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

FORM 10-Q

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

For the quarterly period ended March 31, 2016

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

Delaware **(Simon Property Group, Inc.)** **Delaware** **(Simon Property Group, L.P.)** (State of incorporation or organization)	**001-14469** **(Simon Property Group, Inc.)** **001-36110** **(Simon Property Group, L.P.)** (Commission File No.)	**04-6268599** **(Simon Property Group, Inc.)** **34-1755769** **(Simon Property Group, L.P.)** (I.R.S. Employer Identification No.)

225 West Washington Street
Indianapolis, Indiana 46204
(Address of principal executive offices)

(317) 636-1600
(Registrant's telephone number, including area code)

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.

Simon Property Group, Inc. Yes ☒ No o Simon Property Group, L.P. Yes ☒ No o

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files).

Simon Property Group, Inc. Yes ☒ No o Simon Property Group, L.P. Yes ☒ No o

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

Simon Property Group, Inc.:

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

Simon Property Group, L.P.:

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

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

Simon Property Group, Inc. Yes o No ☒ Simon Property Group, L.P. Yes o No ☒

As of March 31, 2016, Simon Property Group, Inc. had 309,408,836 shares of common stock, par value $0.0001 per share, and 8,000 shares of Class B common stock, par value $0.0001 per share, outstanding. Simon Property Group, L.P. has no common stock outstanding.

EXPLANATORY NOTE

This report combines the quarterly reports on Form 10-Q for the quarterly period ended March 31, 2016 of Simon Property Group, Inc., a Delaware corporation, and Simon Property Group, L.P., a Delaware limited partnership. Unless stated otherwise or the context otherwise requires, references to "Simon" mean Simon Property Group, Inc. and references to the "Operating Partnership" mean Simon Property Group, L.P.. References to "we," "us" and "our" mean collectively Simon, the Operating Partnership and those entities/subsidiaries owned or controlled by Simon and/or the Operating Partnership.

Simon is a real estate investment trust, or REIT, under the Internal Revenue Code of 1986, as amended. We are structured as an umbrella partnership REIT under which substantially all of our business is conducted through the Operating Partnership, Simon's majority-owned partnership subsidiary, for which Simon is the general partner. As of March 31, 2016, Simon owned an approximate 85.5% ownership interest in the Operating Partnership, with the remaining 14.5% ownership interest owned by limited partners. As the sole general partner of the Operating Partnership, Simon has exclusive control of the Operating Partnership's day-to-day management.

We operate Simon and the Operating Partnership as one business. The management of Simon consists of the same members as the management of the Operating Partnership. As general partner with control of the Operating Partnership, Simon consolidates the Operating Partnership for financial reporting purposes, and Simon has no material assets or liabilities other than its investment in the Operating Partnership. Therefore, the assets and liabilities of Simon and the Operating Partnership are the same on their respective financial statements.

We believe that combining the quarterly reports on Form 10-Q of Simon and the Operating Partnership into this single report provides the following benefits:

- enhances investors' understanding of Simon and the Operating Partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;

- eliminates duplicative disclosure and provides a more streamlined presentation since substantially all of the disclosure in this report applies to both Simon and the Operating Partnership; and

- creates time and cost efficiencies through the preparation of one combined report instead of two separate reports.

We believe it is important for investors to understand the few differences between Simon and the Operating Partnership in the context of how we operate as a consolidated company. The primary difference is that Simon itself does not conduct business, other than acting as the general partner of the Operating Partnership and issuing equity or equity-related instruments from time to time. In addition, Simon itself does not incur any indebtedness, as all debt is incurred by the Operating Partnership or entities/subsidiaries owned or controlled by the Operating Partnership.

The Operating Partnership holds, directly or indirectly, substantially all of our assets, including our ownership interests in our joint ventures. The Operating Partnership conducts all of our business and is structured as a partnership with no publicly traded equity. Except for the net proceeds from equity issuances by Simon, which are contributed to the capital of the Operating Partnership in exchange for, in the case of common stock issuances by Simon, common units of partnership interest in the Operating Partnership, or units, or, in the case of preferred stock issuances by Simon, preferred units of partnership interest in the Operating Partnership, or preferred units, the Operating Partnership, directly or indirectly, generates the capital required by our business through its operations, the incurrence of indebtedness, proceeds received from the disposition of certain properties and joint ventures and the issuance of units or preferred units to third parties.

The presentation of stockholders' equity, partners' equity and noncontrolling interests are the main areas of difference between the consolidated financial statements of Simon and those of the Operating Partnership. The differences between stockholders' equity and partners' equity result from differences in the equity issued at the Simon and Operating Partnership levels. The units held by limited partners in the Operating Partnership are accounted for as partners' equity in the Operating Partnership's financial statements and the units held by limited partners are accounted for as noncontrolling interests in Simon's financial statements. The noncontrolling interests in the Operating Partnership's financial statements include the interests of unaffiliated partners in various consolidated partnerships. The noncontrolling interests in Simon's financial statements include the same noncontrolling interests at the Operating Partnership level and, as previously stated, the units held by limited partners of the Operating Partnership. Although classified differently, total equity of Simon and the Operating Partnership is the same.

To help investors understand the differences between Simon and the Operating Partnership, this report provides:

- separate consolidated financial statements for Simon and the Operating Partnership;
- a single set of condensed notes to such consolidated financial statements that includes separate discussions of noncontrolling interests and stockholders' equity or partners' equity, accumulated other comprehensive income (loss) and per share and per unit data, as applicable,
- a combined Management's Discussion and Analysis of Financial Condition and Results of Operations section that also includes discrete information related to each entity; and
- Separate Part II, Item 2. Unregistered Sales of Equity Securities and Use of Proceeds sections.

This report also includes separate Part I, Item 4. Controls and Procedures sections and separate Exhibits 31 and 32 certifications for each of Simon and the Operating Partnership in order to establish that the requisite certifications have been made and that Simon and the Operating Partnership are each compliant with Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 and 18 U.S.C. §1350. The separate discussions of Simon and the Operating Partnership in this report should be read in conjunction with each other to understand our results on a consolidated basis and how management operates our business.

In order to highlight the differences between Simon and the Operating Partnership, the separate sections in this report for Simon and the Operating Partnership specifically refer to Simon and the Operating Partnership. In the sections that combine disclosure of Simon and the Operating Partnership, this report refers to actions or holdings as being actions or holdings of "we," "us" or "ours." Although the Operating Partnership is generally the entity that directly or indirectly enters into contracts and joint ventures, holds assets and incurs debt, we believe that reference to "we," "us" or "our" in this context is appropriate because the business is one enterprise and we operate the business through the Operating Partnership.

Simon Property Group, Inc.
Simon Property Group, L.P.
Form 10-Q

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Simon Property Group, Inc.
Unaudited Consolidated Balance Sheets
(Dollars in thousands, except share amounts)

	March 31, 2016	December 31, 2015
ASSETS:		
Investment properties at cost	**$ 34,192,700**	$ 33,463,124
Less — accumulated depreciation	**10,109,531**	9,915,386
	24,083,169	23,547,738
Cash and cash equivalents	**805,076**	701,134
Tenant receivables and accrued revenue, net	**573,255**	624,605
Investment in unconsolidated entities, at equity	**2,442,442**	2,481,574
Investment in Klepierre, at equity	**2,026,942**	1,943,363
Deferred costs and other assets	**1,467,614**	1,266,768
Total assets	**$ 31,398,498**	$ 30,565,182
LIABILITIES:		
Mortgages and unsecured indebtedness	**$ 22,975,821**	$ 22,416,682
Accounts payable, accrued expenses, intangibles, and deferred revenues	**1,167,101**	1,323,801
Cash distributions and losses in partnerships and joint ventures, at equity	**1,371,741**	1,368,544
Other liabilities	**365,764**	214,249
Total liabilities	**25,880,427**	25,323,276
Commitments and contingencies		
Limited partners' preferred interest in the Operating Partnership and noncontrolling redeemable interests in properties	**155,530**	25,537
EQUITY:		
Stockholders' Equity		
Capital stock (850,000,000 total shares authorized, $0.0001 par value, 238,000,000 shares of excess common stock, 100,000,000 authorized shares of preferred stock):		
Series J 8 3/8% cumulative redeemable preferred stock, 1,000,000 shares authorized, 796,948 issued and outstanding with a liquidation value of $39,847	**43,651**	43,733
Common stock, $0.0001 par value, 511,990,000 shares authorized, 314,807,744 and 314,806,914 issued and outstanding, respectively	**31**	31
Class B common stock, $0.0001 par value, 10,000 shares authorized, 8,000 issued and outstanding	**—**	—
Capital in excess of par value	**9,391,274**	9,384,450
Accumulated deficit	**(4,288,650)**	(4,266,930)
Accumulated other comprehensive loss	**(117,717)**	(252,686)
Common stock held in treasury at cost, 5,398,908 and 5,394,345 shares, respectively	**(438,005)**	(437,134)
Total stockholders' equity	**4,590,584**	4,471,464
Noncontrolling interests	**771,957**	744,905
Total equity	**5,362,541**	5,216,369
Total liabilities and equity	**$ 31,398,498**	$ 30,565,182

The accompanying notes are an integral part of these statements.

Simon Property Group, Inc.

Unaudited Consolidated Statements of Operations and Comprehensive Income

(Dollars in thousands, except per share amounts)

	For the Three Months Ended March 31, 2016	2015
REVENUE:		
Minimum rent	**$ 818,536**	$ 753,445
Overage rent	**28,916**	38,957
Tenant reimbursements	**371,613**	340,170
Management fees and other revenues	**33,400**	35,078
Other income	**84,250**	48,585
Total revenue	**1,336,715**	1,216,235
EXPENSES:		
Property operating	**103,060**	99,757
Depreciation and amortization	**300,614**	288,106
Real estate taxes	**109,423**	106,888
Repairs and maintenance	**26,065**	29,734
Advertising and promotion	**35,038**	18,756
Provision for credit losses	**3,664**	3,847
Home and regional office costs	**38,607**	35,903
General and administrative	**14,864**	14,999
Other	**20,479**	19,074
Total operating expenses	**651,814**	617,064
OPERATING INCOME	**684,901**	599,171
Interest expense	**(219,190)**	(232,173)
Income and other taxes	**(15,186)**	(6,362)
Income from unconsolidated entities	**90,626**	64,872
Gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net	**22,688**	206,927
CONSOLIDATED NET INCOME	**563,839**	632,435
Net income attributable to noncontrolling interests	**82,010**	92,467
Preferred dividends	**834**	834
NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	**$ 480,995**	$ 539,134
BASIC AND DILUTED EARNINGS PER COMMON SHARE:		
Net income attributable to common stockholders	**$ 1.55**	$ 1.73
Consolidated Net Income	**$ 563,839**	$ 632,435
Unrealized (loss) gain on derivative hedge agreements	**(14,775)**	10,099
Net loss reclassified from accumulated other comprehensive loss into earnings	**139,339**	2,627
Currency translation adjustments	**20,933**	(124,512)
Changes in available-for-sale securities and other	**11,891**	5,637
Comprehensive income	**721,227**	526,286
Comprehensive income attributable to noncontrolling interests	**104,427**	77,109
Comprehensive income attributable to common stockholders	**$ 616,800**	$ 449,177

The accompanying notes are an integral part of these statements.

Simon Property Group, Inc.
Unaudited Consolidated Statements of Cash Flows
(Dollars in thousands)

	For the Three Months Ended March 31, 2016	For the Three Months Ended March 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated Net Income	**$ 563,839**	$ 632,435
Adjustments to reconcile consolidated net income to net cash provided by operating activities —		
Depreciation and amortization	**317,799**	302,667
Gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net	**(22,688)**	(206,927)
Straight-line rent	**(12,276)**	(12,827)
Equity in income of unconsolidated entities	**(90,626)**	(64,872)
Distributions of income from unconsolidated entities	**61,170**	55,253
Changes in assets and liabilities —		
Tenant receivables and accrued revenue, net	**73,323**	69,486
Deferred costs and other assets	**(73,316)**	(38,656)
Accounts payable, accrued expenses, intangibles, deferred revenues and other liabilities	**(96,767)**	(61,762)
Net cash provided by operating activities	**720,458**	674,797
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions	**(38,347)**	(682,405)
Repayments of loans to related parties	**8,207**	—
Capital expenditures, net	**(189,032)**	(229,228)
Cash impact from the consolidation of properties	**38,980**	—
Net proceeds from sale of assets	**27,393**	—
Investments in unconsolidated entities	**(104,547)**	(23,429)
Purchase of marketable and non-marketable securities	**(3,799)**	(10,741)
Distributions of capital from unconsolidated entities and other	**65,888**	435,034
Net cash used in investing activities	**(195,257)**	(510,769)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sales of common stock and other, net of transaction costs	**(82)**	(499)
Purchase of shares related to stock grant recipients' tax withholdings	**(870)**	—
Distributions to noncontrolling interest holders in properties	**(2,773)**	(2,535)
Contributions from noncontrolling interest holders in properties	**—**	196
Preferred distributions of the Operating Partnership	**(479)**	(479)
Preferred dividends and distributions to stockholders	**(496,735)**	(436,611)
Distributions to limited partners	**(83,074)**	(73,538)
Proceeds from issuance of debt, net of transaction costs	**3,592,168**	1,966,685
Repayments of debt	**(3,429,414)**	(1,395,797)
Net cash (used in) provided by financing activities	**(421,259)**	57,422
INCREASE IN CASH AND CASH EQUIVALENTS	**103,942**	221,450
CASH AND CASH EQUIVALENTS, beginning of period	**701,134**	612,282
CASH AND CASH EQUIVALENTS, end of period	**$ 805,076**	$ 833,732

The accompanying notes are an integral part of these statements

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

	March 31, 2016	December 31, 2015
ASSETS:		
Investment properties at cost	**$ 34,192,700**	$ 33,463,124
Less — accumulated depreciation	**10,109,531**	9,915,386
	24,083,169	23,547,738
Cash and cash equivalents	**805,076**	701,134
Tenant receivables and accrued revenue, net	**573,255**	624,605
Investment in unconsolidated entities, at equity	**2,442,442**	2,481,574
Investment in Klepierre, at equity	**2,026,942**	1,943,363
Deferred costs and other assets	**1,467,614**	1,266,768
Total assets	**$ 31,398,498**	$ 30,565,182
LIABILITIES:		
Mortgages and unsecured indebtedness	**$ 22,975,821**	$ 22,416,682
Accounts payable, accrued expenses, intangibles, and deferred revenues	**1,167,101**	1,323,801
Cash distributions and losses in partnerships and joint ventures, at equity	**1,371,741**	1,368,544
Other liabilities	**365,764**	214,249
Total liabilities	**25,880,427**	25,323,276
Commitments and contingencies		
Preferred units, various series, at liquidation value, and noncontrolling redeemable interests in properties	**155,530**	25,537
EQUITY:		
Partners' Equity		
Preferred units, 796,948 units outstanding. Liquidation value of $39,847	**43,651**	43,733
General Partner, 309,416,836 and 309,420,569 units outstanding, respectively	**4,546,933**	4,427,731
Limited Partners, 52,295,919 and 51,814,235 units outstanding, respectively	**768,498**	741,449
Total partners' equity	**5,359,082**	5,212,913
Nonredeemable noncontrolling interests in properties, net	**3,459**	3,456
Total equity	**5,362,541**	5,216,369
Total liabilities and equity	**$ 31,398,498**	$ 30,565,182

The accompanying notes are an integral part of these statements.

Simon Property Group, L.P.

Unaudited Consolidated Statements of Operations and Comprehensive Income

(Dollars in thousands, except per unit amounts)

	For the Three Months Ended March 31, 2016	For the Three Months Ended March 31, 2015
REVENUE:		
Minimum rent	$ **818,536**	$ 753,445
Overage rent	**28,916**	38,957
Tenant reimbursements	**371,613**	340,170
Management fees and other revenues	**33,400**	35,078
Other income	**84,250**	48,585
Total revenue	**1,336,715**	1,216,235
EXPENSES:		
Property operating	**103,060**	99,757
Depreciation and amortization	**300,614**	288,106
Real estate taxes	**109,423**	106,888
Repairs and maintenance	**26,065**	29,734
Advertising and promotion	**35,038**	18,756
Provision for credit losses	**3,664**	3,847
Home and regional office costs	**38,607**	35,903
General and administrative	**14,864**	14,999
Other	**20,479**	19,074
Total operating expenses	**651,814**	617,064
OPERATING INCOME	**684,901**	599,171
Interest expense	**(219,190)**	(232,173)
Income and other taxes	**(15,186)**	(6,362)
Income from unconsolidated entities	**90,626**	64,872
Gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net	**22,688**	206,927
CONSOLIDATED NET INCOME	**563,839**	632,435
Net income attributable to noncontrolling interests	**729**	690
Preferred unit requirements	**1,313**	1,313
NET INCOME ATTRIBUTABLE TO UNITHOLDERS	$ **561,797**	$ 630,432
NET INCOME ATTRIBUTABLE TO UNITHOLDERS ATTRIBUTABLE TO:		
General Partner	$ **480,995**	$ 539,134
Limited Partners	**80,802**	91,298
Net income attributable to unitholders	$ **561,797**	$ 630,432
BASIC AND DILUTED EARNINGS PER UNIT:		
Net income attributable to unitholders	$ **1.55**	$ 1.73
Consolidated net income	$ **563,839**	$ 632,435
Unrealized (loss) gain on derivative hedge agreements	**(14,775)**	10,099
Net loss reclassified from accumulated other comprehensive loss into earnings	**139,339**	2,627
Currency translation adjustments	**20,933**	(124,512)
Changes in available-for-sale securities and other	**11,891**	5,637
Comprehensive income	**721,227**	526,286
Comprehensive income attributable to noncontrolling interests	**729**	690
Comprehensive income attributable to unitholders	$ **720,498**	$ 525,596

The accompanying notes are an integral part of these statements.

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

	For the Three Months Ended March 31,	
	2016	**2015**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated Net Income	**$ 563,839**	$ 632,435
Adjustments to reconcile consolidated net income to net cash provided by operating activities —		
Depreciation and amortization	**317,799**	302,667
Gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net	**(22,688)**	(206,927)
Straight-line rent	**(12,276)**	(12,827)
Equity in income of unconsolidated entities	**(90,626)**	(64,872)
Distributions of income from unconsolidated entities	**61,170**	55,253
Changes in assets and liabilities —		
Tenant receivables and accrued revenue, net	**73,323**	69,486
Deferred costs and other assets	**(73,316)**	(38,656)
Accounts payable, accrued expenses, intangibles, deferred revenues and other liabilities	**(96,767)**	(61,762)
Net cash provided by operating activities	**720,458**	674,797
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions	**(38,347)**	(682,405)
Repayments of loans to related parties	**8,207**	—
Capital expenditures, net	**(189,032)**	(229,228)
Cash impact from the consolidation of properties	**38,980**	—
Net proceeds from sale of assets	**27,393**	—
Investments in unconsolidated entities	**(104,547)**	(23,429)
Purchase of marketable and non-marketable securities	**(3,799)**	(10,741)
Distributions of capital from unconsolidated entities and other	**65,888**	435,034
Net cash used in investing activities	**(195,257)**	(510,769)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of units	**(82)**	(499)
Purchase of units related to stock grant recipients' tax withholdings	**(870)**	—
Distributions to noncontrolling interest holders in properties	**(2,773)**	(2,535)
Contributions from noncontrolling interest holders in properties	**—**	196
Partnership distributions	**(580,288)**	(510,628)
Mortgage and unsecured indebtedness proceeds, net of transaction costs	**3,592,168**	1,966,685
Mortgage and unsecured indebtedness principal payments	**(3,429,414)**	(1,395,797)
Net cash (used in) provided by financing activities	**(421,259)**	57,422
INCREASE IN CASH AND CASH EQUIVALENTS	**103,942**	221,450
CASH AND CASH EQUIVALENTS, beginning of period	**701,134**	612,282
CASH AND CASH EQUIVALENTS, end of period	**$ 805,076**	$ 833,732

The accompanying notes are an integral part of these statements.

Simon Property Group, Inc.
Simon Property Group, L.P.
Condensed Notes to Consolidated Financial Statements
(Unaudited)
(Dollars in thousands, except share, per share, unit and per unit amounts
and where indicated in millions or billions)

1. Organization

Simon Property Group, Inc. is a Delaware corporation that operates as a self-administered and self-managed real estate investment trust, or REIT, under the Internal Revenue Code of 1986, as amended. REITs will generally not be liable for federal corporate income taxes as long as they distribute not less than 100% of their REIT taxable income. Simon Property Group, L.P. is our majority-owned Delaware partnership subsidiary that owns all of our real estate properties and other assets. In these condensed notes to the consolidated financial statements, unless stated otherwise or the context otherwise requires, references to "Simon" mean Simon Property Group, Inc. and references to the "Operating Partnership" mean Simon Property Group, L.P.. References to "we", "us" and "our" mean collectively Simon, the Operating Partnership and those entities/subsidiaries owned or controlled by Simon and/or the Operating Partnership. Unless otherwise indicated, these condensed notes to consolidated financial statements apply to both Simon and the Operating Partnership. According to the Operating Partnership's partnership agreement, the Operating Partnership is required to pay all expenses of Simon.

We own, develop and manage retail real estate properties, which consist primarily of malls, Premium Outlets®, and The Mills®. As of March 31, 2016, we owned or held an interest in 208 income-producing properties in the United States, which consisted of 107 malls, 70 Premium Outlets, 14 Mills, four lifestyle centers, and 13 other retail properties in 37 states and Puerto Rico. Internationally, as of March 31, 2016, we had ownership interests in nine Premium Outlets in Japan, three Premium Outlets in South Korea, two Premium Outlets in Canada, one Premium Outlet in Mexico, and one Premium Outlet in Malaysia. We also own an interest in six Designer Outlet properties in Europe and one Designer Outlet property in Canada, of which two properties are consolidated. Of the six properties in Europe, two are located in Italy and one each is located in Austria, Germany, the Netherlands, and the United Kingdom. As of March 31, 2016, we also owned a 20.3% equity stake in Klépierre SA, or Klépierre, a publicly traded, Paris-based real estate company which owns, or has an interest in, shopping centers located in 16 countries in Europe.

2. Basis of Presentation

The accompanying unaudited consolidated financial statements include the accounts of all controlled subsidiaries, and all significant intercompany amounts have been eliminated. Due to the seasonal nature of certain operational activities, the results for the interim period ended March 31, 2016 are not necessarily indicative of the results to be expected for the full year.

These consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and include all of the information and disclosures required by accounting principles generally accepted in the United States (GAAP) for interim reporting. Accordingly, they do not include all of the disclosures required by GAAP for complete financial statements. In the opinion of management, all adjustments necessary for fair presentation (including normal recurring accruals) have been included. The consolidated financial statements in this Form 10-Q should be read in conjunction with the audited consolidated financial statements and related notes contained in the separate 2015 Annual Reports on Form 10-K of Simon and the Operating Partnership.

As of March 31, 2016, we consolidated 136 wholly-owned properties and 15 additional properties that are less than wholly-owned, but which we control or for which we are the primary beneficiary. We account for the remaining 80 properties, or the joint venture properties, as well as our investments in Klépierre and HBS Global Properties, or HBS, using the equity method of accounting, as we have determined we have significant influence over their operations. We manage the day-to-day operations of 57 of the 80 joint venture properties, but have determined that our partner or partners have substantive participating rights with respect to the assets and operations of these joint venture properties. Our investments in joint ventures in Japan, South Korea, Mexico, Malaysia, Germany, Italy, Canada, and the United Kingdom comprise 19 of the remaining 23 properties. These international properties are managed by joint ventures in which we share control.

Preferred distributions of the Operating Partnership are accrued at declaration and represent distributions on outstanding preferred units of partnership interests in the Operating Partnership, or preferred units, and are included in net income attributable to noncontrolling interests. We allocate net operating results of the Operating Partnership after preferred distributions to limited partners and to Simon based on the partners' respective weighted average ownership

Simon Property Group, Inc.
Simon Property Group, L.P.
Condensed Notes to Consolidated Financial Statements
(Unaudited)
(Dollars in thousands, except share, per share, unit and per unit amounts and where indicated in millions or billions)

interests in the Operating Partnership. Net operating results of the Operating Partnership attributable to limited partners are reflected in net income attributable to noncontrolling interests. Simon's weighted average ownership interest in the Operating Partnership was 85.6% and 85.5% for the three months ended March 31, 2016 and 2015, respectively. As of March 31, 2016 and December 31, 2015, Simon's ownership interest in the Operating Partnership was 85.5% and 85.7%, respectively. We adjust the noncontrolling limited partners' interests at the end of each period to reflect their interest in the net assets of the Operating Partnership.

Preferred unit requirements in the Operating Partnership's accompanying consolidated statements of operations and comprehensive income represent distributions on outstanding preferred units and are recorded when declared.

Reclassifications

We made certain reclassifications of prior period amounts in the consolidated financial statements to conform to the 2016 presentation. These reclassifications had no impact on previously reported net income attributable to common stockholders or unitholders or earnings per share or per unit.

3. Significant Accounting Policies

Cash and Cash Equivalents

We consider all highly liquid investments purchased with an original maturity of 90 days or less to be cash and cash equivalents. Cash equivalents are carried at cost, which approximates fair value. Cash equivalents generally consist of commercial paper, bankers' acceptances, Eurodollars, repurchase agreements, and money market deposits or securities. Financial instruments that potentially subject us to concentrations of credit risk include our cash and cash equivalents and our trade accounts receivable. We place our cash and cash equivalents with institutions of high credit quality. However, at certain times, such cash and cash equivalents are in excess of Federal Deposit Insurance Corporation and Securities Investor Protection Corporation insurance limits.

Marketable and Non-Marketable Securities

Marketable securities consist primarily of the investments of our captive insurance subsidiaries, available-for-sale securities, our deferred compensation plan investments, and certain investments held to fund the debt service requirements of debt previously secured by investment properties. At March 31, 2016 and December 31, 2015, we had marketable securities of $192.3 million and $183.8 million, respectively, generally accounted for as available-for-sale, which are adjusted to their quoted market price with a corresponding adjustment in other comprehensive income (loss). Net unrealized gains as of March 31, 2016 and December 31, 2015 were approximately $24.1 million and $12.6 million, respectively, and represent the valuation adjustments for our marketable securities.

The types of securities included in the investment portfolio of our captive insurance subsidiaries typically include U.S. Treasury or other U.S. government securities as well as corporate debt securities with maturities ranging from less than 1 to 10 years. These securities are classified as available-for-sale and are valued based upon quoted market prices or other observable inputs when quoted market prices are not available. The amortized cost of debt securities, which approximates fair value, held by our captive insurance subsidiaries 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 (loss) until the gain or loss is realized or until any unrealized loss is deemed to be other-than-temporary. We review any declines in value of these securities for other-than-temporary impairment and consider the severity and duration of any decline in value. To the extent an other-than-temporary impairment is deemed to have occurred, an impairment charge is recorded and a new cost basis is established.

Our insurance subsidiaries 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 limited. Our deferred compensation plan investments are classified as trading securities and are valued based upon quoted market prices. The investments have a matching liability as the amounts are fully payable to the employees that earned the compensation. Changes in value of

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these securities and changes to the matching liability to employees are both recognized in earnings and, as a result, there is no impact to consolidated net income.

At March 31, 2016 and December 31, 2015, we had investments of $187.8 million and $181.4 million, respectively, in non-marketable securities that we account for under the cost method. We regularly evaluate these investments for any other-than-temporary impairment in their estimated fair value. No material adjustment in the carrying value was required for the three months ended March 31, 2016.

Fair Value Measurements

Level 1 fair value inputs are quoted prices for identical items in active, liquid and visible markets such as stock exchanges. Level 2 fair value inputs are observable information for similar items in active or inactive markets, and appropriately consider counterparty creditworthiness in the valuations. Level 3 fair value inputs reflect our best estimate of inputs and assumptions market participants would use in pricing an asset or liability at the measurement date. The inputs are unobservable in the market and significant to the valuation estimate. We have no investments for which fair value is measured on a recurring basis using Level 3 inputs.

The marketable securities we held at March 31, 2016 and December 31, 2015 were primarily classified as having Level 1 fair value inputs. In addition, we had derivative instruments which were classified as having Level 2 inputs, which consist primarily of foreign currency forward contracts with a gross liability balance of $8.1 million at March 31, 2016 and a gross asset value of $21.4 million and $27.8 million at March 31, 2016 and December 31, 2015, respectively.

Note 6 includes a discussion of the fair value of debt measured using Level 2 inputs. Notes 5 and 9 include discussions of the fair values recorded in purchase accounting using Level 2 and Level 3 inputs. Level 3 inputs to our purchase accounting and impairment analyses include our estimations of net operating results of the property, capitalization rates and discount rates.

Noncontrolling Interests

Simon

Details of the carrying amount of Simon's noncontrolling interests are as follows:

	As of March 31, 2016	As of December 31, 2015
Limited partners' interests in the Operating Partnership	**$ 768,498**	$ 741,449
Nonredeemable noncontrolling interests in properties, net	**3,459**	3,456
Total noncontrolling interests reflected in equity	**$ 771,957**	$ 744,905

Net income attributable to noncontrolling interests (which includes nonredeemable and redeemable noncontrolling interests in consolidated properties, limited partners' interests in the Operating Partnership and preferred distributions payable by the Operating Partnership on its outstanding preferred units) is a component of consolidated net income. In addition, the individual components of other comprehensive income (loss) are presented in the aggregate for both controlling and noncontrolling interests, with the portion attributable to noncontrolling interests deducted from comprehensive income attributable to common stockholders.

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A rollforward of noncontrolling interests reflected in equity is as follows:

	For the Three Months Ended March 31,	
	2016	**2015**
Noncontrolling interests, beginning of period	**$ 744,905**	$ 858,328
Net income attributable to noncontrolling interests after preferred distributions and income attributable to redeemable noncontrolling interests in consolidated properties	**81,459**	91,988
Distributions to noncontrolling interest holders	**(83,728)**	(74,910)
Other comprehensive income (loss) allocable to noncontrolling interests:		
Unrealized (loss) gain on derivative hedge agreements	**(2,103)**	1,481
Net loss reclassified from accumulated other comprehensive loss into earnings	**20,146**	381
Currency translation adjustments	**2,696**	(17,998)
Changes in available-for-sale securities and other	**1,680**	777
	22,419	(15,359)
Adjustment to limited partners' interest from change in ownership in the Operating Partnership	**(5,143)**	(5,598)
Units exchanged for common shares	**(16)**	(7,849)
Long-term incentive performance units	**12,061**	11,828
Contributions by noncontrolling interests, net, and other	**—**	183
Noncontrolling interests, end of period	**$ 771,957**	$ 858,611

The Operating Partnership

Our evaluation of the appropriateness of classifying the Operating Partnership's common units of partnership interest, or units, held by Simon and the Operating Partnership's limited partners within permanent equity considered several significant factors. First, as a limited partnership, all decisions relating to the Operating Partnership's operations and distributions are made by Simon, acting as the Operating Partnership's sole general partner. The decisions of the general partner are made by Simon's Board of Directors or management. The Operating Partnership has no other governance structure. Secondly, the sole asset of Simon is its interest in the Operating Partnership. As a result, a share of common stock of Simon, or common stock, if owned by the Operating Partnership, is best characterized as being similar to a treasury share and thus not an asset of the Operating Partnership.

Limited partners of the Operating Partnership have the right under the Operating Partnership's partnership agreement to exchange their units for shares of common stock or cash, as selected by Simon as the sole general partner. Accordingly, we classify units held by limited partners in permanent equity because Simon may elect to issue shares of common stock to limited partners exercising their exchange rights rather than using cash. Under the Operating Partnership's partnership agreement, the Operating Partnership is required to redeem units held by Simon only when Simon has repurchased shares of common stock. We classify units held by Simon in permanent equity because the decision to redeem those units would be made by Simon.

Net income attributable to noncontrolling interests (which includes nonredeemable and redeemable noncontrolling interests in consolidated properties) is a component of consolidated net income. During the three months ended March 31, 2016 and 2015, no individual components of other comprehensive income (loss) were attributable to noncontrolling nonredeemable interests (deficit) in properties.

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A rollforward of noncontrolling interests reflected in equity is as follows:

	For the Three Months Ended March 31,	
	2016	**2015**
Noncontrolling nonredeemable interests (deficit) in properties, net — beginning of period	**$ 3,456**	$ (229)
Net income attributable to noncontrolling nonredeemable interests	**657**	690
Distributions to noncontrolling nonredeemable interestholders	**(654)**	(1,372)
Purchase and disposition of noncontrolling interests, net, and other	**—**	183
Noncontrolling nonredeemable interests (deficit) in properties, net — end of period	**$ 3,459**	$ (728)

Accumulated Other Comprehensive Income (Loss)

Simon

The changes in accumulated other comprehensive income (loss) net of noncontrolling interest by component consisted of the following as of March 31, 2016:

	Currency translation adjustments	Accumulated derivative losses, net	Net unrealized gains on marketable securities	Total
Beginning balance	$ (248,285)	$ (15,161)	$ 10,760	$ (252,686)
Other comprehensive income (loss) before reclassifications	18,237	(12,301)	9,839	15,775
Amounts reclassified from accumulated other comprehensive income (loss)	117,027	2,167	—	119,194
Net current-period other comprehensive income (loss)	135,264	(10,134)	9,839	134,969
Ending balance	**$ (113,021)**	**$ (25,295)**	**$ 20,599**	**$ (117,717)**

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The reclassifications out of accumulated other comprehensive income (loss) consisted of the following during the three months ended March 31, 2016 and 2015:

Details about accumulated other comprehensive income (loss) components:	March 31, 2016 Amount reclassified from accumulated other comprehensive income (loss)	March 31, 2015 Amount reclassified from accumulated other comprehensive income (loss)	Affected line item in the statement where net income is presented
Currency translation adjustments	$ (136,806)	$ —	Gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net
	19,779	—	Net income attributable to noncontrolling interests
	$ (117,027)	$ —	
Accumulated derivative losses, net	$ (2,905)	$ (2,627)	Interest expense
	372	—	Gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net
	366	381	Net income attributable to noncontrolling interests
	$ (2,167)	$ (2,246)	

The Operating Partnership

The changes in accumulated other comprehensive income (loss) by component consisted of the following as of March 31, 2016:

	Currency translation adjustments	Accumulated derivative losses, net	Net unrealized gains on marketable securities	Total
Beginning balance	$ (289,866)	$ (17,704)	$ 12,563	$ (295,007)
Other comprehensive income (loss) before reclassifications	20,933	(14,403)	11,519	18,049
Amounts reclassified from accumulated other comprehensive income (loss)	136,806	2,533	—	139,339
Net current-period other comprehensive income (loss)	157,739	(11,870)	11,519	157,388
Ending balance	**$ (132,127)**	**$ (29,574)**	**$ 24,082**	**$ (137,619)**

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The reclassifications out of accumulated other comprehensive income (loss) consisted of the following during the three months ended March 31, 2016 and 2015:

Details about accumulated other comprehensive income (loss) components:	March 31, 2016 Amount reclassified from accumulated other comprehensive income (loss)	March 31, 2015 Amount reclassified from accumulated other comprehensive income (loss)	Affected line item in the statement where net income is presented
Currency translation adjustments	$ (136,806)	$ —	Gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net
	$ (136,806)	$ —	
Accumulated derivative losses, net	$ (2,905)	$ (2,627)	Interest expense
	372	—	Gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net
	$ (2,533)	$ (2,627)	

Derivative Financial Instruments

We record all derivatives on our consolidated balance sheets at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether we have designated a derivative as a hedge and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. We may use a variety of derivative financial instruments in the normal course of business to selectively manage or hedge a portion of the risks associated with our indebtedness and interest payments. Our objectives in using interest rate derivatives are to add stability to interest expense and to manage our exposure to interest rate movements. To accomplish this objective, we primarily use interest rate swaps and caps. We require that hedging derivative instruments be highly effective in reducing the risk exposure that they are designated to hedge. As a result, there is no significant ineffectiveness from any of our derivative activities. We formally designate any instrument that meets these hedging criteria as a hedge at the inception of the derivative contract. We have no credit-risk-related hedging or derivative activities.

We are also exposed to fluctuations in foreign exchange rates on financial instruments which are denominated in foreign currencies, primarily in Japan and Europe. We use currency forward contracts and foreign currency denominated debt to manage our exposure to changes in foreign exchange rates on certain Yen and Euro-denominated receivables and net investments. Currency forward contracts involve fixing the Yen:USD or Euro:USD exchange rate for delivery of a specified amount of foreign currency on a specified date. The currency forward contracts are typically cash settled in U.S. dollars for their fair value at or close to their settlement date.

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We had the following Euro:USD forward contracts at March 31, 2016 and December 31, 2015 (in millions):

		Asset/(Liability Value as of	
Notional Value	Maturity Date	March 31, 2016	December 31, 2015
€50.00	August 12, 2016	$ 10.6	$ 13.0
€50.00	August 11, 2017	$ 10.8	$ 13.0
€50.00	May 15, 2019	$ (0.2)	$ 1.8
€50.00	May 15, 2019	$ (2.5)	—
€50.00	May 15, 2020	$ (2.6)	—
€50.00	May 14, 2021	$ (2.7)	—

Asset balances in the above table are included in deferred costs and other assets and liability balances are recorded in other liabilities within the consolidated financial statements. We have designated the above as net investment hedges. Accordingly, we report the changes in fair value in other comprehensive income (loss). Changes in the value of these forward contracts are offset by changes in the underlying hedged Euro-denominated joint venture investment.

The total gross accumulated loss related to our derivative activities, including our share of the other comprehensive loss from joint venture properties, approximated $29.6 million and $17.7 million as of March 31, 2016 and December 31, 2015, respectively.

New Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09, "Revenue From Contracts With Customers." ASU 2014-09 amends the existing accounting standards for revenue recognition and is based on principles that govern the recognition of revenue at an amount an entity expects to be entitled when products are transferred to customers. In July 2015, the FASB delayed the effective date of the new revenue recognition standard by one year, which will result in the new standard being effective for us beginning with the first quarter of 2018. The new standard can be adopted either retrospectively to each prior reporting period presented or as a cumulative effect adjustment as of the date of adoption. We are currently evaluating the impact adopting the new accounting standard will have on our consolidated financial statements.

In February 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-02, "Amendments to the Consolidation Analysis." ASU 2015-02 makes changes to both the variable interest model and the voting model. We adopted this standard as required on January 1, 2016. All reporting entities involved with limited partnerships and similar entities were required to re-evaluate whether these entities, including the Operating Partnership, are subject to the variable interest model or the voting model and whether they qualify for consolidation. The adoption of the new standard did not result in any material changes to our consolidated financial statements or disclosures, including the disclosures related to the Operating Partnership.

In April 2015, the FASB issued ASU 2015-03, "Simplifying the Presentation of Debt Issuance Costs. ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. We adopted this standard as required on January 1, 2016 resulting in a reclassification of $85.5 million from deferred costs and other assets to a reduction of the carrying amount of mortgages and other unsecured indebtedness.

In September 2015, the FASB issued ASU 2015-16, "Simplifying the Accounting for Measurement-Period Adjustments," which requires adjustments to provisional amounts used in business combinations during the measurement period to be recognized in the reporting period in which the adjustment amounts are determined. It also requires the disclosure of the impact on changes in estimates on earnings, depreciation, amortization and other income effects. We adopted this standard as required on January 1, 2016. The adoption of this standard did not have an impact on our consolidated financial statements.

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In January 2016, the FASB issued ASU 2016-01, "Financial Instruments — Overall: Recognition and Measurement of Financial Assets and Financial Liabilities," which will require entities to measure their investments at fair value and recognize any changes in fair value in net income unless the investments qualify for the new practicability exception. The practicability exception will be available for equity investments that do not have readily determinable fair values. The guidance will be effective for us beginning with the first quarter of 2018. We are currently evaluating the impact of adopting the new standard will have on our consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases", which is expected to result in lessee's recognizing most leased assets on the balance sheet. Lessor accounting will remain substantially similar to the current accounting, however certain refinements were made to conform the standard with the recently issued revenue recognition guidance in ASU 2014-09. ASU 2016-02 will be effective for us retrospectively for annual and interim periods beginning after December 15, 2018. We are currently evaluating the impact adopting the new standard will have on our consolidated financial statements.

In March 2016, the FASB issued ASU 2016-07, "Investments — Equity Method and Joint Ventures", eliminating the requirement for retrospective application of equity method accounting when an investment previously accounted for by another method initially qualifies for the equity method. This standard will be effective for us retrospectively for annual and interim periods beginning after December 15, 2016. We do not expect the adoption of this new standard will have an impact on our consolidated financial statements.

4. Per Share and Per Unit Data

We determine basic earnings per share and basic earnings per unit based on the weighted average number of shares of common stock or units, as applicable, outstanding during the period and we consider any participating securities for purposes of applying the two-class method. We determine diluted earnings per share and diluted earnings per unit based on the weighted average number of shares of common stock or units, as applicable, outstanding combined with the incremental weighted average number of shares or units, as applicable, that would have been outstanding assuming all potentially dilutive securities were converted into shares of common stock or units, as applicable, at the earliest date possible. The following tables set forth the computation of basic and diluted earnings per share and basic and diluted earnings per unit.

Simon

	For the Three Months Ended March 31,	
	2016	**2015**
Net Income attributable to Common Stockholders — Basic and Diluted	**$ 480,995**	$ 539,134
Weighted Average Shares Outstanding — Basic and Diluted	**309,416,266**	311,101,297

For the three months ended March 31, 2016, potentially dilutive securities include units that are exchangeable for common stock and long-term incentive performance units, or LTIP units, granted under our long-term incentive performance programs that are convertible into units and exchangeable for common stock. No securities had a material dilutive effect for the three months ended March 31, 2016 and 2015. We have not adjusted net income attributable to common stockholders and weighted average shares outstanding for income allocable to limited partners or limited partner units, respectively, as doing so would have no dilutive impact. We accrue dividends when they are declared.

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	For the Three Months Ended March 31,	
	2016	2015
Net Income attributable to Unitholders — Basic and Diluted	**$ 561,797**	$ 630,432
Weighted Average Units Outstanding — Basic and Diluted	**361,394,591**	363,784,004

For the three months ended March 31, 2016, potentially dilutive securities include LTIP units. No securities had a material dilutive effect for the three months ended March 31, 2016 and 2015. We accrue distributions when they are declared.

5. Investment in Unconsolidated Entities

Real Estate Joint Ventures and Investments

Joint ventures are common in the real estate industry. We use joint ventures to finance properties, develop new properties and diversify our risk in a particular property or portfolio of properties. As discussed in Note 2, we held joint venture interests in 80 properties as of March 31, 2016.

Certain of our joint venture properties are subject to various rights of first refusal, buy-sell provisions, put and call rights, or other sale or marketing rights for partners which are customary in real estate joint venture agreements and the industry. We and our partners in these joint ventures may initiate these provisions (subject to any applicable lock up or similar restrictions), which may result in either the sale of our interest or the use of available cash or borrowings, or the use of limited partnership interests in the Operating Partnership, to acquire the joint venture interest from our partner.

We may provide financing to joint ventures primarily in the form of interest bearing construction loans. As of March 31, 2016 and December 31, 2015, we had construction loans and other advances to related parties totaling $22.4 million and $13.9 million, respectively, which are included in deferred costs and other assets in the accompanying consolidated balance sheets.

Unconsolidated Property Transactions

On July 22, 2015, we closed on our previously announced transaction with Hudson's Bay Company, or HBC, to which HBC contributed 42 properties in the U.S. and we committed to contribute $100.0 million for improvements to the properties contributed by HBC in exchange for a noncontrolling interest in the newly formed entity, HBS. As of March 31, 2016, we have funded $5.7 million of this commitment. On September 30, 2015, HBC announced it had closed on the acquisition of Galeria Holding, the parent company of Germany's leading department store, Kaufhof. In conjunction with the closing, HBS acquired 41 Kaufhof properties in Germany from HBC. All of these properties have been leased to affiliates of HBC. We contributed an additional $178.5 million to HBS upon closing of the Galeria Holding transaction. Our noncontrolling equity interest in HBS is approximately 9.2% at March 31, 2016. Our share of net income, net of amortization of our excess investment, was $1.1 million for the three months ended March 31, 2016. Total assets and total liabilities of HBS as of March 31, 2016 were $4.3 billion and $2.9 billion, respectively, and total revenues, operating income and consolidated net income were approximately $89.0 million, $37.3 million, and $12.2 million, respectively, for the three months ended March 31, 2016.

On April 13, 2015, we announced a joint venture with Sears Holdings, or Sears, whereby Sears contributed 10 of its properties located at our malls to the joint venture in exchange for a 50% noncontrolling interest in the joint venture. We contributed $114.0 million in cash in exchange for a 50% noncontrolling interest in the joint venture. Sears or its affiliates are leasing back each of the 10 properties from the joint venture. The joint venture has the right to recapture not less than 50% of the space leased to Sears to be used for purposes of redeveloping and releasing the recaptured space. We will provide development, leasing and management services to the joint venture for any recaptured space. On July 7, 2015, we

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separately invested approximately $33.0 million in exchange for 1,125,760 common shares of Seritage Growth Properties, or Seritage, a public REIT formed by Sears, which we account for as an available-for-sale security. Seritage now holds Sears' interest in the joint venture.

European Investments

At March 31, 2016, we owned 63,924,148 shares, or approximately 20.3%, of Klépierre, which had a quoted market price of $47.72 per share. On July 29, 2014, Klépierre announced that it had entered into a conditional agreement to acquire Corio N.V., or Corio, pursuant to which Corio shareholders received 1.14 Klépierre ordinary shares for each Corio ordinary share. On January 15, 2015, the tender offer transaction closed and the merger was completed on March 31, 2015, reducing our ownership from 28.9% at December 31, 2014 to 18.3% resulting in a non-cash gain of $206.9 million for the first quarter of 2015 as if we had sold a proportionate share of our investment. On May 11, 2015, we purchased 6,290,000 additional shares of Klépierre for $279.4 million bringing our ownership to 20.3%. All of the excess investment related to this additional purchase has been determined to relate to investment property. Our share of net income, net of amortization of our excess investment, was $13.0 million and $6.1 million for the three months ended March 31, 2016 and 2015, respectively. Based on applicable Euro:USD exchange rates and after our conversion of Klépierre's results to GAAP, Klépierre's total revenues, operating income and consolidated net income were approximately $342.7 million, $98.8 million and $44.2 million, respectively, for the three months ended March 31, 2016 and $332.5 million, $141.6 million and $72.0 million, respectively, for the three months ended March 31, 2015.

We have an interest in a European entity that had interests in six Designer Outlet properties as of December 31, 2015. In addition, we have a noncontrolling interest in a European property management and development company. As of March 31, 2016, our legal percentage ownership interests in these entities ranged from 45% to 90%. We obtained control of the entity requiring a remeasurement of our previously held equity interest to fair value and a corresponding non-cash gain of $12.1 million in earnings during the first quarter of 2016, which includes amounts reclassified from accumulated other comprehensive income (loss) related to the currency translation adjustment previously recorded on our investment. The gain is included in gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net in the accompanying consolidated statements of operations and comprehensive income. As a result of the change in control, we now consolidate two of the six outlet properties. The consolidation required us to recognize the entity's identifiable assets and liabilities at fair value in our consolidated financial statements along with the related redeemable noncontrolling interest representing our partners' share. The fair value of the consolidated assets and liabilities relates primarily to investment property, investments in unconsolidated entities and assumed mortgage debt. Due to certain redemption rights held by our venture partner, the noncontrolling interest is presented on the accompanying Simon consolidated balance sheet outside of equity in limited partners' preferred interest in the Operating Partnership and noncontrolling redeemable interests in properties and in the accompanying Operating Partnership consolidated balance sheet in preferred units, various series, at liquidation value, and noncontrolling redeemable interests in properties. In February 2016 we and our partner, through this European entity, acquired a noncontrolling 75.0% ownership interest in an outlet center in Ochtrup, Germany for cash consideration of approximately $38.3 million.

We also have minority interests in Value Retail PLC and affiliated entities, which own or have interests in and operate nine luxury outlets located throughout Europe and we have a direct minority ownership in three of those outlets. Our investment in these entities is accounted for under the cost method. At both March 31, 2016 and December 31, 2015, the carrying value of these non-marketable investments was $115.4 million and is included in deferred costs and other assets.

On March 19, 2015, we disposed of our interest in a joint venture which had held interests in rights to pre-development projects in Europe, for total proceeds of $19.0 million. We recognized a gain on the sale of $8.3 million, which is included in other income in the accompanying consolidated statements of operations and comprehensive income.

Asian Joint Ventures

We conduct our international Premium Outlet operations in Japan through a joint venture with Mitsubishi Estate Co., Ltd. We have a 40% ownership interest in this joint venture. The carrying amount of our investment in this joint venture was $240.0 million and $224.6 million as of March 31, 2016 and December 31, 2015, respectively, including all related components of accumulated other comprehensive income (loss). We conduct our international Premium Outlet operations in South Korea through a joint venture with Shinsegae International Co. We have a 50% ownership interest in this joint venture. The carrying amount of our investment in this joint venture was $119.8 million and $117.0 million as of March 31, 2016 and December 31, 2015, respectively, including all related components of accumulated other comprehensive income (loss).

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Summary Financial Information

A summary of our equity method investments and share of income from such investments, excluding Klépierre and HBS, follows.

BALANCE SHEETS

	March 31, 2016	December 31, 2015
Assets:		
Investment properties, at cost	**$ 16,642,365**	$ 17,186,884
Less — accumulated depreciation	**5,819,381**	5,780,261
	10,822,984	11,406,623
Cash and cash equivalents	**759,262**	818,805
Tenant receivables and accrued revenue, net	**319,204**	354,133
Investment in unconsolidated entities, at equity	**—**	—
Deferred costs and other assets	**332,540**	482,024
Total assets	**$ 12,233,990**	$ 13,061,585
Liabilities and Partners' Deficit:		
Mortgages	**$ 13,526,185**	$ 13,827,215
Accounts payable, accrued expenses, intangibles, and deferred revenue	**736,613**	985,159
Other liabilities	**464,432**	468,005
Total liabilities	**14,727,230**	15,280,379
Preferred units	**67,450**	67,450
Partners' deficit	**(2,560,690)**	(2,286,244)
Total liabilities and partners' deficit	**$ 12,233,990**	$ 13,061,585
Our Share of:		
Partners' deficit	**$ (1,136,585)**	$ (854,562)
Add: Excess Investment	**2,026,390**	1,788,749
Our net Investment in unconsolidated entities, at equity	**$ 889,805**	$ 934,187

"Excess Investment" represents the unamortized difference of our investment over our share of the equity in the underlying net assets of the joint ventures or other investments acquired and is allocated on a fair value basis primarily to investment property, lease related intangibles, and debt premiums and discounts. We amortize excess investment over the life of the related depreciable components of investment property, typically no greater than 40 years, the terms of the applicable leases and the applicable debt maturity, respectively. The amortization is included in the reported amount of income from unconsolidated entities.

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STATEMENT OF OPERATIONS

	For the Three Months Ended March 31, 2016	2015
Revenue:		
Minimum rent	**$ 438,847**	$ 433,781
Overage rent	**49,624**	51,180
Tenant reimbursements	**210,941**	194,487
Other income	**58,680**	53,995
Total revenue	**758,092**	733,443
Operating Expenses:		
Property operating	**131,081**	130,804
Depreciation and amortization	**131,480**	141,659
Real estate taxes	**61,509**	58,574
Repairs and maintenance	**19,754**	20,361
Advertising and promotion	**22,529**	16,702
Provision for credit losses	**2,690**	1,853
Other	**45,053**	44,428
Total operating expenses	**414,096**	414,381
Operating Income	**343,996**	319,062
Interest expense	**(143,758)**	(147,020)
Gain on sale or disposal of assets and interests in unconsolidated entities, net	**54,473**	—
Net Income	**$ 254,711**	$ 172,042
Third-Party Investors' Share of Net Income	**$ 118,809**	$ 89,114
Our Share of Net Income	**135,902**	82,928
Amortization of Excess Investment	**(23,213)**	(24,154)
Our Share of Gain on Sale or Disposal of Assets and Interests Included in Other Income in the Consolidated Financial Statements	**(36,153)**	—
Income from Unconsolidated Entities	**$ 76,536**	$ 58,774

Our share of income from unconsolidated entities in the above table, aggregated with our share of the results of Klépierre and HBS, is presented in income from unconsolidated entities in the accompanying consolidated statements of operations and comprehensive income. Unless otherwise noted, our share of the gain on sale or disposal of assets and interests in unconsolidated entities, net is reflected within gain upon acquisition of controlling interests, sale or disposal of assets and interests in unconsolidated entities, net in the accompanying consolidated statements of operations and comprehensive income.

6. Debt

Unsecured Debt

At March 31, 2016, our unsecured debt consisted of $14.8 billion of senior unsecured notes of the Operating Partnership, net of discounts, $634.7 million outstanding under the Operating Partnership's $4.0 billion unsecured revolving credit facility, or Credit Facility, $50.0 million outstanding under the Operating Partnership's $2.75 billion supplemental unsecured revolving credit facility, or Supplemental Facility, and together with the Credit Facility, the Credit Facilities, and $975.4 million outstanding under the Operating Partnership's global unsecured commercial paper note program, or the Commercial Paper program. The March 31, 2016 balance on the Credit Facility included $246.5 million (U.S. dollar equivalent) of Euro-denominated borrowings and $198.1 million (U.S. dollar equivalent) of Yen-denominated borrowings. At March 31, 2016, the outstanding amount under the Commercial Paper program was $975.4 million, of which $195.0 million was related to U.S. dollar equivalent of Euro-denominated notes. Foreign currency denominated borrowings under both the Credit Facility and Commercial Paper program are designated as net investment hedges of a portion of our international investments.

On March 31, 2016, we had an aggregate available borrowing capacity of $5.1 billion under the Credit Facility and Supplemental Facility. The maximum aggregate outstanding balance under the Credit Facilities during the three months ended March 31, 2016 was $1.2 billion and the weighted average outstanding balance was $568.8 million. Letters of credit of $6.8 million were outstanding under the Credit Facilities as of March 31, 2016.

The Credit Facility's initial borrowing capacity of $4.0 billion may be increased to $5.0 billion during its term and provides for borrowings denominated in U.S. dollars, Euros, Yen, Sterling, Canadian dollars and Australian dollars. Borrowings in currencies other than the U.S. dollar are limited to 75% of the maximum revolving credit amount, as defined. The initial maturity date of the Credit Facility is June 30, 2018 and can be extended for an additional year to June 30, 2019 at our sole option, subject to our continued compliance with the terms thereof. The base interest rate on the Credit Facility is LIBOR plus 80 basis points with an additional facility fee of 10 basis points.

On April 6, 2016, the Operating Partnership amended the Supplemental Facility to, among other matters, (i) exercise its $750.0 million accordion feature such that the Supplemental Facility's borrowing capacity has been increased from $2.75 billion to $3.50 billion and (ii) permit us to further increase the Supplemental Facility's borrowing capacity to $4.25 billion during its term. The initial maturity date of the Supplemental Facility is June 30, 2019 and can be extended for an additional year to June 30, 2020 at our sole option, subject to our continued compliance with the terms thereof. The base interest rate on the Supplemental Facility is LIBOR plus 80 basis points with an additional facility fee of 10 basis points. The Supplemental Facility provides for borrowings denominated in U.S. dollars, Euro, Yen, Sterling, Canadian dollars and Australian dollars.

The maximum aggregate program size of the Commercial Paper program is $1.0 billion, or the non U.S. dollar equivalent thereof. The Operating Partnership may issue unsecured commercial paper notes, denominated in U.S. dollars, Euros and other currencies. Notes issued in non-U.S. currencies may be issued by one or more subsidiaries of the Operating Partnership and are guaranteed by the Operating Partnership. Notes will be sold under customary terms in the U.S. and Euro commercial paper note markets and will rank (either by themselves or as a result of the guarantee described above) pari passu with the Operating Partnership's other unsecured senior indebtedness. The Commercial Paper program is supported by the Credit Facility and the Supplemental Facility and if necessary or appropriate, we may make one or more draws under either the Credit Facility or the Supplemental Facility to pay amounts outstanding from time to time on the Commercial Paper program. On March 31, 2016, we had $975.4 million outstanding under the Commercial Paper program, comprised of $780.4 million outstanding in U.S. dollar denominated notes and $195.0 million (U.S. dollar equivalent) of Euro denominated notes with weighted average interest rates of 0.53% and 0.02%, respectively. The borrowings mature on various dates from June 10, 2016 to June 24, 2016 and reduce amounts otherwise available under the Credit Facilities.

On January 13, 2016, the Operating Partnership issued $550.0 million of senior unsecured notes at a fixed interest rate of 2.50% with a maturity date of July 15, 2021 and $800.0 million of senior unsecured notes at a fixed interest rate of 3.30% with a maturity date of January 15, 2026. Proceeds from the unsecured notes offering were used to pay down the Credit Facility, unencumber three properties and redeem senior unsecured notes at par in February 2016.

During the three months ended March 31, 2016, the Operating Partnership redeemed at par $163.3 million of senior unsecured notes with a fixed interest rate of 6.10%.

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Mortgage Debt

Total mortgage indebtedness was $6.6 billion at March 31, 2016 and December 31, 2015.

During the three months ended March 31, 2016, we repaid $373.1 million in mortgage loans, with a weighted average interest rate of 8.00%, unencumbering three properties.

On January 1, 2016, as discussed in Note 5, we consolidated the European entity that held our interests in six Designer Outlet properties, as we obtained control of the entity. This resulted in the consolidation of two of the six operating properties — Parndorf Designer Outlet and Roermond Designer Outlet, subject to existing fixed rate mortgage loans of $104.3 million and $204.0 million, respectively, (both amounts U.S. dollar equivalent). The loans mature on May 20, 2022 and December 1, 2021 and bear interest at 1.95% and 1.86%, respectively.

Covenants

Our unsecured debt agreements contain financial and other non-financial covenants. If we were to fail to comply with these covenants, after the expiration of the applicable cure periods, the debt maturity could be accelerated or other remedies could be sought by the lender including adjustments to the applicable interest rate. As of March 31, 2016, we were in compliance with all covenants of our unsecured debt.

At March 31, 2016, we are the borrowers under 45 non-recourse mortgage notes secured by mortgages on 48 properties, including two separate pools of cross-defaulted and cross-collateralized mortgages encumbering a total of five properties. Under these cross-default provisions, a default under any mortgage included in the cross-defaulted pool may constitute a default under all mortgages within that pool and may lead to acceleration of the indebtedness due on each property within the pool. Certain of our secured debt instruments contain financial and other non-financial covenants which are specific to the properties that serve as collateral for that debt. If the applicable borrower under these non-recourse mortgage notes fails to comply with these covenants, the lender could accelerate the debt and enforce its right against their collateral. At March 31, 2016, the applicable borrowers under these non-recourse mortgage notes were in compliance with all covenants where non-compliance could individually, or giving effect to applicable cross-default provisions in the aggregate, have a material adverse effect on our financial condition, liquidity or results of operations.

Fair Value of Debt

The carrying values of our variable-rate mortgages and other loans approximate their fair values. We estimate the fair values of consolidated fixed-rate mortgages using cash flows discounted at current borrowing rates and other indebtedness using cash flows discounted at current market rates. We estimate the fair values of consolidated fixed-rate unsecured notes using quoted market prices, or, if no quoted market prices are available, we use quoted market prices for securities with similar terms and maturities. The book value of our consolidated fixed-rate mortgages and unsecured indebtedness including commercial paper was $21.8 billion and $20.4 billion as of March 31, 2016 and December 31, 2015, respectively. The fair values of these financial instruments and the related discount rate assumptions as of March 31, 2016 and December 31, 2015 are summarized as follows:

	March 31, 2016	December 31, 2015
Fair value of fixed-rate mortgages and unsecured indebtedness	**$ 23,283**	$ 21,331
Weighted average discount rates assumed in calculation of fair value for fixed-rate mortgages	**3.21%**	3.46%
Weighted average discount rates assumed in calculation of fair value for unsecured indebtedness	**3.21%**	3.59%

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7. Equity

During the three months ended March 31, 2016, Simon issued 1,095 shares of common stock to a limited partner of the Operating Partnership in exchange for an equal number of units pursuant to the partnership agreement of the Operating Partnership. This transaction increased Simon's ownership interest in the Operating Partnership.

On April 2, 2015, Simon's Board of Directors authorized Simon to repurchase up to $2.0 billion of common stock over a twenty-four month period as market conditions warrant. Simon may repurchase the shares in the open market or in privately negotiated transactions. During the first quarter of 2016, no purchases were made as part of this program. As Simon repurchases shares under this program, the Operating Partnership repurchases an equal number of units from Simon.

Temporary Equity

Simon

We classify as temporary equity those securities for which there is the possibility that we could be required to redeem the security for cash irrespective of the probability of such a possibility. As a result, we classify one series of preferred units of the Operating Partnership and noncontrolling redeemable interests in properties in temporary equity. Each of these securities is discussed further below.

Limited Partners' Preferred Interest in the Operating Partnership and Noncontrolling Redeemable Interests in Properties. The redemption features of the preferred units of the Operating Partnership contain provisions which could require us to settle the redemption in cash. As a result, this series of preferred units in the Operating Partnership remains classified outside permanent equity. The remaining interests in a property or portfolio of properties that are redeemable at the option of the holder or in circumstances that may be outside our control are accounted for as temporary equity within limited partners' preferred interest in the Operating Partnership and noncontrolling redeemable interests in properties in the accompanying consolidated balance sheets. The carrying amount of the noncontrolling interest is adjusted to the redemption amount assuming the instrument is redeemable at the balance sheet date. Changes in the redemption value of the underlying noncontrolling interest are recorded within accumulated deficit. There are no noncontrolling interests redeemable at amounts in excess of fair value. The preferred units of the Operating Partnership and the amount of the noncontrolling redeemable interests in properties are summarized as follows:

	As of March 31, 2016	As of December 31, 2015
7.50% Cumulative Redeemable Preferred Units, 260,000 units authorized, 255,373 issued and outstanding	**$ 25,537**	$ 25,537
Other noncontrolling redeemable interests in properties	**129,993**	—
Limited partners' preferred interest in the Operating Partnership and noncontrolling redeemable interests in properties	**$ 155,530**	$ 25,537

The Operating Partnership

We classify as temporary equity those securities for which there is the possibility that we could be required to redeem the security for cash, irrespective of the probability of such a possibility. As a result, we classify one series of

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preferred units and noncontrolling redeemable interests in properties in temporary equity. The carrying values for those securities classified in temporary equity are summarized as follows:

	As of March 31, 2016	As of December 31, 2015
7.50% Cumulative Redeemable Preferred Units, 260,000 units authorized, 255,373 issued and outstanding	**$ 25,537**	$ 25,537
Other noncontrolling redeemable interests in properties	**129,993**	—
Total preferred units, at liquidation value, and noncontrolling redeemable interests in properties	**$ 155,530**	$ 25,537

Stock Based Compensation

Awards under our stock based compensation plans primarily take the form of LTIP units and restricted stock grants made under The Simon Property Group, L.P. 1998 Stock Incentive Plan, as amended, or the Plan. Restricted stock and awards under the LTIP programs are all performance based and are based on various corporate and business unit performance measures as further described below. The expense related to these programs, net of amounts capitalized, is included within home and regional office costs and general and administrative costs in the accompanying consolidated statements of operations and comprehensive income.

LTIP Programs. Every year since 2010, the Compensation Committee of Simon's Board of Directors, or the Compensation Committee, has approved long-term, performance based incentive compensation programs, or the LTIP programs, for certain senior executive officers. Awards under the LTIP programs take the form of LTIP units, a form of limited partnership interest issued by the Operating Partnership, and will be considered earned if, and only to the extent to which, applicable total shareholder return, or TSR, performance measures are achieved during the performance period. Once earned, LTIP units are subject to a two-year vesting period. One-half of the earned LTIP units will vest on January 1 of each of the second and third years following the end of the applicable performance period, subject to the participant maintaining employment with us through those dates and certain other conditions as described in those agreements. Awarded LTIP units not earned are forfeited. Earned and fully vested LTIP units are the equivalent of units. During the performance period, participants are entitled to receive distributions on the LTIP units awarded to them equal to 10% of the regular quarterly distributions paid on a unit of the Operating Partnership. As a result, we account for these LTIP units as participating securities under the two-class method of computing earnings per share and earnings per unit.

The Compensation Committee approved LTIP unit grants as shown in the table below. Grant date fair values of the LTIP units are estimated using a Monte Carlo model, and the resulting expense is recorded regardless of whether the TSR performance measures are achieved if the required service is delivered. The grant date fair values are being amortized into

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expense over the period from the grant date to the date at which the awards, if any, would become vested. The extent to which LTIP units were earned, and the aggregate grant date fair values adjusted for estimated forfeitures, are as follows:

LTIP Program	LTIP Units Earned	Grant Date Fair Value
2010 LTIP program		
1-year 2010 LTIP program	133,673	1-year program — $7.2 million
2-year 2010 LTIP program	337,006	2-year program — $14.8 million
3-year 2010 LTIP program	489,654	3-year program — $23.0 million
2011-2013 LTIP program	469,848	$35.0 million
2012-2014 LTIP program	401,203	$35.0 million
2013-2015 LTIP program	482,779	$29.5 million
2014-2016 LTIP program	To be determined in 2017	$30.0 million
2015-2017 LTIP program	To be determined in 2018	$29.9 million
2016-2018 LTIP program	To be determined in 2019	$28.8 million

We recorded compensation expense, net of capitalization, related to these LTIP programs of approximately $6.4 million and $6.2 million for the three months ended March 31, 2016 and 2015, respectively.

Restricted Stock. We recorded compensation expense, net of capitalization, related to restricted stock of approximately $2.4 million and $2.1 million for the three months ended March 31, 2016 and 2015, respectively.

Other Compensation Arrangements. On July 6, 2011, in connection with the execution of an eight year employment agreement, the Compensation Committee granted David Simon, our Chairman and Chief Executive Officer, a retention award in the form of 1,000,000 LTIP units, or the Award, for his continued service as our Chairman and Chief Executive Officer through July 5, 2019. Effective December 31, 2013, the Award was modified, or the Current Award, and as a result the LTIP units will now become earned and eligible to vest based on the attainment of company-based performance goals, in addition to the service-based vesting requirement included in the original Award. If the relevant performance criteria are not achieved, all or a portion of the Current Award will be forfeited. The performance criteria of the Current Award are based on the attainment of certain specified funds from operations per share as defined by and as set forth in the Current Award. If the performance criteria have been met, a maximum of 360,000 LTIP units, or the A units, 360,000 LTIP units, or the B units, and 280,000 LTIP units, or the C units, may become earned on December 31, 2015, December 31, 2016 and December 31, 2017, respectively. Based on the Company's performance in 2015, 360,000 A units were earned. The earned A units will vest on January 1, 2018, earned B units, if any, will vest on January 1, 2019 and earned C units, if any, will vest on June 30, 2019, subject to Mr. Simon's continued employment through such applicable date. The grant date fair value of the retention award of $120.3 million is being recognized as expense over the eight-year term of his employment agreement on a straight-line basis through the applicable vesting periods of the A units, B units and C units.

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Changes in Equity

Simon

The following table provides a reconciliation of the beginning and ending carrying amounts of total equity, equity attributable to common stockholders and equity attributable to noncontrolling interests:

	Preferred Stock	Common Stock	Accumulated Other Comprehensive Income (Loss)	Capital in Excess of Par Value	Accumulated Deficit	Common Stock Held in Treasury	Noncontrolling interests	Total Equity
January 1, 2016	$ 43,733	$ 31	$ (252,686)	$ 9,384,450	$ (4,266,930)	$ (437,134)	$ 744,905	$ 5,216,369
Exchange of limited partner units for common shares				16			(16)	—
LTIP units							12,061	12,061
Purchase and disposition of noncontrolling interests, net and other	(82)			1,665	(6,814)	(871)		(6,102)
Adjustment to limited partners' interest from change in ownership in the Operating Partnership				5,143			(5,143)	—
Distributions to common stockholders and limited partners, excluding Operating Partnership preferred interests					(496,735)		(83,074)	(579,809)
Distributions to other noncontrolling interest partners							(654)	(654)
Net income, excluding $479 attributable to preferred interests in the Operating Partnership and $72 attributable to noncontrolling redeemable interests in properties			134,969		481,829		103,878	720,676
March 31, 2016	**$ 43,651**	**$ 31**	**$ (117,717)**	**$ 9,391,274**	**$ (4,288,650)**	**$ (438,005)**	**$ 771,957**	**$ 5,362,541**

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The following table provides a reconciliation of the beginning and ending carrying amounts of total equity, equity attributable to partners and equity attributable to noncontrolling interests:

	Preferred Units	Simon (Managing General Partner)	Limited Partners	Noncontrolling interests	Total Equity
January 1, 2016	$ 43,733	$ 4,427,731	$ 741,449	$ 3,456	$ 5,216,369
Limited partner units exchanged to units		16	(16)		—
LTIP Units			12,061		12,061
Purchase and disposition of noncontrolling interests, net and other	(82)	(6,020)			(6,102)
Adjustment to limited partners' interest from change in ownership in the Operating Partnership		5,143	(5,143)		—
Distributions to limited partners, excluding preferred interests classified as temporary equity	(834)	(495,901)	(83,074)	(654)	(580,463)
Comprehensive income, excluding $479 attributable to preferred distributions on temporary equity preferred units and $72 attributable to noncontrolling redeemable interests in properties	834	615,964	103,221	657	720,676
March 31, 2016	**$ 43,651**	**$ 4,546,933**	**$ 768,498**	**$ 3,459**	**$ 5,362,541**

8. Commitments and Contingencies

Litigation

We are involved from time-to-time in various legal and regulatory proceedings that arise in the ordinary course of our business, including, but not limited to, commercial disputes, environmental matters, and litigation in connection with transactions such as acquisitions and divestitures. We believe that our current proceedings will not have a material adverse effect on our financial condition, liquidity or results of operations. We record a liability when a loss is considered probable and the amount can be reasonably estimated.

In May 2010, Opry Mills sustained significant flood damage. Insurance proceeds of $50 million have been funded by the primary insurer and remediation and restoration work has been completed. The property re-opened on March 29, 2012. The excess insurance carriers (those providing coverage above $50 million) denied our claim under the policy for additional proceeds (of up to $150 million) to pay further amounts for restoration costs and business interruption losses. In the first quarter of 2015, summary judgment was granted in our favor, concluding that up to $150 million of additional coverage is available under our excess insurance policy for this claim. In July and August 2015, trial on the damages portion of our claim was completed and the jury entered a verdict for damages in the amount of $204.1 million (inclusive of the $50.0 million previously paid by the primary carrier). In April 2016, the court entered final judgment in the amount of the jury verdict and it will bear interest from the date of the jury's verdict. We will continue our efforts through the conclusion of the pending litigation to recover our losses, including consequential damages, under the excess insurance policies for Opry Mills and we believe recovery is probable, but no assurances can be made that our efforts to recover these funds will be successful.

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Guarantees of Indebtedness

Joint venture debt is the liability of the joint venture and is typically secured by the joint venture property, which is non-recourse to us. As of March 31, 2016 and December 31, 2015, the Operating Partnership guaranteed joint venture related mortgage indebtedness of $308.8 million and $353.7 million, respectively (of which we have a right of recovery from our joint venture partners of $76.5 million and $112.8 million, respectively). Mortgages guaranteed by us are secured by the property of the joint venture which could be sold in order to satisfy the outstanding obligation and which has an estimated fair value in excess of the guaranteed amount.

Concentration of Credit Risk

Our U.S. Malls, Premium Outlets, and The Mills rely heavily upon anchor tenants to attract customers; however, anchor retailers do not contribute materially to our financial results as many anchor retailers own their spaces. All material operations are within the United States and no customer or tenant accounts for 5% or more of our consolidated revenues.

9. Real Estate Acquisitions and Dispositions

As discussed in Note 5, on January 1, 2016 we obtained control of the European entity that held our interest in six Designer Outlet properties, requiring a remeasurement of our previously held equity interest to fair value and a corresponding non-cash gain of $12.1 million and which also resulted in the consolidation of two of the six properties, which had been previously unconsolidated. In February 2016, we and our partner, through this European entity, acquired a noncontrolling 75.0% ownership interest in an outlet center in Ochtrup, Germany for cash consideration of approximately $38.3 million.

During January of 2016, we disposed of our interests in two residential investments and a consolidated retail property. Our share of the gross proceeds from these transactions was $72.4 million. The gain on the consolidated retail property was $10.6 million. The aggregate gain of $36.9 million from the sale of the two residential investments is included in other income and resulted in an additional $7.2 million in taxes included in income and other taxes.

On April 14, 2016, we and our joint venture partner, Invesco Real Estate, acquired The Shops at Crystals, a 324,000 square foot luxury retail property located at the entryway of CityCenter in Las Vegas, Nevada, for an acquisition price of approximately $1.1 billion. We have a 50% noncontrolling interest in this venture.

On January 15, 2015, we acquired a 100% interest in Jersey Gardens (renamed The Mills at Jersey Gardens) in Elizabeth, New Jersey, and University Park Village in Fort Worth, Texas, properties previously owned by Glimcher Realty Trust, for $677.9 million of cash and the assumption of existing mortgage debt of $405.0 million. We recorded the assets and liabilities of these properties at estimated fair value at the acquisition date and the determination of fair value was finalized during the fourth quarter of 2015 resulting in a valuation of investment property of $1.1 billion, net lease related intangibles of $3.6 million and mortgage debt premiums of $17.9 million. We amortize these amounts over the estimated life of the related depreciable components of investment property, typically no greater than 40 years, the terms of the applicable leases and the applicable debt maturities, respectively.

Unless otherwise noted, gains and losses on the above transactions are included in gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net in the accompanying consolidated statements of operations and comprehensive income. We expense acquisition, potential acquisition and disposition related costs as they are incurred. We incurred $4.4 million in transaction costs during the first three months of 2015 in connection with the acquisitions of Jersey Gardens and University Park Village, which are included in other expenses in the accompanying consolidated statements of operations and comprehensive income. Other than these transaction costs, we incurred a minimal amount of transaction expenses during the three months ended March 31, 2016 and 2015.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the consolidated financial statements and notes thereto included in this report.

Overview

Simon Property Group, Inc. is a Delaware corporation that operates as a self-administered and self-managed real estate investment trust, or REIT, under the Internal Revenue Code of 1986, as amended. REITs will generally not be liable for federal corporate income taxes as long as they distribute not less than 100% of their REIT taxable income. Simon Property Group, L.P. is our majority-owned Delaware partnership subsidiary that owns all of our real estate properties and other assets. In this discussion, unless stated otherwise or the context otherwise requires, references to "Simon" mean Simon Property Group, Inc. and references to the "Operating Partnership" mean Simon Property Group, L.P.. References to "we", "us" and "our" mean collectively Simon, the Operating Partnership and those entities/subsidiaries owned or controlled by Simon and/or the Operating Partnership. According to the Operating Partnership's partnership agreement, the Operating Partnership is required to pay all expenses of Simon.

We own, develop and manage retail real estate properties, which consist primarily of malls, Premium Outlets®, and The Mills®. As of March 31, 2016, we owned or held an interest in 208 income-producing properties in the United States, which consisted of 107 malls, 70 Premium Outlets, 14 Mills, four lifestyle centers, and 13 other retail properties in 37 states and Puerto Rico. In addition, we have redevelopment and expansion projects, including the addition of anchors, big box tenants, and restaurants, underway at over 30 properties in the United States and we have two outlets and two other significant retail projects under development. Internationally, as of March 31, 2016, we had ownership interests in nine Premium Outlets in Japan, three Premium Outlets in South Korea, two Premium Outlets in Canada, one Premium Outlet in Mexico, and one Premium Outlet in Malaysia. We also own an interest in six Designer Outlet properties in Europe and one Designer Outlet property in Canada, of which two properties are consolidated. Of the six properties in Europe, two are located in Italy and one each is located in Austria, Germany, the Netherlands, and the United Kingdom. We also have three international outlet properties under development. As of March 31, 2016, we also owned a 20.3% equity stake in Klépierre SA, or Klépierre, a publicly traded, Paris-based real estate company which owns, or has an interest in, shopping centers located in 16 countries in Europe.

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

- base minimum rents,
- overage and percentage rents based on tenants' sales volumes, and
- recoverable expenditures such as property operating, real estate taxes, repair and maintenance, and advertising and promotional expenditures.

Revenues of our management company, after intercompany eliminations, consist primarily of management fees that are typically based upon the revenues of the property being managed.

We invest in real estate properties to maximize total financial return which includes both operating cash flows and capital appreciation. We seek growth in earnings, funds from operations, or FFO, and cash flows by enhancing the profitability and operation of our properties and investments. We seek to accomplish this growth through the following:

- attracting and retaining high quality tenants and utilizing economies of scale to reduce operating expenses,
- expanding and re-tenanting existing highly productive locations at competitive rental rates,
- selectively acquiring or increasing our interests in high quality real estate assets or portfolios of assets,
- generating consumer traffic in our retail properties through marketing initiatives and strategic corporate alliances, and
- selling selective non-core assets.

We also grow by generating supplemental revenues from the following activities:

- establishing our malls as leading market resource providers for retailers and other businesses and consumer-focused corporate alliances, including payment systems (such as handling fees relating to the sales of bank-issued prepaid cards), national marketing alliances, static and digital media initiatives, business development, sponsorship, and events,

- offering property operating services to our tenants and others, including waste handling and facility services, and the provision of energy services,
- selling or leasing land adjacent to our properties, commonly referred to as "outlots" or "outparcels," and
- generating interest income on cash deposits and investments in loans, including those made to related entities.

We focus on high quality real estate across the retail real estate spectrum. We expand or redevelop properties to enhance profitability and market share of existing assets when we believe the investment of our capital meets our risk-reward criteria. We selectively develop new properties in markets we believe are not adequately served by existing retail outlet properties.

We routinely review and evaluate acquisition opportunities based on their ability to enhance our portfolio. Our international strategy includes partnering with established real estate companies and financing international investments with local currency to minimize foreign exchange risk.

To support our growth, we employ a three-fold capital strategy:

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

We consider FFO, net operating income, or NOI, portfolio NOI and comparable property NOI (NOI for properties owned and operated in both periods under comparison) to be key measures of operating performance that are not specifically defined by accounting principles generally accepted in the United States, or GAAP. We use these measures internally to evaluate the operating performance of our portfolio and provide a basis for comparison with other real estate companies. Reconciliations of these measures to the most comparable GAAP measure are included below in this discussion.

Results Overview

Diluted earnings per share and diluted earnings per unit decreased $0.18 during the first three months of 2016 to $1.55 from $1.73 for the same period last year. The decrease in diluted earnings per share and diluted earnings per unit was primarily attributable to:

- a 2015 non-cash gain on Klépierre's acquisition of Corio N.V., or Corio, of $206.9 million, or $0.57 per diluted share/unit, partially offset by
- improved operating performance and core business fundamentals in 2016 and the impact of our acquisition and expansion activity,
- a 2016 gain on acquisitions and disposals of $22.7 million, or $0.06 per diluted share/unit, related to a non-cash gain on the consolidation of additional properties of $12.1 million, or $0.03 per diluted share/unit, and a gain on the sale of our interest in a property of $10.6 million, or $0.03 per diluted share/unit,
- a 2016 gain related to the disposition of our interest in two multi-family residential investments of $29.7 million, net of taxes, or $0.08 per diluted share/unit, and
- decreased interest expense in 2016 of $13.0 million, or $0.04 per diluted share/unit.

Core business fundamentals during the first three months of 2016 improved compared to the first three months of 2015, primarily driven by strong leasing activity. Portfolio NOI grew by 7.8% for the three month period in 2016 over the prior year period. Comparable property NOI grew 5.1% for our portfolio of U.S. Malls, Premium Outlets, Lifestyle Centers and The Mills. Total sales per square foot, or psf, decreased 1.3% from $621 psf at March 31, 2015 to $613 psf at March 31, 2016, for our U.S. Malls and Premium Outlets. Average base minimum rent for U.S. Malls and Premium Outlets increased 4.4% to $49.70 psf as of March 31, 2016, from $47.59 psf as of March 31, 2015. Releasing spreads remained positive in our U.S. Malls and Premium Outlets, as we were able to lease available square feet at higher rents than the expiring rental rates on the same space, resulting in a releasing spread (based on total tenant payments — base minimum rent plus common area maintenance) of $10.24 psf ($68.84 openings compared to $58.60 closings) as of March 31, 2016, representing a 17.5% increase over expiring payments. Ending occupancy for our U.S. Malls and Premium Outlets was 95.6% as of March 31, 2016, as compared to 95.8% as of March 31, 2015, a decrease of 20 basis points.

Our effective overall borrowing rate at March 31, 2016 on our consolidated indebtedness decreased 55 basis points to 3.76% as compared to 4.31% at March 31, 2015. This reduction was primarily due to a decrease in the effective overall borrowing rate on fixed rate debt of 72 basis points (3.89% at March 31, 2016 as compared to 4.61% at March 31, 2015) offset by an increase in the effective overall borrowing rate on variable rate debt of 32 basis points (1.60% at March 31, 2016 as compared to 1.28% at March 31, 2015). At March 31, 2016, the weighted average years to maturity of our consolidated indebtedness was 6.1 years as compared to 5.9 years at December 31, 2015. Our financing activities for the three months ended March 31, 2016 included:

- Decreasing our USD denominated borrowings by $625.0 million on the Operating Partnership's $4.0 billion unsecured revolving credit facility, or Credit Facility.

- Increasing our USD denominated borrowings by $50.0 million on the Operating Partnership's $2.75 billion supplemental unsecured revolving credit facility, or Supplemental Facility, and together with the Credit Facility, the Credit Facilities.

- Increasing our borrowings under the Operating Partnership's global unsecured commercial paper note program, or the Commercial Paper program, by $89.8 million through the issuance of U.S. dollar denominated notes.

- Issuing, on January 13, 2016, $550.0 million of senior unsecured notes at a fixed annual interest rate of 2.50% with a maturity date of July 15, 2021 and $800.0 million of senior unsecured notes at a fixed annual interest rate of 3.30% with a maturity date of January 15, 2026.

- Redeeming at par $163.3 million of senior unsecured notes with a fixed interest rate of 6.10%.

- Unencumbering three properties by repaying $373.1 million in mortgage loans.

- Repaying our $240.0 million unsecured term loan.

United States Portfolio Data

The portfolio data discussed in this overview includes the following key operating statistics: ending occupancy, average base minimum rent per square foot, and total sales per square foot for our domestic assets. We include acquired properties in this data beginning in the year of acquisition and remove disposed properties in the year of disposition. For comparative purposes, we separate the information related to The Mills from our other U.S. operations. We also do not include any information for properties located outside the United States.

The following table sets forth these key operating statistics for:

- properties that are consolidated in our consolidated financial statements,

- properties we account for under the equity method of accounting as joint ventures, and

- the foregoing two categories of properties on a total portfolio basis.

	March 31, 2016	March 31, 2015	%/Basis Points Change (1)
U.S. Malls and Premium Outlets:			
Ending Occupancy			
Consolidated	95.9%	96.1%	–20 bps
Unconsolidated	94.6%	94.9%	–30 bps
Total Portfolio	95.6%	95.8%	–20 bps
Average Base Minimum Rent per Square Foot			
Consolidated	$48.16	$45.87	5.0%
Unconsolidated	$54.34	$52.64	3.2%
Total Portfolio	$49.70	$47.59	4.4%
Total Sales per Square Foot			
Consolidated	$600	$607	–1.2%
Unconsolidated	$655	$670	–2.2%
Total Portfolio	$613	$621	–1.3%
The Mills:			
Ending Occupancy	98.4%	98.0%	+40 bps
Average Base Minimum Rent per Square Foot	$27.76	$26.18	6.0%
Total Sales per Square Foot	$566	$570	–0.7%

(1) Percentages may not recalculate due to rounding. Percentage and basis point changes are representative of the change from the comparable prior period.

Ending Occupancy Levels and Average Base Minimum Rent per Square Foot. Ending occupancy is the percentage of gross leasable area, or GLA, which is leased as of the last day of the reporting period. We include all company owned space except for mall anchors, mall majors, mall freestanding and mall outlots in the calculation. Base minimum rent per square foot is the average base minimum rent charge in effect for the reporting period for all tenants that would qualify to be included in ending occupancy.

Total Sales per Square Foot. Total sales include total reported retail tenant sales on a trailing 12-month basis at owned GLA (for mall stores with less than 10,000 square feet) in the malls and The Mills and stores with less than 20,000 square feet in the Premium Outlets. Retail sales at owned GLA affect revenue and profitability levels because sales determine the amount of minimum rent that can be charged, the percentage rent realized, and the recoverable expenses (common area maintenance, real estate taxes, etc.) that tenants can afford to pay.

Current Leasing Activities

During the three months ended March 31, 2016, we signed 174 new leases and 551 renewal leases (excluding mall anchors and majors, new development, redevelopment, expansion, downsizing and relocation) with a fixed minimum rent across our U.S. Malls and Premium Outlets portfolio, comprising approximately 2.5 million square feet, of which 1.9 million square feet related to consolidated properties. During the comparable period in 2015, we signed 192 new leases and 308 renewal leases with a fixed minimum rent, comprising approximately 1.6 million square feet, of which 1.1 million square feet related to consolidated properties. The average annual initial base minimum rent for new leases was $52.74 per square foot in 2016 and $57.66 per square foot in 2015 with an average tenant allowance on new leases of $40.22 per square foot and $50.97 per square foot, respectively.

Japan Data

The following are selected key operating statistics for our Premium Outlets in Japan. The information used to prepare these statistics has been supplied by the managing venture partner.

	March 31, 2016	March 31, 2015	%/Basis Points Change
Ending Occupancy	**99.8%**	99.2%	+60 bps
Total Sales per Square Foot	**¥101,885**	¥96,311	5.79%
Average Base Minimum Rent per Square Foot	**¥4,978**	¥4,938	0.81%

Results of Operations

In addition to the activity discussed above in the "Results Overview" section, the following acquisitions, openings, and dispositions of consolidated properties affected our consolidated results from continuing operations in the comparative periods:

- During the first quarter of 2016, we consolidated two Designer Outlet properties in Europe that had previously been accounted for under the equity method.

- During the first quarter of 2016, we disposed of one retail property.

- On October 29, 2015, we opened Tampa Premium Outlets, a 441,000 square foot outlet center in Lutz (Tampa), Florida.

- On October 1, 2015, we opened Tucson Premium Outlets, a 366,000 square foot outlet center in Marana (Tucson), Arizona.

- On January 15, 2015, we acquired a 100% interest in Jersey Gardens (renamed The Mills at Jersey Gardens) in Elizabeth, New Jersey and University Park Village in Fort Worth, Texas, properties previously owned by Glimcher Realty Trust.

In addition to the activities discussed above and in "Results Overview," the following acquisitions, dispositions and openings of joint venture properties affected our income from unconsolidated entities in the comparative periods:

- On February 1, 2016, we and our partner acquired a 75.0% noncontrolling interest in an outlet center in Ochtrup, Germany.

- During the third quarter of 2015, we closed on our previously announced transaction with Hudson's Bay Company, or HBC, whereby we currently have an 9.2% noncontrolling interest in a newly formed entity, HBS Global Properties, or HBS. HBC contributed 42 of its properties in the U.S. to HBS. Later in the third quarter of 2015, HBS acquired an additional 41 properties in Germany concurrently with HBC's acquisition of Galeria Holding, the parent company of Germany's leading department store, Kaufhof, as further discussed in Note 5 of the condensed notes to our consolidated financial statements. All of the HBS properties have been leased to affiliates of HBC.

- On August 13, 2015, we and our partner opened Gloucester Premium Outlets, a 370,000 square foot outlet center. We have a 50% noncontrolling interest in this new center.

- On July 9, 2015, we and our partner opened Vancouver Designer Outlet, a 242,000 square foot outlet center. We have a 45% noncontrolling interest in this new center.

- During the second quarter of 2015, we formed a joint venture with Sears Holdings, or Sears, whereby we have a 50% noncontrolling interest in a joint venture in which Sears contributed 10 of its properties located at our malls. Seritage Growth Properties, or Seritage, now holds Sears' interest in the joint venture.

- During 2015, we disposed of our interests in three retail properties.

For the purposes of the following comparison between the three months ended March 31, 2016 and 2015, the above transactions are referred to as the property transactions. In the following discussions of our results of operations, "comparable" refers to properties we owned and operated in both of the periods under comparison.

Three months ended March 31, 2016 vs. Three months ended March 31, 2015

Minimum rents increased $65.1 million during 2016, of which the property transactions accounted for $13.7 million of the increase. Comparable rents increased $51.4 million, or 6.9%, primarily attributable to an increase in base minimum rents as well as incremental revenue from our expansion activity. Overage rent decreased $10.0 million as a result of decreased tenant sales and an increase in the overage breakpoints as compared to 2015.

Tenant reimbursements increased $31.4 million, due to a $4.9 million increase attributable to the property transactions and a $26.5 million, or 7.9%, increase in the comparable properties. The majority of the increase in the comparable properties resulted from additional marketing recoveries which entirely offset the $16.3 million increase in advertising and promotion expense. The remainder of the increase was primarily due to annual fixed contractual increases related to common area maintenance and real estate tax recoveries.

Total other income increased $35.7 million, primarily as a result of a $36.9 million pre-tax gain on the sale of our investments in two multi-family residential investments, partially offset by a $3.5 million decrease in interest and dividend income.

Depreciation and amortization expense increased $12.5 million primarily due to the additional depreciable assets related to the property transactions and our continued redevelopment and expansion activities.

Interest expense decreased $13.0 million primarily due to the net impact of our financing activities during 2016 and 2015 and the reduction in our effective overall borrowing rate as previously discussed.

Income and other taxes increased $8.8 million as a result of taxes due on the sale of one of the multi-family residential investments.

Income from unconsolidated entities increased $25.8 million primarily due to favorable results of operations and financing activity of joint venture properties as well as our acquisition and development activity.

During 2016, we recorded a gain on the sale of a consolidated property of $10.6 million and recorded a non-cash remeasurement gain of $12.1 million related to the change in control of our interest in the European outlet properties as further discussed in Note 3 of the accompanying condensed notes to consolidated financial statements. During 2015, we recorded a $206.9 million non-cash gain on Klépierre's acquisition of Corio, as discussed in Note 3.

Simon's net income attributable to noncontrolling interests decreased $10.5 million due to a decrease in the net income of the Operating Partnership.

Liquidity and Capital Resources

Because we own long-lived income-producing assets, our financing strategy relies primarily on long-term fixed rate debt. Floating rate debt comprised only 5.7% of our total consolidated debt at March 31, 2016. We also enter into interest rate protection agreements to manage our interest rate risk. We derive most of our liquidity from positive net cash flow from operations and distributions of capital from unconsolidated entities that totaled $786.3 million during the three months ended March 31, 2016. In addition, the Credit Facilities and the Commercial Paper program provide alternative sources of liquidity as our cash needs vary from time to time. Borrowing capacity under these sources may be increased as discussed further below.

Our balance of cash and cash equivalents increased $103.9 million during the first three months of 2016 to $805.1 million as of March 31, 2016 as further discussed in "Cash Flows" below.

On March 31, 2016, we had an aggregate available borrowing capacity of $5.1 billion under the Credit Facilities, net of outstanding borrowings of $684.7 million and amounts outstanding under the Commercial Paper program of $975.4 million and letters of credit of $6.8 million. For the three months ended March 31, 2016, the maximum aggregate amount outstanding under the Credit Facilities was $1.2 billion and the weighted average amount outstanding was $568.8 million. The weighted average interest rate was 0.94% for the three months ended March 31, 2016. Further, on April 6, 2016, the Operating Partnership amended the Supplemental Facility to, among other matters, (i) exercise its $750.0 million accordion feature such that the Supplemental Facility's borrowing capacity has been increased from $2.75 billion to $3.50 billion and (ii) permit us to further increase the Supplemental Facility's borrowing capacity to $4.25 billion during its term.

Simon has historically had access to public equity markets and the Operating Partnership has historically had access to private and public long and short-term unsecured debt markets and access to secured debt and private equity from institutional investors at the property level.

Our business model and Simon's status as a REIT require us to regularly access the debt markets to raise funds for acquisition, development and redevelopment activity, and to refinance maturing debt. Simon may also, from time to time, access the equity capital markets to accomplish our business objectives. We believe we have sufficient cash on hand and availability under the Credit Facilities and the Commercial Paper program to address our debt maturities and capital needs through 2016.

Cash Flows

Our net cash flow from operating activities and distributions of capital from unconsolidated entities for the three months ended March 31, 2016 totaled $786.3 million. In addition, we had net proceeds from our debt financing and repayment activities of $162.8 million in 2016. These activities are further discussed below under "Financing and Debt." During the first three months of 2016, we also:

- funded the acquisition of our portion of a joint venture interest, the aggregate cash portion of which was $38.3 million,

- paid stockholder dividends and unitholder distributions totaling $580.3 million and preferred unit distributions totaling $1.3 million,
- funded consolidated capital expenditures of $189.0 million (including development and other costs of $34.7 million, redevelopment and expansion costs of $112.8 million, and tenant costs and other operational capital expenditures of $41.5 million), and
- funded investments in unconsolidated entities of $104.5 million.

In general, we anticipate that cash generated from operations will be sufficient to meet operating expenses, monthly debt service, recurring capital expenditures, and dividends to stockholders and/or distributions to partners necessary to maintain Simon's REIT qualification on a long-term basis. In addition, we expect to be able to generate or obtain capital for nonrecurring capital expenditures, such as acquisitions, major building redevelopments 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 the Credit Facilities and Commercial Paper program,
- additional secured or unsecured debt financing, or
- additional equity raised in the public or private markets.

We expect to generate positive cash flow from operations in 2016, and we consider these projected cash flows in our sources and uses of cash. These cash flows are principally derived from rents paid by our retail tenants. A significant deterioration in projected cash flows from operations could cause us to increase our reliance on available funds from the Credit Facilities, curtail planned capital expenditures, or seek other additional sources of financing as discussed above.

Financing and Debt

Unsecured Debt

At March 31, 2016, our unsecured debt consisted of $14.8 billion of senior unsecured notes of the Operating Partnership, net of discounts, $634.7 million outstanding under the $4.0 billion Credit Facility, $50.0 million outstanding under the Supplemental Facility, and $975.4 million outstanding under the Commercial Paper program. The March 31, 2016 balance on the Credit Facility included $246.5 million (U.S. dollar equivalent) of Euro-denominated borrowings and $198.1 million (U.S. dollar equivalent) of Yen-denominated borrowings. At March 31, 2016, the outstanding amount under the Commercial Paper program was $975.4 million, of which $195.0 million was related to U.S. dollar equivalent of Euro-denominated notes. Foreign currency denominated borrowings under both the Credit Facility and the Commercial Paper program are designated as net investment hedges of a portion of our international investments.

On March 31, 2016, we had an aggregate available borrowing capacity of $5.1 billion under the Credit Facilities. The maximum aggregate outstanding balance under the Credit Facilities during the three months ended March 31, 2016 was $1.2 billion and the weighted average outstanding balance was $568.8 million. Letters of credit of $6.8 million were outstanding under the Credit Facilities as of March 31, 2016.

The Credit Facility's initial borrowing capacity of $4.0 billion may be increased to $5.0 billion during its term and provides for borrowings denominated in U.S. dollars, Euros, Yen, Sterling, Canadian dollars and Australian dollars. Borrowings in currencies other than the U.S. dollar are limited to 75% of the maximum revolving credit amount, as defined. The initial maturity date of the Credit Facility is June 30, 2018 and can be extended for an additional year to June 30, 2019 at our sole option, subject to our continued compliance with the terms thereof. The base interest rate on the Credit Facility is LIBOR plus 80 basis points with an additional facility fee of 10 basis points.

On April 6, 2016, the Operating Partnership amended the Supplemental Facility to, among other matters, (i) exercise its $750.0 million accordion feature such that the Supplemental Facility's borrowing capacity has been increased from $2.75 billion to $3.50 billion and (ii) permit us to further increase the Supplemental Facility's borrowing capacity to $4.25 billion during its term. The initial maturity date of the Supplemental Facility is June 30, 2019 and can be extended for an additional year to June 30, 2020 at our sole option, subject to our continued compliance with the terms thereof. The base interest rate on the Supplemental Facility is LIBOR plus 80 basis points with an additional facility fee of 10 basis points. The Supplemental Facility provides for borrowings denominated in U.S. dollars, Euro, Yen, Sterling, Canadian dollars and Australian dollars.

The maximum aggregate program size of the Commercial Paper program is $1.0 billion, or the non U.S. dollar equivalent thereof. The Operating Partnership may issue unsecured commercial paper notes, denominated in U.S. dollars, Euros and other currencies. Notes issued in non U.S. currencies may be issued by one or more subsidiaries of the Operating Partnership and are guaranteed by the Operating Partnership. Notes will be sold under customary terms in the U.S. and Euro commercial paper note markets and will rank (either by themselves or as a result of the guarantee described above) pari passu with the Operating Partnership's other unsecured senior indebtedness. The Commercial Paper program is supported by the Credit Facilities and, if necessary or appropriate, we may make one or more draws under either the Credit Facility or the Supplemental Facility to pay amounts outstanding from time to time on the Commercial Paper program. On March 31, 2016, we had $975.4 million outstanding under the Commercial Paper program, comprised of $780.4 million outstanding in U.S. dollar denominated notes and $195.0 million (U.S. dollar equivalent) of Euro denominated notes with weighted average interest rates of 0.53% and 0.02%, respectively. The borrowings mature on various dates from June 10, 2016 to June 24, 2016 and reduce amounts otherwise available under the Credit Facilities.

On January 13, 2016, the Operating Partnership issued $550.0 million of senior unsecured notes at a fixed interest rate of 2.50% with a maturity date of July 15, 2021 and $800.0 million of senior unsecured notes at a fixed interest rate of 3.30% with a maturity date of January 15, 2026. Proceeds from the unsecured notes offering were used to pay down the Credit Facility, unencumber three properties and redeem senior unsecured notes at par in February 2016.

During the three months ended March 31, 2016, the Operating Partnership redeemed at par $163.3 million of senior unsecured notes with a fixed interest rate of 6.10%.

Mortgage Debt

Total mortgage indebtedness was $6.6 billion at March 31, 2016 and December 31, 2015.

During the three months ended March 31, 2016, we repaid $373.1 million in mortgage loans, with a weighted average interest rate of 8.00%, unencumbering three properties.

On January 1, 2016, as discussed in Note 5, we consolidated the European entity that held our interests in six Designer Outlet properties, as we obtained control of the entity. This resulted in the consolidation of two of the six operating properties — Parndorf Designer Outlet and Roermond Designer Outlet, subject to existing fixed rate mortgage loans of $104.3 million and $204.0 million, respectively, (both amounts U.S. dollar equivalent). The loans mature on May 20, 2022 and December 1, 2021 and bear interest at 1.95% and 1.86%, respectively.

Covenants

Our unsecured debt agreements contain financial and other non-financial covenants. If we were to fail to comply with these covenants, after the expiration of the applicable cure periods, the debt maturity could be accelerated or other remedies could be sought by the lender including adjustments to the applicable interest rate. As of March 31, 2016, we were in compliance with all covenants of our unsecured debt.

At March 31, 2016, we are the borrowers under 45 non-recourse mortgage notes secured by mortgages on 48 properties, including two separate pools of cross-defaulted and cross-collateralized mortgages encumbering a total of five properties. Under these cross-default provisions, a default under any mortgage included in the cross-defaulted pool may constitute a default under all mortgages within that pool and may lead to acceleration of the indebtedness due on each property within the pool. Certain of our secured debt instruments contain financial and other non-financial covenants which are specific to the properties that serve as collateral for that debt. If the applicable borrower under these non-recourse mortgage covenants fails to comply with these covenants, the lender could accelerate the debt and enforce its right against their collateral. At March 31, 2016, the applicable borrowers under these non-recourse mortgage notes were in compliance with all covenants where non-compliance could individually, or giving effect to applicable cross-default provisions in the aggregate, have a material adverse effect on our financial condition, liquidity or results of operations.

Summary of Financing

Our consolidated debt, adjusted to reflect outstanding derivative instruments, and the effective weighted average interest rates as of March 31, 2016 and December 31, 2015, consisted of the following (dollars in thousands):

Debt Subject to	Adjusted Balance as of March 31, 2016	Effective Weighted Average Interest Rate (1)	Adjusted Balance as of December 31, 2015	Effective Weighted Average Interest Rate (1)
Fixed Rate	**$ 21,680,574**	**3.89%**	$ 20,330,880	4.12%
Variable Rate	**1,295,247**	**1.60%**	2,085,802	1.50%
	$ 22,975,821	**3.76%**	$ 22,146,682	3.88%

(1) Excludes the impact of net discounts and debt issue costs.

Contractual Obligations

There have been no material changes to our outstanding capital expenditure and lease commitments previously disclosed in the separate 2015 Annual Reports on Form 10-K of Simon and the Operating Partnership.

In regards to long-term debt arrangements, the following table summarizes the material aspects of these future obligations on our consolidated indebtedness as of March 31, 2016, for the remainder of 2016 and subsequent years thereafter (dollars in thousands), assuming the obligations remain outstanding through initial maturities, including applicable exercise of available extension options:

	2016	2017 - 2018	2019 - 2020	After 2020	Total
Long Term Debt (1)	$ 2,191,528	$ 3,828,391	$ 5,253,062	$ 11,802,465	$ 23,075,446
Interest Payments (2)	638,575	1,406,926	1,090,022	2,668,793	5,804,316

(1) Represents principal maturities only and, therefore, excludes net discounts of $8,739 and debt issue costs of $90,886.

(2) Variable rate interest payments are estimated based on the LIBOR rate at March 31, 2016.

Off-Balance Sheet Arrangements

Our off-balance sheet arrangements consist primarily of our investments in joint ventures which are common in the real estate industry and are described in Note 5 of the condensed notes to our consolidated financial statements. Our joint ventures typically fund their cash needs through secured debt financings obtained by and in the name of the joint venture entity. The joint venture debt is secured by a first mortgage, is without recourse to the joint venture partners, and does not represent a liability of the partners, except to the extent the partners or their affiliates expressly guarantee the joint venture debt. As of March 31, 2016, the Operating Partnership guaranteed joint venture-related mortgage indebtedness of $308.8 million (of which we have a right of recovery from our joint venture partners of $76.5 million). Mortgages guaranteed by us are secured by the property of the joint venture which could be sold in order to satisfy the outstanding obligation and which has an estimated fair value in excess of the guaranteed amount. We may elect to fund cash needs of a joint venture through equity contributions (generally on a basis proportionate to our ownership interests), advances or partner loans, although such fundings are not typically required contractually or otherwise.

Acquisitions and Dispositions

Buy-sell, marketing rights, and other exit mechanisms are common in real estate partnership agreements. Most of our partners are institutional investors who have a history of direct investment in retail real estate. We and our partners in our joint venture properties may initiate these provisions (subject to any applicable lock up or similar restrictions). If we determine it is in our stockholders'/unitholders' best interests for us to purchase the joint venture interest and we believe we have adequate liquidity to execute the purchase without hindering our cash flows, then we may initiate these provisions or elect to buy our partner's interest. If we decide to sell any of our joint venture interests, we expect to use the net proceeds to reduce outstanding indebtedness or to reinvest in development, redevelopment, or expansion opportunities.

Acquisitions. On January 15, 2015, we acquired a 100% interest in Jersey Gardens (renamed The Mills at Jersey Gardens) in Elizabeth, New Jersey, and University Park Village in Fort Worth, Texas, properties previously owned by Glimcher Realty Trust, for $677.9 million of cash and the assumption of existing mortgage debt of $405.0 million.

In February 2016, we and our partner, through our European investee, acquired a noncontrolling 75.0% ownership interest in an outlet center in Ochtrup, Germany for cash consideration of approximately $38.3 million.

On April 14, 2016, we and our joint venture partner, Invesco Real Estate, acquired The Shops at Crystals, a 324,000 sf luxury retail property located at the entryway of CityCenter in Las Vegas, Nevada, for an acquisition price of approximately $1.1 billion. We have a 50% noncontrolling interest in this venture.

Dispositions. We continue to pursue the disposition of properties that no longer meet our strategic criteria or that are not a primary retail venue within their trade area.

During January of 2016, we disposed of our interests in two multi-family residential investments and a consolidated retail property. Our share of the gross proceeds from these transactions was $72.4 million. The gain on the consolidated retail property was $10.6 million. The aggregate gain of $36.9 million from the sale of the two residential investments is included in other income and resulted in an additional $7.2 million in taxes included in income and other taxes.

Joint Venture Formation Activity

On April 13, 2015, we announced a joint venture with Sears Holdings, or Sears, whereby Sears contributed 10 of its properties located at our malls to the joint venture in exchange for a 50% noncontrolling interest in the joint venture. We contributed $114.0 million in cash in exchange for a 50% noncontrolling interest in the joint venture. Sears or its affiliates are leasing back each of the 10 properties from the joint venture. The joint venture has the right to recapture not less than 50% of the space leased to Sears to be used for purposes of redeveloping and releasing the recaptured space. We will provide development, leasing and management services to the joint venture for any recaptured space. On July 7, 2015, we separately invested approximately $33.0 million in exchange for 1,125,760 common shares of Seritage Growth Properties, or Seritage, a public REIT formed by Sears, which we account for as an available-for-sale security. Seritage now holds Sears' interest in the joint venture.

On July 22, 2015, we closed on our previously announced joint venture with HBC, to which HBC contributed 42 properties in the U.S. and we committed to contribute $100.0 million for improvements to the properties contributed by HBC in exchange for a noncontrolling equity interest in HBS. As of March 31, 2016, we have funded $5.7 million of this commitment. On September 30, 2015, HBC announced it had closed on the acquisition of Galeria Holding, the parent company of Germany's leading department store, Kaufhof. In conjunction with the closing, HBS acquired 41 Kaufhof properties in Germany from HBC. All of the properties have been leased to affiliates of HBC. We contributed an additional $178.5 million to HBS upon closing of the Galeria Holding transaction. Our noncontrolling equity interest in HBS is approximately 9.2% at March 31, 2016.

Development Activity

New Domestic Developments, Redevelopments and Expansions. During 2015, construction began on the following properties:

- A 355,000 square foot upscale outlet center located in Columbus, Ohio, which is scheduled to open in June 2016. We own a 50% noncontrolling interest in this project. Our estimated share of the cost of this project is $47.5 million.

- Clarksburg Premium Outlets, a 392,000 square foot project, located in Clarksburg, Maryland, which is scheduled to open in October 2016. We own a 66% noncontrolling interest in this project. Our estimated share of the cost of this project is $127.7 million.

- The Shops at Clearfork, a 545,000 square foot project located in Fort Worth, Texas, which is scheduled to open in February 2017. We own a 45% noncontrolling interest in this project. Our estimated share of the cost of this project is $101.6 million.

- The 500,000 square foot retail component of Brickell City Centre, a mixed-use development in downtown Miami. We own a 25% noncontrolling interest in the retail component of this project which is scheduled to open in the Fall of 2016. Our share of the estimated cost of this project including development fees is approximately $110.0 million.

We routinely incur costs related to construction for significant redevelopment and expansion projects at our properties. Redevelopment and expansion projects, including the addition of anchors, big box tenants, and restaurants, are underway at over 33 properties in the United States.

Our share of the costs of all new development, redevelopment and expansion projects currently under construction is approximately $2.0 billion. We expect to fund these capital projects with cash flows from operations. We seek a stabilized return on invested capital in the range of 8-12% for all of our new development, expansion and redevelopment projects.

International Development Activity. We typically reinvest net cash flow from our international joint ventures to fund future international development activity. We believe this strategy mitigates some of the risk of our initial investment and our exposure to changes in foreign currencies. We have also funded most of our foreign investments with local currency-denominated borrowings that act as a natural hedge against fluctuations in exchange rates. Our consolidated net income exposure to changes in the volatility of the Euro, Yen, Won, and other foreign currencies is not material. We expect our share of international development costs for 2016 will be approximately $159 million, primarily funded through reinvested joint venture cash flow and construction loans.

The following table describes these new development and expansion projects as well as our share of the estimated total cost as of March 31, 2016 (in millions):

Property	Location	Gross Leasable Area (sqft)	Our Ownership Percentage	Our Share of Projected Net Cost (in Local Currency)	Our Share of Projected Net Cost (in USD)	Projected Opening Date
New Development Projects:						
Premium Outlet Collection — Edmonton International Airport	Edmonton (Alberta), Canada	428,000	50%	CAD 108.2	$ 83.3	Oct. - 2017
Provence Designer Outlets	Miramas, France	269,000	90%	EUR 104.1	$ 118.0	Mar. - 2017
Siheung Premium Outlets	Siheung, Korea	399,000	50%	KRW 123,695	$ 108.5	May - 2017
Expansions:						
Noventa Di Piave Designer Outlets Phase 4	Venice, Italy	67,000	60%	EUR 28.3	$ 32.0	Nov. - 2016
Roermond Designer Outlets Phase 4	Roermond, Netherlands	125,000	29%	EUR 21.1	$ 22.8	Apr. - 2017

Dividends, Distributions and Stock Repurchase Program

Simon paid a common stock dividend of $1.60 per share, and the Operating Partnership made a distribution of $1.60 per unit, in the first quarter of 2016. Simon's Board of Directors declared a quarterly cash dividend for the second quarter of 2016 of $1.60 per share of common stock payable on May 31, 2016 to stockholders of record on May 17, 2016. The distribution rate on units is equal to the dividend rate on common stock. In order to maintain its status as a REIT, Simon must pay a minimum amount of dividends. Simon's future dividends and the Operating Partnership's future distributions will be determined by Simon's Board of Directors, in its sole discretion, based on actual and projected financial condition, liquidity and results of operations, cash available for dividends and limited partner distributions, cash reserves as deemed necessary for capital and operating expenditures, financing covenants, if any, and the amount required to maintain Simon's status as a REIT.

On April 2, 2015, Simon's Board of Directors authorized Simon to repurchase up to $2.0 billion of common stock over a twenty-four month period as market conditions warrant. Simon may repurchase the shares in the open market or in privately negotiated transactions. During the first quarter of 2016, no purchases were made as part of this program. As Simon repurchases shares under this program, the Operating Partnership repurchases an equal number of our units from Simon.

Forward-Looking Statements

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, uncertainties and other factors. Such factors include, but are not limited to: our ability to meet debt service requirements, the availability and terms of financing, changes in our credit rating or outlook, changes in market rates of interest and foreign exchange rates for foreign currencies, changes in value of investments in foreign entities, the ability to hedge interest rate and currency risk, risks associated with the acquisition, development, expansion, leasing and management of properties, general risks related to retail real estate, the liquidity of real estate investments, environmental liabilities, international, national, regional and local economic conditions, changes in market rental rates, security breaches that could compromise our information technology or infrastructure or personally identifiable data of customers of our retail properties, trends in the retail industry, relationships with anchor tenants, the inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise, risks relating to joint venture properties, the intensely competitive market environment in the retail industry, costs of common area maintenance, risks related to international activities, insurance costs and coverage, the loss of key management personnel, terrorist activities, changes in economic and market conditions and maintenance of Simon's status as a REIT. We discussed these and other risks and uncertainties under the heading "Risk Factors" in our separate 2015 Annual Reports on Form 10-K of Simon and the Operating Partnership. We may update that discussion in subsequent periodic reports, but 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.

Non-GAAP Financial Measures

Industry practice is to evaluate real estate properties in part based on performance measures such as FFO, diluted FFO per share, NOI, Portfolio NOI and comparable property NOI. We believe that these non-GAAP measures are helpful to investors because they are widely recognized measures of the performance of REITs and provide a relevant basis for comparison among REITs. We also use these measures internally to measure the operating performance of our portfolio.

We determine FFO based on the definition set forth by the National Association of Real Estate Investment Trusts, or NAREIT, as consolidated net income computed in accordance with GAAP:

- excluding real estate related depreciation and amortization,
- excluding gains and losses from extraordinary items and cumulative effects of accounting changes,
- excluding gains and losses from the sales or disposals of previously depreciated retail operating properties,
- excluding impairment charges of depreciable real estate,
- plus the allocable portion of FFO of unconsolidated entities accounted for under the equity method of accounting based upon economic ownership interest, and
- all determined on a consistent basis in accordance with GAAP.

We have adopted NAREIT's clarification of the definition of FFO that requires us to include the effects of nonrecurring items not classified as extraordinary, cumulative effect of accounting changes, or a gain or loss resulting from the sale of, or any impairment charges related to, previously depreciated retail operating properties.

We include in FFO gains and losses realized from the sale of land, outlot buildings, marketable and non-marketable securities, and investment holdings of non-retail real estate. We also include in FFO the impact of foreign currency exchange gains and losses, legal expenses, transaction expenses and other items required by GAAP.

You should understand that our computations of these non-GAAP measures might not be comparable to similar measures reported by other REITs and that these non-GAAP measures:

- do not represent cash flow from operations as defined by GAAP,
- should not be considered as alternatives to consolidated net income determined in accordance with GAAP as a measure of operating performance, and
- are not alternatives to cash flows as a measure of liquidity.

The following schedule reconciles total FFO to consolidated net income and, for Simon, diluted net income per share to diluted FFO per share.

	For the Three Months Ended March 31,	
	2016	2015
	(in thousands)	
Funds from Operations	$ 951,833	$ 830,731
Change in FFO from prior period	14.6%	–4.0%
Consolidated Net Income	$ 563,839	$ 632,435
Adjustments to Arrive at FFO:		
Depreciation and amortization from consolidated properties	297,196	284,227
Our share of depreciation and amortization from unconsolidated entities, including Klépierre and HBS	118,242	123,884
Gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net	(22,688)	(206,927)
Net income attributable to noncontrolling interest holders in properties	(729)	(690)
Noncontrolling interests portion of depreciation and amortization	(2,714)	(885)
Preferred distributions and dividends	(1,313)	(1,313)
FFO of the Operating Partnership	$ 951,833	$ 830,731
FFO allocable to limited partners	136,899	120,305
Dilutive FFO allocable to common stockholders	$ 814,934	$ 710,426
Diluted net income per share to diluted FFO per share reconciliation:		
Diluted net income per share	$ 1.55	$ 1.73
Depreciation and amortization from consolidated properties and our share of depreciation and amortization from unconsolidated entities, including Klépierre and HBS, net of noncontrolling interests portion of depreciation and amortization	1.14	1.12
Gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net	(0.06)	(0.57)
Diluted FFO per share	$ 2.63	$ 2.28
Basic and Diluted weighted average shares outstanding	309,416	311,101
Weighted average limited partnership units outstanding	51,979	52,683
Basic and Diluted weighted average shares and units outstanding	361,395	363,784

The following schedule reconciles consolidated net income to NOI and sets forth the computations of Portfolio NOI and Comparable NOI.

	For the Three Months Ended March 31, 2016	For the Three Months Ended March 31, 2015
	(in thousands)	
Reconciliation of NOI of consolidated entities:		
Consolidated Net Income	**$ 563,839**	$ 632,435
Income and other taxes	**15,186**	6,362
Interest expense	**219,190**	232,173
Income from unconsolidated entities	**(90,626)**	(64,872)
Gain upon acquisition of controlling interests and sale or disposal of assets and interests in unconsolidated entities, net	**(22,688)**	(206,927)
Operating Income	**684,901**	599,171
Depreciation and amortization	**300,614**	288,106
NOI of consolidated entities	**$ 985,515**	$ 887,277
Reconciliation of NOI of unconsolidated entities:		
Net Income	**$ 254,711**	$ 172,042
Interest expense	**143,758**	147,020
Gain on sale or disposal of assets and interests in unconsolidated entities	**(54,473)**	—
Operating Income	**343,996**	319,062
Depreciation and amortization	**131,480**	141,659
NOI of unconsolidated entities	**$ 475,476**	$ 460,721
Add: Our share of NOI from Klépierre and HBS	**54,711**	43,297
Total NOI	**$ 1,515,702**	$ 1,391,295
Total NOI Growth	**8.9%**	
Less: Corporate and Other NOI Sources (1)	**71,305**	51,649
Portfolio NOI	**$ 1,444,397**	$ 1,339,646
Portfolio NOI Growth	**7.8%**	
Less: Our share of NOI from Klépierre and HBS	**54,711**	43,297
Less: International Properties (2)	**90,723**	83,548
Less: NOI from New Development, Redevelopment, Expansion and Acquisitions (3)	**42,530**	16,793
Comparable Property NOI (4)	**$ 1,256,433**	$ 1,196,008
Comparable Property NOI Growth	**5.1%**	

(1) Includes income components excluded from Portfolio NOI and Comparable NOI (domestic lease termination income, interest income, land sale gains, straight line rent, above/below market lease adjustments), gains on sale of marketable securities, Simon management company operations, and our TMLP interests and other assets.

(2) Includes International Premium Outlets and International Designer Outlets.

(3) Includes total property NOI for properties undergoing redevelopment as well as incremental NOI for expansion properties not yet included in comparable properties.

(4) Includes Malls, Premium Outlets, The Mills and Lifestyle Centers held as of the beginning of the prior year.

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Item 3. Qualitative and Quantitative Disclosures About Market Risk

Sensitivity Analysis. We disclosed a qualitative and quantitative analysis regarding market risk in Management's Discussion and Analysis of Financial Condition and Results of Operations included in the separate 2015 Annual Reports on Form 10-K of Simon and the Operating Partnership. There have been no material changes in the assumptions used or results obtained regarding market risk since December 31, 2015.

Item 4. Controls and Procedures

Simon

Evaluation of Disclosure Controls and Procedures. Simon maintains disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act"))) that are designed to provide reasonable assurance that information required to be disclosed in the reports that Simon files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's, or the SEC's, rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures. Because of inherent limitations, disclosure controls and procedures, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of disclosure controls and procedures are met.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of Simon's disclosure controls and procedures as of March 31, 2016. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2016, Simon's disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Control Over Financial Reporting. There have not been any changes in Simon's internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the quarter ended March 31, 2016 that have materially affected, or are reasonably likely to materially affect, Simon's internal control over financial reporting.

The Operating Partnership

Evaluation of Disclosure Controls and Procedures. The Operating Partnership maintains disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) that are designed to provide reasonable assurance that information required to be disclosed in the reports that the Operating Partnership files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures. Because of inherent limitations, disclosure controls and procedures, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of disclosure controls and procedures are met.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of the Operating Partnership's disclosure controls and procedures as of March 31, 2016. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2016, the Operating Partnership's disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Control Over Financial Reporting. There have not been any changes in the Operating Partnership's internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the quarter ended March 31, 2016 that have materially affected, or are reasonably likely to materially affect, the Operating Partnership's internal control over financial reporting.

Part II — Other Information

Item 1. Legal Proceedings

We are involved from time-to-time in various legal and regulatory proceedings that arise in the ordinary course of our business, including, but not limited to, commercial disputes, environmental matters, and litigation in connection with transactions such as acquisitions and divestitures. We believe that our current proceedings will not have a material adverse effect on our financial condition, liquidity or results of operations. We record a liability when a loss is considered probable, and the amount can be reasonably estimated.

Item 1A. Risk Factors

Through the period covered by this report, there were no material changes to the Risk Factors disclosed under Item 1A. Risk Factors in Part I of the separate 2015 Annual Reports on Form 10-K of Simon and the Operating Partnership.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Simon

Unregistered Sales of Equity Securities

During the quarter ended March 31, 2016, Simon issued 1,095 shares of common stock on Mar 1, 2016 to a limited partner of the Operating Partnership in exchange for an equal number of units. The issuance of the shares of common stock was made pursuant to the partnership agreement of the Operating Partnership. The issuance of shares of common stock was exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

Issuer Purchases of Equity Securities

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced programs	Approximate value of shares that may yet be purchased under programs (2)
January 1, 2016 - January 31, 2016	4,563(1)	$ 190.73	—	$ 1,656,993,026
February 1, 2016 - February 29, 2016	—	$ —	—	$ 1,656,993,026
March 1, 2016 - March 31, 2016	—	$ —	—	$ 1,656,993,026
	4,563	$ 190.73	—	

(1) Total number of shares purchased primarily represents shares withheld by us and transferred to treasury shares in connection with employee payroll tax withholding upon the vesting of certain restricted stock awards.

(2) On April 2, 2015, Simon's Board of Directors authorized us to repurchase up to $2.0 billion of our common stock over a twenty-four month period as market conditions warrant. We may repurchase the shares in the open market or in privately negotiated transactions.

The Operating Partnership

Unregistered Sales of Equity Securities

There were no unregistered sales of equity securities made by the Operating Partnership during the quarter ended March 31, 2016.

Issuer Purchases of Equity Securities

There were no purchases of equity securities made by the Operating Partnership during the quarter ended March 31, 2016.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the quarter covered by this report, the Audit Committee of Simon's Board of Directors approved certain audit, audit-related, and non-audit tax compliance and tax consulting services to be provided by Ernst & Young LLP, our independent registered public accounting firm. This disclosure is made pursuant to Section 10A(i)(2) of the Exchange Act as added by Section 202 of the Sarbanes-Oxley Act of 2002.

Item 6. Exhibits

Exhibit Number	Exhibit Descriptions
10.1*	Form of Simon Property Group Series 2016 LTIP Unit Award Agreement.
10.2*	Form of Certificate of Designation of Series 2016 LTIP Units of Simon Property Group, L.P.
31.1	Simon Property Group, Inc. — Certification by the Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Simon Property Group, Inc. — Certification by the Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.3	Simon Property Group, L.P. — Certification by the Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.4	Simon Property Group, L.P. — Certification by the Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Simon Property Group, Inc. — 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.
32.2	Simon Property Group, L.P. — 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.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

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

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SIMON PROPERTY GROUP, INC.

/s/ ANDREW JUSTER

Andrew Juster
Executive Vice President and
Chief Financial Officer

Date: May 5, 2016

SIMON PROPERTY GROUP, L.P.

/s/ ANDREW JUSTER

Andrew Juster
Executive Vice President and Chief Financial Officer of
Simon Property Group, Inc., General Partner

Date: May 5, 2016

FORM OF
SIMON PROPERTY GROUP
SERIES 2016 LTIP UNIT AWARD AGREEMENT

This Series 2016 LTIP Unit Award Agreement ("Agreement") made as of the date set forth below, among Simon Property Group, Inc., a Delaware corporation (the "Company"), its subsidiary, Simon Property Group, L.P., a Delaware limited partnership and the entity through which the Company conducts substantially all of its operations (the "Partnership"), and the person identified below as the grantee (the "Grantee").

Recitals

A. The Grantee is an employee of the Company or one of its affiliates and provides services to the Partnership.

B. The Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board") approved this award (this "Award") pursuant to the Partnership's 1998 Stock Incentive Plan (as further amended, restated or supplemented from time to time hereafter, the "Plan") and the Eighth Amended and Restated Agreement of Limited Partnership of the Partnership, as amended, restated and supplemented from time to time hereafter (the "Partnership Agreement"), to provide officers of the Company or its affiliates, including the Grantee, in connection with their employment, with the incentive compensation described in this Agreement, and thereby provide additional incentive for them to promote the progress and success of the business of the Company and its affiliates, including the Partnership. This Award was approved by the Committee pursuant to authority delegated to it by the Board as set forth in the Plan and the Partnership Agreement to make grants of LTIP Units (as defined in the Partnership Agreement).

NOW, THEREFORE, the Company, the Partnership and the Grantee agree as follows:

1. Administration. This Award shall be administered by the Committee which has the powers and authority as set forth in the Plan. Should there be any conflict between the terms of this Agreement and the Certificate of Designation, on the one hand, and the Plan and the Partnership Agreement, on the other hand, the terms of this Agreement and the Certificate of Designation shall prevail.

2. Definitions. Capitalized terms used herein without definitions shall have the meanings given to those terms in the Plan. In addition, as used herein:

"Absolute TSR Goal" means the goal for TSR on an absolute basis as set forth on Exhibit A; provided however, such goal shall be modified as provided in Section 4(d) in connection with a Change of Control.

"Annualized TSR Percentage" means the annualized equivalent of the TSR Percentage.

"Award Date" means the date that the Award LTIP Units were granted as set forth on Schedule A.

"Award LTIP Units" has the meaning set forth in the Recitals.

"Baseline Value" means $194.44, the per share closing price of the Common Stock reported by The New York Stock Exchange for the last trading date preceding January 1, 2016. For purposes of the REIT Index and S&P Index measures used in determining the attainment of each of the respective Relative TSR Goals, the baseline value for each shall also be the ending value of the applicable index as of the last day of the year prior to the Effective Date.

"Cause" shall have the meaning specified in the Grantee's Employment Agreement or, in the case the Grantee is not employed pursuant to an employment agreement or is party to an Employment Agreement that does not define the term, "Cause" shall mean any of the following acts by the Grantee: (i) embezzlement or misappropriation of corporate funds, (ii) any acts resulting in a conviction for, or plea of guilty or *nolo contendere* to, a charge of commission of a felony, (iii) misconduct resulting in injury to the Company or any affiliate, (iv) activities harmful to the reputation of the Company or any affiliate, (v) a material violation of Company or affiliate operating guidelines or policies, (vi) willful refusal to perform, or substantial disregard of, the duties properly assigned to the Grantee, or (vi) a violation of any contractual, statutory or common law duty of loyalty to the Company or any affiliate.

"Change of Control" means:

(i) Any "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any of its subsidiaries, or the estate of Melvin Simon, Herbert Simon or David Simon (the "Simons"), or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Company or any of its subsidiaries), together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Exchange Act) of such person, shall become the "beneficial owner" (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing twenty-five percent (25%) or more of the Company's then outstanding voting securities entitled to vote generally in the election of directors; provided that for purposes of determining the "beneficial ownership" (as such term is defined in Rule 13d-3 under the Exchange Act) of any "group" of which the Simons or any of their affiliates or associates is a member (each such entity or individual, a "Related Party"), there shall not be attributed to the beneficial ownership of such group any shares beneficially owned by any Related Party;

(ii) Individuals who, as of the date hereof, constitute the Board of Directors of the Company (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board of Directors; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board of Directors;

(iii) The consummation of a reorganization, merger or consolidation in which the Company and/or the Partnership is a party, or of the sale or other disposition of all or substantially all of the assets of the Company and/or the Partnership (any such reorganization, merger, consolidation or sale or other disposition of assets being referred to as a "Business Combination"), in each case unless, following such Business Combination, (A) more than sixty percent (60%) of the combined voting power of the then outstanding voting securities of the surviving or acquiring corporation resulting from the Business Combination entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners of the Company's outstanding voting securities immediately prior to such Business Combination in substantially the same proportions as their beneficial ownership, immediately prior to such Business Combination, of the Company's outstanding voting securities, (B) no person (excluding the Company, the Simons, any employee benefit plan or related trust of the Company or such surviving or acquiring corporation resulting from the Business Combination and any person beneficially owning, immediately prior to such reorganization, merger or consolidation, directly or indirectly, twenty-five percent (25%) or more of the Company's outstanding voting securities) beneficially owns, directly or indirectly, twenty-five percent (25%) or more of the combined voting power of the then outstanding voting securities of the surviving or acquiring corporation resulting from the Business Combination entitled to vote generally in the election of directors and (C) at least a majority of the members of the board of directors of the surviving or acquiring corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement providing for such Business Combination; or

(iv) Approval by the stockholders of a complete liquidation or dissolution of the Company and/or the Partnership.

"Code" means the Internal Revenue Code of 1986, as amended.

"Common Stock" means the Company's common stock, par value $0.0001 per share, either currently existing or authorized hereafter.

"Continuous Service" means the continuous service to the Company or any subsidiary or affiliate, without interruption or termination, in any capacity of employment. Continuous Service shall not be considered interrupted in the case of: (i) any approved leave of absence; (ii) transfers among the Company and any subsidiary or affiliate in any capacity of employment; or (iii) any change in status as long as the individual remains in the service of the Company and any subsidiary or affiliate in any capacity of employment. An approved leave of absence shall include sick leave (including, due to any mental or physical disability whether or not such condition rises to the level of a Disability), military leave, or any other authorized personal leave. For purposes of determining Continuous Service, service with the Company includes service, following a Change of Control, with a surviving or successor entity (or its parent entity) that agrees to continue, assume or replace this Award, as contemplated by Section 4(d)(ii)(B).

"Designation" means the Certificate of Designation of Series 2016 LTIP Units of the Partnership approved by the Company as the general partner of the Partnership.

"Disability" means, with respect to the Grantee, a "permanent and total disability" as defined in Section 22(e)(3) of the Code.

"Earned LTIP Units" means those Award LTIP Units that have been determined by the Committee to have been earned on the Valuation Date based on the extent to which the Absolute TSR Goal and the Relative TSR Goals have been achieved as set forth in Section 3(c) or have otherwise been earned under Section 4.

"Effective Date" means the close of business on January 1, 2016.

"Employment Agreement" means, as of a particular date, any employment or similar service agreement then in effect between the Grantee, on the one hand, and the Company or one of its Subsidiaries, on the other hand, as amended or supplemented through such date.

"Ending Common Stock Price" means, as of a particular date, the average of the closing prices of the Common Stock reported by The New York Stock Exchange for the twenty (20) consecutive trading days ending on (and including) such date; provided, however, that if such date is the date upon which a Change of Control occurs, the Ending Common Stock Price as of such date shall be equal to the fair value, as determined by the Committee, of the total consideration paid or payable in the transaction resulting in the Change of Control for one share of Common Stock. For purposes of determining whether the Absolute TSR Goals and the Relative TSR Goals have been attained, an average of the closing measurements published for the twenty (20) consecutive trading days ending on (and including) Valuation Date shall be used for determining the ending REIT Index and S&P Index measures.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Family Member" has the meaning set forth in Section 7.

"Good Reason" shall have the meaning specified in the Grantee's Employment Agreement, or, if the Grantee is not employed pursuant to an employment agreement or is party to an Employment Agreement that does not define the term, "Good Reason" shall mean any of the following events that occurs without the Grantee's prior consent:

(i) the Grantee experiences a material diminution in title, employment duties, authority or responsibilities as compared to the title, duties, authority and responsibilities as in effect during the 90-day period immediately preceding the Change of Control;

(ii) the Grantee experiences a material diminution in compensation and benefits as compared to the compensation and benefits as in effect during the 90-day period immediately preceding the Change of Control, other than (A) a reduction in compensation which is applied to all employees of the Company or affiliate in the same dollar amount or percentage, or (B) a reduction or modification of any employee benefit program covering substantially all of the employees of the Company or affiliate, which reduction or modification generally applies to all employees covered under such program; or

(iii) the Grantee is required to be based at any office or location that is in excess of 50 miles from the principal location of the Grantee's work during the 90-day period immediately preceding the Change of Control.

Before a resignation will constitute a resignation for Good Reason, the Grantee must give the Company or applicable affiliate a notice of resignation within 30 calendar days of the occurrence of the event alleged to constitute Good Reason. The notice must set forth in reasonable detail the specific reason for the resignation and the facts and circumstances claimed to provide a basis for concluding that such resignation is for Good Reason. Failure to provide such notice within such 30-day period shall be conclusive proof that the Grantee does not have Good Reason to terminate employment. In addition, Good Reason shall exist only if the Company or applicable affiliate fails to remedy the event or events constituting Good Reason within 30 calendar days after receipt of the notice of resignation.

"LTIP Units" means the Series 2016 LTIP Units issued pursuant to the Designation.

"Partial Service/Performance Factor" means a factor carried out to the sixth decimal to be used in calculating the Earned LTIP Units pursuant to Section 4(b) in the event of a Qualified Termination, or pursuant to Section 4(d) in the event of a Change of Control prior to the Valuation Date, determined by dividing the number of calendar days that have elapsed since the Effective Date to and including the date of the Grantee's Qualified Termination or a Change of Control, whichever is applicable, by 1,095.

"Partnership Units" or "Units" has the meaning provided in the Partnership Agreement.

"Person" means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, other entity or "group" (as defined in the Exchange Act).

"Per Unit Purchase Price" has the meaning set forth in Section 5.

"Plan" has the meaning set forth in the Recitals.

"Qualified Termination" has the meaning set forth in Section 4(b).

"REIT Index" means the MSCI REIT Total Return Index or any successor index.

"Relative TSR Goals" means the goals set for TSR on a relative basis as compared to the REIT Index and the S&P Index as set forth on Exhibit A.

"S&P Index" means the Standard & Poors 500 Total Return Index (Symbol: SPXT) of large capitalization U.S. stocks or any successor index.

"Securities Act" means the Securities Act of 1933, as amended.

"Total Stockholder Return" or "TSR" means, with respect to a share of Common Stock as of a particular date of determination, the sum of: (A) the difference, positive or negative, between the Ending Common Stock Price as of such date and the Baseline Value, plus (B) the total per-share dividends and other distributions (excluding distributions described in Section 6) with respect to the Common Stock declared between the Effective Date and such date of determination and assuming contemporaneous reinvestment in Common Stock of all such dividends and distributions, using as a re-investment price, the closing price per share of the Common Stock as of the most recent ex-dividend date so long as the "ex-dividend" date with respect thereto falls prior to such date of determination.

"Transfer" has the meaning set forth in Section 7.

"TSR Percentage" means the TSR achieved with respect to a share of Common Stock from the Effective Date to the Valuation Date determined by following quotient: (A) the TSR divided by (B) the Baseline Value.

"Valuation Date" means December 31, 2018.

"Vested LTIP Units" means those Earned LTIP Units that have fully vested in accordance with the time-based vesting conditions of Section 3(d) or have vested on an accelerated basis under Section 4.

3. Award.

(a) The Grantee is granted as of the Award Date, the number of Award LTIP Units set forth on Schedule A which are subject to forfeiture provided in this Section 3 and Section 4. It is a condition to the effectiveness of this Award that the Grantee execute and deliver within ten (10) business days from the Award Date a fully executed copy of this Agreement and such other documents that the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws, and the Grantee pays the Per Unit Purchase Price for each such Award LTIP Unit issued.

(b) The Award LTIP Units are subject to forfeiture during a maximum of a five-year period based on a combination of (i) the extent to which the Absolute TSR Goal and the Relative TSR Goals are achieved and (ii) the passage of five years or a shorter period in certain circumstances as provided herein in Section 4. Award LTIP Units may become Earned LTIP Units and Earned LTIP Units may become Vested LTIP Units in the amounts and upon the conditions set forth in this Section 3 and in Section 4, provided that, except as otherwise expressly set forth in this Agreement with respect to a Qualified Termination or Change of Control, or as determined by the Committee, in its sole discretion, as provided in Section 4(f), the Continuous Service of the Grantee continues through and on each applicable vesting date.

(c) As soon as practicable following the Valuation Date, but as of the Valuation Date, the Committee will determine:

(i) the extent to which the Absolute TSR Goal has been achieved;

(ii) the extent to which the Relative TSR Goals have been achieved;

(iii) using the payout matrix on Exhibit A, the number of Earned LTIP Units to which the Grantee is entitled; and

(iv) the calculation of the Partial Service/Performance Factor, if applicable to the Grantee.

If the number of Earned LTIP Units is smaller than the number of Award LTIP Units, then the Grantee, as of the Valuation Date, shall forfeit a number of Award LTIP Units equal to the difference without payment of any consideration by the Partnership other than as provided in the last sentence of Section 5; thereafter the term LTIP Units will refer only to the Earned LTIP Units and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in the Award LTIP Units that were so forfeited.

(d) The Earned LTIP Units shall become Vested LTIP Units in the following amounts and at the following times, provided that the Continuous Service of the Grantee continues through and on the applicable vesting date or the accelerated vesting date provided in Section 4, as applicable:

(i) fifty percent (50%) of the Earned LTIP Units shall become Vested LTIP Units on January 1, 2019; and

(ii) fifty percent (50%) of the Earned LTIP Units shall become Vested LTIP Units on January 1, 2020.

(e) Except as otherwise provided under Section 4, upon termination of Continuous Service before the applicable vesting date, any Earned LTIP Units that have not become Vested LTIP Units pursuant to Section 3(d) shall, without payment of any consideration to the Grantee other than as provided in the last sentence of Section 5, automatically and without notice be forfeited and be and become null and void, and

neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such Earned LTIP Units.

4. Termination of Grantee’s Employment; Death and Disability; Change of Control.

(a) If the Grantee’s Continuous Service terminates prior to the final scheduled vesting date in Section 3(d), the provisions of Sections 4(b) through Section 4(f) shall govern the treatment of the Grantee’s Award LTIP Units exclusively, unless the Grantee’s Employment Agreement contains provisions that expressly refer to this Section 4(a) and provides that those provisions of the Employment Agreement shall instead govern the treatment of the Grantee’s LTIP Units. In the event an entity of which the Grantee is an employee ceases to be a subsidiary or affiliate of the Company, such action shall be deemed to be a termination of employment of the Grantee for purposes of this Agreement, unless the Grantee promptly thereafter becomes an employee of the Company or any of its affiliates, provided that, the Committee or the Board, in its sole and absolute discretion, may make provision in such circumstances for lapse of forfeiture restrictions and/or accelerated vesting of some or all of the Grantee’s Award LTIP Units and Earned LTIP Units that have not previously been forfeited, effective immediately prior to such event. If a Change of Control occurs, Section 4(d) shall govern the treatment of the Grantee’s Award LTIP Units exclusively, notwithstanding the provisions of the Plan.

(b) In the event of termination of the Grantee’s Continuous Service before the Valuation Date by Grantee’s death or Disability (each a “Qualified Termination”), the Grantee will not forfeit the Award LTIP Units upon such termination, but the following provisions of this Section 4(b) shall modify the treatment of the Award LTIP Units:

(i) the calculations provided in Section 3(c) shall be performed as of the Valuation Date as if the Qualified Termination had not occurred;

(ii) the number of Earned LTIP Units calculated pursuant to Section 3(c) shall be multiplied by the Partial Service/Performance Factor (with the resulting number being rounded to the nearest whole LTIP Unit or, in the case of 0.5 of a unit, up to the next whole unit), and such adjusted number of LTIP Units shall be deemed the Grantee’s Earned LTIP Units for all purposes under this Agreement; and

(iii) the Grantee’s Earned LTIP Units as adjusted pursuant to Section 4(b)(ii) shall, as of the Valuation Date, become Vested LTIP Units and shall no longer be subject to forfeiture pursuant to Section 3(e).

(c) In the event of Qualified Termination after the Valuation Date, all Earned LTIP Units that have not previously been forfeited pursuant to the calculations set forth in Section 3(c) shall, as of the date of such Qualified Termination, become Vested LTIP Units and no longer be subject to forfeiture pursuant to Section 3(e); provided that, notwithstanding that no Continuous Service requirement pursuant to Section 3(d) will apply to the Grantee after the effective date of a Qualified Termination after the Valuation Date, the Grantee will not have the right to Transfer (as defined in Section 7) except by reason of the Grantee's death or request conversion of his or her Vested LTIP Units under the Designation until such dates as of which his or her Earned LTIP Units would have become Vested LTIP Units pursuant to Section 3(d) absent a Qualified Termination.

(d) If a Change of Control occurs prior to the final scheduled vesting date specified in Section 3(d), the provisions of this Section 4(d) shall apply:

(i) If the Change of Control occurs prior to the Valuation Date, the calculation of the number of Earned LTIP Units as provided in Section 3(c) shall be performed as of the date of the Change of Control; provided however, the "Performance" percentages in the payout matrix in Exhibit A relating to the Absolute TSR Goal shall be reduced for purposes of this calculation by multiplying each such percentage by the Partial Service/Performance Factor (with the resulting percentage being rounded to the nearest tenth of a whole percentage point or, in the case of 0.05 of a whole percentage point, up to the next tenth of a whole percentage point). The number of LTIP Units resulting from the calculation described in this paragraph shall be deemed the Grantee's Earned LTIP Units for all purposes under this Agreement, and the balance of any Award LTIP Units shall be forfeited as of the date of the Change of Control without payment of any consideration to Grantee other than as provided in the last sentence of Section 5.

(ii) If, within 24 months after a Change of Control (A) described in clauses (i) or (ii) of the definition of Change of Control or (B) described in clause (iii) of the definition of Change of Control in connection with which the surviving or successor entity (or its parent entity) agrees to continue, assume or replace this Award, the Grantee's Continuous Service terminates as the result of either an involuntary termination for reasons other than Cause or a resignation for Good Reason, then to the extent the Grantee's Earned LTIP Units have not already become Vested LTIP Units, such Earned LTIP Units shall become Vested LTIP Units as of the termination of Continuous Service and shall no longer be subject to forfeiture pursuant to Section 3(e).

(iii) If this Award is not continued, assumed or replaced in connection with a Change of Control described in clause (iii) of the definition of Change of Control as contemplated by Section 4(d)(ii)(B), then to the extent the Grantee's Earned LTIP Units have not already become Vested LTIP Units, such Earned LTIP Units shall become Vested LTIP Units as of the date of the Change of Control and shall no longer be subject to forfeiture pursuant to Section 3(e). Unless the Committee provides otherwise in connection with a Change of Control described in clause (iv) of the definition of Change of Control, the Grantee's Earned LTIP Units (as calculated pursuant to Section 4(d)(i) if the Change of Control occurs before the Valuation Date) shall, to the extent they have not already become Vested LTIP Units, become Vested LTIP Units immediately prior

to the consummation of the liquidation, dissolution or sale of assets and shall no longer be subject to forfeiture pursuant to Section 3(e).

(iv) For purposes of this Section 4(d), this Award will be considered assumed or replaced if, in connection with the Change of Control transaction, either (A) the contractual obligations represented by this Award are expressly assumed by the surviving or successor entity (or its parent entity) with appropriate adjustments to the number and type of securities subject to this Award that preserves the economic or financial value of this Award existing at the time the Change of Control occurs, or (B) the Grantee has received a comparable LTIP Unit award that preserves the economic or financial value of this Award existing at the time of the Change of Control transaction and is subject to substantially similar terms and conditions as this Award.

(v) Unless and until the Earned LTIP Units become Vested LTIP Units pursuant to Section 4(d)(ii) or Section 4(d)(iii), the Earned LTIP Units shall vest in accordance with Section 3(d).

(e) Notwithstanding the foregoing, in the event any payment to be made hereunder after giving effect to this Section 4 is determined to constitute "nonqualified deferred compensation" subject to Section 409A of the Code, then, to the extent the Grantee is a "specified employee" under Section 409A of the Code subject to the six-month delay thereunder, any such payments to be made during the six-month period commencing on the Grantee's "separation from service" (as defined in Section 409A of the Code) shall be delayed until the expiration of such six-month period.

(f) Unless the Grantee's Employee Agreement provides otherwise, in the event of a termination of the Grantee's Continuous Service other than a Qualified Termination or a termination described in Section 4(d)(ii), all Award LTIP Units and Earned LTIP Units that have not theretofore become Vested LTIP Units shall, without payment of any consideration by the Partnership other than as provided in the last sentence of Section 5, automatically and without notice terminate, be forfeited and be and become null and void, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such Award LTIP Units or Earned LTIP Units, provided, however, in the event the termination of Grantee's employment is due to Grantee's retirement after age 55, the Committee may determine, in its sole discretion, that all or any portion of the Award LTIP Units or the Earned LTIP Units shall become Vested LTIP Units, together with the terms and conditions upon which any such Award LTIP Units or Earned LTIP Units shall become Vested LTIP Units.

5. Payments by Award Recipients. The Grantee shall have no rights with respect to this Agreement (and the Award evidenced hereby) unless he or she shall have accepted this Agreement prior to the close of business on the date described in Section 3(a) by (a) making a contribution to the capital of the Partnership by certified or bank check, wire transfer or other instrument acceptable to the Committee (as defined in the Plan), of $0.25 (the "Per Unit Purchase Price"), multiplied by the number of Award LTIP Units, (b) signing and delivering to

the Partnership a copy of this Agreement and (c) unless the Grantee is already a Limited Partner (as defined in the Partnership Agreement), signing, as a Limited Partner, and delivering to the Partnership a counterpart signature page to the Partnership Agreement (attached as Exhibit B). The Per Unit Purchase Price paid by the Grantee shall be deemed a contribution to the capital of the Partnership upon the terms and conditions set forth herein and in the Partnership Agreement. Upon acceptance of this Agreement by the Grantee, the Partnership Agreement shall be amended to reflect the issuance to the Grantee of the LTIP Units so accepted. Thereupon, the Grantee shall have all the rights of a Limited Partner of the Partnership with respect to the number of Award LTIP Units, as set forth in the Designation and the Partnership Agreement, subject, however, to the restrictions and conditions specified herein. Award LTIP Units constitute and shall be treated for all purposes as the property of the Grantee, subject to the terms of this Agreement and the Partnership Agreement. In the event of the forfeiture of the Grantee's Award LTIP Units pursuant to this Agreement, the Partnership will pay the Grantee an amount equal to the number of Award LTIP Units so forfeited multiplied by the lesser of the Per Unit Purchase Price or the fair market value of an Award LTIP Unit on the date of forfeiture as determined by the Committee.

6. Distributions.

(a) The holders of Award LTIP Units, Earned LTIP Units and Vested LTIP Units (until and unless forfeited pursuant to Section 3(e) or Section 4(g)), shall be entitled to receive the distributions to the extent provided for in the Designation and the Partnership Agreement.

(b) All distributions paid with respect to LTIP Units shall be fully vested and non-forfeitable when paid.

7. Restrictions on Transfer.

(a) Except as otherwise permitted by the Committee in its sole discretion, none of the Award LTIP Units, Earned LTIP Units, Vested LTIP Units or Partnership Units into which Vested LTIP Units have been converted shall be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed or encumbered, whether voluntarily or by operation of law (each such action a "Transfer"); provided that Earned LTIP Units and Vested LTIP Units may be Transferred to the Grantee's Family Members (as defined below) by gift, bequest or domestic relations order; and provided further that the transferee agrees in writing with the Company and the Partnership to be bound by all the terms and conditions of this Agreement and the Partnership Agreement and that subsequent transfers shall be prohibited except those in accordance with this Section 7. Additionally, all such Transfers must be in compliance with all applicable securities laws (including, without limitation, the Securities Act) and the applicable terms and conditions of the Partnership Agreement. In connection with any such Transfer, the Partnership may require the Grantee to provide an opinion of counsel, satisfactory to the Partnership that such Transfer is in compliance with all federal and state securities laws (including, without limitation, the Securities Act). Any attempted Transfer not in accordance with the terms and conditions of this Section 7 shall be null and void, and neither the Partnership nor the Company shall reflect on its records any

change in record ownership of any Earned LTIP Units or Vested LTIP Units as a result of any such Transfer, shall otherwise refuse to recognize any such Transfer and shall not in any way give effect to any such Transfer. Except as provided in this Section 7, this Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

(b) For purposes of this Agreement, "Family Member" of a Grantee, means the Grantee's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the Grantee's household (other than a tenant of the Grantee), a trust in which one or more of these persons (or the Grantee) own more than 50 percent of the beneficial interests, and a partnership or limited liability company in which one or more of these persons (or the Grantee) own more than 50 percent of the voting interests.

8. Miscellaneous.

(a) Amendments. This Agreement may be amended or modified only with the consent of the Company and the Partnership acting through the Committee; provided that any such amendment or modification which materially adversely affects the rights of the Grantee hereunder must be consented to by the Grantee to be effective as against him or her. Notwithstanding the foregoing, this Agreement may be amended in writing signed only by the Company and the Partnership to correct any errors or ambiguities in this Agreement and/or to make such changes that do not materially adversely affect the Grantee's rights hereunder. This grant shall in no way affect the Grantee's participation or benefits under any other plan or benefit program maintained or provided by the Company or the Partnership or any of their subsidiaries or affiliates.

(b) Clawback. The Company has adopted an "Executive Compensation Clawback Policy" ("Clawback Policy") applicable to all performance-based compensation paid or to be paid to the executive officers of the Company. Grantee hereby agrees that the series of Award LTIP Units which are awarded under terms of this Agreement and which may become Earned LTIP Units and Vested LTIP Units hereunder are and shall remain subject to the Clawback Policy, as the same may be hereafter amended, modified or supplemented with the approval of the Committee. Further, Grantee agrees that should the Committee determine that any Earned LTIP Units or Vested LTIP Units hereunder must be forfeited by the Grantee pursuant to the Clawback Policy, Grantee shall tender repayment or forfeiture of the Earned LTIP Units or Vested LTIP Units, as the case may be, to the Company in amounts as may be determined from time-to-time by the Committee, all in accordance with the Clawback Policy.

(c) Incorporation of Plan and Designation; Committee Determinations. The provisions of the Plan and the Designation are hereby incorporated by reference as if set forth herein. The Committee will make the determinations and certifications required by

this Award as promptly as reasonably practicable following the occurrence of the event or events necessitating such determinations or certifications. In the event of a Change of Control, the Committee will make such determinations within a period of time that enables the Company to make any payments due hereunder not later than the date of consummation of the Change of Control.

(d) Status of LTIP Units; Plan Matters. This Award constitutes an incentive compensation award under the Plan. The LTIP Units are equity interests in the Partnership. The number of shares of Common Stock reserved for issuance under the Plan underlying outstanding Award LTIP Units will be determined by the Committee in light of all applicable circumstances, including calculations made or to be made under Section 3, vesting, capital account allocations and/or balances under the Partnership Agreement, and the exchange ratio in effect between Partnership Units and shares of Common Stock. The Company will have the right, at its option, as set forth in the Partnership Agreement, to issue shares of Common Stock in exchange for Partnership Units in accordance with the Partnership Agreement, subject to certain limitations set forth in the Partnership Agreement, and such shares of Common Stock, if issued, will be issued under the Plan. The Grantee acknowledges that the Grantee will have no right to approve or disapprove such determination by the Company.

(e) Legend. The records of the Partnership evidencing the LTIP Units shall bear an appropriate legend, as determined by the Partnership in its sole discretion, to the effect that such LTIP Units are subject to restrictions as set forth herein and in the Partnership Agreement.

(f) Compliance With Law. The Partnership and the Grantee will make reasonable efforts to comply with all applicable securities laws. In addition, notwithstanding any provision of this Agreement to the contrary, no LTIP Units will become Vested LTIP Units at a time that such vesting would result in a violation of any such law.

(g) Grantee Representations; Registration.

(i) The Grantee hereby represents and warrants that (A) he or she understands that he or she is responsible for consulting his or her own tax advisor with respect to the application of the U.S. federal income tax laws, and the tax laws of any state, local or other taxing jurisdiction to which the Grantee is or by reason of this Award may become subject, to his or her particular situation; (B) the Grantee has not received or relied upon business or tax advice from the Company, the Partnership or any of their respective employees, agents, consultants or advisors, in their capacity as such; (C) the Grantee provides services to the Partnership on a regular basis and in such capacity has access to such information, and has such experience of and involvement in the business and operations of the Partnership, as the Grantee believes to be necessary and appropriate to make an informed decision to accept this Award; (D) LTIP Units are subject to substantial risks; (E) the Grantee has been furnished with, and has reviewed and understands, information relating to this Award; (F) the Grantee has

been afforded the opportunity to obtain such additional information as he or she deemed necessary before accepting this Award; and (G) the Grantee has had an opportunity to ask questions of representatives of the Partnership and the Company, or persons acting on their behalf, concerning this Award.

(ii) The Grantee hereby acknowledges that: (A) there is no public market for LTIP Units or Partnership Units into which Vested LTIP Units may be converted and neither the Partnership nor the Company has any obligation or intention to create such a market; (B) sales of LTIP Units and Partnership Units are subject to restrictions under the Securities Act and applicable state securities laws; (C) because of the restrictions on transfer or assignment of LTIP Units and Partnership Units set forth in the Partnership Agreement and in this Agreement, the Grantee may have to bear the economic risk of his or her ownership of the LTIP Units covered by this Award for an indefinite period of time; (D) shares of Common Stock issued under the Plan in exchange for Partnership Units, if any, will be covered by a Registration Statement on Form S-8 (or a successor form under applicable rules and regulations of the Securities and Exchange Commission) under the Securities Act, to the extent that the Grantee is eligible to receive such shares under the Plan at the time of such issuance and such Registration Statement is then effective under the Securities Act; and (E) resales of shares of Common Stock issued under the Plan in exchange for Partnership Units, if any, shall only be made in compliance with all applicable restrictions (including in certain cases "blackout periods" forbidding sales of Company securities) set forth in the then applicable Company employee manual or insider trading policy and in compliance with the registration requirements of the Securities Act or pursuant to an applicable exemption therefrom.

(h) Section 83(b) Election. The Grantee hereby agrees to make an election to include the Award LTIP Units in gross income in the year in which the Award LTIP Units are issued pursuant to Section 83(b) of the Code substantially in the form attached as Exhibit C and to supply the necessary information in accordance with the regulations promulgated thereunder. The Grantee agrees to file such election (or to permit the Partnership to file such election on the Grantee's behalf) within thirty (30) days after the Award Date with the IRS Service Center where the Grantee files his or her personal income tax returns, to provide a copy of such election to the Partnership and the Company, and to file a copy of such election with the Grantee's U.S. federal income tax return for the taxable year in which the Award LTIP Units are issued to the Grantee. So long as the Grantee holds any Award LTIP Units, the Grantee shall disclose to the Partnership in writing such information as may be reasonably requested with respect to ownership of LTIP Units as the Partnership may deem reasonably necessary to ascertain and to establish compliance with provisions of the Code applicable to the Partnership or to comply with requirements of any other appropriate taxing authority.

(i) Tax Consequences. The Grantee acknowledges that (i) neither the Company nor the Partnership has made any representations or given any advice with respect to the tax consequences of acquiring, holding, selling or converting LTIP Units or making any tax election (including the election pursuant to Section 83(b) of the Code)

with respect to the LTIP Units and (ii) the Grantee is relying upon the advice of his or her own tax advisor in determining such tax consequences.

(j) Severability. If, for any reason, any provision of this Agreement is held invalid, such invalidity shall not affect any other provision of this Agreement not so held invalid, and each such other provision shall to the full extent consistent with law continue in full force and effect.

(k) Governing Law. This Agreement is made under, and will be construed in accordance with, the laws of the State of Delaware, without giving effect to the principles of conflict of laws of such state.

(l) No Obligation to Continue Position as an Employee, Consultant or Advisor. Neither the Company nor any affiliate is obligated by or as a result of this Agreement to continue to have the Grantee as an employee, consultant or advisor and this Agreement shall not interfere in any way with the right of the Company or any affiliate to terminate the Grantee's employment at any time.

(m) Notices. Any notice to be given to the Company shall be addressed to the Secretary of the Company at 225 West Washington Street, Indianapolis, Indiana 46204, and any notice to be given to the Grantee shall be addressed to the Grantee at the Grantee's address as it appears on the employment records of the Company, or at such other address as the Company or the Grantee may hereafter designate in writing to the other.

(n) Withholding and Taxes. No later than the date as of which an amount first becomes includible in the gross income of the Grantee for income tax purposes or subject to the Federal Insurance Contributions Act withholding with respect to this Award, the Grantee will pay to the Company or, if appropriate, any of its affiliates, or make arrangements satisfactory to the Committee regarding the payment of any United States federal, state or local or foreign taxes of any kind required by law to be withheld with respect to such amount; provided, however, that if any LTIP Units or Partnership Units are withheld (or returned), the number of LTIP Units or Partnership Units so withheld (or returned) shall be limited to the number which have a fair market value on the date of withholding equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such supplemental taxable income. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company and its affiliates shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Grantee.

(o) Headings. The headings of paragraphs of this Agreement are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

(p) Counterparts. This Agreement may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

(q) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and any successors to the Company and the Partnership, on the one hand, and any successors to the Grantee, on the other hand, by will or the laws of descent and distribution, but this Agreement shall not otherwise be assignable or otherwise subject to hypothecation by the Grantee.

(r) Section 409A. This Agreement shall be construed, administered and interpreted in accordance with a good faith interpretation of Section 409A of the Code, to the extent applicable. Any provision of this Agreement that is inconsistent with applicable provisions of Section 409A of the Code, or that may result in penalties under Section 409A of the Code, shall be amended, with the reasonable cooperation of the Grantee and the Company and the Partnership, to the extent necessary to exempt it from, or bring it into compliance with, Section 409A of the Code.

(s) Delay in Effectiveness of Exchange. The Grantee acknowledges that any exchange of Partnership Units for Common Stock or cash, as selected by the General Partner, may not become effective until six (6) months from the date the Vested LTIP Units that were converted into Partnership Units became fully vested.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the   day of March, 2016.

SIMON PROPERTY GROUP, INC., a Delaware corporation

By: ______________________________
Name: John Rulli
Title: Chief Operating Officer, Malls
and Chief Administrative Officer

SIMON PROPERTY GROUP, L.P., a Delaware limited partnership

By: Simon Property Group, Inc., a
Delaware corporation, its general partner

By: ______________________________
Name: John Rulli
Title: Chief Operating Officer, Malls
and Chief Administrative Officer

GRANTEE

____
Name: **[NAME]**

EXHIBIT A

PAYOUT MATRIX

The Committee will determine the number of Award LTIP Units that become Earned LTIP Units by determining the extent to which the Absolute TSR Goal and the Relative TSR Goals have been achieved as set forth in the following payout matrix.

Absolute TSR(1) Weighted 20%		Relative TSR (TSR %-ile Rank)(2) vs. MSCI REIT Index Weighted 60%		vs. S&P 500 Index Weighted 20%	
Performance	**Payout % of Target(3)**	**Performance**	**Payout % of Target(3)**	**Performance**	**Payout % of Target(3)**
<=20%	0.0%	Index -1%	0.0%	Index -2%	0.0%
24%	33.3%	= Index	33.3%	= Index	33.3%
27%	50.0%	Index +1%	50.0%	Index +2%	100.0%
30%	66.7%	Index +2%	66.7%		
33%	83.3%	Index +3%	100.0%		
>=36%	100.0%				

(1) Percentage of total shareholder return over performance period commencing on the Effective Date, subject to modification in the event of a Change of Control.
(2) Percentage of relative performance over performance period commencing on the Effective Date
(3) Linear interpolation between payout percentages

EXHIBIT B

FORM OF LIMITED PARTNER SIGNATURE PAGE

The Grantee, desiring to become one of the within named Limited Partners of Simon Property Group, L.P., hereby accepts all of the terms and conditions of and becomes a party to, the Eighth Amended and Restated Agreement of Limited Partnership, dated as of May 8, 2008, of Simon Property Group, L.P. as amended through this date (the "Partnership Agreement"). The Grantee agrees that this signature page may be attached to any counterpart of the Partnership Agreement.

Signature Line for Limited Partner:

____

Name: ______________________________

Date: ______________________________

Address of Limited Partner:

____

____

EXHIBIT C

ELECTION TO INCLUDE IN GROSS INCOME IN YEAR OF TRANSFER OF PROPERTY PURSUANT TO SECTION 83(b) OF THE INTERNAL REVENUE CODE

The undersigned hereby makes an election pursuant to Section 83(b) of the Internal Revenue Code with respect to the property described below and supplies the following information in accordance with the regulations promulgated thereunder:

1. The name, address and taxpayer identification number of the undersigned are:

   Name: **[NAME]** (the "Taxpayer")

   Address:

   Social Security No./Taxpayer Identification No.: - -

2. Description of property with respect to which the election is being made: Series 2016 LTIP Units ("LTIP Units") in Simon Property Group, L.P. (the "Partnership").

3. The date on which the LTIP Units were issued is March 1, 2016. The units were made available for acceptance on March 17, 2016. The taxable year to which this election relates is calendar year 2016.

4. Nature of restrictions to which the LTIP Units are subject:

(a) With limited exceptions, until the LTIP Units vest, the Taxpayer may not transfer in any manner any portion of the LTIP Units without the consent of the Partnership.

(b) The Taxpayer's LTIP Units are subject to forfeiture until they vest in accordance with the provisions in the applicable Award Agreement and Certificate of Designation for the LTIP Units.

5. The fair market value at time of issue (determined without regard to any restrictions other than restrictions which by their terms will never lapse) of the LTIP Units with respect to which this election is being made was $0.25 per LTIP Unit.

6. The amount paid by the Taxpayer for the LTIP Units was $0.25 per LTIP Unit.

7. A copy of this statement has been furnished to the Partnership and Simon Property Group, Inc.

Dated: ______________________________

____
Name: **[NAME]**

SCHEDULE A TO SERIES 2016 LTIP UNIT AWARD AGREEMENT

Award Date:	March 1, 2016
Name of Grantee:	**[NAME]**
Number of Award LTIP Units:	**[UNITS]**

EXHIBIT 10.2

FORM OF
CERTIFICATE OF DESIGNATION
OF SERIES 2016 LTIP UNIT OF
SIMON PROPERTY GROUP, L.P.

WHEREAS, Simon Property Group, L.P. (the "Partnership"), is authorized to issue LTIP Units to executives of Simon Property Group, Inc., the General Partner of the Partnership (the "General Partner"), pursuant to Section 9.3(a) of the Eighth Amended and Restated Limited Partnership Agreement of the Partnership (the "Partnership Agreement").

WHEREAS, the General Partner has determined that it is in the best interests of the Partnership to designate a series of LTIP units that are subject to the provisions of this Designation and the related Award Agreement (as defined below); and

WHEREAS, Sections 7.3 and 9.3(c) of the Partnership Agreement authorize the General Partner, without the approval of the Limited Partners, to set forth in an LTIP Unit Designation (as defined in the Partnership Agreement) the performance conditions and economic rights including distribution and conversion rights of each class or series of LTIP Units.

NOW, THEREFORE, the General Partner hereby designates the powers, preferences, economic rights and performance conditions of the Series 2016 LTIP Units.

ARTICLE I
Definitions

1.1 Definitions Applicable to LTIP Units. Except as otherwise expressly provided herein, each capitalized term shall have the meaning ascribed to it in the Partnership Agreement. In addition, as used herein:

"Adjustment Events" has the meaning provided in Section 2.2 hereof.

"Award Agreement" means the Series 2016 LTIP Unit Award Agreement approved by the Compensation Committee of the Board of Directors of the General Partner and entered into with the holder of the number of Award LTIP Units specified therein.

"Award Date" means February 25, 2016.

"Award LTIP Units" means the number of LTIP Units issued pursuant to an Award Agreement and does not include the Earned LTIP Units or Vested LTIP Units that the Award LTIP Units may become.

"Conversion Date" has the meaning provided in Section 4.3 hereof.

"Conversion Notice" has the meaning provided in Section 4.3 hereof.

"Earned LTIP Units" means the number of Award LTIP Units that are determined by the Committee to have been earned pursuant to an Award Agreement.

"Economic Capital Account Balance" means, with respect to a holder of LTIP Units, (i) his Capital Account balance, plus the amount of his or her share of any Partner Minimum Gain or Partnership Minimum Gain, in either case to the extent attributable to his or her ownership of LTIP Units, divided by (ii) the number of LTIP Units held by such holder.

"Full Conversion Date" means with respect to a holder of the LTIP Units, the date on which the Economic Capital Account Balance of such holder first equals or exceeds the Target Balance.

"Liquidating Gain" means one hundred percent (100%) of the Profits of the Partnership realized from a transaction or series of transactions that constitute a sale of substantially all of the assets of the Partnership and one hundred percent (100%) of the Profits realized from a restatement of the Partnership's Capital Accounts in accordance with Treas. Reg. §1.704-1(b)(2)(iv)(f).

"LTIP Units" means the Series 2016 LTIP Units created by this Designation.

"LTIP Unitholder" means a person that holds LTIP Units.

"Other LTIP Units" means "LTIP Units" (as defined in the Partnership Agreement) other than the Series 2016 LTIP Units designated hereby.

"Partnership Unit Economic Balance" shall mean (i) the Capital Account balance of the General Partner plus the amount of the General Partner's share of any Partner Minimum Gain or Partnership Minimum Gain, in each case to the extent attributable to the General Partner's Partnership Units divided by (ii) the number of the General Partner's Partnership Units.

"Partnership Units" or "Units" has the meaning set forth in the Partnership Agreement.

"Special Distributions" means distributions designated as a capital gain dividend within the meaning of Section 875(b)(3)(C) of the Code and any other distribution that the General Partner determines is not made in the ordinary course.

"Target Balance" means (i) $187.14, which is equal to the Partnership Unit Economic Balance as of the Award Date as determined after Capital Accounts have been adjusted in accordance with Treas. Reg. §1.704-1(b)(2)(iv)(f), reduced by (ii) the amount of Special Distributions per Partnership Unit attributable to the sale of assets subsequent to the Award Date, to the extent that such Special Distributions are not made with respect to the LTIP Units.

"Vested LTIP Units" means Earned LTIP Units that have satisfied the time-based or accelerated vesting requirements of an Award Agreement.

1.2 Definitions Applicable to Other LTIP Units. In determining the rights of the holder of the LTIP Units *vis-à-vis* the holders of Other LTIP Units, the foregoing definitions shall apply to the Other LTIP Units except as expressly provided otherwise in a Certificate of Designation applicable to such Other LTIP Units.

ARTICLE II
Economic Terms and Voting Rights

2.1 Designation and Issuance. The General Partner hereby designates a series of LTIP Units entitled the Series 2016 LTIP Units. The number of Series 2016 LTIP Units that may be issued pursuant to this Designation is the total number of Award LTIP Units issued on the Award Date. The holders of Award LTIP Units shall be deemed admitted as a Limited Partner of the Partnership on the Award Date.

2.2 Unit Equivalence. Except as otherwise provided in this Designation, the Partnership shall maintain, at all times, a one-to-one correspondence between the LTIP Units and Partnership Units, for conversion, distribution and other purposes, including without limitation complying with the following procedures. If an Adjustment Event (as defined below) occurs, then the General Partner shall make a corresponding adjustment to the LTIP Units to maintain a one-to-one conversion and economic equivalence ratio between the LTIP Units and the Partnership Units. The following shall be "Adjustment Events": (A) the Partnership makes a distribution of Partnership Units or other equity interests in the Partnership on all outstanding Partnership Units (provided that with respect to Award LTIP Units any adjustment as the result of a distribution made concurrently with a stock dividend paid by the General Partner in accordance with Rev. Proc. 2010-12 or any similar policy or pronouncement of the Internal Revenue Service shall be made only to the extent that the Award LTIP Units do not receive ten percent (10%) of the distribution), (B) the Partnership subdivides the outstanding Partnership Units into a greater number of units or combines the outstanding Partnership Units into a smaller number of units, or (C) the Partnership issues any Partnership Units or other equity in the Partnership in exchange for its outstanding Partnership Units by way of a reclassification or recapitalization of its Partnership Units. If more than one Adjustment Event occurs, the adjustment to the LTIP Units need be made only once using a single formula that takes into account each and every Adjustment Event as if all Adjustment Events occurred simultaneously. For the avoidance of doubt, the following shall not be Adjustment Events: (x) the issuance of Partnership Units from the Partnership's sale of securities or in a financing, reorganization, acquisition or other business transaction, (y) the issuance of Partnership Units or Other LTIP Units pursuant to any employee benefit or compensation plan or distribution reinvestment plan, or (z) the issuance of any Partnership Units to the General Partner in respect of a capital contribution to the Partnership of proceeds from the sale of securities by the General Partner. If the Partnership takes an action affecting the Partnership Units other than actions specifically described above as constituting Adjustment Events and, in the opinion of the General Partner, such action would require an adjustment to the LTIP Units to maintain the one-to-one correspondence described above, the General Partner shall have the right to make such adjustment to the LTIP Units, to the extent permitted by law, in such manner and at such time as the General Partner, in its sole discretion, may determine to be appropriate under the circumstances. If an adjustment is made to the LTIP Units as hereby provided, the Partnership shall promptly file in the books and records of the Partnership a certificate setting forth such

adjustment and a brief statement of facts requiring such adjustment, which certificate shall be conclusive evidence of the correctness of such adjustment absent manifest error. Promptly after filing such certificate, the Partnership shall mail a notice to each LTIP Unitholder setting forth the adjustment to his or her LTIP Units and the effective date of such adjustment.

2.3 Distributions of Net Operating Cash Flow. Award LTIP Units shall be treated as one-tenth of a Partnership Unit for purposes of Sections 6.2(a) and (b)(iii) of the Partnership Agreement, except that Award LTIP Units shall not be entitled to any Special Distributions except as provided in Section 2.4. Distributions with respect to an Award LTIP Unit issued during a fiscal quarter shall be prorated as provided in Section 6.2(c)(ii) of the Partnership Agreement. Earned LTIP Units shall be entitled to the same rights to receive distributions as the Partnership Units.

2.4 Special Distributions. Until the Economic Capital Account Balance of a holder's LTIP Units is equal to the Target Balance, such holder shall be entitled to Special Distributions attributable to the sale of an asset of the Partnership only to the extent the Partnership determines that such asset has appreciated in value subsequent to the Award Date.

2.5 Liquidating Distributions. In the event of the dissolution, liquidation and winding up of the Partnership, distributions to holders of LTIP Units shall be made in accordance with Section 8.2(d) of the Partnership Agreement.

2.6 Forfeiture. Any Award LTIP Units and Earned LTIP Units that are forfeited pursuant to the terms of an Award Agreement shall immediately be null and void and shall cease to be outstanding or to have any rights except as otherwise provided in the Award Agreement.

2.7 Voting Rights. Holders of Award LTIP Units and Earned LTIP Units shall not be entitled to vote on any other matter submitted to the Limited Partners for their approval unless and until such units constitute Vested LTIP Units. Vested LTIP Units will be entitled to be voted on an equal basis with the Partnership Units.

ARTICLE III
Tax Provisions

3.1 Special Allocations of Profits. Liquidating Gain shall be allocated as follows: (a) first, to the holders of Preferred Units as provided in the Partnership Agreement, (b) second, if applicable, to the holders of Partnership Units as provided in by the Partnership Agreement until the Partnership Unit Economic Balance is equal to the Target Balance and (c) third, to (i) the holders of the LTIP Units until their Economic Capital Account

Balance is equal to the Target Balance and (ii) the holders of Other LTIP Units until their economic capital account balances are equal to their target balances. If an allocation of Liquidating Gain is not sufficient to achieve the objectives of the foregoing sentence in full, Liquidating Gain, after giving effect to clauses (a) and (b) in such sentence, shall be allocated first, to the holders of the Vested LTIP Units and vested Other LTIP Units and, second, to the holders of Unvested LTIP Units and non-vested Other LTIP Units, in each case, in proportion to the amounts necessary for such units to achieve the objectives of the foregoing sentence; provided, that the holders of Other

LTIP Units shall not receive an allocation of Liquidating Gain that they are not entitled to receive under the applicable certificate of designation. A certificate of designation for Other LTIP Units may provide for a different allocation among such Other LTIP Units, but such different allocation shall not affect the amount allocated to the LTIP Units *vis-à-vis* the Other LTIP Units. Notwithstanding the foregoing, Liquidating Gain shall not be allocated to the holders of the LTIP Units to the extent such allocation would cause the LTIP Units to fail to qualify as a "profits interest" when granted. Once the Economic Capital Account Balance has been increased to the Target Balance, no further allocations shall be made pursuant to this Section 3.1. Thereafter, LTIP Units shall be treated as Partnership Units with respect to the allocation of Profits and Losses pursuant to Section 3.2.

If any Unvested LTIP Units to which gain has been previously allocated under this Section are forfeited, the Capital Account associated with the forfeited Unvested LTIP Units will be reallocated to the remaining LTIP Units at the time of forfeiture to the extent necessary to cause the Economic Capital Account Balance of such remaining LTIP Units to equal the Target Balance. To the extent any gain is not reallocated in accordance with the foregoing sentence, such gain shall be forfeited.

3.2 Allocations with Respect to Award LTIP Units. The following provisions apply to allocation of Profits and Losses with respect to Award LTIP Units:

(a) Except to the extent to which a holder of the LTIP Units is entitled to a Distribution pursuant to Section 2.4, no Profits that the General Partner determines are attributable to a Special Distribution or the sale of an asset shall be allocated to Award LTIP Units.

(b) Except as provided in Section 3.2(a), each Award LTIP Unit shall be treated as one-tenth of a Partnership Unit for purposes of allocation of Profits and Losses pursuant to Section 6.1(b)(3) of the Partnership Agreement.

3.3 Allocations with Respect to Earned LTIP Units. Earned LTIP Units shall be treated as Partnership Units with respect to the allocation of Profits and Losses; provided, that Profits from the sale of assets shall be allocated to each holder of the LTIP Units as provided in Section 3.1 until his Economic Capital Account Balance has been increased to the Target Balance.

3.4 Safe Harbor Election. To the extent provided for in Regulations, revenue rulings, revenue procedures and/or other IRS guidance issued after the date of this Designation, the Partnership is hereby authorized to, and at the direction of the General Partner shall, elect a safe harbor under which the fair market value of any LTIP Units issued after the effective date of such Regulations (or other guidance) will be treated as equal to the liquidation value of such LTIP Units (*i.e.*, a value equal to the total amount that would be distributed with respect to such interests if the Partnership sold all of its assets for the fair market value immediately after the issuance of such LTIP Units, satisfied its liabilities (excluding any non-recourse liabilities to the extent the balance of such liabilities exceed the fair market value of the assets that secure them) and distributed the net proceeds to the LTIP Unitholders under the terms of this Agreement). In the event that the Partnership makes a safe harbor election as described in the preceding sentence,

each LTIP Unitholder hereby agrees to comply with all safe harbor requirements with respect to transfers of such LTIP Units while the safe harbor election remains effective. In addition, upon a forfeiture of any LTIP Units by any LTIP Unitholder, gross items of income, gain, loss or deduction shall be allocated to such LTIP Unitholder if and to the extent required by final Regulations promulgated after the effective date of this Designation to ensure that allocations made with respect to all unvested LTIP Units are recognized under Code Section 704(b).

ARTICLE IV
Conversion

4.1 Conversion Right. On and after the Full Conversion Date, the holder shall have the right to convert Vested LTIP Units to Partnership Units on a one-to-one basis by giving notice to the Partnership as provided in Section 4.3 hereof. Prior to the Full Conversion Date, the conversion of Vested LTIP Units shall be subject to the limitation set forth in Section 4.2.

4.2 Limitation on Conversion Rights Until the Full Conversion Date. The maximum number of Vested LTIP Units that may be converted prior to the Full Conversion Date is equal to the product of (a) the result obtained by dividing (1) the Economic Capital Account Balance of the Vested LTIP Units by (2) the Target Balance of the Vested LTIP Units, in each case determined as of the effective date of the conversion and (b) the number of Vested LTIP Units. Immediately after each conversion of Vested LTIP Units, the aggregate Economic Capital Account Balance of the remaining Vested LTIP Units shall be equal to (a) the aggregate Economic Capital Account Balance of all of the holder's Vested LTIP Units immediately prior to conversion, minus (b) the aggregate Economic Capital Account Balance immediately prior to conversion of the number of the holder's Vested LTIP Units that were converted.

4.3 Exercise of Conversion Right. In order to exercise the right to convert a Vested LTIP Unit, the holder shall give notice (a "Conversion Notice") in the form attached hereto as Exhibit A to the General Partner not less than sixty (60) days prior to the date specified in the Conversion Notice as the effective date of the conversion (the "Conversion Date"). The conversion shall be effective as of 12:01 a.m. on the Conversion Date without any action on the part of the holder or the Partnership. The holder may give a Conversion Notice with respect to Unvested LTIP Units, provided that such Unvested LTIP Units become Vested LTIP Units on or prior to the Conversion Date.

4.4 Exchange for Shares. An LTIP Unitholder may also exercise his right to exchange the Partnership Units to be received pursuant to the Conversion Notice to Shares or cash, as selected by the General Partner, in accordance with Article XI of the Partnership Agreement; provided, however, such right shall be subject to the terms and conditions of Article II of the Partnership Agreement and may not be effective until six (6) months from the date the Vested LTIP Units that were converted into Partnership Units became fully vested.

4.5 Forced Conversion. In addition, the General Partner may, upon not less than ten (10) days' notice to an LTIP Unitholder, require any holder of Vested LTIP Units to convert them into Units subject to the limitation set forth in Section 4.2, and only if, at the time the General Partner acts, there is a one-to-one conversion right between the LTIP Units and

Partnership Units for conversion, distribution and all other purposes. The conversion shall be effective as of 12:01 a.m. on the date specified in the notice from the General Partner.

4.6 Notices. Notices pursuant to this Article shall be given in the same manner as notices given pursuant to the Partnership Agreement.

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EXHIBIT A

Conversion Notice

The undersigned hereby gives notice pursuant to Section 4.3 of the Certificate of Designation of Series 2016 LTIP Units of Simon Property Group, L.P. (the "Designation") that he elects to convert Vested LTIP Units (as defined in the Designation) into an equivalent number of Partnership Units (as defined in the Eighth Amended and Restated Limited Partnership Agreement of Simon Property Group, L.P. (the "Partnership Agreement")). The conversion is to be effective on , 20 .

IN WITNESS WHEREOF, this Conversion Notice is given this day of , 20 , to Simon Property Group, Inc. in accordance with Section 12.2 of the Partnership Agreement.

EXHIBIT 31.1

CERTIFICATION 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 quarterly report on Form 10-Q of Simon Property Group, Inc.;

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)) and internal control over financial reporting (as defined in Exchange Act rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) 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

   (d) 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 functions):

   (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: May 5, 2016

/s/ DAVID SIMON

David Simon
Chairman of the Board of Directors and
Chief Executive Officer

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EXHIBIT 31.1

CERTIFICATION 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

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EXHIBIT 31.2

CERTIFICATION 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, Andrew Juster, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Simon Property Group, Inc.;

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)) and internal control over financial reporting (as defined in Exchange Act rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) 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

    (d) 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 functions):

    (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: May 5, 2016

/s/ ANDREW JUSTER

Andrew Juster
Executive Vice President and
Chief Financial Officer

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EXHIBIT 31.3

CERTIFICATION 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 quarterly report on Form 10-Q 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)) and internal control over financial reporting (as defined in Exchange Act rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) 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

    (d) 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 functions):

    (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: May 5, 2016

/s/ DAVID SIMON

David Simon
Chairman of the Board of Directors and Chief Executive
Officer of Simon Property Group, Inc., General Partner

EXHIBIT 31.4

CERTIFICATION 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, Andrew Juster, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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)) and internal control over financial reporting (as defined in Exchange Act rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) 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

    (d) 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 functions):

    (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: May 5, 2016

/s/ ANDREW JUSTER

Andrew Juster
Executive Vice President and Chief Financial Officer of
Simon Property Group, Inc., General Partner

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EXHIBIT 32.1

**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 Quarterly Report of Simon Property Group, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2016 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
Chairman of the Board of Directors and
Chief Executive Officer

Date: May 5, 2016

/s/ ANDREW JUSTER

Andrew Juster
Executive Vice President and
Chief Financial Officer

Date: May 5, 2016

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EXHIBIT 32.2

**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 Quarterly Report of Simon Property Group, L.P. (the "Company") on Form 10-Q for the period ended March 31, 2016 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
Chairman of the Board of Directors and
Chief Executive Officer of Simon Property Group, Inc.,
General Partner

Date: May 5, 2016

/s/ ANDREW JUSTER

Andrew Juster
Executive Vice President and
Chief Financial Officer of Simon Property Group, Inc.,
General Partner

Date: May 5, 2016