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 June 30, 2000

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

Delaware
(State of incorporation or organization)

33-11491
(Commission File No.)

34-1755769
(I.R.S. Employer Identification No.)

National City Center
115 West Washington Street, Suite 15 East
Indianapolis, Indiana 46204
(Address of principal executive offices)

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES [X] NO [ ]

SIMON PROPERTY GROUP, L.P.

FORM 10-Q

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SIMON PROPERTY GROUP, L.P.
CONSOLIDATED CONDENSED BALANCE SHEETS
(Unaudited and dollars in thousands)

	June 30, 2000	December 31, 1999
ASSETS:		
Investment properties, at cost	$12,709,516	$12,640,146
Less - accumulated depreciation	1,265,610	1,093,103
	11,443,906	11,547,043
Cash and cash equivalents	133,830	153,743
Tenant receivables and accrued revenue, net	237,807	287,950
Notes and advances receivable from Management Company and affiliate	163,903	162,082
Note receivable from the SRC Operating Partnership (Interest at 8%, due 2009)	22,326	9,848
Investments in unconsolidated entities, at equity	1,462,460	1,519,504
Other investment	48,658	41,902
Goodwill, net	38,970	39,556
Deferred costs and other assets	235,110	249,168
Minority interest, net	39,828	35,931
Total assets	$13,826,798	$14,046,727
LIABILITIES:		
Mortgages and other indebtedness	$ 8,805,667	$ 8,768,841
Accounts payable and accrued expenses	433,285	477,780
Cash distributions and losses in partnerships and joint ventures, at equity	35,895	32,995
Other liabilities	127,866	213,874
Total liabilities	9,402,713	9,493,490
COMMITMENTS AND CONTINGENCIES (Note 11)		
PARTNERS' EQUITY:		
Preferred units, 22,049,570 and 22,066,056 units outstanding, respectively	1,028,300	1,032,320
General Partners, 172,064,824 and 171,494,311 units outstanding, respectively	2,546,427	2,631,618
Limited Partners, 65,436,414 and 65,444,680 units outstanding, respectively	968,408	1,004,263
Note receivable from SPG (Interest at 7.8%, due 2009)	(92,825)	(92,825)
Unamortized restricted stock award	(26,225)	(22,139)
Total partners' equity	4,424,085	4,553,237
Total liabilities and partners' equity	$13,826,798	$14,046,727

The accompanying notes are an integral part of these statements.

SIMON PROPERTY GROUP, L.P.
CONDENSED STATEMENTS OF OPERATIONS

(Unaudited and dollars in thousands, except per unit amounts)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2000	1999	2000	1999
REVENUE:				
Minimum rent	$291,321	$273,384	$584,895	$543,991
Overage rent	6,663	14,556	18,672	27,923
Tenant reimbursements	152,600	138,469	295,854	274,481
Other income	33,866	27,010	58,494	48,218
Total revenue	484,450	453,419	957,915	894,613
EXPENSES:				
Property operating	78,303	71,295	152,950	139,145
Depreciation and amortization	98,199	88,836	195,751	177,414
Real estate taxes	48,739	43,573	96,339	89,841
Repairs and maintenance	16,106	16,850	35,498	36,652
Advertising and promotion	15,046	14,717	30,924	29,233
Provision for credit losses	2,182	2,914	4,357	4,708
Other	7,355	6,743	14,975	14,423
Total operating expenses	265,930	244,928	530,794	491,416
OPERATING INCOME	218,520	208,491	427,121	403,197
INTEREST EXPENSE	155,830	145,488	314,514	284,058
INCOME BEFORE MINORITY INTEREST	62,690	63,003	112,607	119,139
MINORITY INTEREST	(2,353)	(3,688)	(4,787)	(5,503)
GAIN (LOSS) ON SALE OF ASSET, NET OF ASSET WRITE DOWNS OF $10,572, $0, $10,572 AND $0, RESPECTIVELY	1,562	(4,188)	8,658	(4,188)
INCOME BEFORE UNCONSOLIDATED ENTITIES	61,899	55,127	116,478	109,448
INCOME FROM UNCONSOLIDATED ENTITIES	15,883	12,608	33,213	24,925
INCOME BEFORE EXTRAORDINARY ITEMS AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE	77,782	67,735	149,691	134,373
EXTRAORDINARY ITEMS - DEBT RELATED TRANSACTIONS	--	(43)	(440)	(1,817)
CUMULATIVE EFFECT OF ACCOUNTING CHANGE (Note 6)	--	--	(12,311)	--
NET INCOME	77,782	67,692	136,940	132,556
PREFERRED DIVIDENDS	(19,368)	(16,123)	(38,740)	(33,828)
NET INCOME AVAILABLE TO UNITHOLDERS	$ 58,414	$ 51,569	$ 98,200	$ 98,728
NET INCOME AVAILABLE TO UNITHOLDERS ATTRIBUTABLE TO:				
General Partners:				
SPG (Managing General Partner)	$ 14,336	$ 12,051	$ 24,052	$ 22,400
SPG Properties and SD Property Group (Note 10)	27,974	25,260	47,058	48,788
Limited Partners	16,104	14,258	27,090	27,540
Net income	$ 58,414	$ 51,569	$ 98,200	$ 98,728
BASIC EARNINGS PER UNIT:				
Income before extraordinary items and cumulative effect of accounting change	$ 0.25	$ 0.22	$ 0.46	$ 0.44
Extraordinary items	--	(0.00)	(0.00)	(0.01)
Cumulative effect of accounting change	--	--	(0.05)	--
Net income	$ 0.25	$ 0.22	$ 0.41	$ 0.43
DILUTED EARNINGS PER UNIT:				
Income before extraordinary items and cumulative effect of accounting change	$ 0.25	$ 0.22	$ 0.46	$ 0.44
Extraordinary items	--	(0.00)	(0.00)	(0.01)
Cumulative effect of accounting change	--	--	(0.05)	--
Net income	$ 0.25	$ 0.22	$ 0.41	$ 0.43

The accompanying notes are an integral part of these statements.

SIMON PROPERTY GROUP, L.P.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

(Unaudited and dollars in thousands)

	For the Six Months Ended June 30,	
	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 136,940	$ 132,556
Adjustments to reconcile net income to net cash provided by operating activities--		
Depreciation and amortization	200,855	182,901
Extraordinary items - debt related transactions	440	1,817
(Gain) loss on sales of assets, net of asset write downs of $10,572 and $0, respectively	(8,658)	4,188
Cumulative effect of accounting change	12,311	--
Straight-line rent	(8,302)	(8,875)
Minority interest	4,787	5,503
Equity in income of unconsolidated entities	(33,213)	(24,925)
Changes in assets and liabilities-		
Tenant receivables and accrued revenue	46,769	(1,544)
Deferred costs and other assets	7,822	(6,427)
Accounts payable, accrued expenses and other liabilities	(89,542)	(4,961)
Net cash provided by operating activities	270,209	280,233
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions	--	(99,254)
Capital expenditures	(216,711)	(198,643)
Cash from acquisitions, and consolidation of joint ventures, net	--	10,812
Net proceeds from sales of assets	108,993	42,000
Investments in unconsolidated entities	(103,876)	(32,338)
Note payment from the SRC Operating Partnership	--	20,565
Loan to the SRC Operating Partnership	(12,478)	--
Distributions from unconsolidated entities	183,852	163,463
Investments in and advances to Management Company and affiliates	(1,821)	(13,063)
Net cash used in investing activities	(42,041)	(106,458)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Partnership contributions, net	289	1,253
Partnership distributions	(279,136)	(266,883)
Minority interest distributions, net	(8,234)	(8,142)
Note payment to the SRC Operating Partnership	--	(11,899)
Mortgage and other note proceeds, net of transaction costs	790,007	1,091,808
Mortgage and other note principal payments	(751,007)	(964,787)
Net cash used in financing activities	(248,081)	(158,650)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(19,913)	15,125
CASH AND CASH EQUIVALENTS, beginning of period	153,743	124,466
CASH AND CASH EQUIVALENTS, end of period	$ 133,830	$ 139,591

The accompanying notes are an integral part of these statements.

Notes to Unaudited Consolidated Condensed Financial Statements

(Dollars in thousands, except per unit amounts)

Note 1 - Organization

Simon Property Group, L.P. (the "SPG Operating Partnership"), a Delaware limited partnership, is a majority owned subsidiary of Simon Property Group, Inc. ("SPG"), a Delaware corporation. SPG is a self-administered and self-managed real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code"). Each share of common stock of SPG is paired ("Paired Shares") with a beneficial interest in 1/100th of a share of common stock of SPG Realty Consultants, Inc., also a Delaware corporation ("SRC"). Units of ownership interest ("Units") in the SPG Operating Partnership are paired ("Paired Units") with a Unit in SPG Realty Consultants, L.P. (the "SRC Operating Partnership" and together with the SPG Operating Partnership, the "Operating Partnerships"). The SRC Operating Partnership is the primary subsidiary of SRC.

The SPG Operating Partnership is engaged primarily in the ownership, operation, management, leasing, acquisition, expansion and development of real estate properties, primarily regional malls and community shopping centers. As of June 30, 2000, the SPG Operating Partnership owned or held an interest in 252 income-producing properties, which consisted of 165 regional malls, 74 community shopping centers, five specialty retail centers, four mixed-use properties and four value-oriented super-regional malls in 36 states (the "Properties") and five additional retail real estate properties operating in Europe. The SPG Operating Partnership also owned an interest in two properties under construction and 10 parcels of land held for future development, which together with the Properties are hereafter referred to as the "Portfolio Properties". The SPG Operating Partnership also holds substantially all of the economic interest in M.S. Management Associates, Inc. (the "Management Company").

Note 2 - Basis of Presentation

The accompanying consolidated condensed financial statements are unaudited; however, they have been prepared in accordance with generally accepted accounting principles for interim financial information and in conjunction with the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the disclosures required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments necessary for fair presentation, consisting of only normal recurring adjustments, have been included. The results for the interim period ended June 30, 2000 are not necessarily indicative of the results to be obtained for the full fiscal year. These unaudited financial statements have been prepared in accordance with the accounting policies described in the SPG Operating Partnership's annual report on Form 10-K for the year ended December 31, 1999 and should be read in conjunction therewith.

The accompanying consolidated condensed financial statements of the SPG Operating Partnership include all accounts of all entities owned or controlled by the SPG Operating Partnership. All significant intercompany amounts have been eliminated.

Net operating results of the SPG Operating Partnership are allocated after preferred distributions, based on its partners' weighted average ownership interests during the period. SPG's remaining direct and indirect weighted average ownership interests in the SPG Operating Partnership for the three-month periods ended June 30, 2000 and June 30, 1999 were 72.4%. SPG's remaining direct and indirect weighted average ownership interests in the SPG Operating Partnership for the six-month periods ended June 30, 2000 and June 30, 1999 were 72.4% and 72.1%, respectively.

Note 3 - Reclassifications

Certain reclassifications of prior period amounts have been made in the financial statements to conform to the 2000 presentation. These reclassifications have no impact on the net operating results previously reported.

Note 4 - Per Unit Data

Basic earnings per Unit is based on the weighted average number of Units outstanding during the period and diluted earnings per Unit is based on the weighted average number of Units outstanding combined with the incremental weighted average Units that would have been outstanding if all dilutive potential Units would have been converted into Units at the earliest date possible. None of the convertible preferred Units issued and outstanding during the comparative periods had a dilutive effect on earnings per Unit. The increase in weighted average Units outstanding under the diluted method over the basic method in every period presented for the SPG Operating Partnership is due entirely to the effect of outstanding stock options. Basic earnings and diluted earnings were the same for all periods presented. The following table presents weighted average and diluted weighted average Units outstanding:

	For the Three Months Ended		For the Six Months Ended	
	June 30, 2000	June 30, 1999	June 30, 2000	June 30, 1999
Weighted Average Units Outstanding	237,439,435	232,231,002	237,217,279	230,067,437
Diluted Weighted Average Units Outstanding	237,582,451	232,498,343	237,339,324	230,285,798

Note 5 - Cash Flow Information

Cash paid for interest, net of amounts capitalized, during the six months ended June 30, 2000 was $319,680 as compared to $270,768 for the same period in 1999. Accrued and unpaid distributions were $837 and $876 at June 30, 2000 and December 31, 1999, respectively. See Note 10 for information about non-cash transactions during the six months ended June 30, 2000.

Note 6 - Cumulative Effect of Accounting Change

On December 3, 1999, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 101 ("SAB 101"), which addressed certain revenue recognition policies, including the accounting for overage rent by a landlord. SAB 101 requires overage rent to be recognized as revenue only when each tenant's sales exceeds its sales threshold. The SPG Operating Partnership previously recognized overage rent based on reported and estimated sales through the end of the period, less the applicable prorated base sales amount. The SPG Operating Partnership adopted SAB 101 effective January 1, 2000 and recorded a loss from the cumulative effect of an accounting change of $12,311, which includes the SPG Operating Partnership's $1,765 share from unconsolidated entities, during 2000. In addition, SAB 101 will impact the timing in which overage rent is recognized throughout each year, but will not have a material impact on the total overage rent recognized in each full year. The SPG Operating Partnership estimates the pro forma negative impact of adopting SAB 101 on net income for the three-month and six-month periods ended June 30, 2000 to be approximately $6,300 and $11,300, respectively. The negative impact on earnings per Unit for the three-month and six-month periods ended June 30, 2000 was approximately $0.03 and $0.05, respectively.

Note 7 - Gain on Sales of Assets, net of Asset Write Downs

During the first six months of 2000, the SPG Operating Partnership sold its interests in two regional malls, three community shopping centers and an office building for a total of approximately $137,100, including the buyer's assumption of approximately $25,900 of mortgage debt, which resulted in a net gain of $19,230. The net proceeds of approximately $109,000, were used to reduce the outstanding borrowings on its $1,250,000 unsecured revolving credit facility (the "Credit Facility") and for general corporate purposes. In addition, during the second quarter of 2000, the SPG Operating Partnership recognized a total asset write down of $10,572 on two Properties. Both of the Properties are under contract for sale. The estimated sale price, net of estimated closing costs, for each of the Properties was the basis for determining the fair values of the Properties and the related write down.

Note 8 - Investments in Unconsolidated Entities

Summary financial information of the SPG Operating Partnership's investment in partnerships and joint ventures accounted for using the equity method of accounting and a summary of the SPG Operating Partnership's investment in and share of income from such partnerships and joint ventures follow:

BALANCE SHEETS	June 30, 2000	December 31, 1999
Assets:		
Investment properties at cost, net	$6,475,999	$6,471,992
Other assets	479,370	495,497
Total assets	$6,955,369	$6,967,489
Liabilities and Partners' Equity:		
Mortgages and other notes payable	$4,627,333	$4,484,598
Accounts payable, accrued expenses and other liabilities	232,024	291,213
Total liabilities	4,859,357	4,775,811
Partners' equity	2,096,012	2,191,678
Total liabilities and partners' equity	$6,955,369	$6,967,489
The SPG Operating Partnership's Share of:		
Total assets	$2,826,284	$2,834,236
The SPG Operating Partnership's net Investment in Joint Ventures	$1,406,689	$1,479,676

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
STATEMENTS OF OPERATIONS	2000	1999	2000	1999
Revenue:				
Minimum rent	$183,652	$125,359	$364,451	$252,492
Overage rent	3,184	4,679	9,028	8,521
Tenant reimbursements	92,576	60,080	184,110	119,686
Other income	11,176	7,714	19,899	15,152
Total revenue	290,588	197,832	577,488	395,851
Operating Expenses:				
Operating expenses and other	112,347	71,330	221,448	142,637
Depreciation and amortization	56,121	36,335	111,771	71,065
Total operating expenses	168,468	107,665	333,219	213,702
Operating Income	122,120	90,167	244,269	182,149
Interest Expense	86,730	49,928	171,138	97,216
Net Income	35,390	40,239	73,131	84,933
Third Party Investors' Share of Net Income	19,752	24,933	42,618	52,439
The SPG Operating Partnership's Share of Net Income	$ 15,638	$ 15,306	$ 30,513	$ 32,494
Amortization of Excess Investment (See below)	(5,310)	(5,606)	(10,583)	(11,663)
Income from Unconsolidated Entities	$ 10,328	$ 9,700	$ 19,930	$ 20,831

As of June 30, 2000 and December 31, 1999, the unamortized excess of the SPG Operating Partnership's investment over its share of the equity in the underlying net assets of the partnerships and joint ventures ("Excess Investment") was $568,731 and $592,457, respectively, which is amortized over the life of the related Properties.

The SPG Operating Partnership's share of consolidated net income of the Management Company, after intercompany profit eliminations, was $5,555 and $2,908 for the three-month periods ended June 30, 2000 and 1999, respectively, and $13,283 and $4,094 for the six-month periods ended June 30, 2000 and 1999, respectively. The SPG Operating Partnership's investment in the Management Company was $19,876 and $6,833 as of June 30, 2000 and December 31, 1999, respectively.

Note 9 - Debt

At June 30, 2000, the SPG Operating Partnership had consolidated debt of $8,805,667, of which $6,128,802 was fixed-rate debt and $2,676,865 was variable-rate debt. The SPG Operating Partnership's pro rata share of indebtedness of the unconsolidated joint venture Properties as of June 30, 2000 was $1,952,703. As of June 30, 2000, the SPG Operating Partnership had interest-rate protection agreements related to $376,000 of its consolidated variable-rate debt. The agreements are generally in effect until the related variable-rate debt matures. The SPG Operating Partnership's hedging activity did not materially impact interest expense in the comparative periods.

On March 24, 2000, the SPG Operating Partnership refinanced $450,000 of unsecured debt, which became due and bore interest at LIBOR plus 65 basis points. The new facility matures March 2001 and also bears interest at LIBOR plus 65 basis points.

Note 10 - Partners' Equity

The following table summarizes the changes in the Partners' equity since December 31, 1999.

	Preferred Units	General Partners: Managing General Partner	General Partners: SPG Properties and SD(1)	Limited Partners	Unamortized Restricted Stock Award	Note Receivable from SPG	Total Partners' Equity
Balance at December 31, 1999	$1,032,320	$887,214	$1,744,404	$1,004,263	$ (22,139)	$(92,825)	$4,553,237
Managing General Partner Contributions (13,360 Units)		385					385
Conversion of 2,212 Series A Preferred Units into 84,046 Units (2)	(2,827)	2,819					(8)
Units issued as dividend (1,242 Units)(2)		31					31
Conversion of 14,274 Series B Preferred Units into 36,913 Units (3)	(1,327)	1,324					(3)
Stock incentive program (434,952 Units, net of forfeitures)		10,187	(181)		(10,046)		(40)
Amortization of stock incentive					5,960		5,960
Other (Accretion of Preferred Units, and 8,266 limited partner Units redeemed)	134			(209)			(75)
Adjustment to allocate net equity of the SPG Operating Partnership		(4,016)	2,563	1,453			--
Distributions	(38,740)	(59,479)	(114,813)	(66,066)			(279,098)
Subtotal	989,560	838,465	1,631,973	939,441	(26,225)	(92,825)	4,280,389
Comprehensive Income:							
Unrealized gain on investment (4)		1,656	3,223	1,877			6,756
Net income	38,740	24,052	47,058	27,090			136,940
Total Comprehensive Income	38,740	25,708	50,281	28,967	--	--	143,696
Balance at June 30, 2000	$1,028,300	$864,173	$1,682,254	$ 968,408	$(26,225)	$(92,825)	$4,424,085

(1) SPG Properties, Inc. ("SPG Properties") and SD Property Group, Inc. ("SD"), the nonmanaging general partners, merged on February 29, 2000.

(2) Effective June 16, 2000, 2,212 Series A Convertible Preferred Units were converted into 84,046 Units. In addition, the SPG Operating Partnership issued 1,242 Units to the holders of the converted Units in lieu of the cash dividends allocable to those preferred Units. At June 30, 2000, 51,059 Series A Convertible Preferred Units remained outstanding.

(3) On March 1, 2000, 14,274 Series B Convertible Preferred Units were converted into 36,913 Units. At June 30, 2000, 4,830,057 Series B Convertible Preferred Units remained outstanding.

(4) Amounts consist of the SPG Operating Partnership's pro rata share of the unrealized gain resulting from the change in market value of 1,408,450 shares of common stock of Chelsea GCA Realty, Inc. ("Chelsea"), a publicly traded REIT. The investment in Chelsea is being reflected in the accompanying balance sheets in other investments.

The Simon Property Group 1998 Stock Incentive Plan

At the time of the CPI Merger, the SPG Operating Partnership and SPG adopted The Simon Property Group 1998 Stock Incentive Plan (the "1998 Plan"). The 1998 Plan provides for the grant of equity-based awards during the ten-year period following its adoption in the form of options to purchase Paired Shares ("Options"), stock appreciation rights ("SARs"), restricted stock grants and performance unit awards (collectively, "Awards"). Options may be granted which are qualified as "incentive stock options" within the meaning of Section 422 of the Code and Options which are not so qualified. During 2000, 457,625 Paired Shares of restricted stock were awarded to executives related to 1999 performance. As of June 30, 2000, 2,260,038 Paired Shares of restricted stock, net of forfeitures, were deemed earned and awarded under the 1998 Plan. Approximately $2,936 and $2,654 relating to these programs were amortized in the three-month periods ended June 30, 2000 and 1999, respectively. Approximately $5,960 and $5,367 relating to these programs were amortized in the six-month periods ended June 30, 2000 and 1999, respectively. The cost of restricted stock grants, which is based upon the stock's fair market value at the time such stock is earned, awarded and issued, is charged to partners' equity and subsequently amortized against earnings of the SPG Operating Partnership over the vesting period.

Note 11 - Commitments and Contingencies

Litigation

Triple Five of Minnesota, Inc., a Minnesota corporation, v. Melvin Simon, et. al. On or about November 9, 1999, Triple Five of Minnesota, Inc. ("Triple Five") commenced an action in the District Court for the State of Minnesota, Fourth Judicial District, against, among others, Mall of America, certain members of the Simon family and entities allegedly controlled by such individuals, and the SPG Operating Partnership. Two transactions form the basis of the complaint: (i) the sale by Teachers Insurance and Annuity Association of America of one-half of its partnership interest in Mall of America Company and Minntertainment Company to the SPG Operating Partnership and related entities (the "Teachers Sale"); and (ii) a financing transaction involving a loan in the amount of $312,000 obtained from The Chase Manhattan Bank ("Chase") that is secured by a mortgage placed on Mall of America's assets (the "Chase Mortgage").

The complaint, which contains twelve counts, seeks remedies of damages, rescission, constructive trust, accounting, and specific performance. Although the complaint names all defendants in several counts, the SPG Operating Partnership is specifically identified as a defendant in connection with the Teachers Sale.

The SPG Operating Partnership has agreed to indemnify Chase and other nonparties to the litigation that are related to the offering of certificates secured by the Chase Mortgage against, among other things, (i) any and all litigation expenses arising as a result of litigation or threatened litigation brought by Triple Five, or any of its owners or affiliates, against any person regarding the Chase Mortgage, the Teachers Sale, any securitization of the Chase Mortgage or any transaction related to the foregoing and (ii) any and all damages, awards, penalties or expenses payable to or on behalf of Triple Five (or payable to a third party as a result of such party's obligation to pay Triple Five) arising out of such litigation. These indemnity obligations do not extend to liabilities covered by title insurance.

The SPG Operating Partnership believes that the Triple Five litigation is without merit and intends to defend the action vigorously. The SPG Operating Partnership believes that neither the Triple Five litigation nor any potential payments under the indemnity, if any, will have a material adverse effect on the SPG Operating Partnership. Given the early stage of the litigation it is not possible to provide an assurance of the ultimate outcome of the litigation or an estimate of the amount or range of potential loss, if any.

Carlo Angostinelli et al. v. DeBartolo Realty Corp. et al. On October 16, 1996, a complaint was filed in the Court of Common Pleas of Mahoning County, Ohio, captioned Carlo Angostinelli et al. v. DeBartolo Realty Corp. et al. The named defendants are SD Property Group, Inc., an indirect 99%-owned subsidiary of SPG, and DeBartolo Properties Management, Inc., a subsidiary of the Management Company, and the plaintiffs are 27 former employees of the defendants. In the complaint, the plaintiffs alleged that they were recipients of deferred stock grants under the DeBartolo Realty Corporation ("DRC") Stock Incentive Plan (the "DRC Plan") and that these grants immediately vested under the DRC Plan's "change in control" provision as a result of the DRC Merger. Plaintiffs asserted that the defendants' refusal to issue them approximately 542,000 shares of DRC common stock, which is equivalent to approximately 370,000 Paired Shares computed at the 0.68 exchange ratio used in the DRC Merger, constituted a breach of contract and a breach of the implied covenant of good faith and fair dealing under Ohio law. Plaintiffs sought damages equal to such number of shares of DRC common stock, or cash in lieu thereof, equal to all deferred stock ever granted to them under the DRC Plan, dividends on such stock from the time of the grants, compensatory damages for breach of the implied covenant of good faith and fair dealing, and punitive damages. The plaintiffs and the defendants each filed motions for summary judgment. On October 31, 1997, the Court of Common Pleas entered a judgment in favor of the defendants granting their motion for summary judgment. The plaintiffs appealed this judgment to the Seventh District Court of Appeals in Ohio. On August 18, 1999, the District Court of Appeals reversed the summary judgement order in favor of the defendants entered by the Common Pleas Court and granted plaintiffs' cross motion for summary judgement, remanding the matter to the Common Pleas Court for the determination of plaintiffs' damages. The defendants petitioned the Ohio Supreme Court asking that they exercise their discretion to review and reverse the Appellate Court decision, but the Ohio Supreme court did not grant the petition for review. The case has been remanded to the Court of Common Pleas of Mahoning County, Ohio, to conduct discovery relevant to each plaintiff's damages and the counterclaims asserted by the SPG Operating Partnership. The Trial Court referred these matters to a Magistrate. Plaintiffs have filed a Supplemental Motion for Summary Judgement on the question of damages. That motion has been fully briefed and is pending before the Magistrate. The Magistrate has ruled on the counterclaims and found in Defendants' favor on one of them. This ruling would result in a set-off of approximately $2,000 against any damage award assessed in favor of two of the plaintiffs. As a result of the appellate court's decision, the SPG Operating Partnership recorded a $12,000 loss in the third quarter of 1999 related to this litigation as an unusual item.

Roel Vento et al v. Tom Taylor et al. An affiliate of the SPG Operating Partnership is a defendant in litigation entitled Roel Vento et al v. Tom Taylor et al., in the District Court of Cameron County, Texas, in which a judgment in the amount of $7,800 was entered against all defendants. This judgment includes approximately $6,500 of punitive damages and is based upon a jury's findings on four separate theories of liability including fraud, intentional infliction of emotional distress, tortious interference with contract and civil conspiracy arising out of the sale of a business operating under a temporary license agreement at Valle Vista Mall in Harlingen, Texas. The SPG Operating Partnership appealed the verdict and on May 6, 1999, the Thirteenth Judicial District (Corpus Christi) of the Texas Court of Appeals issued an opinion reducing the trial court verdict to $3,364 plus interest. The SPG Operating Partnership filed a petition for a writ of certiorari to the Texas Supreme Court requesting that they review and reverse the determination of the Appellate Court. The Texas Supreme Court has not yet determined whether it will take the matter up on appeal. Management, based upon the advice of counsel, believes that the ultimate outcome of this action will not have a material adverse effect on the SPG Operating Partnership.

The SPG Operating Partnership currently is not subject to any other material litigation other than routine litigation and administrative proceedings arising in the ordinary course of business. On the basis of consultation with counsel, management believes that such routine litigation and administrative proceedings will not have a material adverse impact on the SPG Operating Partnership's financial position or its results of operations.

Note 12 - New Accounting Pronouncements

On June 15, 1998, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities ("SFAS 133"). SFAS 133 establishes accounting and reporting standards requiring that every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in the balance sheet as either an asset or liability measured at its fair value. SFAS 133 requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Special accounting for qualifying hedges allows a derivative's gains and losses to offset related results on the hedged item in the income statement, and requires that a company formally document, designate, and assess the effectiveness of transactions that receive hedge accounting.

SFAS 133 will be effective for the SPG Operating Partnership beginning with the 2001 fiscal year and may not be applied retroactively. Management is currently evaluating the impact of SFAS 133, which it believes could increase volatility in earnings and other comprehensive income.

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

Certain statements made in this report may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the SPG Operating Partnership to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, which will, among other things, affect demand for retail space or retail goods, availability and creditworthiness of prospective tenants, lease rents and the terms and availability of financing; adverse changes in the real estate markets including, among other things, competition with other companies and technology; risks of real estate development and acquisition; governmental actions and initiatives; substantial indebtedness; conflicts of interests; maintenance of REIT status; and environmental/safety requirements.

Overview

The following Property acquisitions, openings and dispositions (the "Property Transactions") impacted the SPG Operating Partnership's consolidated results of operations in the comparative periods. During 1999, the SPG Operating Partnership acquired the remaining ownership interests in five Properties for approximately $213.9 million, which resulted in the consolidation of each of those Properties. In November 1999, the SPG Operating Partnership opened the wholly-owned Properties; The Shops at North East Mall and Waterford Lakes Town Center. During 2000, the SPG Operating Partnership sold its interests in six Properties for approximately $137.1 million, including the buyer's assumption of $25.9 million of mortgage debt.

Cumulative Effect of Accounting Change

On December 3, 1999, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 101 ("SAB 101"), which addressed certain revenue recognition policies, including the accounting for overage rent by a landlord. SAB 101 requires overage rent to be recognized as revenue only when each tenant's sales exceeds its sales threshold. The SPG Operating Partnership previously recognized overage rent based on reported and estimated sales through the end of the period, less the applicable prorated base sales amount. The SPG Operating Partnership adopted SAB 101 effective January 1, 2000 and recorded a loss from the cumulative effect of an accounting change of $12.3 million in the first quarter of 2000. In addition, SAB 101 will impact the timing in which overage rent is recognized throughout each year, but will not have a material impact on the total overage rent recognized in each full year.

Results of Operations

Three Months ended June 30, 2000 vs. Three Months Ended June 30, 1999

Operating income increased $10.0 million or 4.8% for the three months ended June 30, 2000, as compared to the same period in 1999. This increase includes the net result of the Property Transactions ($3.6 million). Excluding these transactions, operating income increased approximately $6.5 million, primarily resulting from a $11.8 million increase in minimum rents, a $3.2 million increase in consolidated revenues realized from marketing initiatives throughout the Portfolio and a $5.1 million increase in miscellaneous income, partially offset by a $7.2 million increase in depreciation and amortization and a $7.9 million decrease in overage rents. The increase in minimum rent primarily results from increased occupancy levels, the replacement of expiring tenant leases with renewal leases at higher minimum base rents, and a $2.2 million increase in rents from tenants operating under license agreements. The increase in depreciation and amortization is primarily due to an increase in depreciable real estate realized through renovation and expansion activities. The decrease in overage rent was primarily the result of the SPG Operating Partnership's adoption of SAB 101 effective January 1, 2000, which changed the timing in which overage rents were recognized throughout the year. The negative impact to consolidated overage rents in 2000 as compared to 1999 was estimated to be approximately $5.5 million.

Interest expense increased $10.3 million, or 7.1% for the three months ended June 30, 2000, as compared to the same period in 1999. This increase is primarily a result of overall increases in interest rates during the comparative periods of approximately $4.5 million, the Property Transactions ($2.5 million) and incremental interest on borrowings under the Credit Facility to complete the 1999 acquisition of ownership interests in 14 regional malls from New England Development Company (the "NED Acquisition") ($3.2 million) and acquire an ownership interest in Mall of America ($1.0 million), with the remainder being primarily from borrowings for Property redevelopments that opened in the comparative periods.

The $1.6 million net gain on the sales of assets in 2000 results from the sale of the SPG Operating Partnership's interests in an office building, a regional mall and three community shopping centers for approximately $89.8 million, partially offset by a $10.6 million asset write down on two Properties recognized in the second quarter of 2000. In 1999 the SPG Operating Partnership recognized a net loss of $4.2 million on the sale of a community shopping center.

Income from unconsolidated entities increased from $12.6 million in 1999 to $15.9 million in 2000, resulting from a $2.6 million increase in income from the Management Company and a $0.6 million increase in income from unconsolidated partnerships and joint ventures. The increase in Management Company income is primarily the result of a $2.9 million increase in management fees.

Net income was $77.8 million for the three months ended June 30, 2000, which reflects an increase of $10.1 million over the same period in 1999, primarily for the reasons discussed above. Net income was allocated to the partners of the SPG Operating Partnership based on their preferred Unit preferences and weighted average ownership interests in the SPG Operating Partnership during the period.

Preferred distributions of the SPG Operating Partnership represent distributions on preferred Units issued in connection with the NED Acquisition. Preferred dividends of subsidiary represent distributions on preferred stock of SPG Properties, Inc., a 99.999% owned subsidiary of SPG.

Six Months ended June 30, 2000 vs. Six Months Ended June 30, 1999

Operating income increased $23.9 million or 5.9% for the six months ended June 30, 2000, as compared to the same period in 1999. This increase includes the net result of the Property Transactions ($8.4 million). Excluding these transactions, operating income increased approximately $15.5 million, primarily resulting from a $24.3 million increase in minimum rents, $4.3 million increase in consolidated revenues realized from marketing initiatives throughout the Portfolio and a $6.7 million increase in miscellaneous income, partially offset by a $12.5 million increase in depreciation and amortization and a $9.4 million decrease in overage rents. The increase in minimum rent primarily results from increased occupancy levels, the replacement of expiring tenant leases with renewal leases at higher minimum base rents, and a $4.3 million increase in rents from tenants operating under license agreements. The increase in depreciation and amortization is primarily due to an increase in depreciable real estate realized through renovation and expansion activities. The decrease in overage rent was primarily the result of the SPG Operating Partnership's adoption of SAB 101 effective January 1, 2000, which changed the timing in which overage rents were recognized throughout the year. The negative impact to consolidated overage rents in 2000 as compared to 1999 was estimated to be approximately $9.9 million.

Interest expense increased $30.5 million, or 10.7% for the six months ended June 30, 2000, as compared to the same period in 1999. This increase is primarily the result of overall increases in interest rates during the comparative periods (approximately $7.9 million), the Property Transactions ($6.8 million) and incremental interest on borrowings under the Credit Facility to complete the NED Acquisition ($6.2 million) and acquire an ownership interest in Mall of America ($1.9 million), with the remainder being primarily from borrowings for Property redevelopments that opened in the comparative periods.

The $8.7 million net gain on the sales of assets in 2000 results from the sale of the SPG Operating Partnership's interests in an office building, two regional malls and three community shopping centers for approximately $137.1 million, partially offset by a $10.6 million asset write down on two Properties recognized in the second quarter of 2000. In 1999 the SPG Operating Partnership recognized a net loss of $4.2 million on the sale of a community shopping center.

Income from unconsolidated entities increased from $24.9 million in 1999 to $33.2 million in 2000, resulting from a $9.2 million increase in income from the Management Company, partially offset by a $0.9 million decrease in income from unconsolidated partnerships and joint ventures. The increase in Management Company income is primarily the result of a $5.9 million increase in management fees and $3.3 million decrease in the income tax provision, which is primarily due to a $2.0 million tax refund receivable recognized in 2000.

During the first quarter of 2000, the SPG Operating Partnership recorded a $12.3 million expense resulting from the cumulative effect of an accounting change as described above.

Net income was $136.9 million for the six months ended June 30, 2000, which reflects an increase of $4.4 million over the same period in 1999, primarily for the reasons discussed above. Net income was allocated to the partners of the SPG Operating Partnership based on their preferred Unit preferences and weighted average ownership interests in the SPG Operating Partnership during the period.

Preferred distributions of the SPG Operating Partnership represent distributions on preferred Units issued in connection with the NED Acquisition. Preferred dividends of subsidiary represent distributions on preferred stock of SPG Properties, Inc., a 99.999% owned subsidiary of SPG.

Liquidity and Capital Resources

As of June 30, 2000, the SPG Operating Partnership's balance of unrestricted cash and cash equivalents was $133.8 million, including $35.8 million related to the SPG Operating Partnership's gift certificate program, which management does not consider available for general working capital purposes. The SPG Operating Partnership's Credit Facility had available credit of $566 million at June 30, 2000. The Credit Facility bears interest at LIBOR plus 65 basis points and has an initial maturity of August 2002, with an additional one-year extension available at the SPG Operating Partnership's option. SPG and the SPG Operating Partnership also have access to public equity and debt markets.

Management anticipates that cash generated from operating performance will provide the necessary funds on a short- and long-term basis for its operating expenses, interest expense on outstanding indebtedness, recurring capital expenditures, and distributions to shareholders. Sources of capital for nonrecurring capital expenditures, such as major building renovations and expansions, as well as for scheduled principal payments, including balloon payments, on outstanding indebtedness are expected to be obtained from: (i) excess cash generated from operating performance; (ii) working capital reserves; (iii) additional debt financing; and (iv) additional equity raised in the public markets.

Financing and Debt

At June 30, 2000, the SPG Operating Partnership had consolidated debt of $8,806 million, of which $6,129 million is fixed-rate debt bearing interest at a weighted average rate of 7.27% and $2,677 million is variable-rate debt bearing interest at a weighted average rate of 7.43%. As of June 30, 2000, the SPG Operating Partnership had interest rate protection agreements related to $376 million of consolidated variable-rate debt. The SPG Operating Partnership's interest rate protection agreements did not materially impact interest expense or weighted average borrowing rates during the comparative periods.

The SPG Operating Partnership's share of total scheduled principal payments of mortgage and other indebtedness, including unconsolidated joint venture indebtedness, over the next five years is $5,965 million, with $4,624 million thereafter. The SPG Operating Partnership, together with SPG and the SRC Operating Partnership have a combined ratio of consolidated debt-to-market capitalization of 58.7% and 58.1% at June 30, 2000 and December 31, 1999, respectively.

On March 24, 2000, the SPG Operating Partnership refinanced $450 million of unsecured debt, which became due and bore interest at LIBOR plus 65 basis points. The new facility matures March 2001 and also bears interest at LIBOR plus 65 basis points.

Acquisitions

Management continues to review and evaluate a limited number of individual property and portfolio acquisition opportunities. Management believes, however, that due to the rapid consolidation of the regional mall business, coupled with the current status of the capital markets, that acquisition activity in the near term will be a less significant component of the SPG Operating Partnership's growth strategy. Management believes that funds on hand and amounts available under the Credit Facility provide the means to finance certain acquisitions. No assurance can be given that the SPG Operating Partnership will not be required to, or will not elect to, even if not required to, obtain funds from outside sources, including through the sale of debt or equity securities, to finance significant acquisitions, if any.

Dispositions

During the first six months of 2000, the SPG Operating Partnership sold its interests in two regional malls, three community shopping centers and an office building for a total of approximately $137.1 million, including the buyer's assumption of $25.9 million of mortgage debt, which resulted in a net gain of $19.2 million. The net proceeds of approximately $109.0 million were used to reduce the outstanding borrowings on the Credit Facility and for general working capital purposes.

In addition to the Property sales described above, as a continuing part of the SPG Operating Partnership's long-term strategy, management continues to pursue the sale of its remaining non-retail holdings and a number of retail assets that are no longer aligned with the SPG Operating Partnership's strategic criteria, including eight Properties currently under contract for sale. Management expects the sale prices of its non-core assets, if sold, will not differ materially from the carrying value of the related assets.

Development Activity

New Developments. Development activities are an ongoing part of the SPG Operating Partnership's business. The SPG Operating Partnership opened Orlando Premium Outlets in Orlando, Florida in May 2000. In addition, Arundel Mills is scheduled to open this year in Anne Arundel, Maryland and Bowie Town Center is scheduled to open in the fall of 2001 in Bowie, Maryland. The SPG Operating Partnership invested approximately $79 million on new developments during the first six months of 2000 and expects to invest a total of approximately $130 million on new developments in 2000.

Strategic Expansions and Renovations. A key objective of the SPG Operating Partnership is to increase the profitability and market share of the Properties through the completion of strategic renovations and expansions. The SPG Operating Partnership has a number of renovation and/or expansion projects currently under construction, or in preconstruction development. The SPG Operating Partnership invested approximately $105 million on renovations and expansions during the first six months of 2000 and expects to invest a total of approximately $270 million on renovations and expansions in 2000.

Technology Initiatives. The SPG Operating Partnership is involved in a number of activities designed to take advantage of new retail opportunities of the digital age. Elements of the strategy include digitizing the existing assets of the Properties by implementing internet web sites for each of the Properties and creating products that leverage the digitalization of consumers and mall merchants through an enhanced broadband network called MerchantWired. In June of 2000 the SPG Operating Partnership, along with several other retail REIT industry leaders formed an LLC to continue the operations of MerchantWired. The SPG Operating Partnership owns an approximate 52% interest in the LLC and accounts for it using the equity method of accounting. In addition, the SPG Operating Partnership recently announced it is joining with leading real estate companies across a broad range of property sectors to form Constellation Real Technologies, which is designed to form, incubate and sponsor real estate-related Internet, e-commerce and technology enterprises; acquire interests in existing "best of breed" companies; and act as a consolidator of real estate technology across property sectors.

These new activities may generate losses in the initial years of operation, while programs are being developed and customer bases are being established. The SPG Operating Partnership has investments totaling approximately $17 million related to such programs through June 30, 2000. The SPG Operating Partnership has made additional funding commitments of approximately $41 million related to these programs over the next two years, and has guaranteed MerchantWired equipment lease payments up to $46 million. As part of the LLC Agreement, the other MerchantWired members have committed to a pro rata share of the lease guarantee equal to their respective ownership percentages in the LLC, which aggregates approximately $22 million.

Distributions. The SPG Operating Partnership declared a distribution of $0.505 per Unit in the second quarter of 2000. The current annual distribution rate is $2.02 per Unit. Future distributions will be determined based on actual results of operations and cash available for distribution. In addition, preferred distributions of $32.765 per Series A Preferred Unit and $3.25 per Series B Preferred Unit were paid during 2000.

Investing and Financing Activities

On July 31, 2000, the SPG Operating Partnership sold its 1,408,450 shares of common stock of Chelsea for $50 million, which equaled the SPG Operating Partnership's original investment. No gain or loss was recognized on the transaction. The net proceeds will be used for general corporate purposes.

Pursuant to a stock repurchase program previously authorized by the Board of Directors of SPG, on August 8, 2000, the SPG Operating Partnership purchased 1,596,100 Paired Shares at an average price of $25.00 per Paired Share. The purchase is part of a plan announced by management earlier in the year to make opportunistic repurchases of Paired Shares during 2000 funded solely by a portion of the net proceeds realized from the sales of its non-core assets.

Cash used in investing activities of $42 million for the six months ended June 30, 2000 primarily includes capital expenditures of $217 million; investments in unconsolidated joint ventures of $104 million, which includes $45 million related to a financing transaction with the remainder consisting primarily of development funding; a $12 million loan to the SRC Operating Partnership, and a $2 million advance to the Management Company. These cash uses are partially offset by net proceeds of $109 million from the sale of the SPG Operating Partnership's interest in six Properties and distributions from unconsolidated entities of $184 million. Distributions from unconsolidated entities includes approximately $61 million related to financing transactions, with the remainder resulting primarily from operating activities.

Cash used in financing activities for the six months ended June 30, 2000 was $248 million and includes net distributions of $287 million, partially offset by net borrowings of $39 million.

Inflation

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

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

Seasonality

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

Item 3. Qualitative and Quantitative Disclosure About Market Risk

Sensitivity Analysis. The SPG Operating Partnership's future earnings, cash flows and fair values relating to financial instruments are primarily dependent upon prevalent market rates of interest, primarily LIBOR. Based upon consolidated indebtedness and interest rates at June 30, 2000, a 0.25% increase in the market rates of interest would decrease future earnings and cash flows by approximately $6.2 million, and would decrease the fair value of debt by approximately $166 million. A 0.25% decrease in the market rates of interest would increase future earnings and cash flows by approximately $6.2 million, and would increase the fair value of debt by approximately $177 million.

Part II - Other Information

Item 1: Legal Proceedings

Please refer to Note 11 of the financial statements for a summary of material pending litigation and routine litigation and administrative proceedings arising in the ordinary course of business.

Item 6: Exhibits and Reports on Form 8-K

None.

SIGNATURE

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

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

/s/ John Dahl

John Dahl,
Senior Vice President and Chief
Accounting Officer
(Principal Accounting Officer)

Date: August 10, 2000

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This schedule contains summary financial information extracted from
SEC Form 10-Q and is qualified in its entirety by reference to such financial
statements.

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JAN-01-2000
JUN-30-2000
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Receivables are stated net of allowances.
The Registrant does not report using a classified balance sheet.