)				
OPERATING DATA:					
Total consolidated revenue	$ **2,298,627**	$ 2,110,110	$ 2,033,310	$ 2,000,711	$ 1,880,235
Income from continuing operations	**449,899**	541,609	281,196	352,709	291,138
Net income available to common unitholders	$ **412,532**	$ 482,575	$ 202,051	$ 262,988	$ 221,815
BASIC EARNINGS PER UNIT:					
Income from continuing operations	$ **1.54**	$ 1.92	$ 0.87	$ 1.16	$ 0.95
Discontinued operations	**0.12**	0.07	—	—	—
Cumulative effect of accounting change	**—**	—	(0.01)	(0.05)	—
Net income	$ **1.66**	$ 1.99	$ 0.86	$ 1.11	$ 0.95
Weighted average units outstanding	**248,926**	242,041	235,750	236,536	232,569
DILUTED EARNINGS PER UNIT:					
Income from continuing operations	$ **1.53**	$ 1.92	$ 0.87	$ 1.16	$ 0.95
Discontinued operations	**0.12**	0.07	—	—	—
Cumulative effect of accounting change	**—**	—	(0.01)	(0.05)	—
Net income	$ **1.65**	$ 1.99	$ 0.86	$ 1.11	$ 0.95
Diluted weighted average units outstanding	**249,750**	243,631	236,109	236,635	232,706
Distributions per unit (2)	$ **2.40**	$ 2.18	$ 2.08	$ 2.02	$ 2.02
BALANCE SHEET DATA:					
Cash and cash equivalents	$ **529,036**	$ 390,644	$ 252,172	$ 209,755	$ 153,743
Total assets	**15,522,063**	14,741,116	13,644,246	13,758,826	14,046,727
Mortgages and other notes payable	**10,266,388**	9,546,081	8,841,378	8,728,582	8,768,841
Partners' equity	$ **4,296,252**	$ 4,328,196	$ 4,023,426	$ 4,302,401	$ 4,553,237
OTHER DATA:					
Cash flow provided by (used in): (4)					
Operating activities	$ **946,190**	$ 880,279	$ 852,212	$ 740,780	$ 652,904
Investing activities	**(760,000)**	(784,495)	(342,085)	(144,167)	(643,437)
Financing activities	$ **(47,798)**	$ 42,688	$ (467,710)	$ (540,601)	$ 19,810
Ratio of Earnings to Fixed Charges (3)	**1.66x**	1.81x	1.47x	1.53x	1.49x

Notes

(1) *On May 3, 2002, we jointly acquired Rodamco North America N.V. In 1999, we acquired the assets of New England Development Company. In the accompanying financial statements, Note 2 describes the basis of presentation and Note 4 describes acquisitions and disposals.*

(2) *Represents distributions declared per period.*

(3) *The ratio for 2002 has been restated for the reclassification of discontinued operations described in Note 3. In 2002, includes $160.9 million of gains on sales of assets, net, and excluding these gains the ratio would have been 1.58x in 2002. In 2001, includes a $47,000 impairment charge (see Note 4 to the accompanying financial statements). Excluding this charge the ratio would have been 1.54x in 2001. In 1999, includes a $12,000 unusual loss (see Note 11 to the accompanying financial statements) and a total of $12,290 of asset write-downs. Excluding these items, the ratio would have been 1.52x in*

1999.

(4) *Certain reclassifications have been made to prior period cash flow information to conform to the current year presentation*

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion in conjunction with the financial statements and notes thereto that are included in this report. Certain statements made in this section or elsewhere in this report may be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained, and it is possible that our actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties. Those risks and uncertainties incidental to the ownership and operation of commercial real estate include, but are not limited to: national, international, regional and local economic climates, competitive market forces, changes in market rental rates, trends in the retail industry, the inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise, risks associated with acquisitions, the impact of terrorist activities, environmental liabilities, maintenance of Simon Property's REIT status, the availability of financing, and changes in market rates of interest and fluctuations in exchange rates of foreign currencies. We undertake no duty or obligation to update or revise these forward-looking statements, whether as a result of new information, future developments, or otherwise.

Overview

Simon Property Group, L.P. (the "Operating Partnership"), a Delaware limited partnership, is a majority owned subsidiary of Simon Property Group, Inc. ("Simon Property"), a Delaware corporation. Simon Property is a self-administered and self-managed real estate investment trust ("REIT"). In this discussion, the terms "we", "us" and "our" refer to the Operating Partnership and its subsidiaries.

We are engaged primarily in the ownership, operation, leasing, management, acquisition, expansion and development of real estate properties. Our real estate properties consist primarily of regional malls and community shopping centers. As of December 31, 2003, we owned or held an interest in 245 income-producing properties in North America, which consisted of 174 regional malls, 67 community shopping centers, and four office and mixed-use properties in 37 states and Canada (collectively, the "Properties", and individually, a "Property"). Mixed-use properties are properties that include a combination of retail space, office space, and/or hotel components. We also own interests in three parcels of land held for future development (together with the Properties, the "Portfolio"). Finally, we have ownership interests in 47 assets in Europe (France, Italy, Poland and Portugal).

Operating Philosophy

We seek growth in our earnings, funds from operations ("FFO"), and cash flow through:

- focusing on our core business of regional malls
- acquiring individual properties or portfolios of properties, focusing on quality retail real estate. As part of our acquisition strategy, we review and evaluate a limited number of acquisition opportunities.
- pursuing new development as well as strategic expansion and renovation activity to enhance existing assets' profitability and market share when we believe the investment of our capital meets our risk-reward criteria. We seek to selectively develop new properties in major metropolitan areas that exhibit strong population and economic growth.

To support this growth, our capital strategy is three-fold:

- to provide the capital necessary to fund growth,
- to maintain sufficient flexibility to access capital in many forms both public and private, and
- to manage our overall financial structure in a fashion that preserves our investment grade ratings.

We own and operate long-term properties which generate revenues primarily from long-term leases; therefore, as part of our financing strategy we believe that our properties should be financed primarily with long-term fixed rate debt. As a result, we manage our effective amount of floating rate debt to be approximately 15-20% of total outstanding indebtedness and enter into interest rate swap agreements. We believe this strategy is the most appropriate for the long term health of our company. Our $1.25 billion credit facility ("Credit Facility") provides a source of liquidity and flexibility in our capital strategy as our cash needs vary from time to time.

Finally, we derive our liquidity primarily from our leases that generate positive net cash flow from operations and distributions from unconsolidated entities that totaled $1.1 billion in 2003. In addition, we generate the majority of our revenues from leases with retail tenants including:

- Base minimum rents, cart and kiosk rentals,
- Overage and percentage rents based on tenants' sales volume, and
- Recoveries of substantially all of our recoverable expenditures, which consist of property operating, real estate tax, repairs and maintenance, and advertising and promotional expenditures.

Revenues of M.S. Management Associates, Inc. (the "Management Company"), after intercompany eliminations, consist primarily of management fees that are typically based upon the revenues of the property being managed. We generate revenues from outlot land sales and, due to our size and tenant relationships, from the following:

- Simon Brand Ventures ("Simon Brand") mall marketing initiatives, including the sale of gift cards. We completed the roll-out of our Simon Gift Card program to substantially all our regional malls during 2003.

- Consumer focused strategic corporate alliances that Simon Brand enters into with third parties.
- Simon Business Network ("Simon Business") property operating services to our tenants and others resulting from its relationships with vendors.

Results overview

Our core business fundamentals remained stable during 2003. Regional mall comparable sales per square foot ("psf") strengthened in 2003, increasing 2.8% to $402 psf from $391 in 2002, as the overall economy begins to show signs of recovery and as a result of our dispositions of lower quality Properties. Our regional mall average base rents increased 5.1% to $32.22 psf from $30.66 psf. In addition, we maintained strong regional mall leasing spreads of $8.27 psf in 2003 increasing from $7.71 psf in 2002. The regional mall leasing spread for 2003 includes new store leases signed at an average of $41.21 psf initial base rents as compared to $32.94 psf for store leases terminating or expiring in the same period. Our same store leasing spread for 2003 was $7.05 or a 18.7% growth rate and is calculated by comparing leasing activity completed in 2003 with the prior tenants rents for those exact same spaces. Finally, our regional mall occupancy was down by 30 basis points to 92.4% as of December 31, 2003 from 92.7% as of December 31, 2002 primarily due to retailer bankruptcy-related closings during the last four months of the year.

During 2003, we completed acquisitions or increases in ownership of core Properties through the following transactions:

- On March 14, 2003, we purchased the remaining minority interest in The Forum Shops at Caesars ("Forum Shops") in Las Vegas, NV from the minority limited partner.
- On August 20, 2003, we purchased a 100% leasehold stake in Stanford Shopping Center in Palo Alto, California from Stanford University. Stanford University holds, as lessor, a long-term ground lease underlying the asset.
- In the fourth quarter 2003, through a series of transactions we increased our ownership interest in Kravco Investments L.P. ("Kravco"), a Philadelphia, PA based owner of regional malls to approximately 80% and to 50% in its affiliated management company. The portfolio consists of six regional malls, five of which are in the Philadelphia metropolitan area, and four community centers.

In addition, during 2003, we realized the full year benefits of the acquisitions we made during 2002 consisting primarily of the Rodamco North America, N.V. acquisition (the "Rodamco acquisition"). These acquisitions increased consolidated total revenues in 2003 by $74.3 million and consolidated operating income by $22.1 million compared to the year ended December 31, 2002.

On October 8, 2003, Simon Property and Westfield America, Inc. ("Westfield"), the U.S. subsidiary of Westfield America Trust, withdrew their tender offer for the outstanding common shares of Taubman Centers, Inc. The withdrawal of the tender offer followed the enactment of a law, which amended the Michigan Control Share Acquisitions Act and which allowed the Taubman family group to effectively block their ability to conclude the tender offer. Under the terms of our partnership agreement, we reimburse the operating expenses incurred by Simon Property. As a result we expensed deferred acquisition costs of $10.6 million, net, related to this acquisition during 2003.

We invested approximately $283 million in development and redevelopment/expansion opportunities in 2003. Our openings in 2003 were highlighted by the opening of Las Vegas Premium Outlets in Las Vegas, NV consisting of 435,000 square feet of GLA and the expansion of the Galleria in Houston, TX consisting of 696,000 square feet of GLA. We expect to invest in excess of $450 million in 2004 on development and redevelopment/expansion opportunities, highlighted by the opening of the phase three expansion of Forum Shops.

We lowered our overall borrowing rates by 27 basis points during the year as a result of our financing activities related to indebtedness. Our financing activities were highlighted by three significant transactions:

- We issued $500.0 million of unsecured notes on March 18, 2003 at a weighted average fixed interest rate of 5.11% and weighted average term of 8.2 years. We used the net proceeds of $498.7 million primarily to reduce borrowings on our Credit Facility.
- We negotiated a $550.0 million leasehold financing for Forum Shops at a fixed-rate at 4.78% for a term of 7 years. This financing replaces a $175.0 million mortgage that was effectively fixed at 6.67% including interest rate protection agreements. In addition, this financing generated excess proceeds of approximately $370.8 million that we used to unencumber one asset and for general corporate purposes.
- The holders of all but 18,340 shares of Simon Property's 4.3 million shares of 6.5% Series B Convertible Preferred Stock called for redemption on December 15, 2003, exercised their right to convert their preferred stock into our common stock prior to redemption. We issued approximately 11.1 million units to Simon Property related to these conversions.

Finally, we increased our presence in Europe and expanded our relationships with Europe's leading retailers through our partnership with The Rinascente Group, an Italian retailer company. We jointly formed the joint venture Gallerie Commerciali Italia S.p.A ("GCI"), which owns a geographically diverse portfolio in Italy of 38 shopping centers as of December 31, 2003 and all but one of which are anchored by hypermarkets. The Rinascente Group contributed these 38 existing shopping centers as well as development opportunities to GCI and then sold 49% of GCI to us. The initial gross value of GCI was approximately €860 million and our initial equity investment was approximately €187 million, or $232 million.

Based upon current business and market conditions, we expect to maintain similar operating trends in 2004.

The Portfolio data discussed in this overview includes the following key operating statistics: occupancy; average base rent per square foot; and comparable sales per square foot. We include acquired Properties in this data beginning in the year of acquisition and we do not include any Properties located outside of North America. The following table sets forth these key operating statistics for:

- Properties that we control and which are consolidated in our consolidated financial statements,
- Properties which we do not control that we account for under the equity method as unconsolidated joint ventures, and
- the foregoing two categories of Properties on a total Portfolio basis.

We believe the total Portfolio data provides you with information helpful in evaluating not only the quality and growth potential of the Portfolio, but also the effectiveness of our management.

	2003	% Change	2002	% Change	2001	% Change
Regional Malls						
Occupancy						
Consolidated	**92.2%**		92.3%		91.2%	
Unconsolidated	**92.7%**		93.5%		93.3%	
Total Portfolio	**92.4%**		92.7%		91.9%	
Average Base Rent per Square Foot						
Consolidated	**$ 31.21**	**5.5%**	$ 29.59	4.5%	$ 28.32	4.2%
Unconsolidated	**$ 33.73**	**3.8%**	$ 32.50	5.3%	$ 30.87	1.8%
Total Portfolio	**$ 32.22**	**5.1%**	$ 30.66	4.8%	$ 29.24	3.4%
Comparable Sales Per Square Foot						
Consolidated	**$ 388**	**3.9%**	$ 373	1.5%	$ 367	(0.8)%
Unconsolidated	**$ 427**	**0.5%**	$ 425	2.4%	$ 415	0.3%
Total Portfolio	**$ 402**	**2.9%**	$ 391	2.0%	$ 383	(0.2)%
Community Shopping Centers						
Occupancy						
Consolidated	**87.1%**		84.9%		89.8%	
Unconsolidated	**96.3%**		91.2%		90.4%	
Total Portfolio	**90.2%**		86.9%		89.3%	
Average Base Rent per Square Foot						
Consolidated	**$ 11.01**	**7.5%**	$ 10.24	4.6%	$ 9.79	6.6%
Unconsolidated	**$ 9.77**	**(0.9)%**	$ 9.86	(0.6)%	$ 9.92	1.6%
Total Portfolio	**$ 10.59**	**4.6%**	$ 10.12	2.5%	$ 9.87	5.4%
Comparable Sales Per Square Foot						
Consolidated	**$ 210**	**6.6%**	$ 197	2.0%	$ 193	6.8%
Unconsolidated	**$ 206**	**1.6%**	$ 203	(6.6)%	$ 217	6.0%
Total Portfolio	**$ 209**	**4.8%**	$ 199	(1.1)%	$ 201	6.7%

Significant Accounting Policies

Our significant accounting policies are described in detail in Note 3 of the Notes to Financial Statements. The following briefly describes those accounting policies we believe are most critical to understanding our business:

- We review investment properties for impairment on a Property-by-Property basis whenever events or changes in circumstances indicate that the carrying value of investment properties held for use may not be recoverable. These circumstances include, but are not limited to, declines in cash flows, occupancy and comparable sales per square foot at the Property. We recognize an impairment of investment property when we estimate that the undiscounted operating income before depreciation and amortization is less than the carrying value of the Property. To the extent an impairment has occurred, we charge to income the excess of the carrying value of the Property over its estimated fair value. We may decide to sell Properties that are held for use and the sales prices of these Properties may differ from their carrying values. Changes in our estimates of the future undiscounted operating income before depreciation and amortization as well as the holding period for each Property could affect our conclusion on whether an impairment charge to income is necessary.
- We make estimates as part of our allocation of the purchase price of acquisitions to the various components of the acquisition based upon the relative value of each component. The most significant components of our allocations are typically related to the market value of in-place leases and the allocation of fair value to the buildings, as if vacant, and land. In the case of the market value of in-place leases, we make our best estimates of the tenants' ability to pay rents based upon the tenants' operating performance of the property, including the competitive position of the property in its market as well as sales psf, rents psf, and overall occupancy cost for the tenants in place at the acquisition date. Our assumptions affect the amount of future revenue that we will recognize over the remaining lease term for the acquired in-place leases. In the case of the fair value of the buildings and the allocation of value to land, our estimates of the values of these

components will affect the amount of depreciation we record over the estimated useful life of the property acquired.

Results of Operations

The following acquisitions, dispositions, and openings affected our consolidated results from continuing operations in the comparative periods:

- On August 20, 2003, we acquired a 100% interest in Stanford Shopping Center.
- In the fourth quarter, we increased our ownership in Kravco that resulted in the consolidation of four Properties.
- On July 19, 2002, we acquired the remaining ownership interest in Copley Place that resulted in our consolidation of this Property. Our initial joint venture interest in this Property was acquired as part of the Rodamco acquisition.
- On May 3, 2002, we completed the Rodamco acquisition that added five new consolidated Properties.
- During 2002, we sold seven of the nine assets that were held for sale as of December 31, 2001. We also sold two other non-core Properties in the fourth quarter of 2002.

The following acquisitions, dispositions, and openings affected our income from unconsolidated entities in the comparative periods:

- The Kravco transactions increased our ownership percentages in the joint venture properties involved offset by the four Kravco Properties consolidated as noted above.

- On August 4, 2003, we and our joint venture partner completed construction and opened Las Vegas Premium Outlets.
- On May 31, 2002, we sold our interests in our five value oriented super-regional malls to Mills Corporation.
- On May 3, 2002, we completed the Rodamco acquisition that added six new joint venture Properties during the period, including our initial interest in Copley Place.
- On April 1, 2002, we sold our interest in Orlando Premium Outlets.

For the purposes of the following comparison between the years ended December 31, 2003 and December 31, 2002, the above transactions are referred to as the Property Transactions. In the following discussions of our results of operations, "comparable" refers to Properties open and operating throughout both the current and prior year.

Our discontinued operations resulted from the sale of the following Properties as of December 31, 2003 (date of sale):

- Richmond Square, Mounds Mall, Mounds Mall Cinema and Memorial Mall on January 9, 2003
- Forest Village Park Mall on April 29, 2003
- North Riverside Park Plaza on May 8, 2003
- Memorial Plaza on May 21, 2003
- Fox River Plaza on May 22, 2003
- Eastern Hills Mall on July 1, 2003
- New Orleans Center on October 1, 2003
- Mainland Crossing on October 28, 2003
- SouthPark Mall on November 3, 2003
- Bergen Mall on December 12, 2003

In addition to the Property Transactions, on March 14, 2003, we purchased the remaining ownership interest in Forum Shops which impacted our minority interest expense, depreciation expense, and interest expense. On January 1, 2003, we acquired all of the remaining equity interests of the Management Company that resulted in the consolidation of the Management Company at that point. The Management Company was previously accounted for using the equity method during 2002 and 2001.

Year Ended December 31, 2003 vs. Year Ended December 31, 2002

Minimum rents, excluding rents from our consolidated Simon Brand and Simon Business initiatives, increased $76.1 million during the period. The net effect of the Property Transactions increased minimum rents $45.1 million and the purchase accounting estimation of the fair market value of in-place leases as part of our acquisitions, increased rents by $6.2 million. Comparable rents increased $24.8 million. This was primarily due to the leasing of space at higher rents that resulted in an increase in base rents of $24.3 million. In addition, increased rents from carts, kiosks, and renting unoccupied in-line space increased comparable rents from temporary tenant income by $4.5 million. These increases were offset by a $4.2 million decrease in straight-line rent revenue.

The Management Company recorded fee revenues of $58.5 million and insurance premium revenues of $19.8 million.

Total other income, excluding consolidated Simon Brand and Simon Business initiatives, decreased $16.9 million. The impact of the consolidation of the Management Company included the addition of $7.0 million of investment income primarily from the insurance subsidiaries and the elimination of consolidated intercompany interest and dividend income that totaled $13.6 million in 2002 received from the Management Company previously recorded in other income in 2002. In addition, outlot land sales decreased by $2.6 million due to higher than normal activity in 2002 and lease settlement income decreased $2.4 million. In addition, other income in 2002 included the impact of our hedges of the Rodamco acquisition in 2002, of which $7.8 million was included in other income and $0.7 million of expense is included in other expenses.

Consolidated revenues from Simon Brand and Simon Business initiatives increased $19.3 million to $99.5 million from $80.2 million. This included a net $6.9 million increase from the Property Transactions primarily due to acquired parking services. The increase in revenues is primarily due to:

- increased revenue from our gift card program,
- increased rents and fees from service providers,
- increased advertising rentals, and
- increased event and sponsorship income.

These increases were offset by revenues in 2002 that resulted from our settlement with Enron Corporation that totaled $8.6 million, net. The increased revenues from Simon Brand and Simon Business were offset by a $6.9 million increase in Simon Brand expenses that primarily resulted from increased gift card and other operating expenses included in property operating expenses.

Tenant reimbursements increased $31.3 million of which the Property Transactions accounted for $17.3 million of the increase. The remaining portion of the increase was primarily due to increases in comparable recoverable expenditures. Depreciation and amortization expenses increased $30.0 million primarily due to the net effect of the Property Transactions, the consolidation of the Management Company, and the Forum Shops acquisition. The costs related to the withdrawn tender offer of $10.6 million relate to the write off of our deferred acquisition costs. Other expenses decreased $1.5 million due to the $4.0 million of expense related to a litigation settlement in 2002. This was offset by increased ground rent expense of $4.0 million primarily due to the acquisition of Stanford Shopping Center. The increase in home office and regional office costs and general and administrative expenses was due to the consolidation of the Management Company that added $52.9 million of total operating expenses in 2003.

Interest expense increased $3.5 million. Our average borrowings increased as a result of the full year impact of the financing of the Rodamco acquisition, the unsecured note offering in March of 2003, and financing of acquisition activities in 2003. This increase was offset by an overall decrease in weighted average interest rates as a result of refinancing activity, an increase in capitalized imputed interest due to increased development, renovation and expansion activity, and slightly lower variable interest rate levels.

In 2003, we recorded a $5.1 million net loss on the sale of assets, which primarily consisted of the $6.0 million loss we recorded in connection with the Mall of America litigation. In 2002, gains on sales of assets and other, net, were $160.9 million as we sold several Properties and partnership interests that resulted in net proceeds of $430.2 million. We sold our interest in the specialty retail center, Orlando Premium Outlets, during 2002 to our partner in the joint venture. We sold our interests in five value oriented regional malls to our partner, the Mills Corporation, and sold two of the acquired Rodamco partnership interests and one existing partnership interest to Teachers Insurance and Annuity Association of America to fund a portion of the Rodamco acquisition. We sold one community center, two regional malls and two jointly held assets acquired in the Rodamco acquisition. In addition, as part of our disposition strategy we disposed of seven of the nine assets held for sale as of December 31, 2001. Finally, we made the decision to no longer pursue certain development projects and wrote-off the carrying amount of our predevelopment costs and land acquisition costs associated with these projects that totaled $17.1 million.

During 2002, we also recognized $16.1 million in gains on the forgiveness of debt related to the disposition of two regional malls. Net cash proceeds from these dispositions were $3.6 million. In addition, we recognized $1.5 million of expenses related to the early extinguishment of debt that consisted of prepayment penalties and the write-off of unamortized mortgage costs. Our income tax expense of taxable REIT subsidiaries of $7.6 million is due to the consolidation of the Management Company.

Income from unconsolidated entities increased $9.6 million in 2003 as compared to 2002. In 2002, income from unconsolidated entities included income from Management Company operations, excluding MerchantWired LLC, of approximately $14.1 million. This included our share of the gain of $8.4 million, net of tax, associated with the sale of land partnership interests previously discussed. In 2003, income from unconsolidated entities owned by the Management Company in 2003 totaled $3.7 million. In addition, income from unconsolidated partnerships and joint ventures, excluding the Management Company, increased $20.0 million resulting from:

- the full year impact of the Rodamco acquisition,
- increased ownership interests in Kravco joint ventures,
- the opening of Las Vegas Premium Outlets, and
- our $8.3 million share increase from outlot land sales.

These increases were offset by the loss of income due to the sale of our interests in the Mills Properties and Orlando Premium Outlets, and due to our cessation of recording any contribution to net income from Mall of America (see Note 11).

Losses from MerchantWired LLC in 2002 included our indirect share of operating losses of $10.2 million, after a tax benefit of $6.2 million. These operating losses included our share of an impairment charge of $4.2 million, after tax, on certain technology assets. The Management Company recorded a net write-off of $22.5 million, after a tax benefit of $9.4 million, of its investment in MerchantWired LLC in September 2002. The total technology write-off related to MerchantWired LLC was $38.8 million before tax.

Net income from the results of operations of the Management Company, excluding the losses of MerchantWired LLC, was flat during the period. Increased management fees as a result of the Rodamco acquisition and increased income from insurance subsidiaries were offset by the partnership interests sold in 2002 resulting in our share of a gain of $8.4 million, net of tax.

We continued our disposition activities in 2003 with the sale of 13 non-core Properties consisting of seven regional malls, five community centers, and one mixed-use Property. These non-core Properties were sold for a total of $275.1 million that resulted in a net gain of $22.4 million. As a result of these transactions, we reclassified the results of operations from these consolidated Properties to discontinued operations. These dispositions will not have a material effect on our results of operations or liquidity.

Finally, preferred unit requirements decreased $8.4 million due to the conversion of our 6.5% Series B Preferred Units into common units.

Year Ended December 31, 2002 vs. Year Ended December 31, 2001

The following acquisitions, dispositions, and openings affected our consolidated results of operations for the periods ended December 31, 2002 versus December 31, 2001:

- On May 3, 2002, we completed the Rodamco acquisition that added five newly consolidated Properties.
- On July 19, 2002, we acquired the remaining ownership interest in Copley Place that resulted in our consolidation of this Property. Our initial joint venture partnership interest was acquired as part of the Rodamco acquisition.
- During 2002, we sold seven of the nine assets that were held for sale as of December 31, 2001. We also sold two other non-core assets in the fourth quarter of 2002.
- In 2001, we completed the construction of Bowie Towne Center that opened in October 2001 and we sold Century Consumer Mall, Golden Ring Mall and Rockaway office building in the first quarter 2001.

The following acquisitions, dispositions, and openings affected our income from unconsolidated entities in the comparative periods:

- The May 2002 Rodamco acquisition, which added six new joint venture partnership interests during the period, including our initial interest in Copley Place.
- The October 2001 acquisition of a 50% ownership interest in Fashion Valley Mall.
- The April 2002 sale of our interest in Orlando Premium Outlets
- The May 2002 sale of our interests in five Mills Properties.

For the purposes of the following comparison between the years ended December 31, 2002 and December 31, 2001, the above transactions are referred to as the Property Transactions. In the following discussions of our results of operations, "comparable" refers to Properties open and operating throughout both the current and prior year.

Our discontinued operations resulted from the sale of the following Properties as of December 31, 2003 (date of sale):

- Richmond Square, Mounds Mall, Mounds Mall Cinema and Memorial Mall on January 9, 2003
- Forest Village Park Mall on April 29, 2003
- North Riverside Park Plaza on May 8, 2003
- Memorial Plaza on May 21, 2003
- Fox River Plaza on May 22, 2003
- Eastern Hills Mall on July 1, 2003
- New Orleans Center on October 1, 2003
- Mainland Crossing on October 28, 2003
- SouthPark Mall on November 3, 2003
- Bergen Mall on December 12, 2003

Total minimum rents, excluding rents from our consolidated Simon Brand and Simon Business initiatives, increased $24.2 million. The net effect of the Property Transactions increased these rents $4.1 million. Comparable rents increased $20.1 million during the period including a $20.6 million increase in base rents due to increased occupancy and leasing space at higher rents. In addition, increased rents from carts, kiosks, and renting unoccupied in-line space increased comparable rents from temporary tenant income by $6.6 million. The change in comparable rents was net of a decrease in straight-line rent income of $6.0 million.

Total other income, excluding consolidated Simon Brand and Simon Business initiatives, increased $11.5 million. This included the net $3.2 million decrease in other income from the Property Transactions and a $20.8 million increase in outlot land parcel sales at comparable Properties. In addition, the increase included the impact of our hedges of the Rodamco acquisition, which positively impacted operating income by $7.1 million in 2002 as compared to 2001 ($7.8 million is included in other income and $0.7 million of expense is included in other expenses). These increases were offset by $5.7 million in fee income recorded in 2001 associated with services provided to the Management Company in connection with the right to designate persons or entities to whom the Montgomery Ward LLC real estate assets were to be sold (the "Kimsward transaction"). Also offsetting these increases was a $2.5 million decrease in lease settlements and a $3.7 million decrease in interest income due to the lower interest rate environment.

Consolidated revenues from Simon Brand and Simon Business initiatives increased $6.0 million to $80.2 million from $74.2 million. The increase included the $8.6 million of revenue, net, resulting from the settlement with Enron Corporation that was partially offset by a $5.6 million contract cash termination payment recognized in 2001. The contract cash termination payment was received to terminate a provision within the overall Enron contract that eliminated our right to invest in and participate in savings from the contractor's installation of energy efficient capital equipment.

The increase in our recovery revenues of $36.4 million resulted from the Property Transactions and increased recoverable expenditures including increased insurance costs and utility expenditures. The increased insurance costs were due to increased premiums for terrorism and general liability insurance. Utility expenses increased primarily due to the loss of our energy contract with Enron. These expense increases were partially offset by decreased repairs and maintenance and advertising and promotional expenditures.

Depreciation and amortization expense increased $13.8 million primarily from the increase in depreciation expense from the Property Transactions. In 2001, we recorded an impairment charge of $47.0 million to adjust the nine assets held for sale to their estimated fair value. Other expenses decreased $3.0 million, including a $5.5 million net decrease from the Property Transactions. These expenses include $4.0 million of expense in 2002 related to litigation settlements and $2.7 million from the write-off of our last remaining technology investment. In 2001, we wrote down an investment by $3.0 million and we wrote off $2.7 million of miscellaneous technology investments.

Interest expense during 2002 decreased $8.3 million compared to the same period in 2001. This decrease resulted from lower variable interest rate levels offset by $29.0 million of interest expense on borrowings used to fund the Rodamco acquisition, the purchase of the remaining ownership interest in Copley Place and the assumption of consolidated property level debt resulting from these acquisitions.

Income from unconsolidated entities increased $8.8 million in 2002, resulting from a $10.0 million increase in income from unconsolidated partnerships and joint ventures, and a $1.2 million decrease in income from the

Management Company before losses from MerchantWired LLC. The increase in joint venture income resulted from the Rodamco acquisition, lower variable interest rate levels, and our acquisition of Fashion Valley Mall in October 2001. These increases were offset by the loss of income due to the sale of our interests in the Mills Properties and Orlando Premium Outlets.

The decrease in income from the Management Company before losses from MerchantWired LLC included our $8.4 million share of the gain, net of tax, associated with the sale of land partnership interests to the Mills Corporation in 2002. This was offset by our $12.0 million share of income, before tax, recorded in 2001 from the Kimsward transaction, net of fees charged by the Operating Partnership. In addition, in 2001, we recorded our net $13.9 million share from the write-off of technology investments, primarily clixnmortar. The Management Company also had increased income tax expense, increased dividend expenses due to the issuance of two new series of preferred stock to us, and decreased income from land sale gains totaling $11.1 million. Finally, the Management Company's core fee businesses were flat in 2002 versus 2001.

Losses from MerchantWired LLC increased $14.6 million, net. This included our share of a $4.2 million net impairment charge in 2002 on certain technology assets and the $22.5 million net write-off of our investment in MerchantWired, LLC recorded in 2002. The write-off and the impairment charge have been added back as part of our funds from operations reconciliation. The total technology write-off related to MerchantWired LLC was $38.8 million before tax. Offsetting these charges were reduced operating losses from MerchantWired LLC due to its ceasing operations in 2002.

As previously discussed, we sold several Properties and partnership interests in 2002 that resulted in a net gain of $160.9 million and net proceeds of $430.2 million. In 2001, we recognized a net gain of $2.6 million on the sale of one regional mall, one community center, and one office building from net proceeds of approximately $19.6 million.

During 2002, we recognized $16.1 million in gains on the forgiveness of debt related to the disposition of two regional malls. Net cash proceeds from these disposals were $3.6 million. In addition, we incurred $1.5 million of expense during 2002 from the early extinguishment of debt that consisted of prepayment penalties and the write-off of unamortized mortgage costs.

In 2001, we recorded a $1.7 million expense as a cumulative effect of an accounting change, which includes our $1.5 million share from unconsolidated entities, due to the adoption of SFAS 133 "Accounting for Derivative Instruments and Hedging Activities," as amended.

Liquidity and Capital Resources

Our balance of cash and cash equivalents increased $138.4 million during 2003 to $529.0 million as of December 31, 2003, including a balance of $174.8 million related to our gift card program, which we do not consider available for general working capital purposes.

On December 31, 2003, the Credit Facility had available borrowing capacity of $898.0 million net of outstanding borrowings of $327.9 million, including borrowings of €48.5 million, and letters of credit of $24.1 million. The Credit Facility bears interest at LIBOR plus 65 basis points with an additional 15 basis point facility fee on the entire $1.25 billion facility and provides for variable grid pricing based upon our corporate credit rating. The Credit Facility has an initial maturity of April 2005, with an additional one-year extension available at our option. During 2003, the maximum amount outstanding under the Credit Facility was $667.1 million and the weighted average amount outstanding was $396.3 million. The weighted average interest rate was 1.86% for the year ended December 31, 2003.

On June 27, 2003, we retired our existing €90 million EURO-denominated unsecured credit agreement (the "EURO Facility"), which had an initial maturity date of July 31, 2003, with available working capital of $28.2 million and €34.7 million borrowed from a new EURO sub-tranche of our Credit Facility. We restructured our Credit Facility to establish a $100 million EURO sub-tranche which provides availability for Euros at EURIBOR plus 65 basis points and dollars at LIBOR plus 65 basis points, at our option, and has the same maturity date as the overall Credit Facility. The amount available under the $100 million EURO sub-tranche will vary with changes in the exchange rate, however, we may also borrow the amount available under this EURO sub-tranche in dollars, if necessary.

We and/or Simon Property also have access to public equity and long term unsecured debt markets and we have access to private equity from institutional investors at the Property level. Our current senior unsecured debt ratings are Baa2 by Moody's Investors Service and BBB by Standard & Poor's and our current corporate rating is BBB+ by Standard & Poor's.

Cash Flows

Our net cash flow from operating activities and distributions of capital from unconsolidated entities totaled $1.1 billion. This cash flow includes $37.8 million of excess proceeds from refinancing activities primarily from two unconsolidated joint ventures. In addition, we consolidated $48.9 million of cash from the acquisition of the remaining ownership interests in the Management Company. We also received $278.1 million primarily from the sale of thirteen non-core Properties. Finally, we had net proceeds from all of our debt financing and repayment activities of $609.5 million, as discussed below in "Financing and Debt". In addition, we used part of these proceeds to fund $814.6 million in cash needs for our acquisitions which are detailed under the "Acquisitions" section of this discussion. We met our maturing debt obligations in 2003 primarily through refinancings and borrowings on our Credit Facility. We also:

- paid unitholder distributions totaling $596.4 million,
- paid preferred unit distributions totaling $66.7 million,
- funded consolidated capital expenditures of $352.2 million. These capital expenditures include development costs of $104.9 million, renovation and expansion costs of $178.2 million and tenant costs and other operational capital expenditures of $69.1 million, and
- funded investments in unconsolidated entities of $81.5 million of which $70.5 million was used to fund new developments, redevelopments, and other capital expenditures.

In general, we anticipate that cash generated from operations will be sufficient, to meet operating expenses, monthly debt service, recurring capital expenditures, and distributions to unitholders necessary to maintain Simon Property's REIT qualification for 2004 and on a long-term basis. In addition, we expect to be able to obtain capital for nonrecurring capital expenditures, such as acquisitions, major building renovations and expansions, as well as for scheduled principal maturities on outstanding indebtedness, from:

- excess cash generated from operating performance and working capital reserves,
- borrowings on our Credit Facility,
- additional secured or unsecured debt financing, or
- additional equity raised by Simon Property in the public or private markets.

Financing and Debt

Unsecured Financing

As previously discussed, on March 18, 2003 we issued two tranches of senior unsecured notes to institutional investors pursuant to Rule 144A totaling $500.0 million at a weighted average fixed interest rate of 5.11%. Subsequently, we exchanged notes that had been registered under the Securities Act of 1933 for the Rule 144A notes. The exchange notes and the Rule 144A notes have the same economic terms and conditions. The first tranche is $300.0 million at a fixed interest rate of 4.875% due March 18, 2010 and the second tranche is $200.0 million at a fixed interest rate of 5.45% due March 15, 2013.

On June 15, 2003, we paid off $375.0 million of 6.625% senior unsecured notes that matured on that date with borrowings from our Credit Facility. The variable rate swap agreements designated as hedges against these unsecured notes also matured on the same date.

On November 15, 2003, we exchanged with the holders of our $100.0 million of 6.75% Putable Asset Trust Securities (PATS), which had a call option settlement feature on that date, for $113.1 million Floating Rate Mandatory Extension Notes (MAXES) due November 15, 2014. The MAXES bear interest during the first year at LIBOR plus 80 basis points. On January 20, 2004, the holders of the MAXES exchanged the MAXES for an equal principal amount of notes as part of the unsecured notes offering discussed below. The exchange of the PATS for the MAXES did not result in a significant modification of the terms in the debt arrangement.

On December 17, 2003, we obtained a €200 million capacity EURO-denominated one-year unsecured term loan with two one-year extensions available at our option. The loan bears interest at EURIBOR plus 60 basis points. The initial borrowing of €163 million was used to fund a portion of the acquisition of GCI.

On January 20, 2004, we issued two tranches of senior unsecured notes to institutional investors pursuant to Rule 144A totaling $500.0 million at a weighted average fixed interest rate of 4.21%. The first tranche is $300.0 million at a fixed interest rate of 3.75% due January 30, 2009 and the second tranche is $200.0 million at a fixed interest rate of

4.90% due January 30, 2014. We received cash and we exchanged, with the holder, the MAXES discussed above for a portion of the second tranche of the notes. We agreed to file a registration statement under the Securities Act of 1933 relating to an offer to exchange the notes of each series for registered notes with substantially identical economic terms. If we do not complete the exchange offer within 180 days after the issuance of the notes, the interest rates on the notes will be increased by 0.50% per year. We expect to complete the registration within the allotted time frame. The exchange of the MAXES for the notes instruments did not result in a significant modification of the terms in the debt arrangement.

Concurrently with the pricing of the notes, we entered into a five year variable rate $300.0 million notional amount swap agreement to effectively convert the $300.0 million tranche to floating rate debt at an effective rate of six-month LIBOR. We completed this swap agreement as our percentage of variable rate indebtedness was lower than our desired range.

Secured Financing

On April 1, 2003, using available cash flow, we paid off a $34.0 million variable rate mortgage, at LIBOR plus 150 basis points, that encumbered one consolidated Property. In addition, we refinanced another consolidated mortgaged Property with a $100.0 million 4.60% fixed rate mortgage maturing on July 1, 2013. The refinanced mortgage had a balance of $85.5 million at a weighted average fixed rate of 7.16% and was to mature on December 31, 2003.

On August 20, 2003, we secured a $220.0 million, 3.60% fixed rate, interest only, five year mortgage to fund a portion of the acquisition of our leasehold interest in Stanford Shopping Center. Including the effects of a hedging transaction concurrently entered into, the initial blended interest rate is 2.81%.

On November 14, 2003, we secured a $550.0 million leasehold financing for Forum Shops at a fixed-rate of 4.78% due December 1, 2010. This replaced a $175.0 million mortgage that had an initial maturity of May 2004 and was effectively fixed at an average interest rate of 6.67%, including interest rate protection agreements. The financing generated excess proceeds of $370.8 million that we used to unencumber one asset, to reduce borrowings on our Credit Facility and for general corporate purposes.

Summary of Financing

Overall, our fixed rate or effectively fixed rate indebtedness that matured or was refinanced in 2003 totaled $863.7 million and had a weighted average interest rate 6.79% and a weighted average initial term of 6.4 years. Our fixed rate or effectively fixed rate indebtedness that we issued in 2003, including the $200.0 million fixed rate portion of the unsecured notes issued on January 20, 2004, totaled $1.5 billion and had a weighted average interest rate of 4.78% and a weighted average initial term of 7.8 years.

Our consolidated debt adjusted to reflect outstanding derivative instruments consisted of the following (dollars in thousands):

Debt Subject to	Adjusted Balance as of December 31, 2003	Effective Weighted Average Interest Rate	Adjusted Balance as of December 31, 2002	Effective Weighted Average Interest Rate
Fixed Rate	$ 8,499,750	6.71%	$ 7,941,122	6.81%
Variable Rate	1,766,638	2.61%	1,604,959	3.58%
	$ 10,266,388	6.00%	$ 9,546,081	6.27%

As of December 31, 2003, we had interest rate cap protection agreements on $296.0 million of consolidated variable rate debt. We had interest rate protection agreements effectively converting variable rate debt to fixed rate debt on $48.1 million of consolidated variable rate debt. In addition, we hold a $85.0 million of notional amount fixed rate swap agreement that has a pay rate of 5.89% and a weighted average receive rate of 1.18% at December 31, 2003. We also hold $370.0 million of notional amount variable rate swap agreements that have a weighted average pay rate of 1.20% and a weighted average receive rate of 3.52% at December 31, 2003. As of December 31, 2003, the net effect of these agreements effectively converted $237.0 million of fixed rate debt to variable rate debt. As of December 31, 2002, the net effect of these agreements effectively converted $112.7 million of fixed rate debt to variable rate debt.

Contractual Obligations and Off-balance Sheet arrangements: The following table summarizes the material aspects of our future obligations as of December 31, 2003 (dollars in thousands):

	2004	2005-2006	2007-2009	After 2009	Total

Long Term Debt					
Consolidated (1)	$ 1,480,850	$ 2,321,085	$ 3,058,613	$ 3,394,517	$ 10,255,065
Pro rata share of Long Term Debt:					
Consolidated (2)	$ 1,459,433	$ 2,306,513	$ 3,014,232	$ 3,351,893	$ 10,132,071
Joint Ventures (2)	197,615	1,055,214	596,817	887,865	2,737,511
Total Pro Rata Share of Long Term Debt	1,657,048	3,361,727	3,611,049	4,239,758	12,869,582
Consolidated Capital expenditure commitments (3)	387,609	153,985	1,398	—	542,992
Joint Venture Capital expenditure commitments (3)	63,737	1,822	—	—	65,559
Consolidated Ground Lease commitments	11,180	27,127	41,763	594,886	674,956
Total	$ 2,119,574	$ 3,544,661	$ 3,654,210	$ 4,834,644	$ 14,153,089

(1) Represents principal maturities only and therefore, excludes net premiums and discounts and fair value swaps of $11,323.

(2) Represents our pro rata share of principal maturities and excludes net premiums and discounts.

(3) Represents our pro rata share of capital expenditure commitments.

Capital expenditure commitments presented in the table above represent new developments, redevelopments or renovation/expansions that we have committed to the completion of construction. The timing of these expenditures may vary due to delays in construction or acceleration the opening date of a particular project. In addition, the amount includes our share of joint venture developments.

We expect to meet our 2004 debt maturities through refinancings, the issuance of new debt securities or borrowings on the Credit Facility. We expect to have the ability and financial resources to meet all future long term obligations. Specific financing decisions will be made based upon market rates, property values, and our desired capital structure at the maturity date of each transaction. We incurred interest expense during 2003 of $602.7 million net of capitalized interest of $10.6 million.

Our off-balance sheet arrangements consist primarily of our investments in real estate joint ventures which are common in the real estate industry and are described in Note 7 of the notes to the accompanying financial statements. Joint venture debt is the liability of the joint venture, is typically secured by the joint venture Property, and is non-recourse to us. As of December 31, 2003, we have guaranteed or have provided letters of credit to support $93.8 million of our total $2.7 billion share of joint venture mortgage and other indebtedness presented in the table above.

Convertible Preferred Units

On November 13, 2003, Simon Property gave notice of redemption of the remaining 4,316,329 shares of its 6.5% Series B Convertible Preferred Stock on December 15, 2003 at a redemption price of 105% of the liquidated value plus accrued and unpaid distributions to the redemption date or $106.34 per share. As previously discussed, the holders of all but 18,340 shares of the preferred stock exercised their right to convert each share of preferred stock into common stock of Simon Property prior to the redemption. Simon Property issued 11,114,672 shares of common stock to the holders who exercised their conversion rights. Simon Property issued a new series of preferred stock, the proceeds from which were used to pay the redemption price of the remaining shares of its 6.5% Series B Convertible Preferred Stock. We issued a corresponding class of preferred units with substantially the same economic terms as the preferred stock of Simon Property. In addition, we redeemed the issue of preferred units corresponding to the redeemed preferred stock on December 15, 2003 at a similar redemption price and issued an equivalent 11,114,672 units to Simon Property.

In addition, earlier in 2003 prior to the redemption, 513,728 preferred units were converted into 1,328,523 units.

Acquisitions and Dispositions

Acquisitions. We acquired our additional interests in Kravco from certain private investors, The Rouse Company ("Rouse") and Westfield America Trust ("Westfield"). We obtained our initial interest jointly with Rouse and Westfield in connection with the Rodamco acquisition in 2002. The total consideration paid in 2003 for these transactions was approximately $293.4 million and consisted of:

- cash of $82.0 million,
- issuance of $107.4 million of perpetual preferred units, and
- the assumption of our share of mortgage debt and other payables of $104.0 million.

We purchased our interest in Forum Shops for $174.0 million in cash and assumed the minority limited partner's $74.2 million share of debt, and other partnership liabilities. In addition, we purchased our 100% stake in Stanford Shopping Center for $333.0 million funded initially with borrowings from our Credit Facility and the proceeds from a $220.0 million leasehold mortgage previously discussed.

Buy/sell provisions are common in real estate partnership agreements. Most of our partners are institutional investors who have a history of direct investment in regional mall properties. Our partners in our joint ventures may initiate these provisions at any time and if we determine it is in our shareholders' best interests for us to purchase the joint venture interest, we believe we have adequate liquidity to execute the purchases of the interests without hindering our cash flows or liquidity. Should we decide to sell any of our joint venture interests, we would expect to use the net proceeds from any such sale to reduce outstanding indebtedness.

Dispositions. As part of our strategic plan to own quality retail real estate we continue to pursue the sale of Properties, under the right circumstances, that no longer meet our strategic criteria. In 2003, we disposed of thirteen non-core Properties that no longer met our strategic criteria. These consisted of seven regional malls, five community centers, and one mixed-use property. We do not believe the sale of these Properties will have a material impact on our future results of operations or cash flows and their removal from service and sale will not materially affect our ongoing operations. We believe the disposition of these Properties will enhance the average overall quality of our Portfolio.

Development Activity

New Developments. The following describes our current new development projects, the estimated total cost, our share of the estimated total cost and the construction in progress balance as of December 31, 2003 (dollars in millions):

Property	Location	Gross Leasable Area	Estimated Total Cost (b)	Our Share of Estimated Total Cost	Our Share of Construction in Progress (a)	Actual/Estimated Opening Date
Under construction						
Chicago Premium Outlets	Chicago, IL	438,000	$ 67	$ 33	$ 29.6	2nd Quarter 2004
Clay Terrace	Carmel, IN	570,000	100	50	17.8	Fall 2004
St. Johns Town Center	Jacksonville, FL	1,500,000	126	107(c)	34.8(c)	1st Quarter 2005
Wolf Ranch	Georgetown, TX	670,000	62	62	29.5	3rd Quarter 2005
Firewheel Center	Garland, TX	785,000	96	96	16.2	Fall 2005

(a) Amounts include the portion of the project placed in service as of December 31, 2003, if any.

(b) Represents the project costs net of land sales, tenant reimbursements for construction, and other items (where applicable).

(c) Due to our preference in the joint venture partnership, we are contributing 85% of the project costs.

We expect to fund these capital projects with either available cash flow from operations, borrowings from our Credit Facility, or project specific construction loans. We expect total 2004 new development costs during the year to be approximately $200 million.

Strategic Expansions and Renovations. The following describes our significant renovation and/or expansion projects currently under construction, the estimated total cost, our share of the estimated total cost and our share of the construction in progress balance as of December 31, 2003 (dollars in millions):

Property	Location	Gross Leasable Area	Estimated Total Cost (b)	Our Share of Estimated Total Cost	Our Share of Construction in Progress (a)	Actual/Estimated Opening Date
Under Construction						
Forum Shops at Caesars	Las Vegas, NV	175,000 $	139 $	139 $	71.4	October 2004
Southpark Mall	Charlotte, NC	309,000 $	125 $	125 $	85.5	Spring 2004

(a) Amounts include the portion of the project placed in service as of December 31, 2003, if any.

(b) Represents the project costs net of land sales, tenant reimbursements for construction, and other items (where applicable).

We have renovation and/or expansion projects currently under construction or in preconstruction development and expect to invest a total of approximately $250 million on redevelopment projects in 2004.

Capital Expenditures on Consolidated Properties

The following table summarizes total capital expenditures on consolidated Properties on a cash basis:

	2003	2002	2001
New Developments	**$ 105**	$ 11	$ 68
Renovations and Expansions	**187**	94	124
Tenant Allowances	**54**	60	57
Operational Capital Expenditures	**6**	46	33
Total	**$ 352**	$ 211	$ 282

International. As previously mentioned, we significantly increased our presence in Europe through our joint venture with the Rinascente Group, Gallerie Commerciali Italia. Our strategy is to invest capital internationally not only to acquire existing properties but also to use the net cash flow from the existing properties to fund other future developments. We believe reinvesting the cash flow derived in Euros in other Euro denominated development and redevelopment projects helps minimize our exposure to our initial investment and to the changes in the Euro on future investments that might otherwise significantly increase our cost and reduce our returns on these new projects and developments. In addition, to date we have funded the majority of our investments in Europe with Euro-denominated borrowings that act as a natural hedge on our investments.

Currently, our net income exposure to changes in the volatility of the Euro is not material. In addition, since cash flow from operations is currently being reinvested in other development projects, we do not expect to repatriate Euros for the next few years. Therefore, we also do not currently have a significant cash flow from operations exposure due to fluctuations in the value of the Euro.

The agreements for our 35.2% interest in European Retail Enterprises, B.V. ("ERE") are structured to allow us to acquire an additional 26.1% ownership interest over time. The future commitments to purchase shares from three of the existing shareholders of ERE are based upon a multiple of adjusted results of operations in the year prior to the purchase of the shares. Therefore, the actual amount of these additional commitments may vary. The current estimated additional commitment is approximately $60 million to purchase shares of stock of ERE, assuming that the three existing shareholders exercise their rights under put options. We expect these purchases to be made from 2006-2008.

The carrying amount of our total investments as of December 31, 2003 in European subsidiaries net of the related cumulative translation adjustment was $311.1 million, including subordinated debt in ERE, and both investments are accounted for using the equity method of accounting. Currently a total of 8 developments are under

construction which will add approximately 5.6 million square feet of GLA for a total net cost of approximately €356 million, of which our share is approximately €150 million.

Distributions

On February 5, 2004, the Simon Property Board of Directors approved an increase in the annual distribution rate to $2.60 per unit. Distributions during 2003 aggregated $2.40 per unit and distributions during 2002 aggregated $2.175 per unit. We are required to pay a minimum level of distributions to maintain Simon Property's status as a REIT. Our distributions typically exceed our net income generated in any given year primarily because of depreciation, which is a "non-cash" expense. Our future distributions will be determined by Simon Property based on actual results of operations, cash available for distributions, and what may be required to maintain Simon Property's status as a REIT.

Market Risk

Our exposure to market risk due to changes in interest rates primarily relates to our long-term debt obligations. We manage our exposure to interest rate risk by a combination of interest rate protection agreements to effectively fix or cap a portion of our variable rate debt, or in the case of a fair value hedge, effectively convert fixed rate debt to variable rate debt. In addition, we manage this exposure by refinancing fixed rate debt at times when rates and terms are appropriate.

We are also exposed to foreign currency risk on financings of foreign operations. Our intent is to offset gains and losses that occur on the underlying exposures, with gains and losses on the derivative contracts hedging these exposures. We do not enter into either interest rate protection or foreign currency rate protection agreements for speculative purposes.

Our future earnings, cash flows and fair values relating to financial instruments are dependent upon prevalent market rates of interest, primarily LIBOR. Based upon consolidated indebtedness and interest rates at December 31, 2003, a 0.50% increase in the market rates of interest would decrease future earnings and cash flows by approximately $8.8 million, and would decrease the fair value of debt by approximately $196.2 million. A 0.50% decrease in the market rates of interest would increase future earnings and cash flows by approximately $8.8 million, and would increase the fair value of debt by approximately $203.1 million.

Retail Climate and Tenant Bankruptcies

Bankruptcy filings by retailers are normal in the course of our operations. We are continually releasing vacant spaces resulting from tenant terminations. Pressures that affect consumer confidence, job growth, energy costs and income gains can affect retail sales growth, and a continuing soft economic cycle may impact our ability to retenant property vacancies resulting from store closings or bankruptcies. We lost approximately 566,000 square feet of mall shop tenants in 2003. Our 2003 experience was less than historical levels and we expect to lose a greater amount of square feet to bankruptcies in 2004.

The geographical diversity of our Portfolio mitigates some of the risk of an economic downturn. In addition, the diversity of our tenant mix also is important because no single retailer represents either more than 2.0% of total GLA or more than 4.6% of our annualized base minimum rent. Bankruptcies and store closings may, in some circumstances, create opportunities for us to release spaces at higher rents to tenants with enhanced sales performance. We have demonstrated an ability to successfully retenant anchor and in line store locations during soft economic cycles. While these factors reflect some of the inherent strengths of our portfolio in a difficult retail environment, we cannot assure you that we will successfully execute our releasing strategy.

Insurance

We maintain commercial general liability, fire, flood, extended coverage and rental loss insurance on our Properties. Rosewood Indemnity, Ltd, a wholly-owned subsidiary of the Management Company, has agreed to indemnify our general liability carrier for a specific layer of losses. The carrier has, in turn, agreed to provide evidence of coverage for this layer of losses under the terms and conditions of the carrier's policy. A similar policy written through Rosewood Indemnity, Ltd. also provides a portion of our initial coverage for property insurance and certain windstorm risks at the Properties located in Florida.

The events of September 11, 2001 affected our insurance programs. Although insurance rates remain high, since the President signed into Law the Terrorism Risk Insurance Act (TRIA) in November of 2002, the price of terrorism insurance has steadily decreased, while the available capacity has been substantially increased. As a result, we have purchased two separate terrorism insurance programs, one for an individual Property and a second covering all other Properties. Each program provides limits up to $600 million per occurrence and covers both Certified (Foreign) and Non-Certified (Domestic) acts of terrorism.

The coverage is written on an "all risk" policy form that eliminates the policy aggregates associated with our previous terrorism policies. These policies are in place throughout the remainder of 2004.

Inflation

Inflation has remained relatively low in recent years and has had minimal impact on the operating performance of the Properties. Nonetheless, substantially all of the tenants' leases contain provisions designed to lessen our exposure to the impact of inflation. These provisions include clauses enabling us to receive percentage rentals based on tenants' gross sales, which generally increase as prices rise, and/or escalation clauses, which generally increase rental rates during the terms of the leases. In addition, many of the leases are for terms of less than ten years, which may enable us to replace existing leases with new leases at higher base and/or percentage rentals if rents of the existing leases are below the then-existing market rate. Substantially all of the leases, other than those for anchors, require the tenants to pay a proportionate share of operating expenses, including common area maintenance, real estate taxes and insurance, thereby reducing our exposure to increases in costs and operating expenses resulting from inflation.

However, inflation may have a negative impact on some of our other operating items. Interest and general and administrative expenses may be adversely affected by inflation as these specified costs could increase at a rate higher than rents. Also, for tenant leases with stated rent increases, inflation may have a negative effect as the stated rent increases in these leases could be lower than the increase in inflation at any given time.

Seasonality

The shopping center industry is seasonal in nature, particularly in the fourth quarter during the holiday season, when tenant occupancy and retail sales are typically at their highest levels. In addition, shopping malls achieve most of their temporary tenant rents during the holiday season. As a result, our earnings are generally highest in the fourth quarter of each year.

In addition, given the number of Properties in warm summer climates our utility expenses are typically higher in the months of June through September due to higher electricity costs to supply air conditioning to our Properties. As a result some seasonality results in increased property operating expenses during these months; however, the majority of these costs are recoverable from tenants.

Environmental Matters

Nearly all of the Properties have been subjected to Phase I or similar environmental audits. Such audits have not revealed nor is management aware of any environmental liability that we believe would have a material adverse impact on our financial position or results of operations. We are unaware of any instances in which we would incur significant environmental costs if any or all Properties were sold, disposed of or abandoned.

Item 7A. Qualitative and Quantitative Disclosure About Market Risk

Please refer to the Management's Discussion and Analysis of Financial Condition and Results of Operations included in Item 7 under the caption Liquidity and Capital Resources.

Item 8. Financial Statements and Supplementary Data

Reference is made to the Index to Financial Statements contained in Item 15.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. We carried out an evaluation under the supervision and with participation of management, including the chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Form 10-K pursuant to Exchange Act Rule 13a-15. Based upon that evaluation, our management, including the chief executive officer and chief financial officer, concluded that our disclosure controls and procedures were effective as that date.

Changes in Internal Control Over Financial Reporting. There was no change in our internal control over financial reporting (as defined in Rule 13a-15(f)) that occurred during the fourth quarter of 2003 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part III

Item 10. Directors and Executive Officers of the Registrant

The general partner of the Operating Partnership is Simon Property. The information required by this item is incorporated herein by reference to Simon Property's definitive Proxy Statement for its annual meeting of shareholders to be filed with the Commission pursuant to Regulation 14A and is included under the caption "Executive Officers of the Registrant" in Part I thereof.

Item 11. Executive Compensation

The information required by this item is incorporated herein by reference to Simon Property's definitive Proxy Statement for its annual meeting of shareholders to be filed with the Commission pursuant to Regulation 14A.

Item 12. Security Ownership of Certain Beneficial Owners and Management

The information required by this item is incorporated herein by reference to Simon Property's definitive Proxy Statement for its annual meeting of shareholders to be filed with the Commission pursuant to Regulation 14A.

Item 13. Certain Relationships and Related Transactions

The information required by this item is incorporated herein by reference to Simon Property's definitive Proxy Statement for its annual meeting of shareholders to be filed with the Commission pursuant to Regulation 14A.

Item 14. Principal Accounting Fees and Services

The information required by this item is incorporated herein by reference to Simon Property's definitive Proxy Statement for its annual meeting of shareholders to be filed with the Commission pursuant to Regulation 14A.

PART IV

Item 15. Exhibits, Financial Statements, Schedules and Reports on Form 8-K

(b) *Reports on Form 8-K*

None.

REPORT OF INDEPENDENT AUDITORS

To Simon Property Group, Inc.:

We have audited the accompanying consolidated balance sheets of Simon Property Group, L.P. and subsidiaries as of December 31, 2003 and 2002, and the related consolidated statements of operations and comprehensive income, partners' equity and cash flows for each of the two years then ended. These financial statements are the responsibility of Simon Property Group, L.P.'s management. Our responsibility is to express an opinion on these financial statements based on our audits. The consolidated financial statements of Simon Property Group, L.P. and subsidiaries for the year ended December 31, 2001, were audited by other auditors who have ceased operations and whose report dated March 28, 2002, expressed an unqualified opinion on those statements and included an explanatory paragraph that disclosed the adoption of SFAS No. 133 as discussed in Note 3 to the financial statements.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the 2003 and 2002 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Simon Property Group, L.P. and subsidiaries as of December 31, 2003 and 2002, and the consolidated results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

As discussed above, the accompanying consolidated financial statements of Simon Property Group, L.P. for the year ended December 31, 2001 were audited by other auditors who have ceased operations. As described in Note 3, certain reclassification adjustments have been made in the 2001 statement of cash flows to conform to the 2003 and 2002 presentation. These reclassification adjustments have no impact on the net income previously reported. We audited the reclassification adjustments that were applied to the 2001 statement of cash flows. Our procedures included (a) obtaining analyses prepared by management of total distributions received from joint venture properties and total distributions paid to minority investors in consolidated properties, (b) comparing said amounts to the sections of the statement of cash flows, as previously reported, without exception, and (c) testing that the portion of the distributions received from joint venture properties, which represented a return on investment, and distributions paid to minority investors in consolidated properties were appropriately reclassified as cash generated by operating activities, consistent with their presentation in the 2003 and 2002 statements of cash flows. In our opinion, such reclassification adjustments are appropriate and have been properly applied. However, we were not engaged to audit, review, or apply any procedures to the accompanying 2001 financial statements of Simon Property Group, L.P. other than with respect to such reclassification adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2001 financial statements taken as a whole.

ERNST & YOUNG LLP

Indianapolis, Indiana
February 5, 2004

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To Simon Property Group, Inc.:

We have audited the accompanying consolidated balance sheets of Simon Property Group, L.P. (a Delaware limited partnership) and subsidiaries as of December 31, 2001 and 2000, and the related consolidated statements of operations and comprehensive income, partners' equity and cash flows for each of the three years in the period ended December 31, 2001. These financial statements are the responsibility of the management of Simon Property Group, L.P. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Simon Property Group, L.P. and subsidiaries as of December 31, 2001 and 2000, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2001, in conformity with accounting principles generally accepted in the United States.

As explained in Note 13 to the financial statements, effective January 1, 2001, Simon Property Group, L.P. adopted SFAS 133 "Accounting for Derivative Instruments and Hedging Activities," as amended in June of 2000 by SFAS 138, "Accounting for Derivative Instruments and Hedging Activities." SFAS 133, as amended, establishes accounting and reporting standards for derivative instruments. As explained in Note 13 to the financial statements, effective January 1, 2000, Simon Property Group, L.P. adopted Staff Accounting Bulletin No. 101, which addressed certain revenue recognition policies, including the accounting for overage rent by a landlord.

ARTHUR ANDERSEN LLP

Indianapolis, Indiana
March 28, 2002.

THIS REPORT IS A COPY OF THE PREVIOUSLY ISSUED ARTHUR ANDERSEN LLP (ANDERSEN) AUDITOR'S REPORT. THIS REPORT HAS NOT BEEN REISSUED BY ANDERSEN.

Simon Property Group, L.P.
Consolidated Balance Sheets
(Dollars in thousands, except unit amounts)

	December 31, 2003	December 31, 2002
ASSETS:		
Investment properties, at cost	**$ 14,805,073**	$ 14,085,810
Less — accumulated depreciation	**2,534,898**	2,204,743

	12,270,175	11,881,067
Cash and cash equivalents	**529,036**	390,644
Tenant receivables and accrued revenue, net	**302,507**	308,632
Notes and advances receivable from Management Company and affiliates	**—**	75,105
Investment in unconsolidated entities, at equity	**1,811,773**	1,658,204
Deferred costs, other assets, intangibles, and minority interest, net	**608,572**	427,464
Total assets	**$ 15,522,063**	$ 14,741,116
LIABILITIES:		
Mortgages and other indebtedness	**$ 10,266,388**	$ 9,546,081
Accounts payable, accrued expenses, and deferred revenues	**664,610**	623,133
Cash distributions and losses in partnerships and joint ventures, at equity	**14,412**	13,898
Other liabilities, minority interest, and accrued dividends	**280,401**	229,808
Total liabilities	**11,225,811**	10,412,920
COMMITMENTS AND CONTINGENCIES (Note 11)		
PARTNERS' EQUITY:		
Preferred units, 18,353,486 and 22,031,847 units outstanding, respectively. Liquidation values $635,171 and $1,008,858, respectively	**625,703**	965,106
General Partner, 200,311,053 and 183,872,596 units outstanding, respectively	**2,898,045**	2,574,209
Limited Partners, 60,591,896 and 63,746,013 units outstanding, respectively	**876,627**	892,442
Note receivable from Simon Property (interest at 7.8%, due 2009)	**(91,163)**	(92,825)
Unamortized restricted stock award	**(12,960)**	(10,736)
Total partners' equity	**4,296,252**	4,328,196
Total liabilities and partners' equity	**$ 15,522,063**	$ 14,741,116

The accompanying notes are an integral part of these statements.

Simon Property Group, L.P.

Consolidated Statements of Operations and Comprehensive Income

(Dollars in thousands, except per unit amounts)

	For the Twelve Months Ended December 31,		
	2003	**2002**	**2001**
REVENUE:			
Minimum rent	**$ 1,362,522**	$ 1,283,652	$ 1,258,528
Overage rent	**47,502**	47,016	48,275
Tenant reimbursements	**668,289**	637,030	600,634
Management fees and other revenues (Note 3)	**78,292**	—	—
Other income	**142,022**	142,412	125,873
Total revenue	**2,298,627**	2,110,110	2,033,310
EXPENSES:			
Property operating	**325,135**	304,069	282,029
Depreciation and amortization	**493,289**	463,289	449,521
Real estate taxes	**216,427**	207,231	195,056
Repairs and maintenance	**83,990**	73,594	77,467
Advertising and promotion	**60,989**	59,312	62,683
Provision for credit losses	**14,298**	8,769	8,387
Home and regional office costs (Note 3)	**80,105**	44,793	44,392
General and administrative (Note 3)	**15,083**	3,230	3,050
Costs related to withdrawn tender offer (Note 11)	**10,581**	—	—
Other	**27,252**	28,760	31,744
Impairment on investment properties	**—**	—	47,000
Total operating expenses	**1,327,149**	1,193,047	1,201,329

	2003	2002	2001
OPERATING INCOME	**971,478**	917,063	831,981
Interest expense	**602,652**	599,162	607,499
Income before minority interest	**368,826**	317,901	224,482
Minority interest	**(7,277)**	(10,498)	(10,715)
Gain (loss) on sales of assets and other, net (Note 4)	**(5,146)**	160,867	2,603
Gain (loss) from debt related transactions, net (Note 3)	**—**	14,576	273
Income tax expense of taxable REIT subsidiaries	**(7,597)**	—	—
Income before unconsolidated entities	**348,806**	482,846	216,643
Loss from MerchantWired, LLC, net (Note 7)	**—**	(32,742)	(18,104)
Income from other unconsolidated entities	**101,093**	91,505	82,657
Income from continuing operations	**449,899**	541,609	281,196
Results of operations from discontinued operations	**7,421**	16,507	—
Gain/(Loss) on disposal or sale of discontinued operations, net	**22,394**	—	—
Cumulative effect of accounting change	**—**	—	(1,700)
NET INCOME	**479,714**	558,116	279,496
Preferred unit requirement	**(67,182)**	(75,541)	(77,445)
NET INCOME AVAILABLE TO UNITHOLDERS	**$ 412,532**	$ 482,575	$ 202,051
NET INCOME AVAILABLE TO UNITHOLDERS ATTRIBUTABLE TO:			
General Partner	**$ 311,238**	$ 355,369	$ 102,107
SPG Properties	**—**	—	44,448
Limited Partners	**101,294**	127,206	55,496
Net income	**$ 412,532**	$ 482,575	$ 202,051
BASIC EARNINGS PER UNIT:			
Income from continuing operations	**$ 1.54**	$ 1.92	$ 0.87
Net income	**$ 1.66**	$ 1.99	$ 0.86
DILUTED EARNINGS PER UNIT:			
Income from continuing operations	**$ 1.53**	$ 1.92	$ 0.87
Net income	**$ 1.65**	$ 1.99	$ 0.86
Net Income	**$ 479,714**	$ 558,116	$ 279,496
Cumulative effect of accounting change	**—**	—	(1,995)
Unrealized gain (loss) on interest rate hedge agreements	**24,658**	6,017	(12,041)
Net (income) loss on derivative instruments reclassified from accumulated other comprehensive income (loss) into interest expense	**(5,888)**	(1,333)	4,071
Currency translation adjustment	**4,045**		
Other	**1,337**	(2,260)	72
Comprehensive Income	**$ 503,866**	$ 560,540	$ 269,603

The accompanying notes are an integral part of these statements.

Simon Property Group, L.P.
Consolidated Statements of Cash Flows
(Dollars in thousands)

	For the Twelve Months Ended December 31,		
	2003	**2002**	**2001**
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	**$ 479,714**	$ 558,116	$ 279,496
Adjustments to reconcile net income to net cash provided by operating activities —			
Depreciation and amortization	**513,713**	487,200	460,856
Gain from debt related transactions	**—**	(14,307)	(273)
Impairment on investment properties	**—**	—	47,000
(Gain) Loss on sales of assets and other, net	**5,146**	(160,867)	(2,603)
Cumulative effect of accounting change	**—**	—	1,700
Loss on disposal or sale of discontinued operations, net	**(22,394)**	—	—
Straight-line rent	**(3,468)**	(6,645)	(10,900)
Minority interest	**7,277**	10,498	10,715
Minority interest distributions	**(5,466)**	(13,214)	(16,629)
Equity in income of unconsolidated entities	**(101,093)**	(58,763)	(64,553)
Distributions of income from unconsolidated entities	**87,453**	80,141	71,878

Changes in assets and liabilities —			
Tenant receivables and accrued revenue	**35,586**	17,408	4,309
Deferred costs and other assets	**(26,061)**	(9,457)	(40,402)
Accounts payable, accrued expenses, deferred revenues and other liabilities	**(24,217)**	(9,831)	111,618
Net cash provided by operating activities	**946,190**	880,279	852,212
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisitions	**(814,629)**	(1,129,139)	(164,295)
Capital expenditures, net	**(352,240)**	(211,282)	(281,621)
Cash from acquisitions	**2,267**	9,272	8,156
Cash from consolidation of the Management Company	**48,910**	—	—
Net proceeds from sale of assets, partnership interest, and discontinued operations	**278,066**	433,829	19,550
Investments in unconsolidated entities	**(81,480)**	(91,488)	(147,933)
Distributions of capital from unconsolidated entities and other	**159,106**	191,314	217,082
Notes and advances to the Management Company and affiliate	**—**	12,999	1,378
Loan to the SRC Operating Partnership	**—**	—	5,598
Net cash used in investing activities	**(760,000)**	(784,495)	(342,085)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Partnership contributions and issuance of units	**99,725**	340,390	8,003
Purchase of preferred units and partnership units	**(93,954)**	—	—
Partnership distributions	**(663,093)**	(603,580)	(586,289)
Minority interest contributions	**—**	779	2,647
Mortgage and other indebtedness proceeds, net of transaction costs	**2,536,498**	2,408,685	2,454,994
Mortgage and other indebtedness principal payments	**(1,926,974)**	(2,103,586)	(2,347,065)
Net cash provided by (used in) financing activities	**(47,798)**	42,688	(467,710)
INCREASE IN CASH AND CASH EQUIVALENTS	**138,392**	138,472	42,417
CASH AND CASH EQUIVALENTS, beginning of period	**390,644**	252,172	209,755
CASH AND CASH EQUIVALENTS, end of period	**$ 529,036**	$ 390,644	$ 252,172

The accompanying notes are an integral part of these statements.

Simon Property Group, L.P.

Consolidated Statements of Partners' Equity

(Dollars in thousands)

	Preferred Units	General Partners: Simon Property (Managing General Partner)	General Partners: SPG Properties and SD Property Group	Limited Partners	Unamortized Restricted Stock Award	Note Receivable from Simon Property	Total Partners' Equity
Balance at December 31, 2000	**$ 1,028,435**	**$ 814,959**	**$ 1,636,493**	**$ 935,321**	**$ (19,982)**	**$ (92,825)**	**$ 4,302,401**
General partner contributions (400,026 units)		8,792					8,792
Conversion of 1,220 Series A Preferred Units into 46,355 units	(1,559)	1,555					(4)
Units issued as dividend (442 units)		12					12
Accretion of preferred units	475						475
Preferred units issued (33,332 units)	967						967
Limited partner units issued (8,185 units)				233			233
Limited partner units converted to common units (958,997 units)		10,794		(10,794)			—
Stock incentive program (454,726 units, net)		11,925	(139)		(11,827)		(41)
Amortization of stock incentive					11,512		11,512
Merger of SPG Properties into Simon Property (Note 10)		1,562,160	(1,562,160)				—
Other (includes 85,064 units converted to cash)		559		(2,145)			(1,586)
Adjustment to limited partners' interest from increased ownership in the Operating Partnership		(1,367)	329	1,038			—
Distributions	(77,445)	(241,861)	(114,921)	(134,711)			(568,938)
Net income	77,445	102,107	44,448	55,496			279,496
Other comprehensive income		(3,163)	(4,050)	(2,680)			(9,893)
Balance at December 31, 2001	**$ 1,028,318**	**$ 2,266,472**	**$ —**	**$ 841,758**	**$ (20,297)**	**$ (92,825)**	**$ 4,023,426**
General partner contributions (671,836 units)		15,680					15,680
Conversion of 49,839 Series A Preferred Units into	(63,688)	63,518					(170)

1,893,651 units							
Units issued as dividend (19,375 units)		651					651
Common units issued (9,000,000 units)		321,390					321,390
Accretion of preferred units	476						476
Limited partner units converted to common units (173,442 units)		5,709		(5,709)			—
Stock incentive program (-21,070 forfeited units, net)		(602)			604		2
Amortization of stock incentive					8,957		8,957
Other (includes 10,895 units converted to cash)		400		(373)			27
Adjustment to limited partners' interest from increased ownership in the Operating Partnership		(67,741)		67,726			(15)
Distributions	(75,541)	(388,437)		(138,790)			(602,768)
Net income	75,541	355,369		127,206			558,116
Other comprehensive income		1,800	—	624			2,424
Balance at December 31, 2002	**$ 965,106**	**$ 2,574,209**	**$ —**	**$ 892,442**	**$ (10,736)**	**$ (92,825)**	**$ 4,328,196**
General partner contributions (733,617 units)		17,385					17,385
Conversion and redemption of 4,830,057 Series B Preferred Units into 12,443,195 units	(449,196)	448,076					(1,120)
Issuance of 3,328,540 Series H Variable Rate Preferred Units	83,213						83,213
Repurchase of 3,250,528 Series H Variable Rate Preferred Units	(81,263)						(81,263)
Accretion of preferred units	475						475
Limited partner units converted to common units (2,880,810 units)		39,704		(39,704)			—
Issuance of 822,588 7.75%/8% Cumulative Redeemable Preferred Units	82,259						82,259
Issuance of 251,096 7.5% Cumulative Redeemable Preferred Units	25,109						25,109
Stock incentive program (380,835 units, net)		12,546			(12,579)		(33)
Amortization of stock incentive					10,355		10,355
Acquisition of minority interest in Management Company		(2,334)					(2,334)
Other (includes 273,307 units converted to cash and payments on note)		173		(10,980)		1,662	(9,145)
Adjustment to limited partners' interest from increased ownership in the Operating Partnership		(78,075)		77,582			(493)
Distributions	(67,182)	(445,544)		(147,492)			(660,218)
Net income	67,182	311,238		101,294			479,714
Other comprehensive income		20,667	—	3,485			24,152
Balance at December 31, 2003	**$ 625,703**	**$ 2,898,045**	**$ —**	**$ 876,627**	**$ (12,960)**	**$ (91,163)**	**$ 4,296,252**

The accompanying notes are an integral part of these statements.

SIMON PROPERTY GROUP, L.P.

NOTES TO FINANCIAL STATEMENTS

(Dollars in thousands, except unit and per unit amounts and where indicated as in millions or billions)

1. Organization

Simon Property Group, L.P. (the "Operating Partnership"), a Delaware limited partnership, is a majority owned subsidiary of Simon Property Group, Inc. ("Simon Property"), a Delaware corporation. Simon Property is a self-administered and self-managed real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code"). In these notes, the terms "we", "us" and "our" refer to the Operating Partnership and its subsidiaries.

We are engaged primarily in the ownership, operation, leasing, management, acquisition, expansion and development of real estate properties. Our real estate properties consist primarily of regional malls and community shopping centers. As of December 31, 2003, we owned or held an interest in 245 income-producing properties in North America, which consisted of 174 regional malls, 67 community shopping centers, and four office and mixed-use properties in 37 states and Canada (collectively, the "Properties", and individually, a "Property"). Mixed-use properties are properties that include a combination of retail space, office space, and/or hotel components. In addition, we also own interests in three parcels of land held for future development (together with the Properties, the "Portfolio"). Finally, we have ownership interests in 47 assets in Europe (France, Italy, Poland and Portugal).

We generate the majority of our revenues from leases with retail tenants including:

- Base minimum rents and cart and kiosk rentals,
- Overage and percentage rents based on tenants' sales volume, and
- Recoveries of substantially all of our recoverable expenditures, which consist of property operating, real estate tax, repairs and maintenance, and advertising and promotional expenditures.

We also generate revenues due to our size and tenant relationships from:

- Pursuing mall marketing initiatives, including the sale of gift cards,
- Forming consumer focused strategic corporate alliances, and
- Offering property operating services to our tenants and others resulting from our relationships with vendors.

M.S. Management Associates, Inc. (the "Management Company") is a wholly-owned subsidiary that provides leasing, management, and development services to most of the Properties. In addition, insurance subsidiaries of the Management Company insure the self-insured retention portion of our general liability program and the deductible associated with our workers' compensation programs. In addition, they provide reinsurance for the primary layer of general liability coverage to our third party maintenance providers while performing services under contract with us. Third party providers provide coverage above the insurance subsidiaries' limits.

We are subject to risks incidental to the ownership and operation of commercial real estate. These risks include, among others, the risks normally associated with changes in the general economic climate, trends in the retail industry, creditworthiness of tenants, competition for tenants and customers, changes in tax laws, interest rate and foreign currency levels, the availability of financing, and potential liability under environmental and other laws. Our regional malls and community shopping centers rely heavily upon anchor tenants like most retail properties. Three retailers' anchor stores occupied 335 of the approximately 954 anchor stores in the Properties as of December 31, 2003. An affiliate of one of these retailers is a limited partner in the Operating Partnership.

Structural Simplification

On January 1, 2003, we acquired all of the remaining equity interests of the Management Company from three Simon family members for a total purchase price of $425, which was equal to the appraised value of the interests as determined by an independent third party. The acquisition was approved by Simon Property's independent directors. As a result, the Management Company is now our wholly owned consolidated taxable REIT subsidiary ("TRS"). See Note 7 for further discussion of the operations of the Management Company for the years ended December 31, 2002 and 2001.

2. Basis of Presentation and Consolidation

The accompanying consolidated financial statements include the accounts of the Operating Partnership and its subsidiaries. We eliminated all significant intercompany amounts.

We consolidate Properties that are wholly owned or Properties that we own less than 100% but we control. Control of a Property is demonstrated by our ability to:

- manage day-to-day operations,
- refinance debt and sell the Property without the consent of any other partner or owner, and
- the inability of any other partner or owner to replace us.

The deficit minority interest balances in the accompanying balance sheets represent outside partners' interests in the net equity of certain properties. We record deficit minority interests when a joint venture agreement provides for the settlement of deficit capital accounts before distributing the proceeds from the sale of joint venture assets, the joint venture partner is obligated to make additional contributions to the extent of any capital account deficits or the joint venture partner has the ability to fund such additional contributions.

Investments in partnerships and joint ventures represent noncontrolling ownership interests in Properties and prior to 2003 our investment in the Management Company. We account for these investments using the equity method of accounting. We initially record these investments at cost and we subsequently adjust for net equity in income or loss, which we allocate in accordance with the provisions of the applicable partnership or joint venture agreement, and cash contributions and distributions. The allocation provisions in the partnership or joint venture agreements are not always consistent with the legal ownership interests held by each general or limited partner or joint venturer primarily due to partner preferences.

As of December 31, 2003, of our 245 Properties we consolidated 155 wholly-owned Properties, consolidated 14 additional Properties that are less than wholly owned which we control, and accounted for 76 Properties using the equity method. We manage the day-to-day operations of 65 of the 76 equity method Properties.

We allocate our net operating results after preferred distributions (see Note 10) based on our partners' respective ownership interests. In addition, Simon Property owns certain of our preferred units (see Note 10). Simon Property's weighted average ownership interest in the Operating Partnership was as follows:

For the Year Ended December 31,		
2003	**2002**	**2001**
75.4%	73.6%	72.5%

Simon Property's ownership interest in the Operating Partnership as of December 31, 2003 was 76.8% and at December 31, 2002 was 74.3%. We adjust the limited partners' interest at the end of each period to reflect changes in their ownership interest in the Operating Partnership. The adjustment is reflected in the accompanying statements of partners' equity.

3. Summary of Significant Accounting Policies

Investment Properties and Goodwill

We record investment properties at cost. Investment properties include costs of acquisitions; development, predevelopment, and construction (including salaries and related benefits); tenant allowances and improvements; and interest and real estate taxes incurred related to construction. We capitalize improvements and replacements from repair and maintenance when the repairs and maintenance extend the useful life, increase capacity, or improve the efficiency of the asset. All other repair and maintenance items are expensed as incurred. We record depreciation on buildings and improvements utilizing the straight-line method over an estimated original useful life, which is generally 10 to 35 years. We review depreciable lives of investment properties periodically and we make adjustments when necessary to reflect a shorter economic life. We record depreciation on tenant allowances, tenant inducements and

tenant improvements utilizing the straight-line method over the term of the related lease. We record depreciation on equipment and fixtures utilizing the straight-line method over seven to ten years.

We review investment properties for impairment on a property-by-property basis whenever events or changes in circumstances indicate that the carrying value of investment properties may not be recoverable. These circumstances include, but are not limited to, declines in cash flows, occupancy and comparable sales per square foot at the property. We recognize an impairment of investment property when the estimated undiscounted operating income before depreciation and amortization is less than the carrying value of the property. To the extent impairment has occurred, we charge to income the excess of carrying value of the property over its estimated fair value. We may decide to sell properties that are held for use and the sale prices of these properties may differ from their carrying values.

Goodwill resulted from Simon Property's merger with Corporate Property Investors, Inc. in 1998. We adopted SFAS No. 142 "Goodwill and Other Intangibles" on January 1, 2002 and as a result we ceased amortizing goodwill in accordance with SFAS No. 142 which was approximately $1.2 million annually. The impact of adopting SFAS No. 142 resulted in no impairment of our goodwill. We review goodwill for impairment at the reporting unit level on an annual basis or more frequently if an event occurs that would change the fair value of the reporting unit below its carrying amount. If we determine the reporting unit is impaired, the loss would be recognized as an impairment loss in income. Goodwill is reflected in "deferred costs, other assets, and minority interest, net" in the accompanying balance sheets.

Cash and Cash Equivalents

We consider all highly liquid investments purchased with an original maturity of 90 days or less cash and cash equivalents. Cash equivalents are carried at cost, which approximates market value. Cash equivalents generally consist of commercial paper, bankers acceptances, Eurodollars, repurchase agreements, and money markets. Our balance of cash and cash equivalents includes a balance of $174.8 million related to our gift card program which we do not consider available for general working capital purposes. See Notes 4, 8, and 10 for disclosures about non-cash investing and financing transactions.

Marketable Securities

Marketable securities consist primarily of the assets of the insurance subsidiaries of the Management Company and are included in deferred costs, other assets, and minority interest, net. The types of securities typically include U.S Treasury or other U.S. government securities as well as corporate debt securities. These securities are classified as available-for-sale and are valued based upon quoted market prices or using discounted cash flows when quoted market prices are not available. The amortized cost of debt securities in this category is adjusted for amortization of premiums and accretion of discounts to maturity. Changes in the values of these securities are recognized in accumulated other comprehensive income until the gain or loss is realized and recorded in other income. However, if we determine a decline in value is other than temporary, then we recognize the unrealized loss in income to write down the investments to their net realizable value.

The insurance subsidiaries of the Management Company are required to maintain statutory minimum capital and surplus as well as maintain a minimum liquidity ratio. Therefore, our access to these securities may be restricted.

Use of Estimates

We prepared the accompanying financial statements in accordance with accounting principles generally accepted in the United States ("GAAP"). GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reported period. Our actual results could differ from these estimates.

Capitalized Interest

We capitalize interest on projects during periods of construction until the projects are ready for their intended purpose. The amount of interest capitalized during each year is as follows:

For the Year Ended December 31,		
2003	**2002**	**2001**
$ 10,562	$ 4,249	$ 9,807

Segment Disclosure

Our interests in our regional malls, community centers and other assets represent one segment because we base our resource allocation and other operating decisions on the evaluation of the entire Portfolio.

Deferred Costs and Debt Premiums and Discounts

Our deferred costs consist primarily of financing fees we incurred in order to obtain long-term financing and internal and external leasing commissions and related costs. We record amortization of deferred financing costs on a straight-line basis over the terms of the respective loans or agreements. Our deferred leasing costs consist primarily of capitalized salaries and related benefits in connection with lease originations. We record amortization of deferred leasing costs on a straight-line basis over the terms of the related leases. We amortize debt premiums and discounts over the remaining terms of the related debt instruments. These debt premiums or discounts arise either at the debt issuance or as part of the purchase price allocation of the fair value of debt assumed in acquisitions. Net deferred costs of $129,246 as of December 31, 2003 are net of accumulated amortization of $178,710 and net deferred costs of $149,360 as of December 31, 2002 are net of accumulated amortization of $194,691.

The accompanying statements of operations and comprehensive income includes amortization as follows:

	For the year ended December 31,		
	2003	**2002**	**2001**
Amortization of deferred financing costs	**$ 15,710**	$ 17,079	$ 16,513
Amortization of debt premiums net of discounts	**$ (5,723)**	$ (2,269)	$ (5,178)

Amortization of deferred leasing costs	**$**	**18,626**	$	17,210	$	15,141

We record amortization of deferred financing costs, amortization of premiums, and accretion of discounts as part of interest expense.

Derivative Financial Instruments

On January 1, 2001 we adopted SFAS 133 "Accounting for Derivative Instruments and Hedging Activities," as amended by SFAS 138, "Accounting for Derivative Instruments and Hedging Activities." On adoption, we recorded $2.0 million of unrecognized losses in other comprehensive income as a cumulative effect of accounting change. We also recorded an expense of $1.7 million as a cumulative effect of accounting change in the statement of operations, which includes our $1.5 million share of joint venture cumulative effect of accounting change.

We use a variety of derivative financial instruments in the normal course of business to manage or hedge the risks described in Note 8 and record all derivatives on our balance sheets at fair value. We require that hedging derivative instruments are effective in reducing the risk exposure that they are designated to hedge. We formally designate any instrument that meets these hedging criteria as a hedge at the inception of the derivative contract.

We adjust our balance sheets on an ongoing basis to reflect the current fair market value of our derivatives. We record changes in the fair value of these derivatives each period in earnings or comprehensive income, as appropriate. The ineffective portion of the hedge is immediately recognized in earnings to the extent that the change in value of a derivative does not perfectly offset the change in value of the instrument being hedged. The unrealized gains and

losses held in accumulated other comprehensive income will be reclassified to earnings over time as the hedged items are recognized in earnings. We have a policy of only entering into contracts with major financial institutions based upon their credit ratings and other factors.

We use standard market conventions to determine the fair values of derivative instruments and techniques such as discounted cash flow analysis, option pricing models, and termination cost are used to determine fair value at each balance sheet date. All methods of assessing fair value result in a general approximation of value and such value may never actually be realized.

Accumulated Comprehensive Income

The components of our accumulated comprehensive income consisted of the following as of December 31:

		2003		**2002**
Cumulative translation adjustment	**$**	**1,856**	$	(2,189)
Accumulated derivative gains and (losses), net		**13,488**		(5,282)
Net unrealized gains on marketable securities		**1,337**		—
Total accumulated comprehensive income (loss)	**$**	**16,681**	$	(7,471)

General partner's equity included $12.6 million as of December 31, 2003 and $(8.1) million as of December 31, 2002. Limited partner's equity included $4.1 million as of December 31, 2003 and $0.6 million as of December 31, 2002.

Purchase Accounting Allocation

We allocate the purchase price of acquisitions to the various components of the acquisition based upon the relative value of each component in accordance with SFAS No. 141 "Business Combinations." These components typically include buildings, land and intangibles related to in-place leases and we estimate:

- the fair value of the buildings on an as-if-vacant basis. The value allocated to land is determined either by real estate tax assessments, a third party or other relevant data.
- the market value of in-place leases based upon our best estimate of current market rents and amortize the resulting market rent adjustment into revenues.
- the value of costs to obtain tenants, including tenant allowances and improvements and leasing commissions.
- the value of revenue and recovery of costs foregone during a reasonable lease-up period, as if the space was vacant.

We amortize all of these amounts over the remaining average term of the acquired in place leases. We also estimate the value of tenant or other customer relationships acquired, if any, which are amortized over the term of the related leases and any expected renewals. Any remaining amount of value will be allocated to in-place leases, as deemed appropriate under the circumstances.

Revenue Recognition

We, as a lessor, retain substantially all of the risks and benefits of ownership of the investment properties and account for our leases as operating leases. We accrue minimum rents on a straight-line basis over the terms of their respective leases. Substantially all of our retail tenants are also required to pay overage rents based on sales over a stated base amount during the lease year. We recognize overage rents only when each tenant's sales exceeds its sales threshold.

We structure our leases to allow us to recover a significant portion of our property operating, real estate taxes, repairs and maintenance, and advertising and promotion expenses from our tenants. Property operating expenses typically include utility, insurance, security, janitorial, landscaping, food court and other administrative expenses. Our advertising and promotional costs are expensed as incurred. We accrue reimbursements from tenants for recoverable portions of all these expenses as revenue in the period the applicable expenditures are incurred. We also receive escrow payments for these reimbursements from substantially all our tenants throughout the year. We do this to reduce the risk of loss on uncollectible accounts once we perform the final year end billings for recoverable expenditures. We recognize differences between estimated recoveries and the final billed amounts in the subsequent year and we believe these differences were not material in any period presented. We recognize revenues from our gift card program when fees are earned according to the provisions of the card arrangements and respective terms and conditions.

Management Fees and Other Revenues

Management fees and other revenues are generally received from our unconsolidated joint ventures Properties as well as third parties. Management fee revenue is recognized based on a contractual percentage of joint venture property revenue. Development fee revenue is recognized on a contractual percentage of hard costs to develop a property. Leasing fee revenue is recognized on a contractual per square foot charge based on the square footage of current year leasing activity.

Insurance premiums written and ceded are recognized on a pro-rata basis over the terms of the policies. Insurance losses are reflected in property operating expenses in the accompanying statements of operations and comprehensive income and include estimates for losses incurred but not reported as well as losses pending settlement. Estimates for losses are based on evaluations by actuaries and management's best estimates.

Allowance for Credit Losses

We record a provision for credit losses based on our judgment of a tenant's creditworthiness, ability to pay and probability of collection. In addition, we also consider the retail sector in which the tenant operates and our historical collection experience in cases of bankruptcy, if applicable. Presented below is the activity in the allowance for credit losses and includes the activities related to discontinued operations:

	For the year ended December 31,		
	2003	2002	2001
Balance at Beginning of Year	**$ 20,120**	$ 24,494	$ 20,068
Consolidation of Management Company	**1,700**	—	—
Provision for Credit Losses	**14,675**	8,727	8,387
Accounts Written Off	**(5,190)**	(13,101)	(3,961)
Balance at End of Year	**$ 31,305**	$ 20,120	$ 24,494

Income Taxes

As a partnership, the allocated share of income or loss for each year is included in the income tax returns of the partners; accordingly, no accounting for income taxes is required in the accompanying consolidated financial statements. State and local taxes are not material.

Simon Property has elected taxable REIT subsidiary ("TRS") status for some of its subsidiaries. This enables Simon Property to receive income and provide services that would otherwise be impermissible for REITs. For these entities, deferred tax assets and liabilities are established for temporary differences between the financial reporting basis and the tax basis of assets and liabilities at the enacted tax rates expected to be in effect when the temporary differences reverse. A valuation allowance for deferred tax assets is provided if we believe all or some portion of the deferred tax asset may not be realized. An increase or decrease in the valuation allowance that results from the change in circumstances that causes a change in our judgment about the realizability of the related deferred tax asset is included in income.

As a result of the consolidation of the Management Company, the deferred tax assets and liabilities and income tax expense of the Management Company are included in the accompanying consolidated financial statements as of and for the year ended December 31, 2003. A net deferred tax asset of $22.0 million related to Simon Property's TRS subsidiaries is included in deferred costs, other assets, and minority interest, net in the accompanying balance sheet. The net deferred tax asset consists primarily of operating loss and other carryforwards for Federal income tax purposes as well as the timing of the deductibility of losses from insurance subsidiaries.

Per Unit Data

We determine basic earnings per unit based on the weighted average number of units outstanding during the period. We determine diluted earnings per unit based on the weighted average number of units outstanding combined with the incremental weighted average units that would have been outstanding assuming all dilutive potential common units were converted into units at the earliest date possible. The following table sets forth the computation for our basic and diluted earnings per unit.

	For the Year Ended December 31,		
	2003	2002	2001
Income from continuing operations, after the preferred unit requirement	**$ 382,717**	$ 466,068	$ 203,751
Discontinued operations	**29,815**	16,507	—
Cumulative effect of accounting change	**—**	—	(1,700)
Net Income available to unitholders — Basic	**$ 412,532**	$ 482,575	$ 202,051

Effect of dilutive securities:			
Dilutive convertible preferred unit requirements	**—**	1,470	—
Net Income available to unitholders — Diluted	**$ 412,532**	$ 484,045	$ 202,051
Weighted Average units Outstanding — Basic	**248,926,276**	242,040,734	235,750,287
Effect of stock options	**823,532**	671,972	358,414
Effect of convertible preferred units	**—**	918,615	—
Weighted Average units Outstanding — Diluted	**249,749,808**	243,631,321	236,108,701

	For the Year Ended December 31,		
	2003	2002	2001
Basic Earnings per unit:			
Income from continuing operations, after the preferred unit requirement	**$ 1.54**	$ 1.92	$ 0.87
Discontinued operations	**0.12**	0.07	—
Cumulative effect of accounting change	**—**	—	(0.01)
Net Income available to unitholders — Basic	**$ 1.66**	$ 1.99	$ 0.86
Diluted Earnings per unit:			
Income from continuing operations, after the preferred unit requirement	**$ 1.53**	$ 1.92	$ 0.87
Discontinued operations	**0.12**	0.07	—
Cumulative effect of accounting change	**—**	—	(0.01)
Net Income available to unitholders — Diluted	**$ 1.65**	$ 1.99	$ 0.86

For the year ending December 31, 2003, potentially dilutive securities include stock options, the Series B convertible preferred units and the other classes of preferred units. Units held by the limited partners may be exchanged for shares of common stock in Simon Property, on a one-for-one basis in certain circumstances. If exchanged, the units would not have a dilutive effect. We accrue distributions when they are declared.

Discontinued Operations

In 2002, we adopted SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS No. 144") that supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed of." SFAS No. 144 supersedes the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations — Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions" for the disposal of a segment of a business. SFAS No. 144 provides a framework for the evaluation of impairment of long-lived assets, the treatment of assets held for sale or to be otherwise disposed of, and the reporting of discontinued operations. SFAS No. 144 requires us to reclassify any material operations related to consolidated properties sold during the period that were not classified as held for sale as of December 31, 2001 to discontinued operations. We have reclassified the results of operations of the 13 properties sold during 2003 described in Note 4 to discontinued operations in the accompanying statements of operations and comprehensive income for 2003 and 2002. Their results of operations were not material to 2001. Revenues included in discontinued operations were $38.0 million for the year ended December 31, 2003 and $61.6 million for the year ended December 31, 2002.

Reclassifications

We made certain reclassifications of prior period amounts in the financial statements to conform to the 2003 presentation. These reclassifications have no impact on net income previously reported. These include reclassifying certain home office and regional office costs, and general and administrative expenses; the adoption of SFAS No. 145 "Rescission of FASB Statements No. 4, 44, and 64, Amendment of SFAS No. 13, and Technical Corrections" ("SFAS No. 145"); and reclassifications in the statements of cash flows in 2001.

As a result of the consolidation of the Management Company, we have elected to present "home and regional office costs" and "general and administrative" expenses as separate expense captions. In 2002 and 2001, "home and regional office costs" and "general and administrative" expenses incurred related to consolidated Properties were included in "Property operating" expense. These expenses have been reclassified to conform with the current year presentation. In 2002, we reclassified $44.5 million from property operating expenses, $0.3 million from advertising and promotion, and $3.2 million from other expenses to the "home and regional office costs" and "general and administrative" categories. In 2001, we reclassified $42.8 million from property operating expenses, $1.6 million from advertising and promotion, and $3.1 million from other expenses to the "home and regional office costs" and "general and administrative" categories. "Home and regional office costs" include salary and benefits, office rent, office expenses and information services expenses incurred in our home office and regional offices. "General and administrative" expenses represent the costs of operating as a public company and include such items as stock exchange fees, public and investor relations expenses, certain executive officers' compensation expenses, audit fees, and legal fees.

Effective January 1, 2003, we adopted SFAS No. 145 and therefore we have reclassified for all periods presented in the accompanying statements of operations and comprehensive income those items which no longer qualify as extraordinary items to income from continuing operations. In 2002, we reclassified $14.3 million, or $0.06 per unit, of gains from debt extinguishments of consolidated Properties to "Gains from debt related transactions, net."

We reclassified distributions from unconsolidated entities that represent return on investments in the statements of cash flows to "net cash provided by operating activities" from "net cash used in investing activities" for all periods presented. "Distributions of capital from unconsolidated entities" represent cash distributions from operations in excess of net income and financing activities. In addition, we reclassified distributions to minority interest owners of consolidated properties in the statements of cash flows to "net cash provided by operating activities" from "net cash provided by (used in) financing activities" for all periods presented.

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4. Real Estate Acquisitions, Disposals, and Impairment

Acquisitions

During 2003

On March 14, 2003, we purchased the remaining interest in The Forum Shops at Caesars in Las Vegas, NV from the minority limited partner who initiated the buy/sell provision of the partnership agreement. We purchased this interest for $174.0 million in cash and assumed the minority limited partner's $74.2 million share of debt and other partnership liabilities. We funded this purchase with borrowings from our Credit Facility (Note 8). We recorded minority interest expense relating to the minority limited partner's share of the results of operations of The Forum Shops at Caesars through March 14, 2003.

On August 20, 2003, we purchased a 100% leasehold stake in Stanford Shopping Center in Palo Alto, California for $333.0 million from Stanford University. Stanford University holds, as lessor, a long-term ground lease underlying the asset. We funded this purchase with the mortgage discussed in Note 8, with borrowings from our Credit Facility, and with available working capital.

In the fourth quarter 2003, through a series of transactions we increased our ownership interest in Kravco Investments L.P. ("Kravco"), a Philadelphia, PA based owner of regional malls, from approximately 18% to approximately 80% and in its affiliated management company from approximately 15% to 50%. The portfolio consists of six regional malls, five of which are in the Philadelphia metropolitan area, and four community centers. We acquired our interest in Kravco from certain private investors, The Rouse Company ("Rouse") and Westfield America Trust ("Westfield"). We acquired our initial interest jointly with Rouse and Westfield in connection with the Rodamco acquisition in 2002. As a result of this acquisition, we consolidated four new partnerships and account for six new partnerships as joint ventures. The purchase accounting for this acquisition is still preliminary. The total consideration paid in these transactions was approximately $293.4 million and consisted of:

- cash of $82.0 million,
- issuance of $107.4 million of perpetual preferred units, and
- the assumption of our share of mortgage debt and other payables of $104.0 million.

On December 22, 2003, we jointly formed with The Rinascente Group the joint venture Gallerie Commerciali Italia S.p.A ("GCI"), which owns a geographically diverse portfolio in Italy of 38 existing shopping centers as of December 31, 2003. The Rinascente Group contributed these 38 existing shopping centers as well as development opportunities to GCI and then sold 49% of GCI to one of our affiliates. The initial gross value of GCI was approximately €860 million, or approximately $1.1 billion, and our initial equity investment was approximately €187 million, or $232 million. We account for our interest in GCI under the equity method of accounting. The purchase accounting for this acquisition is still preliminary.

We recorded intangible assets and liabilities that net to $55.5 million as part of our purchase accounting allocations in 2003.

During 2002

On May 3, 2002, we purchased, jointly with Westfield and Rouse, the partnership interests of Rodamco North America N.V. ("Rodamco") and its affiliates through the acquisition of Rodamco stock. Our portion of the acquisition includes the purchase of the remaining partnership interests in four of our existing joint venture Properties, new partnership interests in nine additional Properties, and other partnership interests and assets. We acquired these partnership interests as part of our acquisition strategy to acquire and own quality retail real estate thereby enhancing our overall Portfolio. The results of operations for the partnership interests acquired have been included in our results of operations since May 3, 2002.

The purchase price was €2.5 billion for the 45.1 million outstanding shares of Rodamco stock, or €55 per share, and the assumption of certain Rodamco obligations. Our share of the total purchase price was approximately $1.6 billion, including €795.0 million or $720.7 million to acquire Rodamco shares, the assumption of $579 million of

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debt and preferred units, and cash of $268.8 million to pay off our share of corporate level debt and unwind interest rate swap agreements.

We, and the Management Company, hold the other Rodamco partnership interests and assets jointly with Rouse and Westfield. We account for these assets under the equity method. These included our initial interest in Kravco, two notes receivable, an interest in a hotel, and three other retail properties. Some of these assets were considered held for sale and amounted to approximately $8 million. We sold two of the other retail properties in 2002 for no gain or loss for approximately $4.4 million and we sold the remaining asset held for sale in 2003 for $2.9 million and recognized a nominal gain.

In connection with the Rodamco acquisition we entered into a series of hedging transactions to manage our €795 million exposure to fluctuations in the Euro currency, all of which were closed out at the completion of the acquisition. Our total net gains were $7.1 million on the hedging activities.

We financed a portion of the Rodamco acquisition through the sale of two partnership interests acquired as part of the Rodamco acquisition and an existing partnership interest to Teacher's Insurance and Annuity Association ("Teachers"). We sold these partnership interests for approximately $391.7 million, including approximately $198.0 million of cash and approximately $193.7 million of debt assumed. Our sale of the existing partnership interest resulted in a net gain of $25.7 million.

As a result of the Rodamco acquisition and the Teachers transaction, we consolidated five new partnerships and account for six new partnerships as joint ventures.

On July 19, 2002, we purchased the remaining two-thirds interest in Copley Place (we had acquired our initial interest in the Rodamco acquisition) for $241.4 million, including $118.3 million in cash and the assumption of $123.1 million of debt. We funded the acquisition with borrowings from our existing Credit Facility. As a result of this transaction, we have consolidated the results of operations of Copley Place since July 19, 2002.

We recorded intangible assets and liabilities that net to $53.6 million as part of our purchase accounting allocations in 2002.

Subsequent Event

On February 5, 2004, we purchased a 95% interest in Gateway Shopping Center in Austin, Texas, for approximately $107 million. We funded this transaction with borrowings on our Credit Facility and with the issuance of 120,671 units valued at approximately $6 million.

Disposals

During 2003, we sold 13 non-core Properties, consisting of seven regional malls, five community centers and one mixed-use property. In total, we received net proceeds from these sales of $275.1 million. As a result of these transactions, we recorded a net gain of $22.4 million during the twelve months ended December 31, 2003. The Properties and their dates of sale consisted of:

- Richmond Square, Mounds Mall, Mounds Mall Cinema and Memorial Mall on January 9, 2003
- Forest Village Park Mall on April 29, 2003
- North Riverside Park Plaza on May 8, 2003
- Memorial Plaza on May 21, 2003
- Fox River Plaza on May 22, 2003
- Eastern Hills Mall on July 1, 2003
- New Orleans Center on October 1, 2003
- Mainland Crossing on October 28, 2003
- SouthPark Mall on November 3, 2003
- Bergen Mall on December 12, 2003

As of December 31, 2002, the carrying value of the sold properties at cost, net of accumulated depreciation was $259.1 million.

On April 1, 2002, we sold our interest in Orlando Premium Outlets, one of our joint venture Properties, for a gross sales price of $76.3 million, including cash of $46.6 million and the assumption of our 50% share of $59.1 million of joint venture debt, resulting in a net gain of $39.0 million.

In addition, on May 31, 2002, we sold our interests in the five joint venture value-oriented super-regional malls to the Mills Corporation, who was our partner in these Properties and who managed these joint ventures. We disposed of these joint venture interests in order to fund a portion of the Rodamco acquisition. We sold these joint venture interests for approximately $421.8 million including $148.4 million of cash and the assumption of approximately $273.4 million of joint venture debt. The transaction resulted in a gain of $122.2 million. We were also relieved of all guarantees of the indebtedness related to these five Properties. In connection with this transaction, the Management Company also sold its land partnership interests for $24.1 million that resulted in our $8.4 million share of gains, net of tax, recorded in income from unconsolidated entities. Also during 2002, we made the decision to no longer pursue certain development projects. As a result, we wrote-off the carrying amount of our predevelopment costs and land acquisition costs associated with these projects in the amount of $17.1 million, which is included in "gain (loss) on sales of assets and other, net" in the accompanying statements of operations and comprehensive income.

During 2002, we disposed of seven of our nine assets held for sale as of December 31, 2001 as discussed below under impairment. The seven assets disposed included three community centers and four regional malls. The three community centers and two of the regional malls were sold for a net sales price of $28.1 million resulting in a net loss of $7.0 million. In addition, we negotiated with the lenders the sale of our interests in one regional mall to a third party resulting in net proceeds of $3.6 million and deeded one regional mall to the lender in satisfaction of the outstanding mortgage indebtedness. The two regional malls were encumbered with $52.2 million of indebtedness. The net impact of these two transactions resulted in a net gain on debt forgiveness of $16.1 million that is reflected in "gain from debt related transactions, net" in the accompanying statements of operations and comprehensive income.

During 2001, we sold one community center, one regional mall, and one office building that resulted in net proceeds of $19.6 million and a net gain of $2.6 million.

The cash flows and results of operations of the Properties disposed of during the three years ended December 31, 2003 were not material to our cash flows and results of operations. These Properties' removal from service will not materially affect our ongoing operations.

Impairment

In 2001, in connection with our anticipated disposal of nine Properties identified as held for sale we recorded a $47.0 million expense for impairment. As discussed above, we disposed of seven of the nine assets held for sale in 2002 and one additional property in 2003. We placed the remaining asset held for sale back in service as held for use. In general, the overall decline in the economy has caused tenants to vacate space at certain non-core Properties decreasing occupancy rates and leading to declines in the fair values of these assets due to decreased profitability. In addition, we committed to a plan to dispose of these assets. We estimated the impairment of these assets using a combination of estimations of the fair value based upon a multiple of the net cash flow of the Properties and discounted cash flows from the individual Properties' operations as well as contract prices, if applicable. The nine properties' cash flows and results of operations were not material to our cash flows and results of operations and their removal from service will not materially affect our ongoing operations. We wrote off miscellaneous technology and other investments of $2.7 million in 2002 and $5.7 million in 2001, all of which were included in other expense in the accompanying statements of operations and comprehensive income. In addition, in 2001 the Management Company decided to postpone further development of clixnmortar, a technology investment. As a result, the Management Company wrote off its investment in clixnmortar of which our share was a net $13.9 million.

5. Balance Sheet data

The following summarized balance sheet represents the impact of the Rodamco acquisition in 2002 and the acquisition of the remaining two-thirds interest in Copley Place. The 2003 transactions were not material in the aggregate.

		2002
Investment properties, at cost	$	**1,110,120**
Cash and cash equivalents		**9,272**
Tenant receivables		**8,786**
Investment in unconsolidated entities		**518,390**
Deferred costs, other assets, and minority interest		**25,537**
Notes and advances from the Management Company and affiliates		**26,433**
Total assets	$	**1,698,538**
Mortgages and other indebtedness	$	**458,897**
Accounts payable, accrued expenses, accrued environmental, severance and other expenses		**108,356**
Other liabilities		**8,326**
Total liabilities	$	**575,579**

6. Investment Properties

Investment properties consist of the following:

	December 31,			
		2003		2002
Land	$	**2,046,120**	$	2,001,544
Buildings and improvements		**12,622,728**		11,964,906
Total land, buildings and improvements		**14,668,848**		13,966,450
Furniture, fixtures and equipment		**136,225**		119,360
Investment properties at cost		**14,805,073**		14,085,810
Less — accumulated depreciation		**2,534,898**		2,204,743
Investment properties at cost, net	$	**12,270,175**	$	11,881,067
Construction in progress included in investment properties	$	**243,520**	$	136,622

7. Investments in Unconsolidated Entities

Joint ventures are common in the real estate industry. We use joint ventures to finance properties and diversify our risk in a particular property or trade area. We may also use joint ventures in the development of new properties. We held joint venture ownership interests in 76 Properties as of December 31, 2003 and 69 as of December 31, 2002, as well as joint venture interests in our investments in 47 European shopping centers as of December 31, 2003 and 8 European shopping centers as of December 31, 2002. Since we do not fully control these joint venture Properties, accounting principles generally accepted in the United States currently require that we account for these Properties on the equity method. See Note 13 for discussion of the impact of new accounting pronouncements on consolidation principles. Substantially all of our joint venture Properties are subject to rights of first refusal, buy-sell provisions, or other sale rights for partners which are customary in real estate partnership agreements and the industry. Our partners in these joint ventures may initiate these provisions at any time, which will result in either the sale of or the use of available cash or borrowings to acquire the partnership interest.

Summary financial information of the joint ventures and a summary of our investment in and share of income from such joint ventures follow. This information includes Mall of America (see Note 11). We condensed into separate line items major captions of the statements of operations for joint venture interests sold or consolidated. Consolidation occurs when we acquire an additional interest in the joint venture and as a result, gain unilateral control of the Property. We reclassified these line items into "Discontinued Joint Venture Interests", so that we may present results of operations for those joint venture interests held as of December 31, 2003.

	December 31,			
		2003		2002
BALANCE SHEETS				
Assets:				
Investment properties, at cost	$	**10,239,929**	$	8,157,283

Less — accumulated depreciation		**1,798,564**		1,327,751
		8,441,365		6,829,532
Cash and cash equivalents		**308,781**		199,209
Tenant receivables		**262,893**		199,421
Investment in unconsolidated entities		**94,853**		6,966
Other assets		**227,485**		190,541
Total assets	**$**	**9,335,377**	$	7,425,669
Liabilities and Partners' Equity:				
Mortgages and other notes payable	**$**	**6,643,052**	$	5,306,465
Accounts payable, accrued expenses, and deferred revenues		**310,190**		289,126
Other liabilities		**74,206**		73,559
Total liabilities		**7,027,448**		5,669,150
Preferred units		**152,450**		125,000
Partners' equity		**2,155,479**		1,631,519
Total liabilities and partners' equity	**$**	**9,335,377**	$	7,425,669
The Operating Partnership's Share of:				
Total assets	**$**	**3,861,497**	$	3,121,271
Partners' equity	**$**	**885,149**	$	717,061
Add: Excess Investment	**$**	**912,212**	$	831,728
Our net Investment in Joint Ventures	**$**	**1,797,361**	$	1,548,789
Mortgages and other notes payable	**$**	**2,739,630**	$	2,279,609

"Excess Investment" represents the unamortized difference of our investment over our share of the equity in the underlying net assets of the joint ventures acquired. We generally amortize excess investment over the life of the related Properties, typically 35 years, and the amortization is included in income from unconsolidated entities. We periodically review our ability to recover the carrying values of our investments in the joint venture Properties. If we conclude that any portion of our investment, including the excess investment, is not recoverable, we record an adjustment to write off the unrecoverable amounts.

As of December 31, 2003, scheduled principal repayments on joint venture indebtedness were as follows:

2004	$	453,633
2005		1,458,047
2006		1,235,064
2007		472,850
2008		652,966
Thereafter		2,366,316
Total principal maturities		6,638,876
Net unamortized debt premiums		4,176
Total mortgages and other notes payable	$	6,643,052

This debt becomes due in installments over various terms extending through 2017 with interest rates ranging from 1.49% to 9.05% and a weighted average rate of 5.83% at December 31, 2003.

	For the Year Ended December 31,					
		2003		2002		2001
STATEMENTS OF OPERATIONS						
Revenue:						
Minimum rent	**$**	**900,390**	$	805,537	$	691,469
Overage rent		**31,086**		29,279		25,640

Tenant reimbursements	**468,049**	406,856	349,134
Other income	**198,512**	52,554	44,724
Total revenue	**1,598,037**	1,294,226	1,110,967
Operating Expenses:			
Property operating	**312,911**	210,051	182,489
Depreciation and amortization	**272,746**	234,264	203,910
Real estate taxes	**140,261**	126,228	111,983
Repairs and maintenance	**75,691**	69,853	51,689
Advertising and promotion	**45,435**	38,656	36,405
Provision for credit losses	**8,684**	9,131	5,070
Other	**70,008**	34,421	20,545
Total operating expenses	**925,736**	722,604	612,091
Operating Income	**672,301**	571,622	498,876
Interest Expense	**364,740**	337,119	307,826
Income Before Minority Interest and Unconsolidated Entities	**307,561**	234,503	191,050
Loss from debt related transactions	**—**	—	(295)
Minority interest	**(654)**	(751)	—
Income from unconsolidated entities	**8,393**	3,062	—
Income from Continuing Operations	**315,300**	236,814	190,755
Income from Discontinued Joint Venture Interests	**1,295**	16,063	32,562
Income Before Cumulative Effect of Accounting Change ("IBC")	**316,595**	252,877	223,317
Cumulative Effect of Accounting Change	**—**	—	(3,011)
Net Income	**$ 316,595**	$ 252,877	$ 220,306
Third-Party Investors' Share of IBC	**$ 190,535**	$ 148,853	$ 134,746
The Operating Partnership's Share of IBC	**$ 126,060**	$ 104,024	$ 88,571
Amortization of Excess Investment	**24,967**	26,635	21,279
Income from Joint Ventures	**$ 101,093**	$ 77,389	$ 67,292

European Investments

Our investments in the 47 shopping centers in Europe are dependent upon the relationship with two companies that operate the hypermarkets that anchor the shopping centers, including our partner in GCI, the Rinascente Group who operates the hypermarkets in Italy through its affiliates. Our total equity investment in our European properties, including subordinated debt, was approximately $311.1 million as of December 31, 2003.

We have a 35.2% ownership interest in European Retail Enterprises, B.V. ("ERE"), that is accounted for using the equity method of accounting. The agreements with ERE are structured to allow us to acquire an additional 26.1% ownership interest over time. The future commitments to purchase shares from three of the existing shareholders of ERE are based upon a multiple of adjusted results of operations in the year prior to the purchase of the shares. Therefore, the actual amount of these additional commitments may vary. The current estimated additional

commitment is approximately $60 million to purchase shares of stock of ERE, assuming that the three existing shareholders exercise their rights under put options. We expect these purchases to be made from 2006-2008.

The Management Company

On January 1, 2003, we acquired all of the remaining equity interests of the Management Company, and as a result, the Management Company is now our wholly owned consolidated taxable REIT subsidiary. Prior to this, we owned voting and non-voting common stock and three classes of participating preferred stock of the Management Company; however, 95% of the voting common stock was owned by three Simon family members. As of December 31, 2002 we accounted for our investment in the Management Company using the equity method of accounting. At that time, we exercised significant influence but did not control the financial and operating policies of the Management Company. Our preferred and common interest and our note receivable from the Management Company entitled us to approximately 98% of the after-tax economic benefits of the Management Company's operations.

As of December 31, 2002, amounts due from the Management Company for unpaid accrued interest and unpaid accrued preferred dividends were not material to the financial statements. Prior to the consolidation of the Management Company, common costs were allocated by the Management Company to us, based primarily on minimum and overage rent, using assumptions that we believe are reasonable. The following table summarizes interest income and preferred dividends from the Management Company, included in other income, and total costs incurred on consolidated properties related to services provided by the Management Company:

	For the Year Ended December 31,	
	2002	2001
Interest and preferred dividends	$ 13,620	$ 13,638
Total costs incurred on consolidated properties	$ 75,917	$ 85,927

Summarized consolidated financial information of the Management Company and a summary of our investment in and share of income from the Management Company follows. The summary excludes the effects of the Management Company's ownership of MerchantWired LLC.

	December 31, 2002
BALANCE SHEET DATA:	
Total assets	$ 210,367
Notes payable to the Operating Partnership at 7%, due 2008, and advances	75,105
Shareholders' equity	$ 54,562
Our share of total assets	$ 208,347
Our net investment in the Management Company	$ 95,517

	For the Year Ended December 31,	
	2002	2001
OPERATING DATA:		
Total revenue	$ 130,988	$ 108,302
Operating (loss) income	33,571	(5,526)
Net income available for common shareholders excluding losses from MerchantWired LLC	$ 30,552	$ 14,474
Our share of net income (loss) after intercompany profit elimination:		
Management Company income excluding losses from MerchantWired LLC	$ 14,116	$ 15,365
Losses from MerchantWired LLC	(32,742)	(18,104)
Total net loss	$ (18,626)	$ (2,739)

The losses from MerchantWired LLC presented above and in the accompanying statements of operations and comprehensive income include our indirect share of the operating losses of MerchantWired LLC of $10.2 million, after a tax benefit of $6.2 million. The operating losses include our share of an impairment charge of $4.2 million, after tax. Finally, the losses from MerchantWired LLC include our indirect share of the write-off of the technology investment in MerchantWired LLC of $22.5 million, after a tax benefit of $9.4 million.

The members of MerchantWired LLC, including the Management Company, agreed to sell their interests in MerchantWired LLC under the terms of a definitive agreement with Transaction Network Services, Inc ("TNSI"). The transaction was expected to close in the second quarter of 2002, but in June 2002, TNSI unexpectedly informed the members of MerchantWired LLC that it would not complete the transaction. As a result, MerchantWired LLC shut down its operations and transitioned its customers to alternate service providers, which was completed by September 3, 2002. Accordingly, the Management Company wrote-off its investment in and advances to MerchantWired LLC. This resulted in our $38.8 million share of a write-off before tax, $22.5 million net of tax, which includes a $7.0 million write-down in the carrying amount of the infrastructure, consisting of broadband cable and the related connections and routers ("Cable"). We have not made any, nor do we expect to make, additional cash contributions to MerchantWired LLC.

We and the other members of MerchantWired LLC paid $49.5 million directly to a MerchantWired LLC vendor to purchase the Cable in satisfaction of a lease guarantee obligation, of which our share was $26.3 million. As a result, we now own and control the Cable in our properties. The amount of the Cable acquired totaled $19.3 million.

The Cable was installed in both consolidated and joint venture Properties and is being amortized over four years. We are currently using the Cable for connectivity to our mall management offices.

8. Indebtedness and Derivative Financial Instruments

Our mortgages and other indebtedness consist of the following:

	December 31,	
	2003	2002
Fixed-Rate Debt		
Mortgages and other notes, including $21,742 and $29,683 net premiums, respectively. Weighted average interest and maturity of 6.57% and 6.5 years	$ **3,360,917**	$ 2,602,640
Unsecured notes, including $16,547 and $17,770 net discounts, respectively. Weighted average interest and maturity of 6.74% and 4.8 years	**4,998,453**	4,972,230
6 3/4% Putable Asset Trust Securities, including $0 and $236 net premium, respectively, due November 2003	**—**	100,236
7% Mandatory Par Put Remarketed Securities, including $4,933 and $5,011 premiums, respectively, due June 2028 and subject to redemption June 2008	**204,933**	205,011
Commercial mortgage pass-through certificates. Five classes bearing interest at weighted average rates and maturity of 7.31% and 1.0 year	**172,290**	173,693
Total fixed-rate debt	**8,736,593**	8,053,810
Variable-Rate Debt		
Mortgages and other notes, at face value, respectively. Weighted average interest and maturity of 2.55% and 1.5 years	$ **619,763**	$ 852,467
Floating Rate Mandatory Extension Notes, due November 15, 2014. Weighted average interest and maturity of 1.92% and 10.9 years	**113,100**	—
Credit Facility (see below)	**327,901**	308,000
Euro Facility (see below)	**—**	59,078
Commercial mortgage pass-through certificates, interest at 6.2%, due December 2004	**48,157**	49,112
Unsecured term loans. Weighted average rates and maturities of 2.25% and 1.5 years	**419,679**	215,000
Total variable-rate debt	**1,528,600**	1,483,657
Fair value interest rate swaps	**1,195**	8,614
Total mortgages and other indebtedness, net	$ **10,266,388**	$ 9,546,081

General. We have pledged 76 Properties as collateral to secure related mortgage notes including 8 pools of cross-defaulted and cross-collateralized mortgages encumbering a total of 38 Properties. Under these cross-default provisions, a default under any mortgage included in the cross-defaulted package may constitute a default under all such mortgages and may lead to acceleration of the indebtedness due on each Property within the collateral package. Of our 76 encumbered Properties, indebtedness of 19 of these encumbered Properties and our unsecured notes are subject to various financial performance covenants relating to leverage ratios, annual real property appraisal requirements, debt service coverage ratios, minimum net worth ratios, debt-to-market capitalization, and/or minimum equity values. Our mortgages and other indebtedness may be prepaid but are generally subject to prepayment of a yield-maintenance premium or defeasance. As of December 31, 2003, we are in compliance with all our debt covenants.

Mortgages and Other Indebtedness. The net book value of our 76 encumbered Properties was $4.5 billion at December 31, 2003. The balance of fixed and variable rate mortgage notes was $4.2 billion as of December 31, 2003 and of this amount $4.0 billion is nonrecourse to us. The fixed-rate mortgages generally require monthly payments of principal and/or interest. The interest rates of variable-rate mortgages are typically based on LIBOR.

Some of our limited partners guarantee a portion of our consolidated debt through foreclosure guarantees. In total, 53 limited partners provide guarantees of foreclosure of $354.8 million of our consolidated debt at 12 consolidated Properties. In each case, the loans were made by unrelated third party institutional lenders and the guarantees are for the benefit of each lender. In the event of foreclosure of the mortgaged property, the proceeds from the sale of the property are first applied against the amount of the guarantee and also reduce the amount payable under the guarantee. To the extent the sale proceeds from the disposal of the property do not cover the amount of the guarantee, then the limited partner is liable to pay the difference between the sale proceeds and the amount of the guarantee so that the entire amount guaranteed to the lender is satisfied. The debt is non-recourse to us and our affiliates.

On April 1, 2003, we paid off, using available cash flow, a $34.0 million variable rate mortgage, at LIBOR plus 150 basis points, that encumbered one consolidated Property. In addition, we refinanced another consolidated mortgaged Property with a $100.0 million 4.60% fixed rate mortgage that matures on July 1, 2013. The previous mortgage had a balance of $85.5 million at a weighted average fixed rate of 7.16% and was to mature on December 31, 2003.

On August 20, 2003, in connection with our acquisition of Stanford Shopping Center, see Note 4, we secured a $220.0 million, 3.60% fixed rate, interest only, five year mortgage. We borrowed $110.0 million from our Credit Facility and used available working capital to fund the remainder of the acquisition.

On November 14, 2003, we secured a $550.0 million leasehold financing encumbering Forum Shops at a fixed-rate of 4.78% due December 1, 2010. This replaced the existing $175.0 million mortgage that had an initial maturity of May 2004 and was effectively fixed at an average interest rate of 6.67% including interest rate protection agreements. The financing generated excess proceeds of $370.8 million that we used to unencumber one asset, to reduce borrowings on our Credit Facility and for general corporate purposes.

Unsecured Notes. We have $735.0 million of unsecured notes that are structurally senior in right of payment to holders of other unsecured notes to the extent of the assets and related cash flows of certain Properties. These unsecured notes have a weighted average interest rate of 7.51% and weighted average maturities of 5.5 years.

On March 18, 2003, we issued two tranches of senior unsecured notes to institutional investors pursuant to Rule 144A totaling $500.0 million at a weighted average fixed interest rate of 5.11%. Subsequently, we exchanged notes that had been registered under the Securities Act of 1933 for the Rule 144A notes. The exchange notes and the Rule 144A notes have the same economic terms and conditions. The first tranche is $300.0 million at a fixed interest rate of

4.875% due March 18, 2010 and the second tranche is $200.0 million at a fixed interest rate of 5.45% due March 15, 2013. The net proceeds from this offering were $498.7 million, of which $440.0 million was used to reduce borrowings on our $1.25 billion unsecured credit facility (the "Credit Facility").

On April 1, 2003, we paid off $100.0 million of 7.05% unsecured notes that matured on that date with the remaining portion of the proceeds from the senior unsecured notes mentioned above and available working capital. On June 15, 2003, we paid off $375.0 million of 6.625% unsecured notes that matured on that date with borrowings from our Credit Facility.

On November 15, 2003, we exchanged with the institutional holder of our $100.0 million of 6.75% Putable Asset Trust Securities (PATS), which had a call option settlement feature on that date, $113.1 million Floating Rate Mandatory Extension Notes (MAXES) due November 15, 2014. The MAXES bear interest during the first year at LIBOR plus 80 basis points. The exchange of the PATS for the MAXES did not result in a significant modification of the terms in the debt arrangement.

On January 20, 2004, we issued two tranches of senior unsecured notes to institutional investors pursuant to Rule 144A totaling $500.0 million at a weighted average fixed interest rate of 4.21%. The first tranche is $300.0 million at a fixed interest rate of 3.75% due January 30, 2009 and the second tranche is $200.0 million at a fixed interest rate of 4.90% due January 30, 2014. We received cash and we exchanged, with the holder, the MAXES discussed above for a portion of the second tranche of the notes. We intend to file a registration statement under the Securities Act of 1933

relating to an offer to exchange the notes of each series for registered notes with substantially identical economic terms. If we do not complete the exchange offer within 180 days after the issuance of the notes, the interest rates on the notes will be increased by 0.50% per year. The exchange of the MAXES for the notes instruments did not result in a significant modification of the terms in the debt arrangement.

Credit Facility. The Credit Facility is a $1.25 billion unsecured revolving credit facility with a maturity date of April 16, 2005 and a one-year extension of the maturity date available at our option. The Credit Facility bears interest at LIBOR plus 65 basis points and provides for different pricing based upon our corporate credit rating, with an additional 15 basis point facility fee on the entire $1.25 billion. On June 23, 2003, we restructured our Credit Facility to establish a $100 million EURO sub-tranche which provides availability for Euros at EURIBOR plus 65 basis points and dollars at LIBOR plus 65 basis points, at our option, and has the same maturity date as the overall Credit Facility. The amount available under the $100 million EURO sub-tranche will vary with changes in the exchange rate, however, we may also borrow the amount available under this EURO sub-tranche in dollars, if necessary. We use the Credit Facility primarily for funding acquisition, renovation and expansion and predevelopment opportunities and general corporate purposes. The Credit Facility contains financial covenants relating to a capitalization value, minimum EBITDA and unencumbered EBITDA coverage ratio requirements and a minimum equity value.

	As of December 31,	
	2003	**2002**
Total Facility Amount	**$ 1,250,000**	$ 1,250,000
Borrowings	**(327,901)**	(308,000)
Letters of credit	**(24,081)**	(23,651)
Remaining Availability	**$ 898,018**	$ 918,349
Effective Interest rate	**1.94%**	2.03%
Maximum borrowings during the period ended	**$ 667,067**	$ 743,000
Average borrowings during the period ended	**$ 396,250**	$ 411,263

Euro Facility and Euro denominated indebtedness. On June 27, 2003, we retired our existing €90 million EURO-denominated unsecured credit agreement (the "EURO Facility"), which had an initial maturity date of July 31, 2003, with available working capital of $28.2 million and €34.7 million borrowed from a new EURO sub-tranche of our Credit Facility.

On December 17, 2003, we secured a €200 million EURO-denominated one-year unsecured term loan with two additional one-year extensions available at our option. The loan bears interest at EURIBOR plus 60 basis points. The initial borrowing of €163 million was used to fund a portion of the acquisition of Gallerie Commerciali Italia.

Debt Maturity and Other

Our scheduled principal repayments on indebtedness as of December 31, 2003 were as follows:

2004	$ 1,480,850
2005	913,105
2006	1,407,980
2007	1,491,031
2008	691,417
Thereafter	4,270,682
Total principal maturities	10,255,065
Net unamortized debt discounts and other	11,323

Total mortgages and other indebtedness	$	10,266,388

Our cash paid for interest in each period, net of any amounts capitalized, was as follows:

For the year ended December 31,		
2003	2002	2001
$ 596,274	$ 591,328	$ 588,889

Derivative Financial Instruments

Our exposure to market risk due to changes in interest rates primarily relates to our long-term debt obligations. We manage exposure to interest rate market risk through our risk management strategy by a combination of interest rate protection agreements to effectively fix or cap a portion of variable rate debt, or in the case of a fair value hedge, effectively convert fixed rate debt to variable rate debt. We are also exposed to foreign currency risk on financings of certain foreign operations. Our intent is to offset gains and losses that occur on the underlying exposures, with gains and losses on the derivative contracts hedging these exposures. We do not enter into either interest rate protection or foreign currency rate protection agreements for speculative purposes.

We may enter into treasury lock agreements as part of an anticipated debt issuance. If the anticipated transaction does not occur, the cost is charged to net income. Upon completion of the debt issuance, the cost of these instruments is recorded as part of accumulated other comprehensive income and is amortized to interest expense over the life of the debt agreement.

As of December 31, 2003, we have reflected the fair value of outstanding consolidated derivatives in other assets for $1.2 million, and in other liabilities for $3.6 million. In addition, we recorded the benefits from our treasury lock agreements in accumulated comprehensive income and the unamortized balance of these agreements is $10.1 million as of December 31, 2003. As of December 31, 2003, our outstanding LIBOR based derivative contracts consist of:

- interest rate cap protection agreements with a notional amount of $296.0 million that mature from May 2004 to January 2005,
- fixed interest rate swap agreements with a notional amount of $133.1 million that mature May 2004 and December 2004 and have a weighted average pay rate of 5.86% and a weighted average receive rate of 1.16%, and
- variable rate swap agreements with a notional amount of $370.0 million that mature in February 2004 and September 2008 and have a weighted average pay rate of 1.20% and a weighted average receive rate of 3.52%.

Within the next twelve months, we expect to reclassify to earnings approximately our $1.8 million share of expense of the current balance held in accumulated other comprehensive income. The amount of ineffectiveness relating to fair value and cash flow hedges recognized in income during the periods presented was not material.

Fair Value of Financial Instruments

The carrying value of our variable-rate mortgages and other loans approximates their fair values. We estimated the fair values of combined fixed-rate mortgages using cash flows discounted at current borrowing rates and other indebtedness using cash flows discounted at current market rates. The fair values of financial instruments and our related discount rate assumptions used in the estimation of fair value for our consolidated fixed-rate mortgages and other indebtedness are summarized as follows:

	December 31,	
	2003	2002
Fair value of fixed-rate mortgages and other indebtedness	**$ 9,189,538**	$ 8,816,981
Discount rates assumed in calculation of fair value	**4.81%**	4.41%

9. Rentals under Operating Leases

Future minimum rentals to be received under noncancelable tenant operating leases for each of the next five years and thereafter, excluding tenant reimbursements of operating expenses and percentage rent based on tenant sales volume, as of December 31, 2003, are as follows:

2004	$	1,122,994
2005		1,024,873
2006		915,852
2007		795,467
2008		671,873
Thereafter		2,176,910
	$	6,707,969

Approximately 0.85% of future minimum rents to be received are attributable to leases with an affiliate of a limited partner in the Operating Partnership.

10. Partners' Equity

Unit Issuances

On January 22, 2003, three limited partners exchanged 13,469 Units for 13,469 shares of Simon Property common stock. On February 19, 2003, two limited partners exchanged 2,867,341 Units for 2,867,341 shares of Simon Property common stock.

We issued 733,617 units to Simon Property related to employee stock options exercised during 2003. We used the net proceeds from the option exercises of approximately $17.5 million for general working capital purposes. We also issued 12,443,195 units in connection with the conversions of the 6.5% Series B preferred units.

We issued 9,000,000 units to Simon Property in connection with Simon Property's public offering of 9,000,000 shares of common stock on July 1, 2002. We used the net proceeds of $321.4 million to pay down a portion of the debt issued to finance the Rodamco acquisition.

Preferred Units

The following table summarizes each of the authorized series of preferred units of the Operating Partnership:

	As of December 31,	
	2003	**2002**
Series B 6.5% convertible preferred units, 5,000,000 units authorized, 0 and 4,830,057 issued and outstanding to the general partner	**$ —**	$ 449,196
Series C 7.00% cumulative convertible preferred units, 2,700,000 units authorized and 2,600,895 issued and outstanding	**72,824**	72,824
Series D 8.00% cumulative redeemable preferred units, 2,700,000 units authorized and 2,600,895 issued and outstanding	**78,028**	78,028
Series E 8.00% cumulative redeemable preferred units, 1,000,000 units authorized, 1,000,000 issued and outstanding to the general partner	**24,863**	24,656
Series F 8.75% cumulative redeemable preferred units, 8,000,000 units authorized, issued and outstanding to the general partner	**192,989**	192,989
Series G 7.89% cumulative step-up premium rate convertible preferred units, 3,000,000 units authorized, issued and outstanding to the general partner	**147,681**	147,413
Series H Variable Rate Preferred Units, 3,328,540 units authorized, 78,012 and 0 issued and outstanding	**1,950**	—
7.75%/8.00% Cumulative Redeemable Preferred Units, 900,000 units authorized, 822,588 and 0 issued and outstanding	**82,259**	—
7.5% Cumulative Redeemable Preferred Units, 260,000 units authorized, 251,096 and 0 issued and outstanding	**25,109**	—
	$ 625,703	$ 965,106

Series A 6.5% Convertible Preferred Units. During 2002, all of the remaining 49,839 Series A convertible preferred units were converted into 1,893,651 units. In addition, during 2002, another 19,375 units were issued in lieu of the cash dividends allocable to those preferred units.

Series B 6.5% Convertible Preferred Units. On November 13, 2003, Simon Property announced that it would redeem the remaining shares of its 6.5% Series B Convertible Preferred Stock on December 15, 2003 at a redemption price of 105% of the liquidation value plus accrued and unpaid distributions to the redemption date or $106.34 per share. The holders of 4,297,989 shares of the preferred stock elected to convert each of these shares into 2.58605 shares of common stock of Simon Property prior to the redemption. Simon Property issued 11,114,672 shares of common stock to the holders who exercised their conversion rights. Accordingly, we issued an equivalent 11,114,672 units to Simon Property in connection with the redemption. On December 15, 2003 the remaining 18,340 Series B preferred units were redeemed for cash at the terms listed above with proceeds from the issuance of the Series H preferred units.

In addition, earlier in 2003 prior to the redemption, 513,728 units of the preferred units were converted into 1,328,523 units.

Series C 7.00% Cumulative Convertible Preferred Units. Each Series C 7.00% cumulative convertible preferred unit has a liquidation value of $28.00 and accrues cumulative distributions at a rate of $1.96 annually, which is payable quarterly in arrears. The Series C preferred units are convertible at the holders' option on or after August 27, 2004, into either a like number of shares of 7.00% Cumulative Convertible Preferred Stock of Simon Property with terms substantially identical to the Series C preferred units or into units at a ratio of 0.75676 to one provided that the closing stock price of Simon Property common stock exceeds $37.00 for any three consecutive trading days prior to the conversion date. The Operating Partnership may redeem the Series C preferred units at their liquidation value plus accrued and unpaid distributions on or after August 27, 2009, payable in units. In the event of the death of a holder of Series C preferred units, or the occurrence of certain tax triggering events, the Operating Partnership may be required to redeem the Series C preferred units at their liquidation value payable at the option of the Operating Partnership in either cash (the payment of which may be made in four equal annual installments) or units.

Series D 8.00% Cumulative Redeemable Preferred Units. Each Series D 8.00% cumulative redeemable preferred unit has a liquidation value of $30.00 and accrues cumulative distributions at a rate of $2.40 annually, which is payable quarterly in arrears. The Series D preferred units are each paired with one Series C preferred unit or the units into which the Series C preferred units may be converted. The Operating Partnership may redeem the Series D preferred units at their liquidation value plus accrued and unpaid distributions on or after August 27, 2009, payable in either new preferred units of the Operating Partnership having the same terms as the Series D preferred units, except that the distribution coupon rate would be reset to a market rate, or in units. The Series D preferred units are convertible at the holder's option on or after August 27, 2004, into 8.00% Cumulative Redeemable Preferred Stock of Simon Property with terms substantially identical to the Series D preferred units. In the event of the death of a holder or the occurrence of certain tax triggering events, the Operating Partnership may be required to redeem the Series D preferred units owned by such holder at their liquidation value payable at the option of the Operating Partnership in either cash (the payment of which may be made in four equal annual installments) or units.

Series E 8.00% Cumulative Redeemable Preferred Units. Each Series E 8.00% cumulative redeemable preferred unit has a liquidation value of $25.00 per unit and accrues cumulative distributions at the rate of $2.00 annually. The corresponding series of Simon Property preferred stock is redeemable beginning

August 27, 2004 at $25.00 per share plus accrued dividends. The carrying value is being accreted to the liquidation value over the non-redeemable period. If the corresponding series of preferred stock is redeemed, the Series E preferred units would also be redeemed.

Series F 8.75% Cumulative Redeemable Preferred Units. Each Series F 8.75% cumulative redeemable preferred unit has a liquidation value of $25.00 and accrues distributions at the rate of $2.1875 annually. The corresponding series of Simon Property preferred stock may be redeemed any time on or after September 29, 2006, at $25.00 per share, plus accrued dividends. The liquidation value (other than the portion thereof consisting of accrued and unpaid dividends) is payable solely out of the sale proceeds of other capital shares of Simon Property, which may include other

series of preferred shares. If the corresponding series of preferred stock is redeemed, the Series F preferred units would also be redeemed.

Series G 7.89% Cumulative Step-Up Premium Rate Preferred Units. Each Series G 7.89% cumulative step-up premium rate preferred unit has a liquidation value of $50.00 and currently accrues distributions at the rate of $3.945 annually. Beginning October 1, 2012, the annual distribution rate increases to $4.945. Management intends to redeem the corresponding series of Simon Property preferred stock prior to October 1, 2012. Beginning September 30, 2007, Simon Property may redeem the corresponding preferred stock in whole or in part, using the proceeds of other capital stock of Simon Property, at the liquidation value of $50.00 per share, plus accrued dividends. If the corresponding series of preferred stock is redeemed, the Series G preferred units would also be redeemed.

Series H Variable Rate Preferred Units. To fund the redemption of the Series B Preferred Units, we issued 3,328,540 units of Series H Variable Rate Preferred Units to Simon Property for $83.2 million. The Series H preferred units were redeemable at any time prior to March 15, 2004 or after March 15, 2009 at specified prices. We repurchased 3,250,528 units of the Series H preferred units for $81.3 million on December 17, 2003. On January 7, 2004 we repurchased the remaining 78,012 units for $1.9 million.

7.75%/8.00% Cumulative Redeemable Preferred Units. During 2003, in connection with the purchase of additional interest in Kravco, we issued 7.75%/8.00% Cumulative Redeemable Preferred Units (the "7.75% Preferred Units") that accrue cumulative dividends at a rate of 7.75% of the liquidation value for the period beginning December 5, 2003 and ending December 31, 2004, 8.00% of the liquidation value for the period beginning January 1, 2005 and ending December 31, 2009, 10.00% of the liquidation value for the period beginning January 1, 2010 and ending December 31, 2010, and 12% of the liquidation value thereafter. These dividends are payable quarterly in arrears. A unitholder may require the Operating Partnership to repurchase the 7.75% Preferred Units on or after January 1, 2009 or any time the aggregate liquidation value of the outstanding units exceeds 10% of the book value of partners' equity of the Operating Partnership. The Operating Partnership may redeem the 7.75% Preferred Units on or after January 1, 2011 or earlier upon the occurrence of certain tax triggering events. Our intent is to redeem these units after January 1, 2009 after the occurrence of a tax triggering event. The redemption price is the liquidation value plus accrued and unpaid distributions, payable in cash or interest in one or more properties mutually agreed upon.

7.5% Cumulative Redeemable Preferred Units. We issued 7.5% Cumulative Redeemable Preferred Units (the "7.5% Preferred Units") in connection with the purchase of additional interest in Kravco. The 7.5% Preferred Units accrue cumulative dividends at a rate of $7.50 annually, which is payable quarterly in arrears. The Operating Partnership may redeem the 7.5% Preferred Units on or after November 10, 2013 unless there is the occurrence of certain tax triggering events such as death of the initial unit holder, or the transfer of any units to any person or entity other than the persons or entities entitled to the benefits of the original holder. The 7.5% Preferred Units' redemption price is the liquidation value plus accrued and unpaid distributions, payable either in cash or shares of common stock. In the event of the death of a holder of the 7.5% Preferred Units, the occurrence of certain tax triggering events applicable to the holder, or on or after November 10, 2006, the preferred unitholder may require the Operating Partnership to redeem the 7.5% Preferred Units payable at the option of the Operating Partnership in either cash or shares of common stock of Simon Property.

Notes Receivable from Former CPI Shareholders

Notes receivable of $17,926 from former Corporate Property Investors, Inc. ("CPI") shareholders, which result from securities issued under CPI's executive compensation program and were assumed in our merger with CPI, are reflected as a deduction from capital in excess of par value in the statements of partners' equity in the accompanying financial statements. Certain of such notes totaling $277 bear interest at rates ranging from 6.00% to 7.50%. The remainder of the notes do not bear interest and become due at the time the underlying shares are sold.

Note Receivable from Simon Property

In 1999, Simon Property borrowed $92.8 million from us at 7.8% interest with a maturity of December 2009. Simon Property used the proceeds to purchase a noncontrolling 88% interest in one Property. Simon Property contributed its interest in the Property to us in exchange for 3,617,070 units. The note receivable from Simon Property is recorded as a reduction of partners' equity. The amount of interest earned during each year is as follows:

For the year ended December 31,		
2003	**2002**	**2001**
$ 7,173	$ 7,256	$ 7,276

The Simon Property Group 1998 Stock Incentive Plan

We, along with Simon Property, have a stock incentive plan (the "1998 Plan"), which provides for the grant of awards with respect to the equity of Simon Property during a ten-year period, in the form of options to purchase shares of Simon Property common stock ("Options"), stock appreciation rights ("SARs"), restricted stock grants and performance unit awards (collectively, "Awards"). Options may be granted which are qualified as "incentive stock options" within the meaning of Section 422 of the Code and Options which are not so qualified. As of December 31, 2003, Simon Property had reserved 11,300,000 shares for issuance under the 1998 Plan. Additionally, the partnership agreement requires Simon Property to sell shares to us, at fair value, sufficient to satisfy the exercising of stock options, and for Simon Property to purchase units for cash in an amount equal to the fair market value of such shares.

Administration. The 1998 Plan is administered by Simon Property's Compensation Committee (the "Committee"). The Committee, in its sole discretion, determines which eligible individuals may participate and the type, extent and terms of the Awards to be granted to them. In addition, the Committee interprets the 1998 Plan and makes all other determinations deemed advisable for the administration of the 1998 Plan. Options granted to employees ("Employee Options") become exercisable over the period determined by the Committee. The exercise price of an Employee Option may not be less than the fair market value of the shares on the date of grant. Employee Options generally vest over a three-year period and expire ten years from the date of grant.

Automatic Awards For Eligible Directors. Prior to May 7, 2003, the 1998 Plan provided for automatic grants of Options to directors ("Director Options") of Simon Property who are not also our employees or employees of our affiliates ("Eligible Directors"). Each Eligible Director was automatically granted Director Options to purchase 5,000 shares upon the director's initial election to the Board, and upon each re-election, an additional 3,000 Director Options multiplied by the number of calendar years that had elapsed since such person's last election to the Board. The exercise price of Director Options is equal to the fair market value of the shares on the date of grant. Director Options vest and become exercisable on the first anniversary of the date of grant or in the event of a "Change in Control" of Simon Property as defined in the 1998 Plan. The last year during which Eligible Directors received awards of Director Options was 2002.

Pursuant to an amendment to the 1998 Plan approved by the stockholders effective May 7, 2003, Eligible Directors now receive annual grants of restricted stock in lieu of Director Options. Each Eligible Director receives on the first day of the first calendar month following his or her initial election as a director, a grant of 1,000 shares of restricted stock. Thereafter, as of the date of each annual meeting of the Company's stockholders, Eligible Directors who are re-elected as directors receive a grant of 1,000 shares of restricted stock. In addition, Eligible Directors who serve as chairpersons of the standing committees of the Board of Directors receive an additional annual grant in the amount of 500 shares of restricted stock (in the case of the Audit Committee) or 300 shares of restricted stock (in the case of all other standing committees).

Each award of restricted stock vests in four equal annual installments on January 1 of each year, beginning in the year following the year in which the award occurred. If a director otherwise ceases to serve as a director before vesting, the unvested portion of the award terminates. Any unvested portion of a restricted stock award vests if the director dies or becomes disabled while in office or has served a minimum of five annual terms as a director, but only if

the Compensation Committee or full Board of Directors determines that such vesting is appropriate. The restricted stock also vests in the event of a "Change in Control."

Once vested, the delivery of any shares with respect to a restricted stock award (including reinvested dividends) is deferred under our Director Deferred Compensation Plan until the director retires, dies or becomes disabled or otherwise no longer serves as a director. The Eligible Directors may vote and are entitled to receive dividends on the shares underlying the restricted stock awards; however, any dividends on the shares underlying restricted stock awards must be reinvested in shares and held in the Director Deferred Compensation Plan until the shares underlying a restricted stock award are delivered to the former director.

In addition to automatic awards, Eligible Directors may be granted discretionary awards under the 1998 Plan.

Restricted Stock. The 1998 Plan also provides for shares of restricted common stock of Simon Property to be granted to certain employees at no cost to those employees, subject to growth targets established by the Compensation Committee (the "Restricted Stock Program"). Restricted stock is issued on the grant date and vests annually in four installments of 25% each beginning on January 1 following the year in which the restricted stock is awarded. The cost of restricted stock grants, which is based upon the stock's fair market value on the grant date, is charged to partners' equity and subsequently amortized against our earnings over the vesting period. Through December 31, 2003 a total of 3,057,571 shares of restricted stock, net of forfeitures, have been awarded under the plan. Information regarding restricted stock awards are summarized in the following table for each of the years presented:

	For the Year Ended December 31,		
	2003	**2002**	**2001**
Restricted stock shares awarded, net of forfeitures	**380,835**	(21,070)	454,726
Weighted average grant price	**$ 33.03**	$ 0.00	$ 25.85
Amortization expense	**$ 10,355**	$ 8,957	$ 11,512

The fair value of the options at the date of grant was estimated using the Black-Scholes option pricing model with the following assumptions:

	December 31,	
	2002	**2001**
Weighted Average Fair Value per Option	$ 2.78	$ 1.82
Expected Volatility	18.7%	20.45 - 20.58%
Risk-Free Interest Rate	4.85%	4.85 - 5.33%
Dividend Yield	6.9%	7.36 - 7.83%
Expected Life	6 years	10 years

The weighted average remaining contract life for options outstanding as of December 31, 2003 was 5.89 years. In 2002, we changed our accounting for stock options to the fair value method. The impact on pro forma net income and earnings per share as a result of applying the fair value method, as prescribed by SFAS No. 123, *Accounting for Stock-Based Compensation*, which requires entities to measure compensation costs measured at the grant date based on the fair value of the award, was not material.

Information relating to Director Options and Employee Options from December 31, 2000 through December 31, 2003 is as follows:

	Director Options			Employee Options		
	Options	Option Price per Share (1)		Options	Option Price per Share (1)	
Shares under option at December 31, 2000	154,720	$	25.67	2,513,066	$	24.55
Granted	26,000		26.09	1,085,836		25.40
Exercised	(11,000)		24.93	(372,226)		22.99
Forfeited	—		N/A	(48,925)		23.94
Shares under option at December 31, 2001	169,720	$	25.86	3,177,751	$	25.03
Granted	24,000		33.68	—		—
Exercised	(6,360)		22.29	(665,476)		23.44
Forfeited	(9,000)		27.05	(7,225)		24.25
Shares under option at December 31, 2002	178,360	$	26.97	2,505,050	$	25.46
Granted	—		N/A	—		N/A
Exercised	**(86,000)**		**26.43**	**(647,617)**		**23.44**
Forfeited	—		N/A	**(5,400)**		**25.54**
Shares under option at December 31, 2003	**92,360**	**$**	**27.48**	**1,852,033**	**$**	**26.16**
Exercise price range		**$**	**22.25-$33.68**		**$**	**22.25-$30.38**
Options exercisable at December 31, 2001	143,720	$	25.81	1,753,218	$	25.11
Options exercisable at December 31, 2002	154,360	$	25.93	1,695,750	$	25.67
Options exercisable at December 31, 2003	**92,360**	**$**	**27.48**	**1,552,983**	**$**	**26.28**

(1) Represents the weighted average price when multiple prices exist.

We also maintain a tax-qualified retirement 401(k) savings plan and offer no other postretirement or post employment benefits to our employees.

Exchange Rights

Limited partners in the Operating Partnership have the right to exchange all or any portion of their Units for shares of common stock of Simon Property on a one-for-one basis or cash, as selected by the Simon Property Board of Directors. The amount of cash to be paid if the exchange right is exercised and the cash option is selected will be based on the trading price of Simon Property's common stock at that time. If the cash option is selected, Simon Property is obligated to contribute to us the capital necessary to complete the exchange. At December 31, 2003, Simon Property had reserved 60,591,896 shares for possible issuance upon the exchange of units.

11. Commitments and Contingencies

Litigation

Triple Five of Minnesota, Inc., a Minnesota corporation, v. Melvin Simon, et. al. On or about November 9, 1999, Triple Five of Minnesota, Inc. commenced an action in the District Court for the State of Minnesota, Fourth Judicial District, against, among others, Mall of America, certain members of the Simon family and entities allegedly controlled by such individuals, and us. The action was later removed to federal court. Two transactions form the basis of the complaint: (i) the sale by Teachers Insurance and Annuity Association of America of one-half of its partnership

interest in Mall of America Company and Minntertainment Company to the Operating Partnership and related entities; and (ii) a financing transaction involving a loan in the amount of $312.0 million obtained from The Chase Manhattan Bank that is secured by a mortgage placed on Mall of America's assets. The complaint, which contains twelve counts, seeks remedies of unspecified damages, rescission, constructive trust, accounting, and specific performance. Although the complaint names all defendants in several counts, we are specifically identified as a defendant in connection with the sale by Teachers. On August 12, 2002, the court granted in part and denied in part motions for partial summary judgment filed by the parties.

Trial on all of the equitable claims in this matter began June 2, 2003. On September 10, 2003, the court issued its decision in a Memorandum and Order (the "Order"). In the Order, the court found that certain entities and individuals, breached their fiduciary duties to Triple Five. The court did not award Triple Five damages but instead awarded Triple Five equitable and other relief and imposed a constructive trust on that portion of the Mall of America owned by us. Specifically, as it relates to us, the court ordered that Triple Five was entitled to purchase from us the one-half partnership interest that we purchased from Teachers in October 1999, provided Triple Five remits to us the sum of $81.38 million within nine months of the Order. The court further held that we must disgorge all net profits that we received as a result of our ownership interest in the Mall from October 1999 to the present. The court has appointed a Special Master to determine net profits. The court also held that the current day-to-day management of the Mall remains unchanged unless and until Triple Five purchases our interest in the Mall.

We disagree with many aspects of the Order and have appealed the Order to the United States Court of Appeals for the Eighth Circuit. We are currently working with the Special Master appointed by the court. It is not possible to provide an assurance of the ultimate outcome of the litigation.

As a result of the Order, we recorded a $6.0 million loss that is included in "Gain (loss) on sales of assets and other, net" in the accompanying statements of operations and comprehensive income, reflecting our estimate of the financial impact to us from complying with the Order and we have ceased recording any contribution to either net income or Funds from Operations ("FFO") from Mall of America.

We are currently not subject to any other material litigation other than routine litigation, claims and administrative proceedings arising in the ordinary course of business. We believe that such routine litigation, claims and administrative proceedings will not have a material adverse impact on our financial position or our results of operations.

Lease Commitments

As of December 31, 2003, a total of 30 of the consolidated Properties are subject to ground leases. The termination dates of these ground leases range from 2005 to 2090. These ground leases generally require us to make payments of a fixed annual rent, or a fixed annual rent plus a participating percentage over a base rate based upon the revenues or total sales of the property. Some of these leases also include escalation clauses and renewal options. We incurred ground lease expense included in other expense and discontinued operations as follows:

For the year ended December 31,					
2003		**2002**		**2001**	
$	**16,974**	$	14,139	$	13,650

Future minimum lease payments due under such ground leases for each of the next five years ending December 31 and thereafter are as follows:

2004	$	11,180
2005		13,508
2006		13,619
2007		13,767
2008		14,004
Thereafter		608,878
	$	674,956

Insurance

We maintain commercial general liability, fire, flood, extended coverage and rental loss insurance on our Properties. Rosewood Indemnity, Ltd, a wholly-owned subsidiary of the Management Company, has agreed to indemnify our general liability carrier for a specific layer of losses. The carrier has, in turn, agreed to provide evidence of coverage for this layer of losses under the terms and conditions of the carrier's policy. A similar policy written through Rosewood Indemnity, Ltd. also provides initial coverage for property insurance and certain windstorm risks at the Properties located in Florida.

The events of September 11, 2001 affected our insurance programs. Although insurance rates remain high, since the President signed into Law the Terrorism Risk Insurance Act (TRIA) in November of 2002, the price of terrorism insurance has steadily decreased, while the available capacity has been substantially increased. As a result, we have purchased two separate terrorism insurance programs, one for one individual Property and a second covering all other properties. Each program provides limits up to $600 million per occurrence and covers both Certified (Foreign) and Non-Certified (Domestic) acts of terrorism. The coverage is written on an "all risk" policy form that eliminates the policy aggregates associated with our previous terrorism policies. These policies are in place throughout the remainder of 2004. We believe we are in compliance with all insurance provisions of our debt agreements regarding insurance coverage.

Guarantees of Indebtedness

Joint venture debt is the liability of the joint venture, is typically secured by the joint venture Property, and is non-recourse to us. As of December 31, 2003, we have guaranteed or have provided letters of credit to support $93.8 million of our total $2.7 billion share of joint venture mortgage and other indebtedness in the event the joint venture partnership defaults under the terms of the mortgage. The mortgages guaranteed are secured by the property of the joint venture partnership and could be sold in order to satisfy the outstanding obligation.

Environmental Matters

Nearly all of the Properties have been subjected to Phase I or similar environmental audits. Such audits have not revealed nor is management aware of any environmental liability that we believe would have a material adverse impact on our financial position or results of operations. We are unaware of any instances in which we would incur significant environmental costs if we disposed of or abandoned any or all Properties.

Energy Management Services

On September 30, 1999, we entered into multi-year agreements with affiliates of Enron Corporation, for Enron Corporation to supply or manage all of the energy commodity requirements for the wholly-owned Properties and to provide certain services in connection with our tenant electricity redistribution program. Subsequently, many of our joint venture Properties entered into similar agreements. As a result of Enron Corporation's December 2001 bankruptcy filing and ensuing failure to perform under the agreements, we assumed control over the management of our energy assets throughout the Portfolio. On August 29, 2002, the United States Bankruptcy Court for the Southern District of New York entered an order approving the terms of a negotiated settlement of all claims existing between our wholly owned and joint venture Properties, and Enron Corporation. As a result, all parties have been legally relieved of performance under the agreements. After reaching a negotiated settlement for both our and Enron Corporation's pre and post petition claims, and recognizing the unamortized portion of deferred revenue from a rate restructure agreement in 2001, we recorded $8.6 million of revenue, net, in 2002 that is included in other income in the accompanying statement of operations and comprehensive income.

Taubman Centers, Inc Tender Offer

On December 5, 2002, Simon Property Acquisitions, Inc., a wholly-owned subsidiary of Simon Property, commenced a tender offer to acquire all of the outstanding shares of Taubman Centers, Inc. ("Taubman") and on January 15, 2003, Westfield America, Inc., the U.S. subsidiary of Westfield America Trust, joined Simon Property's tender offer. On October 8, 2003, Simon Property and Westfield America, Inc. withdrew their joint tender offer. Under the terms of our partnership agreement, we reimburse the operating expenses incurred by Simon Property. As a result we expensed deferred acquisition costs of $10.6 million, net, related to this acquisition. These expenses are included in "Costs related to withdrawn tender offer" in the accompanying statement of operations and comprehensive income. The withdrawal of the tender offer followed the enactment of a law, which amended the Michigan Control Share Acquisitions Act and which allowed the Taubman family group to effectively block the ability to conclude the tender offer.

12. Related Party Transactions

The Management Company provides management, insurance, and other services to Melvin Simon & Associates, Inc. ("MSA"), a related party, and other non-owned properties. Amounts for services provided by the Management Company and its affiliates to our unconsolidated joint ventures and MSA were as follows:

	For the year ended December 31,		
	2003	**2002**	**2001**
Amounts charged to unconsolidated joint ventures	**$ 63,779**	$ 55,199	$ 46,851
Amounts charged to properties owned by related parties	**$ 3,491**	$ 3,146	$ 3,120
Amounts charged to MSA	**$ 1,250**	$ 1,250	$ 1,250

On December 28, 2000, Montgomery Ward LLC and certain of its related entities ("Ward") filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code. On March 1, 2001, Kimco Realty Corporation led the formation of a limited liability company, Kimsward LLC ("Kimsward"). Kimsward acquired the right from the Bankruptcy Court to designate persons or entities to whom the Ward real estate assets were to be sold. The Management Company's interest in Kimsward was 18.5%. During 2001 the Management Company recorded $18.3 million of equity in income from Kimsward. In addition, in 2001 we charged the Management Company a $5.7 million fee for services rendered to the Management Company in connection with the Kimsward transactions, which is included in other income in the accompanying statements of operations and comprehensive income. The Management Company recorded $1.4 million of equity in income, before tax for the year ended December 31, 2002. The remaining investment in Kimsward at December 31, 2003 is not material.

13. New Accounting Pronouncements

In November 2002, the Financial Accounting Standards Board ("FASB") issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others" ("FIN 45"). FIN 45 provides disclosure requirements to be made by a guarantor about its obligations under certain guarantees as well as clarifies when a guarantor is required to recognize, at the inception of a guarantee, a liability for undertaking the obligation. FIN 45 was effective for guarantees issued or modified after

December 31, 2002. From time to time we may enter into guarantee arrangements on behalf of our unconsolidated joint venture entities, however, the relative amount of these guarantees to the overall amount of our share of joint venture indebtedness is not material. In addition, the impact of the adoption of FIN 45 was not material to our financial statements during the year ended December 31, 2003.

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity". SFAS No. 150 establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. It requires that an issuer classify a financial instrument that is within its scope as a liability (or an asset in some circumstances). This pronouncement initially affected our limited life consolidated partnerships that have a minority limited partner and that include a termination date in their respective partnership agreements at which point the partnership must redeem the outstanding equity interests for cash. However, on October 29, 2003, the FASB deferred recording the provisions of SFAS No. 150 that applied to limited life subsidiaries indefinitely. As a result, we do not have any instruments that qualify within the scope of SFAS No. 150 as of December 31, 2003. In ten of our partnerships the applicable partnership agreements provide for a contractual termination date based on specific dates or events. SFAS No. 150 requires disclosure of the estimated settlement value of these non-controlling interests. As of December 31, 2003 the estimated settlement value of these non-controlling interests was approximately $38.8 million.

In January 2003, the FASB issued Interpretation No. 46, "Consolidation of Variable Interest Entities, an Interpretation of Accounting Research Bulletin No. 51" ("FIN 46"). On December 24, 2003, the FASB announced that it had delayed the effective date of this interpretation to periods ending after March 15, 2004 for certain variable interest entities ("VIE"), including the majority of our potentially affected entities. FIN 46 requires the consolidation of entities that meet the definition of a variable interest entity in which an enterprise absorbs the majority of the entity's expected losses, receives a majority of the entity's expected residual returns, or both, as a result of ownership, contractual or other financial interests in the entity. Currently, we consolidate entities that we control, as defined in Note 2.

Our joint venture interests in variable interest entities consist of real estate assets and are for the purpose of owning, operating and/or developing real estate. Our property partnerships rely primarily on financing from third party lenders, which is secured by first liens on the Property of the partnership and partner equity. Our maximum exposure to loss as a result of our involvement in these partnerships is represented by the carrying amount of our investments in unconsolidated entities as disclosed on the accompanying balance sheets plus our guarantees of joint venture debt as disclosed in Note 11. We are currently finalizing the evaluation of the full effects of the issuance of FIN 46 on the accounting for our ownership interests in each unconsolidated entity. However, we believe that we will consolidate at least two of our investments in unconsolidated entities as a result of the adoption of FIN 46. We will adopt the interpretation for the variable interest entities subject to the delayed effective date on March 31, 2004.

We have consolidated one joint venture property that was created in 2003 for the purpose of developing one regional mall. The carrying amount of the property's investment property at cost was approximately $40 million as of December 31, 2003 and the property serves as collateral for the entity's debt obligation. The creditors of the VIE have recourse to the extent of our guarantee of $38 million as of December 31, 2003.

14. Quarterly Financial Data (Unaudited)

Summarized quarterly 2003 and 2002 data is summarized in the table below and the amounts have been restated from previously disclosed amounts due to the sale in the fourth quarter of 2003 of properties (see Note 4). The results of operations of these properties were reclassified to discontinued operations (see Note 3):

2003	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Total revenue	**$ 531,808**	**$ 552,349**	**$ 558,778**	**$ 655,692**
Operating income	**218,865**	**225,583**	**220,394**	**306,636**
Income from Continuing Operations	**85,220**	**97,673**	**87,438**	**179,568**
Net income available to unitholders	**74,040**	**63,392**	**57,320**	**217,780**
Income from Continuing Operations per unit — Basic	**$ 0.26**	**$ 0.32**	**$ 0.28**	**$ 0.67**
Net income per unit — Basic	**$ 0.29**	**$ 0.26**	**$ 0.23**	**$ 0.87**
Income from Continuing Operations per unit — Diluted	**$ 0.26**	**$ 0.31**	**$ 0.28**	**$ 0.64**
Net income per unit — Diluted	**$ 0.29**	**$ 0.25**	**$ 0.23**	**$ 0.83**
Weighted Average units Outstanding	**247,812,060**	**248,112,573**	**248,233,296**	**251,476,316**
Diluted Weighted Average units Outstanding	**248,486,429**	**248,902,601**	**249,127,927**	**261,710,249**

2002	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Total revenue	$ 476,831	$ 497,865	$ 533,257	$ 602,157
Operating income	197,243	215,499	225,264	279,057
Income from Continuing Operations	57,461	250,299(1)	92,667	141,182
Net income available to unitholders	41,158	235,631	77,103	128,683
Income from Continuing Operations per unit — Basic	$ 0.16	$ 0.98	$ 0.30	$ 0.50
Net income per unit — Basic	$ 0.17	$ 1.00	$ 0.31	$ 0.52
Income from Continuing Operations per unit — Diluted	$ 0.16	$ 0.95	$ 0.30	$ 0.50
Net income per unit — Diluted	$ 0.17	$ 0.97	$ 0.31	$ 0.52
Weighted Average units Outstanding	236,167,366	236,585,501	247,608,832(2)	247,614,261
Diluted Weighted Average units Outstanding	236,750,084	251,608,025	248,338,285	248,269,208

(1) — Includes net gains on sales of assets of $160.9 million.

(2) — Includes the issuance of 9,000,000 units on July 1, 2002.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SIMON PROPERTY GROUP, L.P.
By: Simon Property Group, Inc., General Partner

By /s/ David Simon

David Simon
Chief Executive Officer

March 30, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the general partner of the registrant and in the capacities and on the dates indicated.

Signature	**Capacity**	**Date**
/s/ David Simon David Simon	Chief Executive Officer and Director (Principal Executive Officer)	March 30, 2004

/s/ Herbert Simon Herbert Simon	Co-Chairman of the Board of Directors	March 30, 2004
/s/ Melvin Simon Melvin Simon	Co-Chairman of the Board of Directors	March 30, 2004
/s/ Richard Sokolov Richard Sokolov	President, Chief Operating Officer and Director	March 30, 2004
/s/ Melvyn E. Bergstein Melvyn E. Bergstein	Director	March 30, 2004
/s/ Birch Bayh Birch Bayh	Director	March 30, 2004
/s/ Linda Walker Bynoe Linda Walker Bynoe	Director	March 30, 2004
/s/ Pieter S. van den Berg Pieter S. van den Berg	Director	March 30, 2004

/s/ G. William Miller G. William Miller	Director	March 30, 2004
/s/ Fredrick W. Petri Fredrick W. Petri	Director	March 30, 2004
/s/ J. Albert Smith J. Albert Smith	Director	March 30, 2004
/s/ Philip J. Ward Philip J. Ward	Director	March 30, 2004
/s/ M. Denise DeBartolo York M. Denise DeBartolo York	Director	March 30, 2004
/s/ Stephen E. Sterrett Stephen E. Sterrett	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	March 30, 2004
/s/ John Dahl John Dahl	Senior Vice President (Principal Accounting Officer)	March 30, 2004

REPORT OF INDEPENDENT AUDITORS ON SCHEDULE

To Simon Property Group, Inc.:

We have audited the consolidated financial statements of Simon Property Group, L.P. and subsidiaries as of December 31, 2003, and for the year then ended, and have issued our report thereon dated February 5, 2004 (included elsewhere in this Form 10-K). Our audit also included the accompanying "Schedule III: Real Estate and Accumulated Depreciation" as of December 31, 2003, for Simon Property Group, L.P.. This schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audit.

In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

ERNST & YOUNG LLP

Indianapolis, Indiana
February 5, 2004

SCHEDULE III

Simon Property Group, L.P.
Real Estate and Accumulated Depreciation
December 31, 2003
(Dollars in thousands)

		Initial Cost (Note 3)		*Cost Capitalized Subsequent to Acquisition (Note 3)*		*Gross Amounts At Which Carried At Close of Period*				
Name, Location	*Encumbrances*	*Land*	*Buildings and Improvements*	*Land*	*Buildings and Improvements*	*Land*	*Buildings and Improvements*	*Total (1)*	*Accumulated Depreciation (2)*	*Date of Construction*
Regional Malls										
Alton Square, Alton, IL	$ 0	$ 154	$ 7,641	$ 0	$ 10,556	$ 154	$ 18,197	$ 18,351	5,660	1993 (Note 4)
Anderson Mall, Anderson, SC	29,763	1,712	15,227	1,363	8,176	3,075	23,403	26,478	7,385	1972
Arsenal Mall, Watertown, MA	34,773	15,505	47,680	0	813	15,505	48,493	63,998	5,824	1999 (Note 4)
Aurora Mall, Aurora, CO	0	11,400	55,692	6	5,831	11,406	61,523	72,929	12,080	1998 (Note 4)
Barton Creek Square, Austin, TX	0	2,903	20,699	7,983	51,409	10,886	72,108	82,994	20,707	1981
Battlefield Mall, Springfield, MO	100,000	3,919	27,310	3,225	40,990	7,144	68,300	75,444	27,477	1970
Bay Park Square, Green Bay, WI	24,345	6,358	25,623	4,133	22,357	10,491	47,980	58,471	7,507	1980
Biltmore Square, Asheville, NC	26,000	6,641	23,582	0	1,475	6,641	25,057	31,698	5,971	1989
Bowie Town Center, Bowie, MD	52,700	2,710	65,044	235	5,619	2,945	70,663	73,608	6,627	2001
Boynton Beach Mall, Boynton Beach, FL	0	22,240	79,226	0	14,410	22,240	93,636	115,876	18,008	1985
Brea Mall, Brea, CA	0	39,500	209,202	0	8,348	39,500	217,550	257,050	33,238	1998 (Note 4)
Broadway Square, Tyler, TX	0	11,470	32,439	0	6,541	11,470	38,980	50,450	11,469	1994 (Note 4)
Brunswick Square, Brunswick, NJ	45,000	8,436	55,838	0	22,868	8,436	78,706	87,142	16,912	1973
Burlington Mall, Burlington, MA	0	46,600	303,618	0	6,255	46,600	309,873	356,473	46,610	1998 (Note 4)
Castleton Square, Indianapolis, IN	0	26,250	98,287	2,500	30,476	28,750	128,763	157,513	26,286	1972
Century III Mall, Pittsburgh, PA	87,859	17,380	102,364	10	4,123	17,390	106,487	123,877	31,917	1979
Charlottesville Fashion Square, Charlottesville, VA	0	0	54,738	0	11,399	0	66,137	66,137	11,493	1997 (Note 4)
Chautauqua Mall, Lakewood, NY	0	3,257	9,641	0	14,816	3,257	24,457	27,714	6,569	1971
Cheltenham Square, Philadelphia, PA	33,533	14,227	43,699	0	4,681	14,227	48,380	62,607	11,123	1981
Chesapeake Square, Chesapeake, VA	47,000	11,534	70,461	0	5,137	11,534	75,598	87,132	18,198	1989
Cielo Vista Mall, El Paso, TX	88,322	1,307	18,512	608	22,812	1,915	41,324	43,239	20,484	1974
College Mall, Bloomington, IN	48,294	1,003	16,245	722	21,541	1,725	37,786	39,511	15,974	1965
Columbia Center, Kennewick, WA	0	18,285	66,580	0	8,136	18,285	74,716	93,001	15,408	1987
Coral Square, Coral Springs, FL	88,946	13,556	93,720	0	1,247	13,556	94,967	108,523	22,207	1984
Cordova Mall, Pensacola, FL	0	18,633	75,880	0	3,419	18,633	79,299	97,932	14,069	1998 (Note 4)
Cottonwood Mall, Albuquerque, NM	0	11,585	68,958	0	441	11,585	69,399	80,984	19,131	1996
Crossroads Mall, Omaha, NE	44,127	881	37,263	409	30,269	1,290	67,532	68,822	18,546	1994 (Note 4)
Crystal River Mall, Crystal River, FL	15,867	5,661	20,241	0	4,463	5,661	24,704	30,365	4,913	1990
DeSoto Square, Bradenton, FL	38,094	9,380	52,716	0	6,655	9,380	59,371	68,751	13,493	1973
Eastland Mall, Tulsa, OK	0	3,124	24,035	518	7,023	3,642	31,058	34,700	12,512	1986
Edison Mall, Fort Myers, FL	0	11,529	107,381	0	6,056	11,529	113,437	124,966	20,756	1997 (Note 4)
Fashion Mall at Keystone at the Crossing, Indianapolis, IN	60,518	0	120,579	0	14,379	0	134,958	134,958	23,223	1997 (Note 4)
Forest Mall, Fond Du Lac, WI	17,671	728	4,498	0	7,415	728	11,913	12,641	4,884	1973

		Initial Cost (Note 3)		*Cost Capitalized Subsequent to Acquisition (Note 3)*		*Gross Amounts At Which Carried At Close of Period*				
Name, Location	*Encumbrances*	*Land*	*Buildings and Improvements*	*Land*	*Buildings and Improvements*	*Land*	*Buildings and Improvements*	*Total (1)*	*Accumulated Depreciation (2)*	*Date of Construction*
The Forum Shops at Caesars, Las Vegas, NV	550,000	0	276,378	0	132,332	0	408,710	408,710	28,513	1992
Great Lakes Mall, Mentor, OH	0	12,304	100,362	432	7,685	12,736	108,047	120,783	23,636	1961
Greenwood Park Mall, Greenwood, IN	89,284	2,559	23,445	5,277	70,029	7,836	93,474	101,310	27,713	1979
Gulf View Square, Port Richey, FL	34,260	13,690	39,997	2,023	14,761	15,713	54,758	70,471	11,567	1980
Haywood Mall, Greenville, SC	0	11,604	133,893	6	1,603	11,610	135,496	147,106	30,029	1998 (Note 4)
Heritage Park, Midwest City, OK	0	598	6,213	0	1,726	598	7,939	8,537	4,331	1978
Hutchinson Mall, Hutchinson, KS	0	1,412	18,411	0	3,017	1,412	21,428	22,840	8,451	1985
Independence Center, Independence, MO	0	5,042	45,822	2	20,461	5,044	66,283	71,327	17,273	1994 (Note 4)
Ingram Park Mall, San Antonio, TX	82,423	764	17,163	169	16,001	933	33,164	34,097	14,277	1979
Irving Mall, Irving, TX	0	6,737	17,479	2,533	29,935	9,270	47,414	56,684	21,435	1971
Jefferson Valley Mall, Yorktown	60,000	4,868	30,304	0	19,475	4,868	49,779	54,647	15,730	1983

Heights, NY										
Knoxville Center, Knoxville, TN	62,415	5,006	21,965	3,712	33,986	8,718	55,951	64,669	17,869	1984
La Plaza, McAllen, TX	0	1,375	9,828	6,569	30,868	7,944	40,696	48,640	11,065	1976
Lafayette Square, Indianapolis, IN	0	14,251	54,589	50	12,600	14,301	67,189	81,490	15,800	1968
Laguna Hills Mall, Laguna Hills, CA	0	28,074	55,689	0	4,944	28,074	60,633	88,707	11,522	1997 (Note 4)
Lakeline Mall, N. Austin, TX	68,549	10,383	81,568	14	1,202	10,397	82,770	93,167	18,825	1995
Lenox Square, Atlanta, GA	0	38,213	492,411	0	6,382	38,213	498,793	537,006	75,030	1998 (Note 4)
Lima Mall, Lima, OH	0	7,910	35,495	0	7,923	7,910	43,418	51,328	10,413	1965
Lincolnwood Town Center, Lincolnwood, IL	0	7,907	63,480	28	6,485	7,935	69,965	77,900	22,201	1990
Livingston Mall, Livingston, NJ	0	30,200	105,250	0	7,068	30,200	112,318	142,518	17,282	1998 (Note 4)
Longview Mall, Longview, TX	33,070	270	3,602	124	7,283	394	10,885	11,279	4,426	1978
Maplewood Mall, Minneapolis, MN	0	17,119	83,477	0	726	17,119	84,203	101,322	4,712	2002 (Note 4)
Markland Mall, Kokomo, IN	23,397	0	7,568	0	7,133	0	14,701	14,701	4,884	1968
Mc Cain Mall, N. Little Rock, AR	40,729	0	9,515	0	9,221	0	18,736	18,736	10,732	1973
Melbourne Square, Melbourne, FL	36,595	15,762	55,891	0	12,357	15,762	68,248	84,010	13,136	1982
Menlo Park Mall, Edison, NJ	0	65,684	223,252	0	18,295	65,684	241,547	307,231	43,009	1997 (Note 4)
Midland Park Mall, Midland, TX	34,157	687	9,213	0	9,300	687	18,513	19,200	7,761	1980
Miller Hill Mall, Duluth, MN	0	2,537	18,092	0	21,141	2,537	39,233	41,770	14,564	1973
Muncie Mall, Muncie, IN	0	172	5,849	52	23,258	224	29,107	29,331	8,648	1970
Nanuet Mall, Nanuet, NY	0	27,548	162,993	0	2,119	27,548	165,112	192,660	24,889	1998 (Note 4)
North East Mall, Hurst, TX	140,000	912	13,340	19,010	141,380	19,922	154,720	174,642	30,563	1971
Northgate Mall, Seattle, WA	0	28,626	115,992	0	28,729	28,626	144,721	173,347	22,968	1987
Northlake Mall, Atlanta, GA	72,003	33,400	98,035	0	3,338	33,400	101,373	134,773	16,075	1998 (Note 4)
Northwoods Mall, Peoria, IL	0	1,200	12,779	1,449	29,071	2,649	41,850	44,499	17,335	1983
Oak Court Mall, Memphis, TN	0	15,673	57,304	0	3,998	15,673	61,302	76,975	11,569	1997 (Note 4)
Orange Park Mall, Jacksonville, FL	0	13,345	65,121	0	18,062	13,345	83,183	96,528	21,991	1994 (Note 4)
Orland Square, Orland Park, IL	0	35,514	129,906	0	11,905	35,514	141,811	177,325	25,445	1997 (Note 4)

Simon Property Group, L.P.

Real Estate and Accumulated Depreciation

December 31, 2003

(Dollars in thousands)

		Initial Cost (Note 3)		*Cost Capitalized Subsequent to Acquisition (Note 3)*		*Gross Amounts At Which Carried At Close of Period*				
Name, Location	***Encumbrances***	***Land***	***Buildings and Improvements***	***Land***	***Buildings and Improvements***	***Land***	***Buildings and Improvements***	***Total (1)***	***Accumulated Depreciation (2)***	***Date of Construction***
Oxford Valley Mall, Langhorne, PA	86,418	25,391	112,312	0	35	25,391	112,347	137,738	16,789	2003 (Note 4)
Paddock Mall, Ocala, FL	27,248	11,198	39,727	0	7,146	11,198	46,873	58,071	9,138	1980
Palm Beach Mall, West Palm Beach, FL	54,641	11,962	112,741	0	37,095	11,962	149,836	161,798	38,185	1967
Penn Square Mall, Oklahoma City, OK	71,319	2,043	156,808	0	14,607	2,043	171,415	173,458	13,642	2002 (Note 4)
Phipps Plaza, Atlanta, GA	0	19,200	210,610	0	7,728	19,200	218,338	237,538	33,227	1998 (Note 4)
Port Charlotte Town Center, Port Charlotte, FL	53,250	5,561	59,387	0	10,741	5,561	70,128	75,689	16,215	1989
Prien Lake Mall, Lake Charles, LA	0	1,842	2,813	3,091	35,602	4,933	38,415	43,348	11,938	1972
Raleigh Springs Mall, Memphis, TN	11,000	9,137	28,604	0	12,166	9,137	40,770	49,907	9,799	1971
Richardson Square, Dallas, TX	0	4,532	6,329	1,268	11,567	5,800	17,896	23,696	5,097	1977
Richmond Town Square, Richmond Heights, OH	47,977	2,600	12,112	0	60,793	2,600	72,905	75,505	18,393	1966
River Oaks Center, Calumet City, IL	0	30,884	101,224	0	6,362	30,884	107,586	138,470	18,955	1997 (Note 4)
Rockaway Townsquare, Rockaway, NJ	0	46,742	212,257	0	6,784	46,742	219,041	265,783	32,734	1998 (Note 4)
Rolling Oaks Mall, San Antonio, TX	0	2,577	38,609	0	2,223	2,577	40,832	43,409	17,817	1988
Roosevelt Field, Garden City, NY	0	165,006	702,008	2,117	12,194	167,123	714,202	881,325	107,564	1998 (Note 4)
Ross Park Mall, Pittsburgh, PA	0	23,350	90,394	0	23,830	23,350	114,224	137,574	30,172	1986
Santa Rosa Plaza, Santa Rosa, CA	0	10,400	87,864	0	3,831	10,400	91,695	102,095	14,330	1998 (Note 4)
Shops at Mission Viejo Mall, Mission Viejo, CA	0	9,139	54,445	7,491	144,399	16,630	198,844	215,474	38,533	1979
South Hills Village, Pittsburgh, PA	0	23,453	125,840	0	6,786	23,453	132,626	156,079	23,165	1997 (Note 4)
South Shore Plaza, Braintree, MA	0	101,200	301,495	0	8,280	101,200	309,775	410,975	46,814	1998 (Note 4)
Southern Park Mall, Youngstown, OH	0	16,982	77,767	97	18,906	17,079	96,673	113,752	22,191	1970
Southgate Mall, Yuma, AZ	0	1,817	7,974	0	3,577	1,817	11,551	13,368	4,730	1988
SouthPark Mall, Charlotte, NC	0	32,141	193,686	100	63,446	32,241	257,132	289,373	12,469	2002 (Note 4)
St Charles Towne Center Waldorf, MD	0	7,710	52,974	1,180	12,489	8,890	65,463	74,353	24,756	1990
Standford Shopping Center, Palo Alto, CA	220,000	0	359,666	0	13	0	359,679	359,679	4,046	2003 (Note 4)
Summit Mall, Akron, OH	0	15,374	51,137	0	17,006	15,374	68,143	83,517	14,732	1965
Sunland Park Mall, El Paso, TX	37,229	2,896	28,900	0	3,997	2,896	32,897	35,793	14,150	1988
Tacoma Mall, Tacoma, WA	131,903	38,662	125,826	0	20,300	38,662	146,126	184,788	30,866	1987
Tippecanoe Mall, Lafayette, IN	56,725	2,897	8,474	5,517	35,703	8,414	44,177	52,591	20,731	1973
Town Center at Boca Raton Boca Raton, FL	0	64,200	307,511	0	62,510	64,200	370,021	434,221	55,230	1998 (Note 4)
Towne East Square, Wichita, KS	72,448	9,113	18,479	2,042	21,968	11,155	40,447	51,602	17,840	1975
Towne West Square, Wichita, KS	53,952	972	21,203	76	7,185	1,048	28,388	29,436	12,477	1980
Treasure Coast Square, Jensen Beach, FL	61,990	11,124	73,108	3,067	17,181	14,191	90,289	104,480	19,353	1987
Trolley Square, Salt Lake City, UT	29,133	4,827	27,512	435	10,931	5,262	38,443	43,705	13,347	1986

Tyrone Square, St. Petersburg, FL	0	15,638	120,962	0	15,227	15,638	136,189	151,827	28,888	1972
University Mall, Little Rock, AR	0	123	17,411	0	760	123	18,171	18,294	7,753	1967

SCHEDULE III

Simon Property Group, L.P.
Real Estate and Accumulated Depreciation
December 31, 2003
(Dollars in thousands)

		Initial Cost (Note 3)		*Cost Capitalized Subsequent to Acquisition (Note 3)*		*Gross Amounts At Which Carried At Close of Period*				
Name, Location	***Encumbrances***	***Land***	***Buildings and Improvements***	***Land***	***Buildings and Improvements***	***Land***	***Buildings and Improvements***	***Total (1)***	***Accumulated Depreciation (2)***	***Date of Construction***
University Mall, Pensacola, FL	0	4,706	26,657	0	4,136	4,706	30,793	35,499	8,926	1994
University Park Mall, Mishawaka, IN	58,799	15,105	61,283	0	14,036	15,105	75,319	90,424	66,375	1996 (Note 4)
Upper Valley Mall, Springfield, OH	30,314	8,421	38,745	0	3,353	8,421	42,098	50,519	9,901	1979
Valle Vista Mall, Harlingen, TX	39,076	1,398	17,159	372	10,977	1,770	28,136	29,906	11,003	1983
Virginia Center Commons, Richmond, VA	0	9,764	50,547	4,149	6,516	13,913	57,063	70,976	13,638	1991
Walt Whitman Mall, Huntington Station, NY	0	51,700	111,258	3,789	33,804	55,489	145,062	200,551	29,942	1998 (Note 4)
Washington Square, Indianapolis, IN	32,862	17,201	41,248	100	14,501	17,301	55,749	73,050	13,055	1974
West Ridge Mall, Topeka, KS	43,392	5,514	34,132	197	6,175	5,711	40,307	46,018	14,251	1988
Westminster Mall, Westminster, CA	0	43,464	84,709	0	12,316	43,464	97,025	140,489	14,706	1998 (Note 4)
White Oaks Mall, Springfield, IL	48,563	3,024	35,692	2,413	23,640	5,437	59,332	64,769	15,895	1977
Wolfchase Galleria, Memphis, TN	74,437	16,470	128,909	0	8,375	16,470	137,284	153,754	17,730	2002 (Note 4)
Woodville Mall, Northwood, OH	0	1,818	4,244	0	1,592	1,818	5,836	7,654	2,241	1969
Community Shopping Centers										
Arboretum, The, Austin, TX	0	7,640	36,778	71	6,230	7,711	43,008	50,719	6,442	1998 (Note 4)
Bloomingdale Court, Bloomingdale, IL	28,695	8,748	26,184	0	3,832	8,748	30,016	38,764	8,689	1987
Boardman Plaza, Youngstown, OH	17,907	8,189	26,355	0	6,173	8,189	32,528	40,717	7,398	1951
Bridgeview Court, Bridgeview, IL	0	245	3,638	0	836	245	4,474	4,719	1,835	1988
Brightwood Plaza, Indianapolis, IN	0	65	128	0	283	65	411	476	216	1965
Celina Plaza, El Paso, TX	0	138	815	0	103	138	918	1,056	387	1978
Charles Towne Square, Charleston, SC	0	2	1,768	425	10,636	427	12,404	12,831	2,743	1976
Chesapeake Center, Chesapeake, VA	6,563	5,352	12,279	0	262	5,352	12,541	17,893	2,653	1989
Countryside Plaza, Countryside, IL	0	1,243	8,507	0	1,266	1,243	9,773	11,016	4,031	1977
DeKalb Plaza, King of Prussia, PA	2,711	1,975	3,484	0	0	1,975	3,484	5,459	547	2003 (Note 4)
Eastland Plaza, Tulsa, OK	0	651	3,680	0	52	651	3,732	4,383	1,262	1986
Forest Plaza, Rockford, IL	15,738	4,132	16,818	453	1,569	4,585	18,387	22,972	5,220	1985
Great Lakes Plaza, Mentor, OH	0	1,028	2,025	0	3,616	1,028	5,641	6,669	1,656	1976
Greenwood Plus, Greenwood, IN	0	1,131	1,792	0	3,718	1,131	5,510	6,641	1,753	1979
Griffith Park Plaza, Griffith, IN	0	0	2,412	0	317	0	2,729	2,729	1,666	1979
Grove at Lakeland Square, The, Lakeland, FL	3,750	5,237	6,016	0	1,042	5,237	7,058	12,295	1,904	1988
Henderson Square, King of Prussia, PA	15,625	4,252	16,227	0	0	4,252	16,227	20,479	557	2003 (Note 4)
Highland Lakes Center, Orlando, FL	16,288	7,138	25,284	0	646	7,138	25,930	33,068	5,664	1991
Ingram Plaza, San Antonio, TX	0	421	1,802	4	21	425	1,823	2,248	924	1980
Keystone Shoppes, Indianapolis, IN	0	0	4,232	0	888	0	5,120	5,120	858	1997 (Note 4)
Knoxville Commons, Knoxville, TN	0	3,731	5,345	0	1,728	3,731	7,073	10,804	2,535	1987
Lake Plaza, Waukegan, IL	0	2,577	6,420	0	744	2,577	7,164	9,741	2,003	1986
Lake View Plaza, Orland Park, IL	20,921	4,775	17,543	0	8,362	4,775	25,905	30,680	6,260	1986
Lakeline Plaza, Austin, TX	22,937	5,822	30,875	0	6,659	5,822	37,534	43,356	6,549	1998
Lima Center, Lima, OH	0	1,808	5,151	0	4,499	1,808	9,650	11,458	1,574	1978
Lincoln Crossing, O'Fallon, IL	3,167	658	2,208	0	360	658	2,568	3,226	702	1990
Lincoln Plaza, Langhorne, PA	0	0	23,868	0	37	0	23,905	23,905	3,848	2003 (Note 4)
Markland Plaza, Kokomo, IN	0	206	738	0	5,657	206	6,395	6,601	883	1974

SCHEDULE III

Simon Property Group, L.P.
Real Estate and Accumulated Depreciation
December 31, 2003
(Dollars in thousands)

		Initial Cost (Note 3)		*Cost Capitalized Subsequent to Acquisition (Note 3)*		*Gross Amounts At Which Carried At Close of Period*				
Name, Location	***Encumbrances***	***Land***	***Buildings and Improvements***	***Land***	***Buildings and Improvements***	***Land***	***Buildings and Improvements***	***Total (1)***	***Accumulated Depreciation (2)***	***Date of Construction***
Martinsville Plaza, Martinsville, VA	0	0	584	0	116	0	700	700	614	1967
Matteson Plaza, Matteson, IL	9,213	1,830	9,737	0	2,264	1,830	12,001	13,831	3,823	1988
Muncie Plaza, Muncie, IN	7,965	341	10,509	87	190	428	10,699	11,127	2,116	1998
New Castle Plaza, New Castle, IN	0	128	1,621	0	1,414	128	3,035	3,163	1,305	1966
North Ridge Plaza, Joliet, IL	0	2,831	7,699	0	785	2,831	8,484	11,315	2,623	1985
Northland Plaza, Columbus, OH	0	4,490	8,893	0	1,276	4,490	10,169	14,659	3,222	1988
Northwood Plaza, Fort Wayne, IN	0	148	1,414	0	1,046	148	2,460	2,608	1,092	1974

Park Plaza, Hopkinsville, KY	0	300	1,572	0	225	300	1,797	2,097	1,296	1968
Regency Plaza, St. Charles, MO	4,318	616	4,963	0	248	616	5,211	5,827	1,376	1988
Rockaway Convenience Center Rockaway, NJ	0	5,149	26,435	0	3,429	5,149	29,864	35,013	2,104	1998 (Note 4)
St. Charles Towne Plaza, Waldorf, MD	27,639	8,779	18,993	0	411	8,779	19,404	28,183	6,107	1987
Shops at North East Mall, The, Hurst, TX	0	12,541	28,177	402	8,685	12,943	36,862	49,805	6,731	1999
Teal Plaza, Lafayette, IN	0	99	878	0	2,928	99	3,806	3,905	1,185	1962
Terrace at The Florida Mall, Orlando, FL	4,688	2,150	7,623	0	1,780	2,150	9,403	11,553	1,532	1989
Tippecanoe Plaza, Lafayette, IN	0	246	440	305	4,965	551	5,405	5,956	1,994	1974
University Center, Mishawaka, IN	0	2,388	5,214	0	887	2,388	6,101	8,489	6,005	1980
Wabash Village, West Lafayette, IN	0	0	976	0	272	0	1,248	1,248	623	1970
Washington Plaza, Indianapolis, IN	0	941	1,697	0	177	941	1,874	2,815	2,024	1976
Waterford Lakes, Orlando, FL	68,000	8,679	72,836	0	11,963	8,679	84,799	93,478	13,896	1999
West Ridge Plaza, Topeka, KS	5,567	1,376	4,560	0	1,269	1,376	5,829	7,205	1,661	1988
White Oaks Plaza, Springfield, IL	16,987	3,169	14,267	0	795	3,169	15,062	18,231	4,267	1986
Office, Mixed-Use Properties										
Copley Place, Boston, MA	180,836	147	378,876	0	2,900	147	381,776	381,923	14,534	2002 (Note 4)
O Hare International Center, Rosemont, IL	0	125	47,482	0	13,015	125	60,497	60,622	17,353	1988
Riverway, Rosemont, IL	110,000	8,739	106,462	16	14,268	8,755	120,730	129,485	36,962	1991 (Note 4)
Development Projects										
Wolf Ranch, Georgetown, TX	0	25,415	4,130	0	0	25,415	4,130	29,545	0	
St. Johns Town Center, Jacksonville, FL	37,500	22,617	17,505	0	0	22,617	17,505	40,122	0	
Firewheel Town Center, Garland, TX	0	12,150	3,948	0	0	12,150	3,948	16,098	0	
Other pre-development costs	0	16,188	4,483	0	0	16,188	4,483	20,671	0	
Other	0	6,177	4,842	279	930	6,456	5,772	12,228	371	
	$ 4,179,385	$ 1,943,415	$ 10,428,230	$ 102,705	$ 2,194,498	$ 2,046,120	$ 12,622,728	$ 14,668,848	$ 2,461,634	

SIMON PROPERTY GROUP, L.P.

NOTES TO SCHEDULE III AS OF DECEMBER 31, 2003

(Dollars in thousands)

(1) Reconciliation of Real Estate Properties:

The changes in real estate assets for the years ended December 31, 2003, 2002, and 2001 are as follows:

	2003	2002	2001
Balance, beginning of year	**$ 13,966,450**	$ 12,932,966	$ 12,793,847
Acquisitions and Consolidations	**761,179**	1,107,581	—
Improvements	**366,345**	207,007	244,446
Disposals and abandonments	**(425,126)**	(281,104)	(58,327)
Impairment Charge	**—**	—	(47,000)
Balance, close of year	**$ 14,668,848**	$ 13,966,450	$ 12,932,966

The unaudited aggregate cost of real estate assets for federal income tax purposes as of December 31, 2003 was $10,648,246.

(2) Reconciliation of Accumulated Depreciation:

The changes in accumulated depreciation and amortization for the years ended December 31, 2003, 2002, and 2001 are as follows:

	2003	2002	2001
Balance, beginning of year	**$ 2,151,014**	$ 1,813,795	$ 1,433,673
Acquisitions and Consolidations	**21,111**	16,491	—
Depreciation expense	**456,960**	413,142	415,950
Disposals and abandonments	**(167,451)**	(92,414)	(35,828)
Balance, close of year	**$ 2,461,634**	$ 2,151,014	$ 1,813,795

Depreciation of the Operating Partnership's investment in buildings and improvements reflected in the statements of operations is calculated over the estimated original lives of the assets as follows:

- Buildings and Improvements—typically 10—35 years for the structure, 15 years for landscaping and parking lot, and 10 years for HVAC equipment.
- Tenant Inducements—shorter of lease term or useful life

(3) Initial cost generally represents net book value at December 20, 1993 except for acquired properties and new developments after December 20, 1993. Costs capitalized subsequent to acquisition are generally net of related disposals.

(4) Not developed/constructed by the Operating Partnership or its predecessors. The date of construction represents acquisition date.

INDEX TO EXHIBITS

Exhibits		Page
2.1	Form of Joint Purchase Agreement among Westfield American Limited Partnership, Simon Property Group, L.P. and The Rouse Company (incorporated by reference to Exhibit 2.1 of the Annual Report on Form 10-K for the year ended December 31, 2001).	
2.2	Purchase Agreement, dated as of January 12, 2002, by and among Rodamco North America N.V; Westfield America Limited Partnership; Westfield Growth, LP; Simon Property Group, L.P.; Hoosier Acquisition, LLC; The Rouse Company; and Terrapin Acquisition LLC (incorporated by reference to Exhibit 2.1 of the Form 8-K filed by the Operating Partnership on May 20, 2002).	
3.1	Second Amended and Restated Certificate of Limited Partnership, as amended (incorporated by reference to Exhibit 3.1 of its Annual Report on Form 10-K for 2002 filed by the Operating Partnership).	
3.2	Seventh Amended and Restated Limited Partnership Agreement (incorporated by reference to Exhibit 3.1 of its Annual Report on Form 10-K for 2001 filed by the Operating Partnership).	
3.3	Amended and Restated Supplement to Seventh Amended and Restated Limited Partnership Agreement (Exhibits B-1 and B-2) dated December 16, 2003.	
4.1(a)	Indenture, dated as of November 26, 1996, by and among the Operating Partnership and The Chase Manhattan Bank, as trustee (incorporated by reference to Exhibit 4.1 to the Registration Statement on Form S-3 filed on October 21, 1996 (Reg. No. 333-11491)).	
4.2(a)	Supplemental Indenture, dated as of June 22, 1998, by and among the Operating Partnership and The Chase Manhattan Bank, as trustee, (incorporated by reference to Exhibit 4.2 to the Registration Statement of Simon DeBartolo Group, L.P. on Form S-4 filed on September 18, 1998 (Reg. No. 333-63645)).	
10.1	Credit Agreement, dated as of April 16, 2002, among the Operating Partnership, the Lenders named therein, the Co-Agents named therein, UBS AG, Stamford Branch, as Payment and Disbursement Agent, JP Morgan Securities Inc. as Joint Lead Arranger and Joint Book Manager, Banc of America Securities LLC as Joint Lead Arranger and Joint Book Manager, Commerzbank AG, New York Branch, as Documentation Agent, JPMorgan Chase Bank as Joint Syndication Agent, Banc of America, N.A. as Joint Syndication Agent and Citicorp Real Estate, Inc. as Joint Syndication Agent (incorporated by reference to Exhibit 10.1 of the Form 8-K filed by the Operating Partnership on December 5, 2002).	
10.2(b)	1998 Stock Incentive Plan (incorporated by reference to Appendix A to the Definitive Proxy Statement on Schedule 14A for Simon Property Group, Inc. dated April 12, 2002).	
10.3(c)	Option Agreement to acquire the Excluded Retail Properties (Previously filed as Exhibit 10.10).	
10.4(c)	Option Agreement to acquire the Excluded Properties — Land (Previously filed as Exhibit 10.11).	
10.5(c)	Option Agreements dated as of December 1, 1993 between the Management Company and Simon Property Group, LP (Previously filed as Exhibit 10.20.)	
10.6(c)	Option Agreement dated as of December 1, 1993 to acquire Development Land. (Previously filed as Exhibit 10.22.)	
10.7(c)	Option Agreement dated December 1, 1993 between the Management Company and the Operating Partnership (Previously filed as Exhibit 10.25.)	
10.8	Purchase Option and Right of First Refusal Agreement between DRP, LP and EJDC (for SouthPark Center Development Site) (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(p)(2).)	
10.9	Acquisition Option Agreement between DRP, LP and Lakeland Square Associates (for Lakeland Square) (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(s)(2).)	
10.10	Limited Partnership Agreement of SDG Macerich Properties, L.P. (Incorporated by reference to Exhibit 10.63 of SDG's 1997 Form 10-K).	
10.11(b)	Simon Property Group, L.P. 1998 Stock Incentive Plan (incorporated by reference to Appendix G to the Registrants' Definitive Proxy Statement on Schedule 14A dated April 7, 2003).	
12.1	Statement regarding computation of ratios.	
21.1	List of Subsidiaries of the Operating Partnership.	107
23.1	Consent of Arthur Andersen LLP (omitted pursuant to Rule 437a of the Securities Act)	
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31.1	Certification by the Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	109
31.2	Certification by the Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	110
32	Certification by the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	111

(a) Does not include supplemental indentures which authorize the issuance of debt securities which do not exceed 10% of the total assets of the Registrant on a consolidated basis. The Operating Partnership agrees to file copies of any such supplemental indentures upon the request of the Commission.

(b) Represents a management contract, or compensatory plan, contract or arrangement required to be filed pursuant to Regulation S-K.

(c) Incorporated by reference to the exhibit indicated filed with the Annual Report on Form 10-K for the year ended December 31, 1993 by Simon Property Group, LP, a predecessor of the Operating Partnership.

QuickLinks

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 3.3

AMENDED AND RESTATED SUPPLEMENT TO
SEVENTH AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT
OF
SIMON PROPERTY GROUP, L.P.

THIS AMENDED AND RESTATED SUPPLEMENT TO SEVENTH AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT ("Restated Supplement"), entered into as of the 16th day of December, 2003, by **SIMON PROPERTY GROUP, INC**., a Delaware corporation ("General Partner"), the sole general partner of **SIMON PROPERTY GROUP, L.P**., a Delaware limited partnership (the "Partnership").

W I T N E S S E T H

WHEREAS, the business and affairs of the Partnership are governed by the Seventh Amended and Restated Limited Partnership Agreement of Simon Property Group, L.P., dated August 27, 1999 (the "Agreement"); and

WHEREAS, the Agreement was supplemented by way of an Amended and Restated Supplement to Seventh Amended and Restated Limited Partnership Agreement of Simon Property Group, L.P., dated June 30, 2003 (the "Prior Supplement"); and

WHEREAS, the General Partner desires to amend and restate, in its entirety, the Prior Supplement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Agreement is supplemented in the following respects:

1. *Terms.* All capitalized terms not otherwise defined herein shall have the meaning set forth in the Agreement.

2. *Exhibit "A".* Exhibit "A" attached to the Prior Supplement is hereby deleted in its entirety and in its place and stead is substituted Exhibit "A"—Listing of Limited Partners" attached hereto.

3. *Exhibits "B-1" and "B-2".* Exhibits "B-1" and "B-2" attached to the Prior Supplement are hereby deleted in their entirety and in their place and stead are substituted Exhibits "B-1"—GP Preferred Unit Designation and "B-2"—LP Preferred Unit Designation attached hereto.

4. *Successors*. This Amended and Restated Supplement and all the terms and provisions hereof shall be binding upon and shall inure to the benefit of all Partners, and their legal representatives, heirs, successors and permitted assigns, except as expressly herein otherwise provided.

5. *Effect and Interpretation*. THIS AMENDED AND RESTATED SUPPLEMENT SHALL BE GOVERNED BY AND CONSTRUED IN CONFORMITY WITH THE LAWS OF THE STATE OF DELAWARE.

IN WITNESS WHEREOF, the General Partner has executed this Amended and Restated Supplement or caused this Amended and Restated Supplement to be executed effective as of the date and year first above written.

GENERAL PARTNER

Simon Property Group, Inc., a Delaware corporation

By: ______________________________

Stephen E. Sterrett
Executive Vice President and
Chief Financial Officer

EXHIBIT A—LISTING OF LIMITED PARTNERS

EXHIBIT B-1—GP PREFERRED UNIT DESIGNATION

CERTIFICATE OF DESIGNATION

OF

6.50% SERIES B CONVERTIBLE PREFERRED UNITS

OF

SIMON PROPERTY GROUP, L.P.

Pursuant to Articles 4.3(c) and 9.4 of the Seventh Amended and Restated Limited Partnership Agreement of Simon Property Group, L.P. (the "Operating Partnership");

WHEREAS, Simon Property Group, Inc. (the "Corporation") has issued 5,000,000 shares of 6.50% Series B Convertible Preferred Stock (the "Series B Convertible Preferred Stock"); and

WHEREAS, in accordance with the terms of the Seventh Amended and Restated Limited Partnership Agreement of the Operating Partnership (the "Partnership Agreement"), the Corporation has made a contribution of certain assets and liabilities to the Operating Partnership or its subsidiaries in exchange for preferred units having substantially the same economic rights and terms of the Series B Convertible Preferred Stock;

NOW THEREFORE, the Corporation, the managing general partner of the Operating Partnership (in such capacity, the "Managing General Partner"), hereby designates a series of preferred units and fixes the designations, powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of such preferred units, as follows:

SECTION 1. *Designation and Number.* The units of such series shall be designated "6.50% Series B Convertible Preferred Units" (the "Series B Convertible Preferred Units"). The authorized number of shares of Series B Convertible Preferred Units shall be 5,000,000. Each share of Series B Convertible Preferred Stock, as it relates to a single Series B Convertible Preferred Unit, shall be deemed the "Related Issue" hereunder.

SECTION 2. *Distributions.* The holders of Series B Convertible Preferred Units, in preference to the holders of Partnership Units of the Operating Partnership (the "Common Units"), any other series of Preferred Units ranking junior to the Series B Convertible Preferred Units either as to distributions or upon liquidation, dissolution or winding up ("Junior Preferred Units") or any other class or series of units of the Operating Partnership ranking junior to the Series B Convertible Preferred Units either as to distributions or upon liquidation, dissolution or winding-up ("Other Junior Units"), shall be entitled to receive an amount equal to the aggregate dividends payable on the Related Issue at the times such dividends are paid. For this purpose, the aggregate dividends payable on the Related Issue shall be determined by assuming that adequate cash and earnings are available to the Corporation for the payment of any dividends required to be paid with respect to the Related Issue. The Series B Convertible Preferred Units shall, with respect to allocations and distributions pursuant to Article VI of the Partnership Agreement, rank (A) junior to any other series of Preferred Units hereafter duly established, the terms of which shall specifically provide that such series shall rank prior to the Series B Convertible Preferred Units as to distributions and redemption rights, (B) *pari passu* with any other series of Preferred Units hereafter duly established, the terms of which shall specifically provide that such series shall rank *pari passu* with the Series B Convertible Preferred Units as to distributions and redemption rights and (C) prior to the Common Units, Junior Preferred Units and any Other Junior Units.

SECTION 3. *Conversion.* (a) *General*. On the terms and subject to the conditions of the Series B Convertible Preferred Stock Certificate of Designation (filed with the Corporation's

charter documents in the State of Delaware), the Series B Convertible Preferred Stock may be converted into shares of Common Stock, par value $.0001 per share, of the Corporation ("Common Stock"). The Series B Convertible Preferred Units shall be converted into Common Units at the time, at the conversion price and in such number as the Related Issue is converted into Common Stock. Common Units issuable upon the conversion of Series B Convertible Preferred Units shall be deemed "Conversion Units" hereunder.

(b) *Warrants Issued for Fractional Conversion Units.* No fractional Conversion Units or scrip representing fractions of Conversion Units shall be issued upon conversion of Series B Convertible Preferred Units. If a fractional Conversion Unit is otherwise deliverable to a converting holder upon a conversion of Series B Convertible Preferred Units, the Operating Partnership shall in lieu thereof pay to the person entitled thereto an amount in cash equal to the current value of such fraction, calculated to the nearest 1/1000th of a unit, to be computed using the current market price of a share of Common Stock on the date of conversion, determined in accordance with subparagraph 4(11) of the Series B Convertible Preferred Stock Certificate of Designation.

(c) *Payment of Taxes.* The Operating Partnership shall pay all documentary stamp or similar issue or transfer taxes payable in respect of the issue or delivery of securities on conversion of the Series B Convertible Preferred Units; *provided, however*, that (i) the Operating Partnership shall not be required to pay any tax to the extent payable in respect of any transfer involved in the issue or delivery of securities in a name other than that of the holder of Series B Convertible Preferred Units to be converted and (ii) no such issue or delivery shall be made unless and until such holder has paid to the Operating Partnership the amount of any tax described in clause (i) payable in respect of the units of such holder or has established, to the satisfaction of the Operating Partnership, that such tax has been paid or provided for.

SECTION 4. *Status of Converted or Redeemed Series B Convertible Preferred Units.* Upon any conversion or any redemption, repurchase or other acquisition by the Operating Partnership of Series B Convertible Preferred Units, the Series B Convertible Preferred Units so converted, redeemed, repurchased or acquired shall be retired and canceled.

SECTION 5. *Redemption.* Upon the redemption of any shares of the Related Issue, the Operating Partnership shall redeem an equal number of Series B Convertible Preferred Units for a redemption price per unit equal to the redemption price per share of the Related Issue, exclusive of any accrued unpaid dividends.

CERTIFICATE OF DESIGNATION

OF

8.00% SERIES E CUMULATIVE REDEEMABLE PREFERRED UNITS

OF

SIMON PROPERTY GROUP, L.P.

Pursuant to Articles 4.3(c) and 9.4 of the Seventh Amended and Restated Limited Partnership Agreement of Simon Property Group, L.P. (the "Operating Partnership");

WHEREAS, Simon Property Group, Inc. (the "Corporation") has issued 1,000,000 shares of 8.00% Series E Cumulative Redeemable Preferred Stock (the "Series E Cumulative Redeemable Preferred Stock"); and

WHEREAS, in accordance with the terms of the Seventh Amended and Restated Limited Partnership Agreement of the Operating Partnership (the "Partnership Agreement"), the Corporation has made a contribution of assets to the Operating Partnership in exchange for preferred units having substantially the same economic rights and terms of the Series E Cumulative Redeemable Preferred Stock.

NOW THEREFORE, the managing general partner of the Operating Partnership (in such capacity, the "Managing General Partner"), has designated a series of preferred units and has fixed the designations, powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of such preferred units, as follows:

SECTION 1. *Designation and Number.* The units of such series shall be designated "8.00% Series E Cumulative Redeemable Preferred Units" (the "Series E Cumulative Redeemable Preferred Units"). The authorized number of Series E Cumulative Redeemable Preferred Units shall be 1,000,000. Each share of Series E Cumulative Redeemable Preferred Stock, as it relates to a single Series E Cumulative Redeemable Preferred Unit, shall be deemed the "Related Issue" hereunder.

SECTION 2. *Distributions.* The holders of Series E Cumulative Redeemable Preferred Units, in preference to the holders of Partnership Units of the Operating Partnership (the "Common Units"), any other series of Preferred Units ranking junior to the Series E Cumulative Redeemable Preferred Units either as to distributions or upon liquidation, dissolution or winding-up ("Junior Preferred Units") or any other class or series of units of the Operating Partnership ranking junior to the Series E Cumulative Redeemable Preferred Units either as to distributions or upon liquidation, dissolution or winding-up ("Other Junior Units"), shall be entitled to receive an amount equal to the aggregate dividends payable on the Related Issue at the times such dividends are paid. For this purpose, the aggregate dividends payable on the Related Issue shall be determined by assuming that adequate cash and earnings are available to the Corporation for the payment of any dividends required to be paid with respect to the Related Issue. The Series E Cumulative Redeemable Preferred Units shall, with respect to allocations and distributions pursuant to Article VI of the Partnership Agreement, rank (A) junior to any other series of Preferred Units hereafter duly established, the terms of which shall specifically provide that such series shall rank prior to the Series E Cumulative Redeemable Preferred Units as to distributions and redemption rights, (B) *pari passu* with any series of Preferred Units hereafter duly established, the terms of which shall specifically provide that such series shall rank *pari passu* with the Series E Cumulative Redeemable Preferred Units as to distributions and redemption rights and (C) prior to the Common Units, Junior Preferred Units and any Other Junior Units.

SECTION 3. *Status of Redeemed Series E Cumulative Redeemable Preferred Units.* Upon any redemption, repurchase or other acquisition by the Operating Partnership of Series E Cumulative Redeemable Preferred Units, the Series E Cumulative Redeemable Preferred Units so converted, redeemed, repurchased or acquired shall be retired and canceled.

SECTION 4. *Redemption.* Upon the redemption of any shares of the Related Issue, the Operating Partnership shall redeem an equal number of Series E Cumulative Redeemable Preferred Units for a redemption price per unit equal to the redemption price per share of the Related Issue, exclusive of any accrued unpaid dividends.

CERTIFICATE OF DESIGNATION

OF

8^{3}/4% SERIES F CUMULATIVE REDEEMABLE PREFERRED UNITS

OF SIMON PROPERTY GROUP, L.P.

Pursuant to Articles 4.3(c) and 9.4 of the Seventh Amended and Restated Limited Partnership Agreement of Simon Property Group, L.P. (the "Operating Partnership");

WHEREAS, pursuant to an Agreement of Merger dated May 9, 2001 (the "Agreement of Merger") between SPG Properties, Inc., a Maryland corporation ("Properties") and Simon Property Group, Inc., a Delaware corporation (the "Corporation"), Properties was merged with and into the Corporation, with the Corporation being the surviving corporation, effective as of July 1, 2001 (the "Effective Time"); and

WHEREAS, at the Effective Time, each of the issued and outstanding shares of Properties' $8^3/4$% Series B Cumulative Redeemable Preferred Stock, par value $.0001 per share (the "Series B Cumulative Redeemable Preferred Stock"), were converted into the right to receive one share of the Corporation's $8^3/4$% Series F Cumulative Redeemable Preferred Stock, par value $.0001 per share (the "Series F Cumulative Redeemable Preferred Stock"); and

WHEREAS, the Series F Cumulative Redeemable Preferred Stock is intended to have identical powers, designations, preferences and rights as the Series B Cumulative Redeemable Preferred Stock; and

WHEREAS, at the Effective Time, the Corporation issued 8,000,000 shares of the Series F Cumulative Redeemable Preferred Stock; and

WHEREAS, in accordance with the terms of the Seventh Amended and Restated Limited Partnership Agreement of the Operating Partnership, Properties made a contribution of assets to the Operating Partnership in exchange for preferred units designated $8^3/4$% Series B Cumulative Redeemable Preferred Units (the "Series B Cumulative Redeemable Preferred Units") having substantially the same economic rights and terms as the Series B Cumulative Redeemable Preferred Stock; and

WHEREAS, the Corporation, as the general partner of the Operating Partnership (in such capacity, the "General Partner") wishes to evidence that as of the Effective Time, the Series B Cumulative Redeemable Preferred Units previously designated by the General Partner have substantially the same economic rights and terms as the Series F Cumulative Redeemable Preferred Stock, and further wishes to re-designate such preferred units to correspond to the Series F Cumulative Redeemable Preferred Stock.

NOW THEREFORE, the Corporation, as general partner of the Operating Partnership (in such capacity, the "General Partner"), has designated a series of preferred units and has fixed the designations, powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of such preferred units, as follows:

SECTION 1. *Designation and Number.* The units of such series shall be designated "$8^3/4$% Series F Cumulative Redeemable Preferred Units" (the "Series F Cumulative Redeemable Preferred Units"). The authorized number of shares of Series F Cumulative Redeemable Preferred Units shall be 8,000,000. Each share of Series F Cumulative Redeemable Preferred Stock, as it relates to a single Series F Cumulative Redeemable Preferred Unit, shall be deemed the "Related Issue" hereunder.

SECTION 2. *Distributions.* The holders of Series F Cumulative Redeemable Preferred Units, in preference to the holders of Partnership Units (as that term is defined in the Partnership Agreement) of the Operating Partnership (the "Common Units"), any other series of Preferred Units ranking junior to the Series F Cumulative Redeemable Preferred Units either as to distributions or upon liquidation, dissolution or winding-up ("Junior Preferred Units") or any other class or series of units of the Operating Partnership ranking junior to the Series F Cumulative Redeemable Preferred Units either as to distributions or upon liquidation, dissolution or winding-up ("Other Junior Units"), shall be entitled to receive an amount equal to the aggregate dividends payable on the Related Issue at the times such dividends are paid. For this purpose, the aggregate dividends payable on the Related Issue shall be determined by assuming that adequate cash and earnings are available to the Corporation for the payment of any dividends required to be paid with respect to the Related Issue. The Series F Cumulative Redeemable Preferred Units shall, with respect to allocations and distributions pursuant to Article VI of the Partnership Agreement, rank (A) junior to any other series of Preferred Units hereafter duly established, the terms of which shall specifically provide that such series shall rank prior to the Series F Cumulative Redeemable Preferred Units as to distributions and redemption rights, (B) *pari passu* with any series of Preferred Units hereafter duly established, the terms of which shall specifically provide that such series shall rank *pari passu* with the Series F Cumulative Redeemable Preferred Units as to distributions and redemption rights and (C) prior to the Common Units, Junior Preferred Units and any Other Junior Units.

SECTION 3. *Status of Redeemed Series F Cumulative Redeemable Preferred Units.* Upon any redemption, repurchase or other acquisition by the Operating Partnership of Series F Cumulative Redeemable Preferred Units, the Series F Cumulative Redeemable Preferred Units so converted, redeemed, repurchased or acquired shall be retired and canceled.

SECTION 4. *Redemption.* Upon the redemption of any shares of the Related Issue, the Operating Partnership shall redeem an equal number of Series F Cumulative Redeemable Preferred Units for a redemption price per unit equal to the redemption price per share of the Related Issue, exclusive of any accrued unpaid dividends.

CERTIFICATE OF DESIGNATION

OF

7.89% SERIES G CUMULATIVE STEP-UP PREMIUM RATE PREFERRED UNITS

OF

SIMON PROPERTY GROUP, L.P.

Pursuant to Articles 4.3(c) and 9.4 of the Seventh Amended and Restated Limited Partnership Agreement of Simon Property Group, L.P. (the "Operating Partnership");

WHEREAS, pursuant to an Agreement of Merger dated May 9, 2001 (the "Agreement of Merger") between SPG Properties, Inc., a Maryland corporation ("Properties") and Simon Property Group, Inc., a Delaware corporation (the "Corporation"), Properties were merged with and into the Corporation, with the Corporation being the surviving corporation, effective as of July 1, 2001 (the "Effective Time"); and

WHEREAS, at the Effective Time, each of the issued and outstanding shares of Properties' 7.89% Series C Cumulative Step-Up Premium Rate Preferred Stock, par value $.0001 per share (the "Series C Cumulative Step-Up Premium Rate Preferred Stock"), were converted into the right to receive one share of the Corporation's 7.89% Series G Cumulative Step-Up Premium Rate Preferred Stock, par value $.0001 per share (the "Series G Cumulative Step-Up Premium Rate Preferred Stock"); and

WHEREAS, the Series G Cumulative Step-Up Premium Rate Preferred Stock is intended to have identical powers, designations, preferences and rights as the Series C Cumulative Step-Up Premium Rate Preferred Stock; and

WHEREAS, at the Effective Time, the Corporation issued 3,000,000 shares of the Series G Cumulative Step-Up Premium Rate Preferred Stock; and

WHEREAS, in accordance with the terms of the Seventh Amended and Restated Limited Partnership Agreement of the Operating Partnership, Properties made a contribution of assets to the Operating Partnership in exchange for preferred units designated 7.89% Series C Cumulative Step-Up Premium Rate Preferred Units (the "Series C Cumulative Step-Up Premium Rate Preferred Units") having substantially the same economic rights and terms as the Series C Cumulative Step-Up Premium Rate Preferred Stock; and

WHEREAS, the Corporation, as the general partner of the Operating Partnership (in such capacity, the "General Partner") wishes to evidence that as of the Effective Time, the Series C Cumulative Step-Up Premium Rate Preferred Units previously designated by the General Partner have substantially the same economic rights and terms as the Series G Cumulative Step-Up Premium Rate Preferred Stock, and further wishes to re-designate such preferred units to correspond to the Series G Cumulative Step-Up Premium Rate Preferred Stock.

NOW THEREFORE, the General Partner has designated a series of preferred units and has fixed the designations, powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of such preferred units, as follows:

SECTION 1. *Designation and Number.* The units of such series shall be designated "7.89% Series G Cumulative Step-Up Premium Rate Preferred Units" (the "Series G Cumulative Step-Up Premium Rate Preferred Units"). The authorized number of shares of Series G Cumulative Step-Up Premium Rate Preferred Units shall be 3,000,000. Each share of Series G Cumulative

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Step-Up Premium Rate Preferred Stock, as it relates to a single Series G Cumulative Step-Up Premium Rate Preferred Unit, shall be deemed the "Related Issue" hereunder.

SECTION 2. *Distributions.* The holders of Series G Cumulative Step-Up Premium Rate Preferred Units, in preference to the holders of Partnership Units (as that term is defined in the Partnership Agreement) of the Operating Partnership (the "Common Units"), any other series of Preferred Units ranking junior to the Series G Cumulative Step-Up Premium Rate Preferred Units either as to distributions or upon liquidation, dissolution or winding-up ("Junior Preferred Units") or any other class or series of units of the Operating Partnership ranking junior to the Series G Cumulative Step-Up Premium Rate Preferred Units either as to distributions or upon liquidation, dissolution or winding-up ("Other Junior Units"), shall be entitled to receive an amount equal to the aggregate dividends payable on the Related Issue at the times such dividends are paid. For this purpose, the aggregate dividends payable on the Related Issue shall be determined by assuming that adequate cash and earnings are available to the Corporation for the payment of any dividends required to be paid with respect to the Related Issue. The Series G Cumulative Step-Up Premium Rate Preferred Units shall, with respect to allocations and distributions pursuant to Article VI of the Partnership Agreement, rank (A) junior to any other series of Preferred Units hereafter duly established, the terms of which shall specifically provide that such series shall rank prior to the Series G Cumulative Step-Up Premium Rate Preferred Units as to distributions and redemption rights, (B) *pari passu* with any series of Preferred Units hereafter duly established, the terms of which shall specifically provide that such series shall rank *pari passu* with the Series G Cumulative Step-Up Premium Rate Preferred Units as to distributions and redemption rights and (C) prior to the Common Units, Junior Preferred Units and any Other Junior Units.

SECTION 3. *Status of Redeemed Series G Cumulative Step-Up Premium Rate Preferred Units.* Upon any redemption, repurchase or other acquisition by the Operating Partnership of Series G Cumulative Step-Up Premium Rate Preferred Units, the Series G Cumulative Step-Up Premium Rate Preferred Units so converted, redeemed, repurchased or acquired shall be retired and canceled.

SECTION 4. *Redemption.* Upon the redemption of any shares of the Related Issue, the Operating Partnership shall redeem an equal number of Series G Cumulative Step-Up Premium Rate Preferred Units for a redemption price per unit equal to the redemption price per share of the Related Issue, exclusive of any accrued unpaid dividends.

CERTIFICATE OF DESIGNATION
OF
SERIES H VARIABLE RATE PREFERRED UNITS
OF
SIMON PROPERTY GROUP, L.P.

Pursuant to Articles 4.3(c) and 9.4 of the Seventh Amended and Restated Limited Partnership Agreement of Simon Property Group, L.P. (the "Operating Partnership"):

WHEREAS, on December 15, 2003, Simon Property Group, Inc., a Delaware corporation (the "Corporation"), issued 3,328,540 shares of Series H Variable Rate Preferred Stock, par value $.0001 per share (the "Series H Preferred Stock"); and

WHEREAS, in accordance with the terms of the Seventh Amended and Restated Limited Partnership Agreement of the Operating Partnership, the Corporation will contribute an amount equal to the proceeds of the sale of the Series H Preferred Stock to the Operating Partnership in exchange for preferred units having substantially the same economic rights and terms as the Series H Preferred Stock; and

WHEREAS, the Corporation, as the general partner of the Operating Partnership (in such capacity, the "General Partner") wishes to designate as of December 15, 2003, the terms of the preferred units having substantially the same economic rights and terms as the Series H Preferred Stock.

NOW THEREFORE, the Corporation, as general partner of the Operating Partnership (in such capacity, the "General Partner"), hereby designates a series of preferred units and fixes the designations, powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of such preferred units, as follows:

Designation and Number. The units of such series shall be designated "Series H Variable Rate Preferred Units" (the "Series H Preferred Units"). The authorized number of Series H Preferred Units shall be 3,328,540. Each share of Series H Preferred Stock, as it relates to a single Series H Preferred Unit, shall be deemed the "Related Issue" hereunder.

Distributions. The holders of Series H Preferred Units, in preference to the holders of Partnership Units (as that term is defined in the Partnership Agreement) of the Operating Partnership (the "Common Units"), any other series of Preferred Units ranking junior to the Series H Preferred Units either as to distributions or upon liquidation, dissolution or winding-up ("Junior Preferred Units") or any other class or series of units of the Operating Partnership ranking junior to the Series H Preferred Units either as to distributions or upon liquidation, dissolution or winding-up ("Other Junior Units"), shall be entitled to receive as distributions an amount equal to the aggregate dividends payable on the Related Issue at the times such dividends are paid. For this purpose, the aggregate dividends payable on the Related Issue shall be determined by assuming that adequate cash and earnings are available to the Corporation for the payment of any dividends required to be paid with respect to the Related Issue. The Series H Preferred Units shall, with respect to allocations and distributions pursuant to Article VI of the Partnership Agreement, rank (A) junior to any other series of Preferred Units hereafter duly established, the terms of which shall specifically provide that such series shall rank prior to the Series H Preferred Units as to distributions and redemption rights, (B) *pari passu* with any series of Preferred Units hereafter duly established, the terms of which shall specifically provide that such series shall rank *pari passu* with the Series H Preferred Units as to distributions and redemption rights and (C) prior to the Common Units, Junior Preferred Units and any Other Junior Units.

Status of Redeemed Series H Preferred Units. Upon any redemption, repurchase or other acquisition by the Operating Partnership of Series H Preferred Units, the Series H Preferred Units so converted, redeemed, repurchased or acquired shall be retired and canceled.

Redemption. Upon the redemption of any shares of the Related Issue, the Operating Partnership shall redeem an equal number of Series H Preferred Units for a redemption price per unit equal to the redemption price per share of the Related Issue, exclusive of any accrued unpaid dividends.

EXHIBIT B-2—LP PREFERRED UNIT DESIGNATION

CERTIFICATE OF DESIGNATION

OF

7.00% CUMULATIVE CONVERTIBLE PREFERRED UNITS

OF

SIMON PROPERTY GROUP, L.P.

WHEREAS, Simon Property Group, L.P. (the "Operating Partnership") has agreed to designate a series of preferred units having the powers, preferences and relative, participating, optional or other special rights set forth herein and to issue the units so designated solely as partial consideration for the NED Portfolio Properties as defined in certain contribution agreements with respect to properties the sale of which was arranged by NED Management Limited Partnership and WellsPark Management LLC and, under certain circumstances, as partial consideration for Pheasant Lane Mall in Nashua New Hampshire and Cambridgeside Galleria in Cambridge, Massachusetts pursuant to contribution agreements with respect to those properties (the contribution agreements for the NED Portfolio Properties. Pheasant Lane Mall and Cambridgeside Galleria are referred to herein as the "Contribution Agreements"); and

WHEREAS, the designation of the preferred units of the Operating Partnership hereby is permitted by the terms of the Seventh Amended and Restated Limited Partnership Agreement of the Operating Partnership (the "Partnership Agreement"); and

WHEREAS, Simon Property Group, Inc. (the "Corporation"), the managing general partner of the Operating Partnership (in such capacity, the "Managing General Partner"), has determined that it is in the best interest of the Operating Partnership to designate a new series of preferred units of the Operating Partnership;

NOW THEREFORE, the Managing General Partner hereby designates a series of preferred units and fixes the designations, powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of such preferred units, as follows:

SECTION 1. *Designation and Number.* The units of such series shall be designated "7.00% Cumulative Convertible Preferred Units" (the "7.00% Cumulative Convertible Preferred Units"). The authorized number of 7.00% Cumulative Convertible Preferred Units shall be 1,500,000 but such 7.00% Cumulative Convertible Preferred Units shall only be issuable as consideration pursuant to the Contribution Agreements. Subject to Sections 5 and 6 hereof, each 7.00% Cumulative Convertible Preferred Unit shall be paired with one (1) 8.00% Cumulative Redeemable Preferred Unit of the Operating Partnership ("8.00% Cumulative Redeemable Preferred Unit") or, if issued, with New Preferred Units as permitted under Section 5 of the Certificate of Designation of 8.00% Cumulative Redeemable Preferred Units (the "8.00% Certificate of Designation") and such paired units shall be subject to the transfer restrictions set forth in Section 9 hereof (as such, "Paired Units"); provided that in the event of (i) the redemption by the Operating Partnership of 8.00% Cumulative Redeemable Preferred Units for Common Units; (ii) the conversion of 8.00% Cumulative Redeemable Preferred Units into 8.00% Cumulative Redeemable Preferred Stock (as defined in the 8.00% Certificate of Designation) as permitted under Section 6 of such 8.00% Certificate of Designation or (iii) the repurchase of 8.00% Cumulative Redeemable Preferred Units payable in Paired Shares as permitted under Section 7 of such 8.00% Certificate of Designation, then in each such case, the 7% Cumulative Convertible Preferred Units shall cease to be paired with such Common Units issuable upon such redemption, such 8.00% Cumulative Redeemable Preferred Stock issuable upon such conversion,

or such Paired Shares issuable upon repurchase, as the case may be, of the 8.00% Cumulative Redeemable Preferred Units and the provisions of Section 9(b) hereof shall no longer apply to the 7.00% Cumulative Convertible Preferred Units which had been paired with the 8.00% Cumulative Redeemable Preferred Stock which were so redeemed or converted.

SECTION 2. *Ranking.* The 7.00% Cumulative Convertible Preferred Units shall, with respect to the payment of distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership, rank: (i) senior to the holders of Partnership Units of the Operating Partnership (the "Common Units") and any other equity securities of the Operating Partnership which by their terms rank junior to the 7.00% Cumulative Convertible Preferred Units as to distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership (such Common Units and such other equity securities, collectively, the "Junior Units"), (ii) pari passu with any other preferred units which are not by their terms junior or, subject to Section 11 hereof, senior to the 7.00% Cumulative Convertible Preferred Units as to distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership, and in all respects shall rank pari passu with the 6.50% Series A Convertible Preferred Units, Series B Convertible Preferred Units, 8^{3}/4% Series B Cumulative Redeemable Preferred Units, 7.89% Series C Cumulative Step-Up Premium Rate Preferred Units and 8.00% Cumulative Redeemable Preferred Units, which are the only preferred units of the Operating Partnership authorized as of the date hereof ("Parity Units") and (iii) subject to Section 11 hereof, junior to any other preferred units which by their terms are senior to the 7.00% Cumulative Convertible Preferred Units as to distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership ("Senior Units").

SECTION 3. *Distributions.* (a) Distributions on the 7.00% Cumulative Convertible Preferred Units are cumulative from the date of issuance and are payable quarterly on or about the last day of March, June, September and December of each year in an amount in cash equal to 7.00% of the Liquidation Preference (as defined herein) per annum.

(b) Distributions on the 7.00% Cumulative Convertible Preferred Units, without any additional return on unpaid distributions, will accrue, whether or not the Operating Partnership has earnings, whether or not there are funds legally available for the payment of such distribution and whether or not such distributions are declared or paid when due. All such distributions accumulate from the first date of issuance of any such 7.00% Cumulative Convertible Preferred Units. Distributions on the 7.00% Cumulative Convertible Preferred Units shall cease to accumulate on such units on the date of their earlier conversion or redemption.

(c) In allocating items of income, gain, loss and deductions which could have an effect upon the determination of the federal income tax liability of any holder of a 7.00% Cumulative Convertible Preferred Unit, except as otherwise required by Section 704(c) of the Internal Revenue Code of 1986, as amended, or any other applicable provisions thereof, the Operating Partnership shall allocate each such item proportionately, based on the distributive share of profits or losses, as the case may be, of the Operating Partnership allocated to holders of the 7.00% Cumulative Convertible Preferred Units as compared to the total of the distributive shares of such profits and losses, as the case may be, allocated to all partners of the Operating Partnership.

(d) If any 7.00% Cumulative Convertible Preferred Units are outstanding, then, except as provided in the following sentence, no distributions shall be declared or paid or set apart for payment on any Parity Units or Junior Units for any period unless full cumulative distributions

have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for such payments on the 7.00% Cumulative Convertible Preferred Units for all past distribution periods and the then current distribution period. When distributions are not paid in full (or a sum sufficient for such full payment is not set apart) upon the 7.00% Cumulative Convertible Preferred Units and any Parity Units, all distributions declared upon the 7.00% Cumulative Convertible Preferred Units and any other Parity Units shall be declared pro rata so that the amount of distributions declared per 7.00% Cumulative Convertible Preferred Unit and such other Parity Units shall in all cases bear to each other the same ratio that accrued distributions per 7.00% Cumulative Convertible Preferred Unit and such other series of Parity Units bear to each other.

(e) Except as provided in subparagraph (d) above, unless full cumulative distributions on the 7.00% Cumulative Convertible Preferred Units have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past distribution periods and the then current distribution period, no distributions (other than in Junior Units) shall be declared, set aside for payment or paid and no other distribution shall be declared or made upon any Junior Units, nor shall any Junior Units be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any such Junior Units) by the Operating Partnership (except by conversion into or exchange for Junior Units).

SECTION 4. *Liquidation Preference.* (a) Each 7.00% Cumulative Convertible Preferred Unit shall be entitled to a liquidation preference of $28.00 per 7.00% Cumulative Convertible Preferred Unit ("Liquidation Preference").

(b) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Operating Partnership pursuant to Article VIII of the Partnership Agreement, the holders of 7.00% Cumulative Convertible Preferred Units then outstanding shall be entitled to be paid out of the assets of the Operating Partnership available for distribution, after and subject to the payment in full of all amounts required to be distributed to the holders of Senior Units, but before any payment shall be made to the holders of Junior Units, an amount equal to the aggregate Liquidation Preference of the 7.00% Cumulative Convertible Preferred Units held by such holder, plus an amount equal to accrued and unpaid distributions thereon, if any. If upon any such liquidation, dissolution or winding up of the Operating Partnership the remaining assets of the Operating Partnership available for the distribution after payment in full of amounts required to be paid or distributed to holders of Senior Units shall be insufficient to pay the holders of the 7.00% Cumulative Convertible Preferred Units the full amount to which they shall be entitled, the holders of the 7.00% Cumulative Convertible Preferred Units and the holders of any series of Parity Units shall share ratably with other holders of Parity Units in any distribution of the remaining assets and funds of the Operating Partnership in proportion to the respective amounts which would otherwise be payable in respect to the Parity Units held by each of the said holders upon such distribution if all amounts payable on or with respect to said Parity Units were paid in full. After payment in full of the Liquidation Preference and accumulated and unpaid distributions to which they are entitled, the holders of 7.00% Cumulative Convertible Preferred Units shall not be entitled to any further participation in any distribution of the assets of the Operating Partnership.

SECTION 5. *Redemption.* (a) *General*. The 7.00% Cumulative Convertible Preferred Units are not redeemable, except as permitted under Sections 6 and 7 herein, prior to August 27, 2009.

(b) *Optional Redemption*. (i) On and after August 27, 2009, the Operating Partnership may, at its option, at any time, redeem the 7.00% Cumulative Convertible Preferred Units, in whole or in part, at the Liquidation Preference, plus accrued and unpaid distributions thereon,

if any, to and including the date of redemption (the "Redemption Price"). The Redemption Price (other than the portion thereof consisting of accrued and unpaid distributions, which shall be payable in cash) is payable in Common Units at the Deemed Partnership Unit Value, as of the Redemption Date (as defined below), of the Common Units to be issued.

(ii) Provided that no later than the Redemption Date the Operating Partnership shall have (A) set apart the funds necessary to pay the accrued and unpaid distribution on all the 7.00% Cumulative Convertible Preferred Units then called for redemption and (B) reserved for issuance a sufficient number of authorized Common Units, the Operating Partnership may give the holders of the 7.00% Cumulative Convertible Preferred Units written notice ("Redemption Notice") of a redemption pursuant to Section 5(b) (a "Redemption") not more than 70 nor less than 40 calendar days prior to the date fixed for redemption (the "Redemption Date") at the address of such holders on the books of the Operating Partnership (provided that failure to give such notice or any defect therein shall not affect the validity of the proceeding for a Redemption except as to the holder to whom the Operating Partnership has failed to give such notice or whose notice was defective). The 7.00% Cumulative Convertible Preferred Units for which the Redemption Price has been paid shall no longer be deemed outstanding from and after the date of payment and all rights with respect to such units shall forthwith cease and terminate. In case fewer than all of the outstanding 7.00% Cumulative Convertible Preferred Units are called for redemption, such units shall be redeemed pro rata, as nearly as practicable, among all holders of 7.00% Cumulative Convertible Preferred Units, provided that, if within 20 business days of the Redemption Notice the Contributor Representative (as such term is defined in the Tax Protection Agreement entered into on or prior to the date hereof between Operating Partnership and certain other parties (the "Tax Protection Agreement")) notifies the Operating Partnership of an alternative allocation ("Allocation Notice"), then the redemption of the 7.00% Cumulative Preferred Units shall be allocated in accordance with such Allocation Notice. On or before the Redemption Date, a holder of 7.00% Cumulative Convertible Preferred Units shall have the conversion right set forth in Section 6 hereof notwithstanding anything in this Section 5 to the contrary.

(c) In the event of the redemption of a 7.00% Cumulative Convertible Preferred Unit pursuant to this Section 5 for Common Units (but not any Paired Shares issued upon conversion thereof in exchange therefore), then such Common Units issuable upon such conversion shall be paired with 8.00% Cumulative Redeemable Preferred Units so that they are transferable, redeemable or convertible as a paired unit consisting of the Common Units so issued and one (1) 8.00% Cumulative Redeemable Preferred Unit and such paired units shall be "Paired Units" for purposes hereof.

SECTION 6. *Conversion.* (a) Each 7.00% Cumulative Convertible Preferred Unit shall be convertible at the option of the holder, at any time on and after August 27, 2004, upon no less than 15 business days prior written notice to the Corporation and the Operating Partnership, in whole or in part, unless previously redeemed, pursuant to Section 6(b) below.

(b) Each 7.00% Cumulative Convertible Preferred Unit that the holder elects to convert will be redeemed for the sum of (i) a share of 7.00% Cumulative Convertible Preferred Stock of the Corporation having an aggregate liquidation preference equal to the Liquidation Preference of the 7.00% Cumulative Convertible Preferred Units that the holder elects to convert plus (ii) a cash payment in an amount equal to accrued and unpaid distributions thereon. The preferred stock of the Corporation so issued shall have the rights and preferences set forth on Annex I hereto ("Corporation 7.00% Cumulative Convertible Preferred Stock"); provided, however, if the Closing Price of the Paired Shares on any three

(3) consecutive trading days occurring after the date hereof is greater than the then Threshold Value (defined below), then each such 7.00% Cumulative Convertible Preferred Unit that the holder so elects to convert will instead be converted into 0.75676 Common Units (as adjusted from time to time pursuant to Section 6(c) hereof, the "Conversion Factor"). Common Units or Corporation 7.00% Cumulative Convertible Preferred Stock issuable upon the conversion of 7.00% Cumulative Convertible Preferred Units shall be deemed "Conversion Units" hereunder. The "Threshold Value" initially shall be $37.00 but shall be subject to adjustment pursuant to Section 6(d) hereof.

(c) Adjustments to the Conversion Factor. (i) Adjustments for Dividends and Distributions. In case the Operating Partnership shall at any time or from time to time after the original issuance of the 7.00% Cumulative Convertible Preferred Units declare a dividend, or make a distribution, on the outstanding Common Units, in either case, in additional Common Units, or effect a subdivision, combination, consolidation or reclassification of the outstanding Common Units into a greater or lesser number of Common Units, then, and in each such case, the Conversion Factor in effect immediately prior to such event or the record date therefore, whichever is earlier, shall be adjusted by multiplying such Conversion Factor by a fraction, (A) the numerator of which is the number of Common Units that were outstanding immediately after such event and (B) the denominator of which is the number of Common Units outstanding immediately prior to such event. An adjustment made pursuant to this Section 6(c) shall become effective in the case of any such dividend or distribution, immediately after the close of business on the record date for the determination of holders of Common Units entitled to receive such dividend or distribution, or in the case of any such subdivision, reclassification, consolidation or combination, at the close of business on the day upon which such partnership action becomes effective.

(ii) Adjustment for Issuances. In case the Corporation shall issue (other than upon the exercise of options, rights or convertible securities) Paired Shares at a price per share less than 95% of the Current Per Share Market Price, then, and in each such case, the Conversion Factor in effect immediately prior to such issuance shall be adjusted so as to be equal to an amount determined by multiplying the Conversion Factor in effect immediately prior to such event by a fraction of which (A) the numerator shall be (x) the number of Paired Shares outstanding at the close of business on the date immediately preceding such issuance plus (y) the number of Paired Shares so issued and (B) the denominator shall be (x) the number of Paired Shares outstanding immediately preceding such issuance plus (y) the number of Paired Shares which the aggregate consideration receivable by the Corporation in connection with such issuance would purchase at such Current Per Share Market Price. For purposes of this Section 6(c)(ii), the aggregate consideration receivable by the Corporation in connection with the issuance for cash of Paired Shares shall be deemed to be equal to the gross offering price (before deduction of customary underwriting discounts or commissions and expenses payable to third parties) of all such securities being issued.

(iii) Issuance of Options, Warrants or Other Rights. In case the Corporation shall issue rights to subscribe for or purchase, or options or warrants to purchase, any Paired Shares (or securities convertible into Paired Shares) at a price per Paired Share (or having a conversion price per Paired Share) less than 95% of the Current Per Share Market Price, the Conversion Factor in effect immediately prior thereto shall be adjusted so that it shall equal the price determined by multiplying the Conversion Factor in effect immediately prior thereto by a fraction, of which (A) the numerator shall be (x) the number of Paired Shares outstanding on the date immediately preceding such issuance plus (y) the total number of additional Paired Shares offered for subscription or issuable

upon exercise of such options or warrants (or into which the convertible securities so offered are convertible) and (B) the denominator of which shall be (x) the number of Paired Shares outstanding at the close of business on the date immediately preceding such issuance plus (y) the number of Paired Shares which the aggregate offering price of the total number of Paired Shares so offered for subscription or issuable upon exercise of such options or warrants (or the aggregate conversion price of the convertible securities so offered) would purchase at such the Current Per Share Market Price. Such adjustment shall be made successively whenever any rights, options or warrants are issued; provided, however, that in the event that all Paired Shares offered for subscription or purchase are not delivered (or securities convertible into Paired Shares are not delivered) upon the exercise of such rights, options or warrants, upon the expiration of such rights, options or warrants the Conversion Factor shall be readjusted to the Conversion Factor which would have been in effect had the numerator and the denominator of the foregoing fraction and the resulting adjustments made upon the issuance of such rights, options or warrants been made based upon the number of Paired Shares (or securities convertible into Paired Shares) actually delivered upon the exercise of such rights, options or warrants rather than upon the number of Paired Shares offered for subscription or purchase. In determining whether any rights, options or warrants entitle the holders to subscribe for or purchase Paired Shares at less than 95% of such Current Per Share Market Price, and in determining the aggregate offering price of such rights, options or warrants (or the aggregate conversion price of the convertible securities), there shall be taken into account any consideration received by the Corporation for such rights, options or warrants (or convertible securities) and receivable by the Corporation upon the exercise or conversion thereof, the value of such consideration, if other than cash, to be determined in good faith by the Board of Directors. Notwithstanding the foregoing, this Section 6(c)(iii) shall not apply to the issuance of a right, option or warrant to purchase Paired Shares pursuant to any employee stock option or similar plan adopted by the Board of Directors of the Corporation.

(iv) Adjustment for Consolidation, Merger, Reorganization or Recapitalization, etc. In case of any consolidation, merger or reorganization of the Corporation or the Operating Partnership with or into another Entity or the sale of all or substantially all of the assets of the Corporation or the Operating Partnership to another Entity (other than a consolidation, merger or sale which is treated as a liquidation pursuant to Section 4 hereof or any recapitalization of either the Corporation or the Operating Partnership), each 7.00% Cumulative Convertible Preferred Unit shall, in the case of such sale, thereafter be convertible into the kind and amount of shares of stock or other securities or property to which a holder of the number of shares of Corporation 7.00% Cumulative Convertible Preferred Stock of the Corporation or Common Units of the Operating Partnership, as the case may be, deliverable upon conversion of such 7.00% Cumulative Convertible Preferred Units would have been entitled upon such sale and, in the case of such consolidation, merger or reorganization or recapitalization, the holder of each 7.00% Cumulative Convertible Preferred Unit will, insofar as practicable, receive a security or securities in the surviving entity or the recapitalized entity, as the case may be, comparable to the 7.00% Cumulative Convertible Preferred Unit which, among other comparable provisions, insofar as may be practicable, shall be convertible into securities comparable to the Common Units but shall, following such merger, consolidation or reorganization, be immediately convertible following such merger, consolidation or reorganization notwithstanding the requirements set forth in Section 6(b) hereof; and, in such case, other appropriate adjustments (as determined in good faith by the Board of Directors of the Corporation, in the case of a consolidation, merger, reorganization,

recapitalization or sale involving the Corporation, or the Managing General Partner, in the case of a consolidation, merger, reorganization, recapitalization or sale involving the Operating Partnership) shall be made in the application of the provisions in this Section 6 set forth with respect to the rights and interests thereafter of the holders of the 7.00% Cumulative Convertible Preferred Units, to the end that the provisions set forth in this Section 6 (including provisions with respect to changes in and other adjustments of the Conversion Factor) shall thereafter be applicable, as nearly as reasonably may be, in relation to any shares of stock, partnership units or other property thereafter deliverable upon the conversion of the 7.00% Cumulative Convertible Preferred Units.

(d) Adjustments to the Threshold Value. (i) In case the Corporation shall at any time or from time to time after the original issuance of the 7.00% Cumulative Convertible Preferred Units declare a dividend, or make a distribution, on the outstanding Paired Shares, in either case, in additional Paired Shares, or effect a subdivision, combination, consolidation or reclassification of the outstanding Paired Shares into a greater or lesser number of Paired Shares, then, and in each such case, the Threshold Value in effect immediately prior to such event or the record date therefore, whichever is earlier, shall be adjusted by multiplying such Threshold Value by a fraction, (A) the numerator of which is the number of Paired Shares that were outstanding immediately prior such event and (B) the denominator of which is the number of Paired Shares outstanding immediately after to such event.

(ii) The Threshold Value shall also be equitably adjusted to reflect the effect of an issuance which would result in an adjustment to the Conversion Factor under Section 6(c)(iv).

(iii) An adjustment made pursuant to this Section 6(d) shall become effective in the case of any such dividend or distribution, immediately after the close of business on the record date for the determination of holders of Paired Shares entitled to receive such dividend or distribution, or in the case of any such subdivision, reclassification, recapitalization, consolidation or combination, at the close of business on the day upon which such partnership or corporate action becomes effective.

(e) No adjustment in the Conversion Factor or the Threshold Value shall be required unless such adjustment would require an increase or decrease of at least 0.25% of the Conversion Factor or the Threshold Value, as applicable; provided, that any adjustments which by reason of this Section 6(e) are not required to be made shall be carried forward and taken into account in any subsequent adjustment.

(f) No fractional Conversion Units or scrip representing fractions of Conversion Units shall be issued upon conversion of a 7.00% Cumulative Convertible Preferred Unit. If a fractional Conversion Unit is otherwise deliverable to a converting holder upon a conversion of 7.00% Cumulative Convertible Preferred Units, the Operating Partnership shall in lieu thereof pay to the person entitled thereto an amount in cash equal to the current value of such fractional interest, calculated to the nearest 1/1000th of a unit, to be computed using the current market price of a Paired Share on the date of conversion, in the case of a conversion into Common Units.

(g) Whenever the Conversion Factor is adjusted pursuant to Section 6(c) or the Threshold Value is adjusted pursuant to Section 6(d), the Operating Partnership shall promptly mail to the holders of 7.00% Cumulative Convertible Preferred Units at their addresses as shown on the books of the Operating Partnership and to the Contributor Representative at its notice address pursuant to the Tax Protection Agreement a notice stating that the Conversion Factor and/or the Threshold Value, as the case may be, has been adjusted, the effective date of such adjustment and the new Conversion Factor or Threshold Value.

(h) In the event of the conversion of a 7.00% Cumulative Convertible Preferred Unit pursuant to this Section 6 into Common Units, then such Common Units issuable upon such conversion shall be paired with 8.00% Cumulative Redeemable Preferred Units so that they are transferable, redeemable or convertible as a paired unit consisting of 0.75676 Common Units (subject to adjustment) and one (1) 8.00% Cumulative Redeemable Preferred Unit and such paired units shall be "Paired Units" for purposes hereof; provided, however, that 8.00% Cumulative Redeemable Preferred Units shall not be paired with Paired Shares issued upon conversion or in exchange for Common Units. In the event of the conversion of a 7.00% Cumulative Convertible Preferred Unit pursuant to this Section 6 into 7.00% Cumulative Convertible Preferred Stock, then the 8.00% Cumulative Redeemable Preferred Unit to which it is paired shall simultaneously be converted into 8.00% Cumulative Convertible Preferred Stock pursuant to Section 6 of the 8.00% Certificate of Designation.

SECTION 7. *Put Right.* (a) In the event of (i) the death of an Actual Taxpayer (as defined in the Tax Protection Agreement) holding directly or indirectly 7.00% Cumulative Convertible Preferred Units, (ii) in the case of 7.00% Cumulative Convertible Preferred Units held directly or indirectly by an Actual Taxpayer in trust, the death of the person designated from time to time by the trustee(s) of such trust, or (iii) a Tax Triggering Event with respect to an Actual Taxpayer holding directly or indirectly 7.00% Cumulative Convertible Preferred Units, then in any such event such holder or the subsequent holder or holders, as the case may be, of such 7.00% Cumulative Convertible Preferred Units may require the Operating Partnership to repurchase such 7.00% Cumulative Convertible Preferred Units, in accordance with Section 7(b) below, at a price of $28.00 per 7.00% Cumulative Convertible Preferred Unit, plus distributions accrued and unpaid to the repurchase date (such sum, the "Repurchase Price"). As used in this Section 7(a), "Tax Triggering Event" means, with respect to any Actual Taxpayer holding directly or indirectly 7.00% Cumulative Convertible Preferred Units, any transaction by the Operating Partnership (x) involving the Contributed Property and (y) constituting a Taxable Sale. The terms Contributed Property and Taxable Sale shall have the meanings specified in the Tax Protection Agreement. The term "Repurchase Date" shall mean the date on which the first payment (in cash or Paired Shares) is made as described in Section 7(b) below.

(b) The aggregate Repurchase Price shall be paid within one year after the exercise of the right described in Section 7(a) above, at the option of the Operating Partnership, (i) in cash, or (ii) in fully registered Paired Shares valued at the Current Per Share Market Price for such Paired Shares as of the date such shares are to be issued hereunder, except that the portion of the aggregate Repurchase Price consisting of accrued and unpaid distributions shall be paid in full in cash when such distributions are paid with respect to other 7.00% Cumulative Convertible Preferred Units, but in no event later than the time of the first cash payment provided in this Section 7(b) or the issuance of such Paired Shares, as the case may be. If the Operating Partnership elects to pay for the 7.00% Cumulative Convertible Preferred Units in cash, the aggregate Repurchase Price shall be paid, at the option of the Operating Partnership, either (x) in full on or before such date which is one year after the exercise of the right described in Section 7(a) above or (y) in four (4) equal annual installments commencing not later than one year after the exercise of the right described in Section 7(a) above, with interest accruing on unpaid amounts from the date of exercise of the right described in Section 7(a) above at the rate of 7% per annum.

SECTION 8. *No Right to Certain Distributions.* Any holder of 7.00% Cumulative Convertible Preferred Units whose units are redeemed pursuant to Section 5 hereto, converted pursuant to Section 6 hereto or caused to be repurchased pursuant to Section 7 hereto, prior to being entitled to received any cash or other securities upon the occurrence of any such event, will be required to execute and deliver to the Operating Partnership and the Corporation a Distribution Return Agreement substantially in the form of Annex II hereto.

SECTION 9. *Restrictions on Transfer; Stapled Security.* Restrictions on Transfer, Redemption, Conversion or Put; Stapled Security. (a) The Paired Units shall be subject to the restrictions on transfer set forth in Sections 9.3 and 9.5 of the Partnership Agreement as if such units were "Partnership Units" there under. Any transfer or attempted transfer in violation of the provisions of this Section 9(a) shall be null and void.

(b) Notwithstanding anything in this Certificate of Designation to the contrary, Paired Units shall only be transferred to a transferee, caused to be redeemed pursuant to Section 5, converted pursuant to Section 6 or caused to be repurchased pursuant to Section 7 as a Paired Unit, if any such units are otherwise required to be paired under this Certificate of Designation. Any such transfer, redemption or repurchase or attempted transfer, redemption or repurchase of 7.00% Cumulative Convertible Preferred Units in violation of the provisions of this Section 9(b) shall be null and void.

SECTION 10. *Status of Converted or Redeemed 7.00% Cumulative Convertible Preferred Units.* Upon any conversion or any redemption, repurchase or other acquisition by the Operating Partnership of 7.00% Cumulative Convertible Preferred Units, the 7.00% Cumulative Convertible Preferred Units so converted, redeemed, repurchased or acquired shall be retired and canceled.

SECTION 11. *Voting.* (a) The Operating Partnership shall not, without the affirmative consent or approval of the holders of at least a majority of the 7.00% Cumulative Convertible Preferred Units then outstanding, voting separately as a class, (i) authorize any Senior Units; (ii) amend, alter or modify any of the provisions of this Certificate of Designation so as to adversely affect the holders of 7.00% Cumulative Convertible Preferred Units; or (iii) issue to any holder of Common Units any Parity Units by way of exchange, distribution or similar transaction in respect of such Common Units, unless such exchange, distribution or similar transaction is for fair value (as determined in good faith by the Managing General Partner).

(b) The Corporation shall not, without the affirmative consent or approval of the holders of at least a majority in Liquidation Preference of the 7.00% Cumulative Convertible Preferred Units and Corporation 7.00% Cumulative Convertible Preferred Stock then outstanding, voting together as a single class, (i) authorize any Senior Preferred Stock (as defined in Annex I hereto) or (ii) amend, alter or modify any of the provisions of the Certificate of Designation of the Corporation 7.00% Cumulative Convertible Preferred Stock so as to adversely affect the holders thereof.

SECTION 12. *Registration Rights for Corporation 7.00% Cumulative Convertible Preferred Stock.* The Corporation 7.00% Cumulative Convertible Preferred Stock issued to any holder of 7.00% Cumulative Convertible Preferred Units pursuant to Section 6 hereof shall be deemed "Registrable Securities" for purposes of Section 9.6 of the Partnership Agreement, subject to the limitations and qualifications contained in Section 9.6 of the Partnership Agreement unless the holder of such 7.00% Cumulative Convertible Preferred Units is party to a registration rights agreement pursuant to Section 5.06 of the Portfolio Agreement, in which case such holder exclusively shall have the rights set forth therein.

SECTION 13. *Issuance of Paired SRC Limited Partnership Units.* If any Common Units are to be issued to a holder of a 7.00% Cumulative Convertible Preferred Unit in connection with the redemption or conversion of such 7.00% Cumulative Convertible Preferred Unit as provided herein, the Operating Partnership shall distribute to the holder of such 7.00% Cumulative Convertible Preferred Unit so converted, for no additional consideration, a number of SRC Limited Partnership Units (as defined in the Partnership Agreement) equal to the number of

Common Units so issued; provided, however, that if the value of such SRC Limited Partnership Units, as determined by the Operating Partnership consistent with its prior valuation methodology used to value SRC Limited Partnership Units, exceeds $.50 per Unit, then prior to the distribution of such SRC Limited Partnership Units, the Operating Partnership shall notify the Contributor Representative of its valuation of the SRC Limited Partnership Units. If the Contributor Representative believes that the distribution of such SRC Limited Partnership Units may be taxable to the converting holders under Section 731(a) of the Code it may request that the Operating Partnership offer to provide the converting Partners with the opportunity to enter into so- called "bottom-up" guarantees under terms and conditions set forth in Section 2(z) of the Tax Protection Agreement, mutatis mutandis. Remedy for a failure by the Operating Partnership to comply with such obligation to provide "bottom- up" guarantees shall be as set forth in Section 3 of the Tax Protection Agreement, mutatis mutandis. It shall be a condition to any distribution of SRC Limited Partnership Units to a holder that such holder agree in writing to become a limited partner under the SRC Partnership agreement.

SECTION 14. *Definitions.* Except as otherwise herein expressly provided, the following terms and phrases shall have the meanings set forth below:

"Closing Price" on any date shall mean the last sale price per share, regular way, of the Paired Shares or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, of the Paired Shares in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if the Paired Shares are not listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Paired Shares are listed or admitted to trading or, if the Paired Shares are not listed or admitted to trading on any national securities exchange, the last quoted price, or if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System for the Paired Shares or, if such system is no longer in use, the principal other automated quotations system that may then be in use or, if the Paired Shares are not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Paired Shares selected from time to time by the Board of Directors of the Managing General Partner.

"Current Per Share Market Price" on any date shall mean the average of the Closing Prices for the five consecutive Trading Days ending on such date.

"Deemed Partnership Unit Value" as of any date shall mean (i) the Current Per Share Market Price as of the Trading Day immediately preceding such date, minus (ii) the SPG Realty Deemed Partnership Unit Value; provided, however, that in the event of a stock dividend, stock split, stock distribution or the like, the Deemed Partnership Unit Value shall be adjusted by the Managing General Partner to provide fair and equitable arrangements, to the extent necessary, to fully adjust and avoid any dilution in the rights of the holders of the 7.00% Cumulative Convertible Preferred Units.

"Entity" shall mean any general partnership, limited partnership, limited liability company, limited liability partnership, corporation, joint venture, trust, business trust, cooperative or association.

"Limited Partners" shall mean those Persons whose names are set forth on Exhibit A to the Partnership Agreement as Limited Partners, their permitted successors or assigns as limited partners hereof, and/or any Person who, at the time of reference thereto, is a limited partner of the Operating Partnership.

"Managing General Partner" shall mean Simon Property Group, Inc., a Delaware corporation.

"Non-Managing General Partners" shall mean, collectively, SD Property Group, Inc. and SPG Properties, Inc.

"Paired Share" shall mean one Share and one Trust Interest.

"Partners" shall mean the Managing General Partner, the Non-Managing General Partners and the Limited Partners, their duly admitted successors or assigns or any Person who is a partner of the Operating Partnership at the time of reference thereto.

"Partnership Units" shall mean the interest in the Operating Partnership of any Partner which entitles a Partner to the allocations (and each item thereof) specified in the Partnership Agreement and all distributions from the Operating Partnership, and its rights of management, consent, approval, or participation, if any, as provided in the Partnership Agreement. Partnership Units do not include Preferred Units. Each Partner's percentage ownership interest in the Operating Partnership shall be determined by dividing the number of Partnership Units then owned by each Partner by the total number of Partnership Units then outstanding.

"Person" shall mean any individual or Entity.

"Shares" shall mean the shares of common stock, par value $0.0001 per share, of the Corporation.

"SPG Managing General Partner" shall mean SPG Realty Consultants, Inc.

"SPG Realty" shall mean SPG Realty Consultants, Inc.

"SPG Realty Deemed Partnership Unit Value" with respect to a particular Trust Interest as of any date shall mean the value of the SPG Shares underlying such Trust Interest, which shall be an amount equal to the greater of (i) the aggregate par value of the SPG Share underlying the Trust Interest and (ii) the amount determined in good faith by the Board of Directors of the SPG Managing General Partner to represent the fair market net asset value of the SPG Share underlying the Trust Interest.

"SPG Shares" shall mean the Common Stock, par value $.01 per share of the SPG Managing General Partner.

"Trading Day" shall mean a day on which the principal national securities exchange on which the Paired Shares are listed or admitted to trading is open for the transaction of business or, if the Paired Shares are not listed or admitted to trading on any national securities exchange, shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

"Trust" shall mean the trust owning all of the outstanding shares of Common Stock, par value $0.0001 per share, of SPG Realty subject to a trust agreement among certain stockholders of the Corporation, a trustee and the SPG Realty pursuant to which all holders of Shares are beneficiaries of such Trust.

"Trust Interest" shall mean a pro rata beneficial interest in the Trust.

DISTRIBUTION RETURN AGREEMENT

Date: ____________

Simon Property Group, L.P.
National City Center
115 West Washington Street, Suite 15 East
Indianapolis, Indiana 46204

Dear Sirs:

The undersigned is a holder of 7.00% Cumulative Convertible Preferred Units ("Preferred Units") of Simon Property Group, L.P., a Delaware limited liability (the "Operating Partnership"). On the date hereof, the undersigned has presented to the Operating Partnership (number) Preferred Units (the "Tendered Units") for (a) redemption (the "Redemption"); (b) conversion (the "Conversion") or (c) repurchase (the "Repurchase") pursuant to their terms. This letter agreement is being given in satisfaction of a condition to the Redemption, Conversion, or Repurchase, as applicable, of the Tendered Units.

The undersigned hereby agrees with the Operating Partnership that, in the event the undersigned receives any payment or distribution with respect to Tendered Units after their Redemption, Conversion, or Repurchase, as applicable, other than a payment or distribution required to be made in connection therewith, the undersigned will promptly remit such payment or distribution back to the Operating Partnership.

In furtherance of the foregoing, the undersigned further grants to the Operating Partnership the right to set off against any unpaid amount due to the Operating Partnership under this letter agreement any debt or other obligation of the Operating Partnership owing to the undersigned, including, without limitation, any dividend or other distribution payable to the undersigned by reason of its ownership of Preferred Units or any other securities of the Operating Partnership.

This letter agreement shall be construed in accordance with, and governed by, the laws of the State of New York, without regard to conflicts of laws principles.

Very truly yours,

(Name of Holder of Preferred Units)

By:
Name:
Title:

AGREED:
SIMON PROPERTY GROUP, L.P.

By:
Name:
Title:

CERTIFICATE OF DESIGNATION
OF
8.00% CUMULATIVE REDEEMABLE PREFERRED UNITS
OF
SIMON PROPERTY GROUP, L.P.

WHEREAS, Simon Property Group, L.P. (the "Operating Partnership") has agreed to designate a series of preferred units having the powers, preferences and relative, participating, optional or other special rights set forth herein and to issue the units so designated solely as partial consideration for the NED Portfolio Properties as defined in certain contribution agreements with respect to properties the sale of which was arranged by NED Management Limited Partnership and WellsPark Management LLC and, under certain circumstances, as partial consideration for Pheasant Lane Mall in Nashua New Hampshire and Cambridgeside Galleria in Cambridge, Massachusetts pursuant to contribution agreements with respect to those properties (the contribution agreements for the NED Portfolio Properties. Pheasant Lane Mall and Cambridgeside Galleria are referred to herein as the "Contribution Agreements"); and

WHEREAS, the designation of the preferred units of the Operating Partnership hereby is permitted by the terms of the Seventh Amended and Restated Limited Partnership Agreement of the Operating Partnership (the "Partnership Agreement"); and

WHEREAS, Simon Property Group, Inc. (the "Corporation"), the managing general partner of the Operating Partnership (in such capacity, the "Managing General Partner"), has determined that it is in the best interest of the Operating Partnership to designate a new series of preferred units of the Operating Partnership;

NOW THEREFORE, the Managing General Partner hereby designates a series of preferred units and fixes the designations, powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of such preferred units, as follows:

SECTION 1. *Designation and Number.* The units of such series shall be designated "8.00% Cumulative Redeemable Preferred Units" (the "8.00% Cumulative Redeemable Preferred Units"). The authorized number of 8.00% Cumulative Redeemable Preferred Units shall be 1,500,000 but such 8.00% Cumulative Redeemable Preferred Units shall only be issuable as consideration pursuant to the Contribution Agreements. Subject to Sections 5 and 6 hereof, each 8.00% Cumulative Redeemable Preferred Unit shall be paired with one (1) 7.00% Cumulative Convertible Preferred Unit of the Operating Partnership ("7.00% Cumulative Convertible Preferred Unit") or one (1) Common Unit into which such 7.00% Cumulative Convertible Preferred Unit is converted and such paired units shall be subject to the transfer restrictions set forth in Section 9 hereof (as such, "Paired Units"); provided that in the event of (i) the redemption by the Operating Partnership of the 8.00% Cumulative Redeemable Preferred Units for Common Units; (ii) the conversion of 8.00% Cumulative Redeemable Preferred Units into 8.00% Cumulative Redeemable Preferred Stock (as defined below) as permitted under Section 6 herein or (iii) the repurchase of 8.00% Cumulative Redeemable Preferred Units payable in Paired Shares as permitted under Section 7 herein, then in each such case, the 7.00% Cumulative Convertible Preferred Units shall cease to be paired with such Common Units issuable upon such redemption, such 8.00% Cumulative Redeemable Preferred Stock issuable upon such conversion, or such Paired Shares issuable upon repurchase, as the case may be, and the provisions of Section 9(b) hereof shall no longer apply to 8.00% Cumulative Redeemable Preferred Units which had been paired with the 8.00% Cumulative Redeemable Preferred Stock which were so redeemed or converted.

SECTION 2. *Ranking.* The 8.00% Cumulative Redeemable Preferred Units shall, with respect to the payment of distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership, rank: (i) senior to the holders of Partnership Units of the Operating Partnership (the "Common Units") and any other equity securities of the Operating Partnership which by their terms rank junior to the 8.00% Cumulative Redeemable Preferred Units as to distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership (such Common Units and such other equity securities, collectively, the "Junior Units"), (ii) *pari passu* with any other preferred units which are not by their terms junior or, subject to Section 11 hereof, senior to the 8.00% Cumulative Redeemable Preferred Units as to distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership, and in all respects shall rank pari passu with the 6.50% Series A Convertible Preferred Units, Series B Convertible Preferred Units, $8^{3}/4$% Series B Cumulative Redeemable Preferred Units, 7.89% Series C Cumulative Step-Up Premium Rate Preferred Units and 7.00% Cumulative Convertible Preferred Units, which are the only preferred units of the Operating Partnership authorized as of the date hereof ("Parity Units") and (iii) subject to Section 11 hereof, junior to any other preferred units which by their terms are senior to the 8.00% Cumulative Redeemable Preferred Units as to distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership ("Senior Units").

SECTION 3. *Distributions.* (a) Distributions on the 8.00% Cumulative Redeemable Preferred Units are cumulative from the date of issuance and are payable quarterly on or about the last day of March, June, September and December of each year in an amount in cash equal to 7.00% of the Liquidation Preference (as defined herein) per annum.

(b) Distributions on the 8.00% Cumulative Redeemable Preferred Units, without any additional return on unpaid distributions, will accrue, whether or not the Operating Partnership has earnings, whether or not there are funds legally available for the payment of such distribution and whether or not such distributions are declared or paid when due. All such distributions accumulate from the first date of issuance of any such 8.00% Cumulative Redeemable Preferred Units. Distributions on the 8.00% Cumulative Redeemable Preferred Units shall cease to accumulate on such units on the date of their earlier conversion or redemption.

(c) In allocating items of income, gain, loss and deductions which could have an effect upon the determination of the federal income tax liability of any holder of the 8.00% Cumulative Redeemable Preferred Unit, except as otherwise required by Section 704(c) of the Internal Revenue Code of 1986, as amended, or any other applicable provisions thereof, the Operating Partnership shall allocate each such item proportionately, based on the distributive share of profits or losses, as the case may be, of the Operating Partnership allocated to holders of the 8.00% Cumulative Redeemable Preferred Units as compared to the total of the distributive shares of such profits and losses, as the case may be, allocated to all partners of the Operating Partnership.

(d) If any 8.00% Cumulative Redeemable Preferred Units are outstanding, then, except as provided in the following sentence, no distributions shall be declared or paid or set apart for payment on any Parity Units or Junior Units for any period unless full cumulative distributions have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for such payments on the 8.00% Cumulative Redeemable Preferred Units for all past distribution periods and the then current distribution period. When distributions are not paid in full (or a sum sufficient for such full payment is not set apart) upon the 8.00% Cumulative Redeemable Preferred Units and any Parity Units, all distributions declared upon the 8.00% Cumulative Redeemable Preferred Units and any other Parity Units shall be declared pro rata so that the amount of distributions declared the

8.00% Cumulative Redeemable Preferred Unit and such other Parity Units shall in all cases bear to each other the same ratio that accrued distributions per 8.00% Cumulative Redeemable Preferred Unit and such other series of Parity Units bear to each other.

(e) Except as provided in subparagraph (d) above, unless full cumulative distributions on the 8.00% Cumulative Redeemable Preferred Units have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past distribution periods and the then current distribution period, no distributions (other than in Junior Units) shall be declared, set aside for payment or paid and no other distribution shall be declared or made upon any Junior Units, nor shall any Junior Units be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any such Junior Units) by the Operating Partnership (except by conversion into or exchange for Junior Units).

SECTION 4. *Liquidation Preference.* (a) Each 8.00% Cumulative Redeemable Preferred Unit shall be entitled to a liquidation preference of $30.00 per 8.00% Cumulative Redeemable Preferred Unit ("Liquidation Preference").

(b) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Operating Partnership pursuant to Article VIII of the Partnership Agreement, the holders of 8.00% Cumulative Redeemable Preferred Units then outstanding shall be entitled to be paid out of the assets of the Operating Partnership available for distribution, after and subject to the payment in full of all amounts required to be distributed to the holders of Senior Units, but before any payment shall be made to the holders of Junior Units, an amount equal to the aggregate Liquidation Preference of the 8.00% Cumulative Redeemable Preferred Units held by such holder, plus an amount equal to accrued and unpaid distributions thereon, if any. If upon any such liquidation, dissolution or winding up of the Operating Partnership the remaining assets of the Operating Partnership available for the distribution after payment in full of amounts required to be paid or distributed to holders of Senior Units shall be insufficient to pay the holders of the 8.00% Cumulative Redeemable Preferred Units the full amount to which they shall be entitled, the holders of the 8.00% Cumulative Redeemable Preferred Units, and the holders of any series of Parity Units, shall share ratably with other holders of Parity Units in any distribution of the remaining assets and funds of the Operating Partnership in proportion to the respective amounts which would otherwise be payable in respect to the Parity Units held by each of the said holders upon such distribution if all amounts payable on or with respect to said Parity Units were paid in full. After payment in full of the Liquidation Preference and accumulated and unpaid distributions to which they are entitled, the holders of 8.00% Cumulative Redeemable Preferred Units shall not be entitled to any further participation in any distribution of the assets of the Operating Partnership.

SECTION 5. *Redemption.* (a) *General*. The 8.00% Cumulative Redeemable Preferred Units are not redeemable, except as permitted under Sections 6 and 7 herein, prior to August 27, 2009.

(b) *Optional Redemption*. (i) On and after August 27, 2009, the Operating Partnership may, at its option, at any time, redeem the 8.00% Cumulative Redeemable Preferred Units, in whole or in part, at the Liquidation Preference, plus accrued and unpaid distributions thereon, if any, to and including the date of redemption (the "Redemption Price"). The Redemption Price (other than the portion thereof consisting of accrued and unpaid distributions, which shall be payable in cash) is payable, at the option of the Operating Partnership, in any combination of (i) new preferred unit ("New Preferred Units") of the Operating Partnership having substantially the same terms as the 8.00% Cumulative Redeemable Preferred Units with a distribution coupon to be reset based on the then market rates (such rate to be

determined in good faith by the Managing General Partner), or (ii) in Common Units at the Deemed Partnership Unit Value as of the Redemption Date (as defined below), of the Common Units to be issued.

(ii) Provided that no later than the Redemption Date the Operating Partnership shall have (A) set apart the funds necessary to pay the accrued and unpaid distribution on all the 8.00% Cumulative Redeemable Preferred Units then called for redemption and (B) reserved for issuance a sufficient number of authorized Common Units and/or New Preferred Units, the Operating Partnership may give the holders of the 8.00% Cumulative Redeemable Preferred Units written notice ("Redemption Notice") of a redemption pursuant to Section 5(b) (a "Redemption") not more than 70 nor less than 40 calendar days prior to the date fixed for redemption (the "Redemption Date") at the address of such holders on the books of the Operating Partnership (provided that failure to give such notice or any defect therein shall not affect the validity of the proceeding for a Redemption except as to the holder to whom the Operating Partnership has failed to give such notice or whose notice was defective). The 8.00% Cumulative Redeemable Preferred Units for which the Redemption Price has been paid shall no longer be deemed outstanding from and after the date of payment and all rights with respect to such units shall forthwith cease and terminate. In case fewer than all of the outstanding 8.00% Cumulative Redeemable Preferred Units are called for redemption, such units shall be redeemed pro rata, as nearly as practicable, among all holders of 8.00% Cumulative Redeemable Preferred Units, provided that, if within 20 business days of the Redemption Notice the Contributor Representative (as such term is defined in the Tax Protection Agreement entered into on or prior to the date hereof between Operating Partnership and certain other parties (the "Tax Protection Agreement")) notifies the Operating Partnership of an alternative allocation ("Allocation Notice"), then the redemption of the 7.00% Cumulative Preferred Units shall be allocated in accordance with such Allocation Notice. On or before the Redemption Date, a holder of 8.00% Cumulative Redeemable Preferred Units shall have the conversion right set forth in Section 6 hereof notwithstanding anything in this Section 5 to the contrary.

SECTION 6. *Conversion.* (a) Each 8.00% Cumulative Redeemable Preferred Unit shall be convertible at the option of the holder, at any time on and after August 27, 2004, upon no less than 15 business days prior written notice to the Corporation and the Operating Partnership, in whole or in part, unless previously redeemed, pursuant to Section 6(b) below.

(b) Each 8.00% Cumulative Redeemable Preferred Unit that the holder elects to convert will be redeemed for shares of 8.00% Cumulative Redeemable Preferred Stock of the Corporation having an aggregate liquidation preference equal to the Liquidation Preference of the 8.00% Cumulative Redeemable Preferred Units that the holder elects to convert, such preferred stock of the Corporation to have the rights and preferences set forth on Annex I hereto ("Corporation 8.00% Cumulative Redeemable Preferred Stock").

(c) No fractional Conversion Units or scrip representing fractions of Conversion Units shall be issued upon conversion of a 8.00% Cumulative Redeemable Preferred Unit. If a fractional Conversion Unit is otherwise deliverable to a converting holder upon a conversion of 8.00% Cumulative Redeemable Preferred Units, the Operating Partnership shall in lieu thereof pay to the person entitled thereto an amount in cash equal to the current value of such fractional interest, calculated to the nearest 1/1000th of a unit, to be computed using the current market price of a Paired Share on the date of conversion, in the case of a conversion into Common Units.

SECTION 7. *Put Right.* (a) In the event of (i) the death of an Actual Taxpayer (as defined in the Tax Protection Agreement) holding directly or indirectly 8.00% Cumulative Redeemable Preferred Units, (ii) in the case of 8.00% Cumulative Redeemable Preferred Units held directly or indirectly by an Actual Taxpayer in trust, the death of the person designated from time to time by the trustee(s) of such trust, or (iii) a Tax Triggering Event with respect to an Actual Taxpayer holding directly or indirectly 8.00% Cumulative Redeemable Preferred Units, then in any such event such holder or the subsequent holder or holders, as the case may be, of such 8.00% Cumulative Redeemable Preferred Units may require the Operating Partnership to repurchase such 8.00% Cumulative Redeemable Preferred Units, in accordance with Section 7(b) below, at a price of $30.00 per 8.00% Cumulative Redeemable Preferred Unit, plus distributions accrued and unpaid to the repurchase date (such sum, the "Repurchase Price"). As used in this Section 7(a), "Tax Triggering Event" means, with respect to any Actual Taxpayer holding directly or indirectly 8.00% Cumulative Redeemable Preferred Units, any transaction by the Operating Partnership (x) involving the Contributed Property and (y) constituting a Taxable Sale. The terms Contributed Property and Taxable Sale shall have the meanings specified in the Tax Protection Agreement. The term "Repurchase Date" shall mean the date on which the first payment (in cash or Paired Shares) is made as described in Section 7(b) below.

(b) The aggregate Repurchase Price shall be paid within one year after the exercise of the right described in Section 7(a) above, at the option of the Operating Partnership, (i) in cash, or (ii) in fully registered Paired Shares valued at the Current Per Share Market Price for such Paired Shares as of the date such shares are to be issued hereunder, except that the portion of the aggregate Repurchase Price consisting of accrued and unpaid distributions shall be paid in full in cash when such distributions are paid with respect to other 8.00% Cumulative Redeemable Preferred Units, but in no event later than the time of the first cash payment provided in this Section 7(b) or the issuance of such Paired Shares, as the case may be. If the Operating Partnership elects to pay for the 8.00% Cumulative Redeemable Preferred Units in cash, the aggregate Repurchase Price shall be paid, at the option of the Operating Partnership, either (x) in full on or before such date which is one year after the exercise of the right described in Section 7(a) above or (y) in four (4) equal annual installments commencing not later than one year after the exercise of the right described in Section 7(a) above, with interest accruing on unpaid amounts from the date of exercise of the right described in Section 7(a) above at the rate of 8% per annum.

SECTION 8. *No Right to Certain Distributions.* Any holder of 8.00% Cumulative Redeemable Preferred Units whose units are redeemed pursuant to Section 5 hereto, converted pursuant to Section 6 hereto or caused to be repurchased pursuant to Section 7 hereto, prior to being entitled to received any cash or other securities upon the occurrence of any such event, will be required to execute and deliver to the Operating Partnership and the Corporation a Distribution Return Agreement substantially in the form of Annex II hereto.

SECTION 9. *Restrictions on Transfer, Redemption, Conversion or Put; Stapled Security.* (a) The Paired Units shall be subject to the restrictions on transfer set forth in Sections 9.3 and 9.5 of the Partnership Agreement as if such units were "Partnership Units" there under. Any transfer or attempted transfer in violation of the provisions of this Section 9(a) shall be null and void.

(b) Notwithstanding anything in this Certificate of Designation to the contrary, Paired Units shall only be transferred to a transferee, caused to be redeemed pursuant to Section 5, converted pursuant to Section 6 or caused to be repurchased pursuant to Section 7 as a Paired Unit, if any such units are otherwise required to be paired under this Certificate of Designation. Any such transfer, redemption or repurchase or attempted transfer, redemption or repurchase of 8.00% Cumulative Redeemable Preferred Units in violation of the provisions of this Section 9(b) shall be null and void.

SECTION 10. *Status of Converted or Redeemed 8.00% Cumulative Redeemable Preferred Units.* Upon any conversion or any redemption, repurchase or other acquisition by the Operating Partnership of 8.00% Cumulative Redeemable Preferred Units, the 8.00% Cumulative Redeemable Preferred Units so converted, redeemed, repurchased or acquired shall be retired and canceled.

SECTION 11. *Voting.* (a) The Operating Partnership shall not, without the affirmative consent or approval of the holders of at least a majority of the 8.00% Cumulative Redeemable Preferred Units then outstanding, voting separately as a class, (i) authorize any Senior Units; (ii) amend, alter or modify any of the provisions of this Certificate of Designation so as to adversely affect the holders of 8.00% Cumulative Redeemable Preferred Units; or (iii) issue to any holder of Common Units any Parity Units by way of exchange, distribution or similar transaction in respect of such Common Units, unless such exchange, distribution or similar transaction is for fair value (as determined in good faith by the Managing General Partner).

(b) The Corporation shall not, without the affirmative consent or approval of the holders of at least a majority in Liquidation Preference of the 8.00% Cumulative Redeemable Preferred Units and Corporation 8.00% Cumulative Redeemable Preferred Stock then outstanding, voting together as a single class, (i) authorize any Senior Preferred Stock (as defined in Annex I hereto); or (ii) amend, alter or modify any of the provisions of the Certificate of Designation of the Corporation 8.00% Cumulative Redeemable Preferred Stock so as to adversely affect the holders thereof.

SECTION 12. *Registration Rights for Corporation 8.00% Cumulative Redeemable Preferred Stock.* The Corporation 8.00% Cumulative Redeemable Preferred Stock issued to any holder of 8.00% Cumulative Redeemable Preferred Units pursuant to Section 6 hereof shall be deemed "Registrable Securities" for purposes of Section 9.6 of the Partnership Agreement, subject to the limitations and qualifications contained in Section 9.6 of the Partnership Agreement unless the holder of such 8.00% Cumulative Redeemable Preferred Units is party to a registration rights agreement pursuant to Section 5.06 of the Portfolio Agreement, in which case such holder exclusively shall have the rights set forth therein.

SECTION 13. *Issuance of Paired SRC Limited Partnership Units.* If any Common Units are to be issued to a holder of a 8.00% Cumulative Redeemable Preferred Unit in connection with the redemption of such 8.00% Cumulative Redeemable Preferred Unit as provided herein, the Operating Partnership shall distribute to the holder of such 8.00% Cumulative Redeemable Preferred Unit so converted, for no additional consideration, a number of SRC Limited Partnership Units (as defined in the Partnership Agreement) equal to the number of Common Units so issued; provided, however, that if the value of such SRC Limited Partnership Units, as determined by the Operating Partnership consistent with its prior valuation methodology used to value SRC Limited Partnership Units, exceeds $.50 per Unit, then prior to the distribution of such SRC Limited Partnership Units, the Operating Partnership shall notify the Contributor Representative of its valuation of the SRC Limited Partnership Units. If the Contributor Representative believes that the distribution of such SRC Limited Partnership Units may be taxable to the converting holders under Section 731(a) of the Code it may request that the Operating Partnership offer to provide the converting Partners with the opportunity to enter into so-called "bottom-up" guarantees under terms and conditions set forth in Section 2(z) of the Tax Protection Agreement, mutatis mutandis. Remedy for a failure by the Operating Partnership to comply with such obligation to provide "bottom-up" guarantees shall be as set forth in Section 3 of the Tax Protection Agreement, mutatis mutandis. It shall be a condition to any distribution of SRC Limited Partnership Units to a holder that such holder agree in writing to become a limited partner under the SRC Partnership agreement.

SECTION 14. *Definitions.* Except as otherwise herein expressly provided, the following terms and phrases shall have the meanings set forth below:

"Closing Price" on any date shall mean the last sale price per share, regular way, of the Paired Shares or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, of the Paired Shares in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if the Paired Shares are not listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Paired Shares are listed or admitted to trading or, if the Paired Shares are not listed or admitted to trading on any national securities exchange, the last quoted price, or if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System for the Paired Shares or, if such system is no longer in use, the principal other automated quotations system that may then be in use or, if the Paired Shares are not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Paired Shares selected from time to time by the Board of Directors of the Managing General Partner.

"Current Per Share Market Price" on any date shall mean the average of the Closing Prices for the five consecutive Trading Days ending on such date.

"Deemed Partnership Unit Value" as of any date shall mean (i) the Current Per Share Market Price as of the Trading Day immediately preceding such date, minus (ii) the SPG Realty Deemed Partnership Unit Value; provided, however, that in the event of a stock dividend, stock split, stock distribution or the like, the Deemed Partnership Unit Value shall be adjusted by the Managing General Partner to provide fair and equitable arrangements, to the extent necessary, to fully adjust and avoid any dilution in the rights of the holders of the 7.00% Cumulative Convertible Preferred Units.

"Entity" shall mean any general partnership, limited partnership, limited liability company, limited liability partnership, corporation, joint venture, trust, business trust, cooperative or association.

"Limited Partners" shall mean those Persons whose names are set forth on Exhibit A to the Partnership Agreement as Limited Partners, their permitted successors or assigns as limited partners hereof, and/or any Person who, at the time of reference thereto, is a limited partner of the Operating Partnership.

"Managing General Partner" shall mean Simon Property Group, Inc., a Delaware corporation.

"Non-Managing General Partners" shall mean, collectively, SD Property Group, Inc. and SPG Properties, Inc.

"Paired Share" shall mean one Share and one Trust Interest.

"Partners" shall mean the Managing General Partner, the Non-Managing General Partners and the Limited Partners, their duly admitted successors or assigns or any Person who is a partner of the Operating Partnership at the time of reference thereto.

"Partnership Units" shall mean the interest in the Operating Partnership of any Partner which entitles a Partner to the allocations (and each item thereof) specified in the Partnership Agreement and all distributions from the Operating Partnership, and its rights of management, consent, approval, or participation, if any, as provided in the Partnership

Agreement. Partnership Units do not include Preferred Units. Each Partner's percentage ownership interest in the Operating Partnership shall be determined by dividing the number of Partnership Units then owned by each Partner by the total number of Partnership Units then outstanding.

"Person" shall mean any individual or Entity.

"Shares" shall mean the shares of common stock, par value $0.0001 per share, of the Corporation.

"SPG Managing General Partner" shall mean SPG Realty Consultants, Inc.

"SPG Realty" shall mean SPG Realty Consultants, Inc.

"SPG Realty Deemed Partnership Unit Value" with respect to a particular Trust Interest as of any date shall mean the value of the SPG Shares underlying such Trust Interest, which shall be an amount equal to the greater of (i) the aggregate par value of the SPG Share underlying the Trust Interest and (ii) the amount determined in good faith by the Board of Directors of the SPG Managing General Partner to represent the fair market net asset value of the SPG Share underlying the Trust Interest.

"SPG Shares" shall mean the Common Stock, par value $.01 per share of the SPG Managing General Partner.

"Trading Day" shall mean a day on which the principal national securities exchange on which the Paired Shares are listed or admitted to trading is open for the transaction of business or, if the Paired Shares are not listed or admitted to trading on any national securities exchange, shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

"Trust" shall mean the trust owning all of the outstanding shares of Common Stock, par value $0.0001 per share, of SPG Realty subject to a trust agreement among certain stockholders of the Corporation, a trustee and the SPG Realty pursuant to which all holders of Shares are beneficiaries of such Trust.

"Trust Interest" shall mean a pro rata beneficial interest in the Trust.

DISTRIBUTION RETURN AGREEMENT

Date: ____________

Simon Property Group, L.P.
National City Center
115 West Washington Street, Suite 15 East
Indianapolis, Indiana 46204

Dear Sirs:

The undersigned is a holder of 8.00% Cumulative Redeemable Preferred Units ("Preferred Units") of Simon Property Group, L.P., a Delaware limited liability (the "Operating Partnership"). On the date hereof, the undersigned has presented to the Operating Partnership (number) Preferred Units (the "Tendered Units") for (a) redemption (the "Redemption"); (b) conversion (the "Conversion") or (c) repurchase (the "Repurchase") pursuant to their terms. This letter agreement is being given in satisfaction of a condition to the Redemption, Conversion, or Repurchase, as applicable, of the Tendered Units.

The undersigned hereby agrees with the Operating Partnership that, in the event the undersigned receives any payment or distribution with respect to Tendered Units after their Redemption, Conversion, or Repurchase, as applicable, other than a payment or distribution required to be made in connection therewith, the undersigned will promptly remit such payment or distribution back to the Operating Partnership.

In furtherance of the foregoing, the undersigned further grants to the Operating Partnership the right to set off against any unpaid amount due to the Operating Partnership under this letter agreement any debt or other obligation of the Operating Partnership owing to the undersigned, including, without limitation, any dividend or other distribution payable to the undersigned by reason of its ownership of Preferred Units or any other securities of the Operating Partnership.

This letter agreement shall be construed in accordance with, and governed by, the laws of the State of New York, without regard to conflicts of laws principles.

Very truly yours,

(Name of Holder of Preferred Units)

By:
Name:
Title:

AGREED:
SIMON PROPERTY GROUP, L.P.

By:
Name:
Title:

CERTIFICATE OF DESIGNATION
OF
7.50% CUMULATIVE REDEEMABLE PREFERRED UNITS
OF
SIMON PROPERTY GROUP, L.P.

WHEREAS, Simon Property Group, L.P. (the "*Operating Partnership*") has agreed to designate a series of preferred units having the powers, preferences and relative, participating, optional or other special rights set forth herein and to issue the units so designated solely as consideration for certain partnership interests which have been or may be transferred to the Operating Partnership pursuant to a Contribution Agreement dated as of November 10, 2003, among the Operating Partnership and the contributors described therein (the "*Contribution Agreement*"); and

WHEREAS, the designation of the preferred units of the Operating Partnership hereby is permitted by the terms of the Seventh Amended and Restated Limited Partnership Agreement of the Operating Partnership dated as of August 27, 1999 and supplemented by the Amended and Restated Supplement dated as of June 30, 2003 (the "*Partnership Agreement*");

NOW THEREFORE, Simon Property Group, Inc. (the "*Corporation*"), the general partner of the Operating Partnership (in such capacity, the "*General Partner*"), hereby designates a series of preferred units and fixes the designations, powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of such preferred units, as follows:

SECTION 1. *Designation and Number.* The units of such series shall be designated "7.50% Cumulative Redeemable Preferred Units" (the "*7.50% Cumulative Redeemable Preferred Units*"). The authorized number of 7.50% Cumulative Redeemable Preferred Units shall be 260,000 but such 7.50% Cumulative Redeemable Preferred Units shall only be issuable pursuant to the Contribution Agreement.

SECTION 2. *Ranking.* The 7.50% Cumulative Redeemable Preferred Units shall, with respect to the payment of distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership, rank: (i) senior to the holders of Partnership Units as defined in Section 10 (the "*Common Units*") and any other equity securities of the Operating Partnership which by their terms rank junior to the 7.50% Cumulative Redeemable Preferred Units as to distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership (such Common Units and such other equity securities, collectively, the "*Junior Units*"), (ii) *pari passu* with any other preferred units which are not by their terms junior or, subject to Section 9 hereof, senior to the 7.50% Cumulative Redeemable Preferred Units as to distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership, and in all respects shall rank *pari passu* with the 6.50% Series B Convertible Preferred Units, 8.00% Series E Cumulative Redeemable Preferred Units, $8^3/4$% Series F Cumulative Redeemable Preferred Units, 7.89% Series G Cumulative Step-Up Premium Rate Preferred Units, 7.00% Cumulative Convertible Preferred Units and 8.00% Cumulative Redeemable Preferred Units, which are the only preferred units of the Operating Partnership authorized as of the date hereof ("*Parity Units*") and (iii) subject to Section 9 hereof, junior to any other preferred units which by their terms are senior to the 7.50% Cumulative Redeemable Preferred Units as to distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership ("*Senior Units*").

SECTION 3. *Distributions.* (a) Distributions on the 7.50% Cumulative Redeemable Preferred Units are cumulative from the date of issuance and are payable quarterly on or about

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the last day of March, June, September and December of each year in an amount in cash equal to 7.50% of the Liquidation Preference (as defined herein) per annum.

(b) Distributions on the 7.50% Cumulative Redeemable Preferred Units, without any additional return on unpaid distributions, will accrue, whether or not the Operating Partnership has earnings, whether or not there are funds legally available for the payment of such distributions and whether or not such distributions are declared or paid when due. All such distributions accumulate from the first date of issuance of any such 7.50% Cumulative Redeemable Preferred Units. Distributions on the 7.50% Cumulative Redeemable Preferred Units shall cease to accumulate on such units on the date of their redemption.

(c) In allocating items of income, gain, loss and deductions which could have an effect upon the determination of the federal income tax liability of any holder of the 7.50% Cumulative Redeemable Preferred Units, except as otherwise required by Section 704(c) of the Internal Revenue Code of 1986, as amended, or any other applicable provisions thereof, the Operating Partnership shall allocate each such item proportionately, based on the distributive share of profits or losses, as the case may be, of the Operating Partnership allocated to holders of the 7.50% Cumulative Redeemable Preferred Units as compared to the total of the distributive shares of such profits and losses, as the case may be, allocated to all partners of the Operating Partnership.

(d) If any 7.50% Cumulative Redeemable Preferred Units are outstanding, then, except as provided in the following sentence, no distributions shall be declared or paid or set apart for payment on any Parity Units or Junior Units for any period unless full cumulative distributions have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for such payments on the 7.50% Cumulative Redeemable Preferred Units for all past distribution periods and the then current distribution period. When distributions are not paid in full (or a sum sufficient for such full payment is not set apart) upon the 7.50% Cumulative Redeemable Preferred Units and any Parity Units, all distributions declared upon the 7.50% Cumulative Redeemable Preferred Units and any other Parity Units shall be declared pro rata so that the amount of distributions declared upon the 7.50% Cumulative Redeemable Preferred Units and such other Parity Units shall in all cases bear to each other the same ratio that accrued distributions per 7.50% Cumulative Redeemable Preferred Unit and such other series of Parity Units bear to each other.

(e) Except as provided in subparagraph (d) above, unless full cumulative distributions on the 7.50% Cumulative Redeemable Preferred Units have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past distribution periods and the then current distribution period, no distributions (other than in Junior Units) shall be declared, set aside for payment or paid and no other distribution shall be declared or made upon any Junior Units, nor shall any Junior Units be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any such Junior Units) by the Operating Partnership (except by conversion into or exchange for Junior Units).

SECTION 4. *Liquidation Preference.* (a) Each 7.50% Cumulative Redeemable Preferred Unit shall be entitled to a liquidation preference of $100.00 per 7.50% Cumulative Redeemable Preferred Unit ("*Liquidation Preference*").

(b) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Operating Partnership pursuant to Article VIII of the Partnership Agreement, the holders of 7.50% Cumulative Redeemable Preferred Units then outstanding shall be entitled to be paid out of the assets of the Operating Partnership available for distribution, after and subject to the payment in full of all amounts required to be distributed to the holders of Senior Units,

but before any payment shall be made to the holders of Junior Units, an amount equal to the aggregate Liquidation Preference of the 7.50% Cumulative Redeemable Preferred Units held by such holder, plus an amount equal to accrued and unpaid distributions thereon, if any. If upon any such liquidation, dissolution or winding up of the Operating Partnership the remaining assets of the Operating Partnership available for the distribution after payment in full of amounts required to be paid or distributed to holders of Senior Units shall be insufficient to pay the holders of the 7.50% Cumulative Redeemable Preferred Units the full amount to which they shall be entitled, the holders of the 7.50% Cumulative Redeemable Preferred Units, and the holders of any series of Parity Units, shall share ratably with other holders of Parity Units in any distribution of the remaining assets and funds of the Operating Partnership in proportion to the respective amounts which would otherwise be payable in respect to the Parity Units held by each of the said holders upon such distribution if all amounts payable on or with respect to said Parity Units were paid in full. After payment in full of the Liquidation Preference and accumulated and unpaid distributions to which they are entitled, the holders of 7.50% Cumulative Redeemable Preferred Units shall not be entitled to any further participation in any distribution of the assets of the Operating Partnership.

SECTION 5. *Redemption.* (a) *General*. The 7.50% Cumulative Redeemable Preferred Units are not redeemable prior to November 10, 2006, except as otherwise expressly permitted under this Section 5 or Section 6 herein.

(b) *Optional Redemption*. (i) The Operating Partnership may, at its option, redeem the 7.50% Cumulative Redeemable Preferred Units, in whole or in part, at the Liquidation Preference, plus accrued and unpaid distributions thereon, if any, to and including the date of redemption (the "*Redemption Price*") upon the occurrence of any of the following events: (A) the death of an Actual Taxpayer (as defined in the Tax Protection Agreement (as defined in Section 10)) holding directly or indirectly 7.50% Cumulative Redeemable Preferred Units, but only the 7.50% Cumulative Redeemable Preferred Units held by such holder; (B) the transfer of any 7.50% Cumulative Redeemable Preferred Units to any person or entity other than the persons or entities entitled to the benefits and rights of a Contributor (as defined in the Tax Protection Agreement), but only the 7.50% Cumulative Redeemable Preferred Units so transferred; and (C) on or after November 10, 2013. Notwithstanding the foregoing, the Operating Partnership may not redeem any 7.50% Cumulative Redeemable Preferred Units held by Harold or Adele Schaeffer during the period commencing November 10, 2003 and ending on the death of the survivor of Harold and Adele Schaeffer.

(ii) The Redemption Price (other than the portion thereof consisting of accrued and unpaid distributions, which shall be payable in cash) is payable, at the option of the Operating Partnership, in any combination of (i) cash, or (ii) whole Shares valued at the Current Per Share Market Price as of the Redemption Date (as defined below); provided, however, that any such Shares shall be covered by an effective registration statement under the Securities Act of 1933, as amended (the "*Securities Act*"), permitting the resale without restriction of such Shares in the public trading market. If the Operating Partnership intends to pay a portion of the Redemption Price in Shares or if the redemption is pursuant to Section 5(b)(i)(D) above, the Operating Partnership shall give the affected holders of the 7.50% Cumulative Redeemable Preferred Units written notice specifying the maximum portion, if any, of the Redemption Price to be paid in Shares ("*Share Payment Notice*") not more than 75 nor less than 45 calendar days prior to the Redemption Date. If the event giving rise to the redemption is the event specified in Section 5(b)(i)(D), the affected holders may within fifteen (15) business days of the receipt of the Share Payment Notice, require the Operating Partnership to pay the affected holders Common Units in lieu of cash or Shares at the Deemed Partnership Unit

Value as of the Redemption Date. In addition, any affected holder of the 7.50% Cumulative Redeemable Preferred Units may within fifteen (15) business days of the receipt of the Share Payment Notice, require the Operating Partnership to pay in cash a greater portion of the Redemption Price than proposed to be paid in cash by the Operating Partnership, up to the entire Redemption Price. The sending of a Share Payment Notice shall not be deemed to require the Operating Partnership to pay any portion of the Redemption Price in Shares and the Operating Partnership may pay any portion of the Redemption Price in cash on the Redemption Date, subject, if the event giving rise to the redemption is the event specified in Section 5(b)(i)(D), to the holder's right to elect to receive Common Units in lieu of cash or Shares with respect to all or any portion of the Redemption Price. If the registration statement permitting the resale of the Shares is not effective on the scheduled Redemption Date, then the scheduled Redemption Date shall be deferred to the date the registration statement is declared effective; provided, however, if more than sixty (60) days elapse after the scheduled Redemption Date, then the affected holders may within ten (10) business days after the expiration of such sixty (60) day period, require the Operating Partnership to pay the Redemption Price entirely in cash.

(iii) Provided that no later than the Redemption Date the Operating Partnership shall have (A) set apart the funds necessary to pay the Redemption Price on all the 7.50% Cumulative Redeemable Preferred Units then called for redemption and (B) reserved for issuance a sufficient number of authorized Shares and/or Common Units, the Operating Partnership may give the holders of the 7.50% Cumulative Redeemable Preferred Units written notice ("*Redemption Notice*") of a redemption pursuant to Section 5(b) (a "*Redemption*") not more than 70 nor less than 40 calendar days prior to the date fixed for redemption (the "*Redemption Date*") at the address of such holders on the books of the Operating Partnership (provided that failure to give such notice or any defect therein shall not affect the validity of the proceeding for a Redemption except as to the holder to whom the Operating Partnership has failed to give such notice or whose notice was defective). The 7.50% Cumulative Redeemable Preferred Units for which the Redemption Price has been paid shall no longer be deemed outstanding from and after the date of payment and all rights with respect to such units shall forthwith cease and terminate. In case fewer than all of the outstanding 7.50% Cumulative Redeemable Preferred Units are called for redemption, such units shall be redeemed pro rata, as nearly as practicable, among all holders of 7.50% Cumulative Redeemable Preferred Units, provided that, if within 20 business days of the Redemption Notice the Contributor Representative (as such term is defined in the Tax Protection Agreement) notifies the Operating Partnership of an alternative allocation ("*Allocation Notice*"), then the redemption of the 7.50% Cumulative Redeemable Preferred Units shall be allocated in accordance with such Allocation Notice.

SECTION 6. *Put Right.* (a) In the event of (i) the election of the holder on and after November 10, 2006, (ii) the death of an Actual Taxpayer (as defined in the Tax Protection Agreement) holding directly or indirectly 7.50% Cumulative Redeemable Preferred Units, or (iii) a Tax Triggering Event (as defined below) with respect to an Actual Taxpayer holding directly or indirectly 7.50% Cumulative Redeemable Preferred Units, then in any such event such holder of such 7.50% Cumulative Redeemable Preferred Units or such holder's estate or personal representative, as the case may be, may require the Operating Partnership to repurchase such 7.50% Cumulative Redeemable Preferred Units, in accordance with Section 6(b) below, at the Liquidation Preference, plus accrued and unpaid distributions thereon, if any, to and including the repurchase date (the "*Repurchase Price*"). As used in this Section 6(a), "*Tax Triggering Event*" means, with respect to any Actual Taxpayer holding directly or indirectly 7.50% Cumulative

Redeemable Preferred Units, any transaction by the Operating Partnership (x) involving a Contributed Property and (y) constituting a Taxable Sale. The terms Contributed Property and Taxable Sale shall have the meanings specified in the Tax Protection Agreement.

(b) The Repurchase Price (other than the portion thereof consisting of accrued and unpaid distributions, which shall be payable in cash) is payable, at the option of the Operating Partnership, in any combination of (i) cash, or (ii) whole Shares valued at the Current Per Share Market Price as of the date of closing the repurchase; provided, however, that any such Shares shall be covered by an effective registration statement under the Securities Act, permitting the resale without restriction of such Shares in the public trading market. If the Operating Partnership intends to pay a portion of the Repurchase Price in Shares, the Operating Partnership shall give the affected holders of the 7.50% Cumulative Redeemable Preferred Units written notice specifying the maximum portion of the Repurchase Price to be paid in Shares ("*Repurchase Payment Notice*") within twenty (20) business days after the exercise of the rights described in Section 6(a). Any affected holder of the 7.50% Cumulative Redeemable Units may within fifteen (15) business days of the receipt of the Repurchase Payment Notice, require the Operating Partnership to pay in cash a greater portion of the Repurchase Price than proposed to be paid in cash by the Operating Partnership, up to the entire Repurchase Price. The sending of a Repurchase Payment Notice shall not be deemed to require the Operating Partnership to pay any portion of the Repurchase Price in Shares and the Operating Partnership may pay any portion of the Repurchase Price in cash on the date of the closing of the repurchase.

(c) The closing of any repurchase contemplated by this Section 6 shall occur within ninety (90) days of the exercise of the right described in Section 6(a) above.

SECTION 7. *No Right to Certain Distributions.* Any holder of 7.50% Cumulative Redeemable Preferred Units whose units are redeemed pursuant to Section 5 hereto or caused to be repurchased pursuant to Section 6 hereto, prior to being entitled to receive any cash or other securities upon the occurrence of any such event, will be required to execute and deliver to the Operating Partnership and the Corporation a Distribution Return Agreement substantially in the form of Annex I hereto.

SECTION 8. *Status of Redeemed 7.50% Cumulative Redeemable Preferred Units.* Upon any redemption, repurchase or other acquisition by the Operating Partnership of 7.50% Cumulative Redeemable Preferred Units, the 7.50% Cumulative Redeemable Preferred Units so redeemed, repurchased or acquired shall be retired and canceled.

SECTION 9. *Voting.* The Operating Partnership shall not, without the affirmative consent or approval of the holders of at least a majority of the 7.50% Cumulative Redeemable Preferred Units then outstanding, voting separately as a class, (i) authorize any Senior Units; (ii) amend, alter or modify any of the provisions of this Certificate of Designation so as to aversely affect the holders of 7.50% Cumulative Redeemable Preferred Units; or (iii) issue to any holder of Common Units any Parity Units by way of exchange, distribution or similar transaction in respect of such Common Units, unless such exchange, distribution or similar transaction is for fair value (as determined in good faith by the General Partner).

SECTION 10. *Definitions.* Except as otherwise herein expressly provided, the following terms and phrases shall have the meanings set forth below:

"*Closing Price*" on any date shall mean the last sale price per share, regular way, of the Shares or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, of the Shares in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the

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New York Stock Exchange or, if the Shares are not listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Shares are listed or admitted to trading, of if the Shares are not listed or admitted to trading on any national securities exchange, the last quoted price, or if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotations System for the Shares or, if such system is no longer in use, the principal other automated quotations system that may then be in use or, if the Shares are not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Shares selected from time to time by the Board of Directors of the General Partner.

"*Current Per Share Market Price*" on any date shall mean the average of the Closing Prices for the twenty (20) consecutive Trading Days ending on such date.

"*Deemed Partnership Unit Value*" as to any date shall mean the Current Per Share Market Price as of the Trading Day immediately preceding such date, *provided*, *however*, that in the event of a stock dividend, stock split, stock distribution or the like, the Deemed Partnership Unit Value shall be adjusted by the General Partner to provide fair and equitable arrangements, to the extent necessary, to fully adjust and avoid any dilution in the rights of the holders of the 7.50% Cumulative Redeemable Preferred Units.

"*Entity*" shall mean any general partnership, limited partnership, limited liability company, limited liability partnership, corporation, joint venture, trust, business trust, cooperative or association.

"*General Partner*" shall mean Simon Property Group, Inc., a Delaware corporation.

"*Limited Partners*" shall mean those Persons whose names are set forth on Exhibit A to the Partnership Agreement as Limited Partners, their permitted successors or assigns as limited partners, and/or any Person who, at the time of reference thereto, is a limited partner of the Operating Partnership.

"*Partners*" shall mean the General Partner and the Limited Partners, their duly admitted successors or assigns or any Person who is a partner of the Operating Partnership at the time of reference thereto.

"*Partnership Units*" shall mean the interest in the Operating Partnership of any Partner which entitles a Partner to the allocations (and each item thereof) specified in the Partnership Agreement and all distributions from the Operating Partnership, and its rights of management, consent, approval, or participation, if any, as provided in the Partnership Agreement. Partnership Units do not include preferred units. Each Partner's percentage ownership interest in the Operating Partnership shall be determined by dividing the number of Partnership Units then owned by each Partner by the total number of Partnership Units then outstanding.

"*Person*" shall mean any individual or Entity.

"*Shares*" shall mean the shares of common stock, par value $0.0001 per share, of the Corporation.

"*Tax Protection Agreement*" shall mean the agreement dated as of November, 2003, among the Partnership and the holders of certain of the 7.50% Cumulative Redeemable Preferred Units.

"*Trading Day*" shall mean a day on which the principal national securities exchange on which the Shares are listed or admitted to trading is open for the transaction of business or, if the Shares are not listed or admitted to trading on any national securities exchange, shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

Annex I

DISTRIBUTION RETURN AGREEMENT

Date: ____________, 20____

Simon Property Group, L.P.
National City Center
115 West Washington Street, Suite 15, East
Indianapolis, Indiana 46204

Dear Sirs:

The undersigned is a holder of 7.50% Cumulative Redeemable Preferred Units ("Preferred Units") of Simon Property Group, L.P., a Delaware limited partnership (the "Operating Partnership"). On the date hereof, the undersigned has presented to the Operating Partnership (number) Preferred Units (the "Tendered Units") for redemption (the "Redemption"); or (b) repurchase (the "Repurchase") pursuant to their terms. This letter agreement is being given in satisfaction of a condition to the Redemption or Repurchase, as applicable, of the Tendered Units.

The undersigned hereby agrees with the Operating Partnership that, in the event the undersigned receives any payment or distribution with respect to Tendered Units after their Redemption or Repurchase, as applicable, other than a payment or distribution required to be made in connection therewith, the undersigned will promptly remit such payment or distribution back to the Operating Partnership.

In furtherance of the foregoing, the undersigned further grants to the Operating Partnership the right to set off against any unpaid amount due to the Operating Partnership under this letter agreement any debt or other obligation of the Operating Partnership owing to the undersigned, including, without limitation, any dividend or other distribution payable to the undersigned by reason of its ownership of Preferred Units or any other securities of the Operating Partnership.

This letter agreement shall be construed in accordance with, and governed by, the laws of the State of Delaware, without regard to conflicts of laws principles.

Very truly yours,

____

____

(Name of Holder of Preferred Units)

By: __________________________

Name:
Title:

AGREED:
SIMON PROPERTY GROUP, L.P.

By: SIMON PROPERTY GROUP, INC.,
General Partner

By: __________________________

Name:
Title:

CERTIFICATE OF DESIGNATION
OF
7.75%/8.00% CUMULATIVE REDEEMABLE PREFERRED UNITS
OF
SIMON PROPERTY GROUP, L.P.

WHEREAS, Simon Property Group, L.P. (the "*Operating Partnership*") has agreed to designate a series of preferred units having the powers, preferences and relative, participating, optional or other special rights set forth herein and to issue the units so designated as consideration for certain partnership interests or other assets which have been transferred to the Operating Partnership pursuant to a Contribution Agreement, dated as of December 1, 2003, between the Operating Partnership and Westfield Growth LP, a Delaware limited partnership (the "*Contribution Agreement*"); and

WHEREAS, the designation of the preferred units of the Operating Partnership hereby is permitted by the terms of the Seventh Amended and Restated Limited Partnership Agreement of the Operating Partnership dated as of August 27, 1999 and supplemented by the Amended and Restated Supplement dated as of June 30, 2003 and the Certificate of Designation with respect to the 7.50% Cumulative Redeemable Preferred Units issued as of November 10, 2003 (the "*Partnership Agreement*");

NOW THEREFORE, Simon Property Group, Inc. (the "*Corporation*"), the general partner of the Operating Partnership (in such capacity, the "*General Partner*"), hereby designates a series of preferred units and fixes the designations, powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, of such preferred units, as follows:

SECTION 1. *Designation and Number.* The units of such series shall be designated "7.75%/8.00% Cumulative Redeemable Preferred Units" (the "*7.75%/8.00% Preferred Units*"). The authorized number of 7.75%/8.00% Preferred Units shall be 900,000 but such 7.75%/8.00% Preferred Units shall only be issuable as consideration pursuant to the Contribution Agreement.

SECTION 2. *Ranking.* The 7.75%/8.00% Preferred Units shall, with respect to the payment of distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership, rank:

(i) senior to the holders of Partnership Units (the "*Common Units*") and any other equity securities of the Operating Partnership which by their terms rank junior to the 7.75%/8.00% Preferred Units as to distributions pursuant to Section 6.2 of the Partnership Agreement or rights upon the dissolution, liquidation or winding-up of the Operating Partnership (such Common Units and such other equity securities, collectively, the "*Junior Units*");

(ii) *pari passu* with any other class or series of preferred units which by their terms are not junior and in all respects shall rank *pari passu* with the 6.50% Series B Redeemable Preferred Units, 8.00% Series E Cumulative Redeemable Preferred Units, 8.75% Series F Cumulative Redeemable Preferred Units, 7.89% Series G Cumulative Step-Up Premium Rate Preferred Units, 7.00% Cumulative Redeemable Preferred Units, 8.00% Cumulative Redeemable Preferred Units and the 7.50% Cumulative Redeemable Preferred Units, which are the only preferred units of the Operating Partnership authorized as of the date hereof ("*Parity Units*"); and

(iii) junior to any other class or series of preferred units which by their terms are senior to the 7.75%/8.00% Preferred Units as to distributions or rights upon the dissolution, liquidation or winding-up of the Operating Partnership ("*Senior Units*").

SECTION 3. *Distributions.* (a) Subject to Section 3(b), holders of the 7.75%/8.00% Preferred Units shall be entitled to receive on each Distribution Payment Date, but only out of funds legally available for payment of distributions, cumulative preferential distributions payable in cash in an amount equal to the applicable Base Rate (as defined below in Section 11) per 7.75%/8.00% Preferred Unit per annum (the "*Distribution Amount*"). Notwithstanding the foregoing, if the amount of net ordinary income of the Operating Partnership permitted to be allocated to the holders of the 7.75%/8.00% Preferred Units pursuant to Section 7 is less than the Distribution Amount otherwise distributable to such holders, then the amount of the Distribution Amount in excess of the amount of net ordinary income allocable to such holders shall be deferred, and shall continue to accumulate but at the rate of LIBOR plus 2% (such deferred amount, including any accumulation thereon, being referred to as the "*Ordinary Income Deferral Amount*"), until such time as there is sufficient net ordinary income of the Operating Partnership allocable to such holders to distribute all outstanding Ordinary Income Deferral Amounts (such period being referred to as the "*Ordinary Income Deferral Period*"). Subject to the limitations and conditions herein, to the extent that the Operating Partnership has any amount of net ordinary income that is permitted to be allocated to holders pursuant to Section 7, the Operating Partnership shall allocate such amount to holders and distribute to holders that portion of the outstanding Ordinary Income Deferral Amounts equal to such amount of net ordinary income.

(b) Notwithstanding the foregoing, if the distributions with respect to the 7.75%/8.00% Preferred Units to be made on or prior to the third anniversary of the Issue Date (the "*Third Anniversary*") would, if made, result in any holder of such 7.75%/8.00% Preferred Units receiving distributions in excess of an annual return on such holder's "unreturned capital" (as defined below) for a Partnership Fiscal Year (treating the Partnership Fiscal Year in which such Third Anniversary occurs as ending on such Third Anniversary solely for purposes of this Section 3(b)) equal to the Safe Harbor Rate (as defined below), then the distributions to such holder in excess of such amount shall be deferred (such amount being referred to as the "*Deferral Amount*"), shall continue to accumulate but at the rate of LIBOR plus 2%, and shall be payable, subject to the limitations and conditions herein, on the first Distribution Payment Date with respect to the 7.75%/8.00% Preferred Units following the Third Anniversary (such period being referred to as the "*Deferral Period*"). For purposes of the foregoing, the "*Safe Harbor Rate*" shall equal 7.545%, based on quarterly compounding. For purposes of the foregoing, a holder's "unreturned capital" shall be equal to such holder's positive Capital Account balance on the first day of the calendar year in which the relevant Distribution Payment Date falls. Distributions with respect to the 7.75%/8.00% Preferred Units are intended to qualify as permitted distributions of cash that are not treated as part of a disguised sale within the meaning of Treasury Regulations Sections 1.707-3 and 1.707-4.

(c) The Distribution Amount to the extent not fully paid shall be fully cumulative, whether or not in any distribution period there shall be funds of the Operating Partnership legally available for the payment of such distributions. Except as otherwise provided herein, no interest, or sum of money in lieu of interest, shall be payable in respect of any Distribution Amount which may be in arrears. Subject to the limitations set forth in this Section 3, accumulated distributions for any past quarterly distribution periods may be declared and made at any time, without reference to any regularly scheduled quarterly Distribution Payment Date. Any Distribution Amount payment made on the 7.75%/8.00% shall first be credited against the earliest accumulated but unpaid distribution due with respect to the 7.75%/8.00% Preferred Units which remains payable.

(d) The initial distribution period for the 7.75%/8.00% Preferred Units will include a partial distribution for the period from the Issue Date until the last day of the calendar quarter immediately following such Issue Date. The distribution payable for such initial

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period, or any other period shorter than a fully quarterly distribution period, on the 7.75%/8.00% Preferred Units shall be computed by dividing the number of days in such period by 90 and multiplying the result by the Distribution Amount determined in accordance with Section 3(a).

(e) So long as any 7.75%/8.00% Preferred Units are outstanding, no distributions shall be declared or paid or set apart for payment on any Parity Units or Junior Units for any period unless full cumulative distributions (other than with respect to the Ordinary Income Deferral Amount during the Ordinary Income Deferral Period or the Deferral Amount during the Deferral Period) have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for such payments on the 7.75%/8.00% Preferred Units for all past distribution periods and the then current distribution period. When distributions are not paid in full (or a sum sufficient for such full payment is not set apart) upon the 7.75%/8.00% Preferred Units and any Parity Units, all distributions declared upon the 7.75%/8.00% Preferred Units and any other Parity Units shall be declared pro rata so that the amount of distributions declared per 7.75%/8.00% Preferred Unit and such other Parity Units shall in all cases bear to each other the same ratio that accrued distributions per 7.75%/8.00% Preferred Unit and such other series of Parity Units bear to each other.

(f) So long as any 7.75%/8.00% Preferred Units are outstanding, unless full cumulative distributions on the 7.75%/8.00% Preferred Units (other than with respect to the Ordinary Income Deferral Amount during the Ordinary Income Deferral Period or the Deferral Amount during the Deferral Period) have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past distribution periods and the then current distribution period, no distributions (other than in Junior Units) shall be declared, set aside for payment or paid and no other distribution shall be declared or made upon any Junior Units, nor shall any Junior Units be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any such Junior Units) by the Operating Partnership (except by conversion into or exchange for Junior Units).

SECTION 4. *Liquidation Preference.* (a) Each 7.75%/8.00% Preferred Unit shall be entitled to a liquidation preference of $100 ("*Liquidation Preference*").

(b) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Operating Partnership pursuant to Article VIII of the Partnership Agreement, the holders of 7.75%/8.00% Preferred Units then outstanding shall be entitled to be paid out of the assets of the Operating Partnership available for distribution, after and subject to the payment in full of all amounts required to be distributed to the holders of

Senior Units, but before any payment shall be made to the holders of Junior Units, an amount equal to the aggregate Liquidation Preference of the 7.75%/8.00% Preferred Units held by such holder, plus an amount equal to accrued and unpaid distributions thereon, if any. If upon any such liquidation, dissolution or winding up of the Operating Partnership the remaining assets of the Operating Partnership available for the distribution after payment in full of amounts required to be paid or distributed to holders of Senior Units shall be insufficient to pay the holders of the 7.75%/8.00% Preferred Units the full amount to which they shall be entitled, the holders of the 7.75%/8.00% Preferred Units and the holders of any series of Parity Units shall share ratably with other holders of Parity Units in any distribution of the remaining assets and funds of the Operating Partnership in proportion to the respective amounts which would otherwise be payable in respect to the Parity Units held by each of the said holders upon such distribution if all amounts payable on or with respect to said Parity Units were paid in full. After payment in full of the Liquidation Preference and accumulated and unpaid distributions

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to which they are entitled, the holders of 7.75%/8.00% Preferred Units shall not be entitled to any further participation in any distribution of the assets of the Operating Partnership.

SECTION 5. *Redemption at the Option of the Operating Partnership.*

(a) The 7.75%/8.00% Preferred Units are not redeemable prior to the Redemption Date (as defined below).

(b) (i) On and after the occurrence of a Permissible Transaction (as defined below), or (ii) absent the occurrence of a Permissible Transaction, on or after January 1, 2011, the Operating Partnership may, at its option, at any time thereafter, redeem the 7.75%/8.00% Preferred Units, in whole or in part, at a redemption price per 7.75%/8.00% Preferred Unit equal to the Liquidation Preference, plus accrued and unpaid distributions and accumulation thereon, if any, to and including the date of redemption (the "*Redemption Price*"). In the case of a redemption following the occurrence of a Permissible Transaction, the Redemption Price shall be payable in cash. In the case of a redemption absent the occurrence of a Permissible Transaction, the Redemption Price payable following January 1, 2011 shall be payable in the form of interests in one or more properties identified by the holders of the 7.75%/8.00% Preferred Units and otherwise agreed upon by the Operating Partnership and such holders.

(c) In the case of a redemption of the 7.75%/8.00% Preferred Units for interests in one or more properties, to the extent that the value of such property or properties is greater than the Redemption Price, then the holders of the 7.75%/8.00% Preferred Units shall pay the difference to the Operating Partnership in cash. If the holders and the Operating Partnership are unable to agree upon such properties, such redemption shall not occur and the 7.75%/8.00% Preferred Units shall remain outstanding in full force and effect as if no Redemption Notice had been given.

(d) The Operating Partnership shall give the holders of the 7.75%/8.00% Preferred Units written notice ("*Redemption Notice*") of a redemption pursuant to this Section 5 not less than 30 calendar days prior to the date fixed for redemption (the "*Redemption Date*"), at the address of such holders on the books of the Operating Partnership (provided that failure to give such notice or any defect therein shall not affect the validity of the proceeding for a redemption except as to the holder to whom the Operating Partnership has failed to give such notice or whose notice was defective). Each such notice shall state, as appropriate: (1) the Redemption Date; (2) the number of 7.75%/8.00% Preferred Units to be redeemed; (3) the Redemption Price; (4) the place or places at which certificates for such units are to be surrendered; and (5) that distributions on the 7.75%/8.00% Preferred Units to be redeemed shall cease to accumulate on such Redemption Date. On or before the Redemption Date, the Operating Partnership shall have (A) set apart the funds necessary to pay the Redemption Price on all the 7.75%/8.00% Preferred Units then called for redemption or (B) delivered, or cause to be delivered, to the holders of the 7.75%/8.00% Preferred Units, all instruments, documents and agreements that are necessary and appropriate to consummate such redemption for interests in one or more properties. The 7.75%/8.00% Preferred Units for which the Redemption Price has been paid shall no longer be deemed outstanding from and after the date of payment and all rights with respect to such units shall forthwith cease and terminate. In case fewer than all of the outstanding 7.75%/8.00% Preferred Units are called for redemption, such units shall be redeemed pro rata, as nearly as practicable, among all holders of 7.75%/8.00% Preferred Units.

SECTION 6. *Put Right at the Option of the Holders.*

(a) (i) On and after January 1, 2005, but prior to January 1, 2009 (the "*Initial Put Option*"), or (ii) at any time on and after January 1, 2009 (the "*Subsequent Put Option*"), or

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(iii) if at any time the aggregate Liquidation Preference of the outstanding 7.75%/8.00% Preferred Units exceeds 10% of the book value of the equity capital of the Operating Partnership (the "*Holder Put Option*"), each holder of the 7.75%/8.00% Preferred Units shall have the right and option, to be exercised at its election, to require the Operating Partnership to repurchase the 7.75%/8.00% Preferred Units, in whole or in part, at a repurchase price per 7.75%/8.00% Preferred Unit equal to the Liquidation Preference, plus accrued and unpaid distributions and accumulation thereon, if any, to and including the repurchase date (the "*Repurchase Price*"). If at any time the aggregate Liquidation Preference of the outstanding 7.75%/8.00% Preferred Units exceeds 10% of the book value of the equity capital of the Operating Partnership, the Operating Partnership shall promptly deliver notice thereof to the holders of the 7.75%/8.00% Preferred Units. If a holder of the 7.75%/8.00% Preferred Units desires to exercise the Initial Put Option, the Subsequent Put Option or the Holder Put Option, such holder shall deliver written notice thereof to the Operating Partnership (the "*Repurchase Notice*").

(b) In the case of the Initial Put Option, the Repurchase Price shall be payable, at the Operating Partnership's election, in cash or interests in one or more properties mutually agreed upon by the Operating Partnership and the holders of the 7.75%/8.00% Preferred Units. In the case of the exercise of the Subsequent Put Option following a Permissible Transaction, the Repurchase Price shall be payable in cash, or, in case of the exercise of the Subsequent Put Option absent the occurrence of a Permissible Transaction, the Repurchase Price shall be payable, at the election of the holders of the 7.75%/8.00% Preferred Units, in cash or in the form of interests in one or more properties mutually agreed upon by the Operating Partnership and the holders of the 7.75%/8.00% Preferred Units. On or before the Repurchase Date, the Operating Partnership shall have (A) in the case where the Repurchase Price is payable in cash, set apart the funds necessary to pay the Repurchase Price on all the 7.75%/8.00% Preferred Units to be repurchased, and (B) in the case where the Repurchase Price is payable in the form of interests in one or more properties, delivered, or cause to be delivered to the holders of the 7.75%/8.00% Preferred Units to be repurchased, all instruments, documents and agreements that are necessary and appropriate to consummate such redemption for interests in one or more properties.

(c) The closing of any repurchase contemplated by this Section 6 shall occur within ninety (90) days of the delivery of the Repurchase Notice or on such other date as agreed upon by the Operating Partnership and the holders (the "*Repurchase Date*"); provided, however, that the closing of the exercise of the Holder Put Option shall take place no later than thirty (30) days from the end of the calendar quarter in which the value of the 7.75%/8.00% Preferred Units exceeded 10% of the outstanding securities of the Operating Partnership; provided, further, that, such date may be extended at the sole option of the holders.

(d) In the case of the repurchase of the 7.75%/8.00% Preferred Units for interests in one or more properties, to the extent that the value of such property or properties is greater than the Repurchase Price, then the holders of the 7.75%/8.00% Preferred Units shall pay the difference to the Operating Partnership in cash. If the holders and the Operating Partnership are unable to agree upon such properties, such repurchase shall not occur and the 7.75%/8.00% Preferred Units shall remain outstanding in full force and effect as if no Repurchase Notice had been given.

SECTION 7. *Tax Allocations.* The Operating Partnership shall, for tax purposes, allocate net ordinary income to the holders of the 7.75%/8.00% Preferred Unit such that the allocated amount of taxable income shall be equal to the distributions paid pursuant to Section 3. No loss or deduction shall be allocated to the holders of the 7.75%/8.00% Preferred Units or, to the extent

required, shall be matched with an equal allocation of net ordinary income such that the allocated amount of taxable income shall be equal to the distributions paid pursuant to Section 3. Except for capital gain resulting from a Permissible Transaction which is allocable to the 7.75%/8.00% Preferred Units pursuant to Code Section 704(c), no capital gain shall be allocated to the holders of the 7.75%/8.00% Preferred Units and no item of income or gain shall be allocated to the holders of the 7.75%/8.00% Preferred Units to eliminate the book-tax disparity in the WEA Kravco Interest (as defined in the Contribution Agreement). Notwithstanding any other provision of this Certificate of Designation or the Partnership Agreement, a holder of 7.75%/8.00% Preferred Units, shall upon a redemption or liquidation described in Section 4, 5 or 6, receive the distribution to which such holder is entitled pursuant to such Section 4, 5 or 6, as applicable, regardless of the balance of such holder's Capital Account at the time of such redemption or liquidation.

SECTION 8. *Status of Redeemed 7.75%/8.00% Preferred Units.* Upon any redemption by the Operating Partnership of 7.75%/8.00% Preferred Units, the 7.75%/8.00% Preferred Units so redeemed shall be retired and canceled.

SECTION 9. *No Right to Certain Distributions.* Any holder of 7.75%/8.00% Preferred Units whose units are redeemed pursuant to Section 5 or Section 6 hereto, prior to being entitled to receive any cash, properties or securities upon the occurrence of any such event, will be required to execute and deliver to the Operating Partnership and the Corporation a Distribution Return Agreement substantially in the form of Annex I hereto.

SECTION 10. *Voting.* The Operating Partnership shall not, without the affirmative consent or approval of the holders of at least a majority of the 7.75%/8.00% Preferred Units then outstanding, voting separately as a class: (i) authorize any Senior Units; (ii) amend, alter or modify any of the provisions of this Certificate of Designation or the Partnership Agreement so as to adversely affect the holders of the 7.75%/8.00% Preferred Units; or (iii) issue to any holder of Common Units any Parity Units by way of exchange, distribution or similar transaction in respect of such Common Units, unless such exchange, distribution or similar transaction is for fair value (as determined in good faith by the General Partner).

SECTION 11. *Definitions.* The following terms shall have the respective meanings in this Section 11, and capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Partnership Agreement:

"*Base Rate*" shall mean an annual distribution per 7.75%/8.00% Preferred Unit equal to (i) 7.75% of the Liquidation Preference for the period beginning from the Issue Date and ending December 31, 2004, (ii) 8.00% of the Liquidation Preference for the period beginning January 1, 2005 and ending December 31, 2009, (iii) 10.00% of the Liquidation Preference for the period beginning January 1, 2010 and ending December 31, 2010, and (iv) 12.00% of the Liquidation Preference thereafter.

"*Business Day*" shall mean any day, other than Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions in Indianapolis, Indiana, are authorized or required by law, regulation or executive order to close.

"*Code*" shall mean the Internal Revenue Code of 1986, as amended, or any corresponding provision or provisions of prior or succeeding law.

"*Distribution Payment Date*" shall mean the last day of March, June, September and December, provided that if such day is not a Business Day, "Distribution Payment Date" shall mean the next succeeding Business Day.

"*Determination Date*" shall mean in connection with the calculation of accumulation of distributions for any calendar quarter, the fifteenth (15^{th}) day of the first month of such calendar quarter.

"*Issue Date*" shall mean the date on which the 7.75%/8.00% Preferred Units are issued.

"*LIBOR*" shall mean the rate per annum calculated as set forth below:

(i) On each Determination Date, LIBOR will be determined on the basis of the offered rate for deposits of not less than U.S. $1,000,000 for a period of three months (the "*Index Maturity*"), commencing on such Determination Date, which appears on Dow Jones Market Service (formerly Telerate) Page 3750 as of 11:00 a.m., London time (or such other page as may replace the Dow Jones Market Service (formerly Telerate) Page on that service for the purposes of displaying London interbank offered rates of major banks). If no such offered rate appears, LIBOR with respect to the relevant accrual period will be determined as described in (ii) below.

(ii) With respect to a Determination Date on which no such offered rate appears on Dow Jones Market Service (formerly Telerate) Page 3750 as described in (i) above, LIBOR shall be the arithmetic mean, expressed as a percentage, of the offered rates for deposits in U.S. dollars for the Index Maturity which appears on the Reuters Screen LIBO Page as of 11:00 a.m., London time, on such date. If, in turn, such rate is not displayed on the Reuters Screen LIBO Page at such time, then LIBOR for such date will be obtained from the preceding Business Day for which the Reuters Screen LIBO Page displayed a rate for the Index Maturity.

"*Limited Partners*" shall mean those Persons whose names are set forth on Exhibit A to the Partnership Agreement as Limited Partners, their permitted successors or assigns as limited partners, and/or any Person who, at the time of reference thereto, is a limited partner of the Operating Partnership.

"*Partner(s)*" shall mean the General Partner and the Limited Partners, their duly admitted successors or assigns or any Person who is a partner of the Operating Partnership at the time of reference thereto.

"*Partnership Units*" shall mean the interest in the Operating Partnership of any Partner which entitles a Partner to the allocations (and each item thereof) specified in the Partnership Agreement and all distributions from the Operating Partnership, and its rights of management, consent, approval, or participation, if any, as provided in the Partnership Agreement. Partnership Units do not include preferred units. Each Partner's percentage ownership interest in the Operating Partnership shall be determined by dividing the number of Partnership Units then owned by such Partner by the total number of Partnership Units then outstanding.

"*Permissible Transaction*" shall have the meaning specified in the Contribution Agreement.

"*Person*" shall mean any natural person, corporation, business trust, joint venture, association, company, limited liability entity, firm, partnership, or other entity.

ANNEX I

DISTRIBUTION RETURN AGREEMENT

Date: ____________, 20____

Simon Property Group, L.P.
National City Center
115 West Washington Street, Suite 15, East
Indianapolis, Indiana 46204

Dear Sirs:

The undersigned is a holder of 7.75%/8.00% Cumulative Redeemable Preferred Units ("Preferred Units") of Simon Property Group, L.P., a Delaware limited partnership (the "Operating Partnership"). On the date hereof, the undersigned has presented to the Operating Partnership (number) Preferred Units (the "Tendered Units") for redemption (the "Redemption"); or (b) repurchase (the "Repurchase") pursuant to their terms. This letter agreement is being given in satisfaction of a condition to the Redemption or Repurchase, as applicable, of the Tendered Units.

The undersigned hereby agrees with the Operating Partnership that, in the event the undersigned receives any payment or distribution with respect to Tendered Units after their Redemption or Repurchase, as applicable, other than a payment or distribution required to be made in connection therewith, the undersigned will promptly remit such payment or distribution back to the Operating Partnership.

This letter agreement shall be construed in accordance with, and governed by, the laws of the State of Delaware, without regard to conflicts of laws principles.

Very truly yours,

____

____
(Name of Holder of Preferred Units)

By: ______________________________
Name:
Title:

AGREED:

SIMON PROPERTY GROUP, L.P., a Delaware limited partnership

By: SIMON PROPERTY GROUP, INC.,
a Delaware corporation, General Partner

By: ______________________________

Name: Stephen E. Sterrett
Title: Executive Vice President

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Exhibit 12.1

SIMON PROPERTY GROUP, L.P.
Computation of Ratio of Earnings to Fixed Charges
(in thousands)

	For the year ended December 31,				
	2003	**2002**	**2001**	**2000**	**1999**
Earnings:					
Pre-tax income from continuing operations	$ 457,496	$ 541,609	$ 281,196	$ 352,709	$ 291,138
Add:					
Pre-tax income from 50% or greater than 50% owned unconsolidated entities	60,614	46,633	62,611	51,799	56,378
Minority interest in income of majority owned subsidiaries	7,277	10,498	10,715	10,725	10,719
Distributed income from less than 50% owned unconsolidated entities	42,939	37,811	51,740	45,948	30,169
Amortization of capitalized interest	1,845	1,872	1,702	1,323	724
Fixed Charges	691,885	683,817	699,751	735,662	660,121
Less:					
Income from unconsolidated entities	(101,093)	(77,389)	(67,291)	(57,328)	(44,926)
Interest capitalization	(10,916)	(5,507)	(10,325)	(18,513)	(23,759)
Earnings	**$ 1,150,047**	**$ 1,239,344**	**$ 1,030,099**	**$ 1,122,325**	**$ 980,564**
Fixed Charges:					
Portion of rents representative of the interest factor	5,602	4,350	4,932	4,951	4,901
Interest on indebtedness (including amortization of debt expense)	675,367	673,960	684,494	712,198	631,461
Interest capitalized	10,916	5,507	10,325	18,513	23,759
Fixed Charges	**$ 691,885**	**$ 683,817**	**$ 699,751**	**$ 735,662**	**$ 660,121**
Ratio of Earnings to Fixed Charges	**1.66x**	**1.81x**	**1.47x**	**1.53x**	**1.49x**

For purposes of calculating the ratio of earnings to fixed charges, "earnings" have been computed by adding fixed charges, excluding capitalized interest, to income (loss) from continuing operations including income from minority interests and our share of income (loss) from 50%-owned affiliates which have fixed charges, and including distributed operating income from unconsolidated joint ventures instead of income from unconsolidated joint ventures. There are generally no restrictions on our ability to receive distributions from our joint ventures where no preference in favor of the other owners of the joint venture exists. "Fixed charges" consist of interest costs, whether expensed or capitalized, the interest component of rental expenses and amortization of debt issue costs.

The computation of ratio of earnings to fixed charges has been restated to adopt SFAS No. 145, "Rescission of FASB Statements No. 4, 44, and 64, Amendment of SFAS No. 13, and Technical Corrections." Among other items, SFAS No. 145 rescinds SFAS No. 4, "Reporting of Gains and Losses from Extinguishment of Debt" and "Extinguishments of Debt Made to Satisfy Sinking-Fund Requirements." As a result, gains and losses from extinguishment of debt should be classified as extraordinary items only if they meet the criteria of APB Opinion No. 30. Debt extinguishments as part of a company's risk management strategy would not meet the criteria for classification as extraordinary

items. Therefore, we are required to reclassify all of the extraordinary items related to debt transactions recorded in prior periods, including those recorded in the current period, to income from continuing operations.

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EXHIBIT 21.1

List of Subsidiaries of the Operating Partnership

Subsidiary	Jurisdiction
The Retail Property Trust	Massachusetts
Simon Property Group (Illinois), L.P.	Illinois
Simon Property Group (Texas), L.P.	Texas
Shopping Center Associates	New York
DeBartolo Capital Partnership	Delaware
Simon Capital Limited Partnership	Delaware
SDG Macerich Properties, L.P.	Delaware
M.S. Management Associates, Inc.	Delaware
M.S. Management Associates (Indiana), Inc.	Indiana
DeBartolo Properties Management, Inc.	Ohio
Mayflower Realty LLC	Delaware
Marigold Indemnity, Ltd.	Bermuda
Rosewood Indemnity, Ltd.	Bermuda
Simon Business Network, LLC	Delaware
Simon Brand Ventures, LLC	Delaware
Simon Global Limited	United Kingdom
Simon Services, Inc.	Delaware
Simon Property Group Administrative Services Partnership, L.P.	Delaware
SPGGC, Inc.	Maryland
Kravco Simon Investments, L.P.	Pennsylvania
Kravco Simon Company	Pennsylvania

Omits names of subsidiaries which as of December 31, 2003 were not, in the aggregate, a "significant subsidiary".

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Exhibit 23.2

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statement (Form S-3 No. 333-68940) of our reports dated February 5, 2004, with respect to the consolidated financial statements and schedule of Simon Property Group, L.P. included in the Annual Report (Form 10-K) for the year ended December 31, 2003.

ERNST & YOUNG LLP

Indianapolis, Indiana
March 24, 2004

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Exhibit 23.2

Exhibit 31.1

Certification by the Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David Simon, certify that:

1. I have reviewed this Annual Report on Form 10-K of Simon Property Group, L.P.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 30, 2004	/s/ David Simon
	David Simon, Chief Executive Officer, Simon Property Group, Inc.

Exhibit 31.2

Certification by the Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Stephen E. Sterrett, certify that:

1. I have reviewed this Annual Report on Form 10-K of Simon Property Group, L.P.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 30, 2004

/s/ Stephen E. Sterrett

Stephen E. Sterrett, Executive Vice President
and Chief Financial Officer,
Simon Property Group, Inc.

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Exhibit 32

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Simon Property Group, L.P. (the "Company"), on Form 10-K for the period ending December 31, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David Simon

David Simon
Chief Executive Officer,
Simon Property Group, Inc.
March 30, 2004

/s/ Stephen E. Sterrett

Stephen E. Sterrett
Chief Financial Officer,
Simon Property Group, Inc.
March 30, 2004

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Exhibit 32