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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 2007

SIMON PROPERTY GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-14469**	**04-6268599**
(State or other jurisdiction of incorporation or organization)	(Commission File No.)	(I.R.S. Employer Identification No.)

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

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

Securities registered pursuant to Section 12 (b) of the Act:

Title of each class	**Name of each exchange on which registered**
Common stock, $0.0001 par value	New York Stock Exchange
6% Series I Convertible Perpetual Preferred Stock, $0.0001 par value	New York Stock Exchange
$8^{3}/8$% Series J Cumulative Redeemable Preferred Stock, $0.0001 par value	New York Stock Exchange

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

Indicate by check mark if the Registrant is a well-known seasoned issuer (as defined in Rule 405 of the Securities Act). Yes ☒ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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

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

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

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐

(Do not check if a smaller reporting company)

Indicate by checkmark whether the Registrant is a shell company (as defined in rule 12-b of the Act). Yes ☐ No ☒

The aggregate market value of shares of common stock held by non-affiliates of the Registrant was approximately $20,267 million based on the closing sale price on the New York Stock Exchange for such stock on June 29, 2007.

As of January 31, 2008, Simon Property Group, Inc. had 223,032,032, 8,000 and 4,000 shares of common stock, Class B common stock and Class C common stock outstanding, respectively.

Documents Incorporated By Reference

Portions of the Registrant's Annual Report to Stockholders are incorporated by reference into Parts I, II and IV; and portions of the Registrant's Proxy Statement in connection with its 2008 Annual Meeting of Stockholders are incorporated by reference in Part III.

Simon Property Group, Inc. and Subsidiaries
Annual Report on Form 10-K
December 31, 2007

TABLE OF CONTENTS

Item No.		Page No.
	Part I	
1.	Business	3
1A.	Risk Factors	8
1B.	Unresolved Staff Comments	13
2.	Properties	13
3.	Legal Proceedings	49
4.	Submission of Matters to a Vote of Security Holders	49
	Part II	
5.	Market for the Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities	50
6.	Selected Financial Data	51
7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	51
7A.	Quantitative and Qualitative Disclosure About Market Risk	51
8.	Financial Statements and Supplementary Data	51
9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	51
9A.	Controls and Procedures	51
9B.	Other Information	51
	Part III	
10.	Directors, Executive Officers and Corporate Governance	52
11.	Executive Compensation	52
12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	52
13.	Certain Relationships and Related Transactions, and Director Independence	52
14.	Principal Accountant Fees and Services	52
	Part IV	
15.	Exhibits, and Financial Statement Schedules	53
Signatures		54

Part I

Item 1. Business

Simon Property Group, Inc., or Simon Property, is a Delaware corporation that operates as a self-administered and self-managed real estate investment trust, or REIT, under the Internal Revenue Code. Simon Property Group, L.P., or the Operating Partnership, is our majority-owned partnership subsidiary that owns all of our real estate properties. In this report, the terms "we", "us" and "our" refer to Simon Property Group, Inc. and its subsidiaries.

We own, develop, and manage retail real estate properties, which consist primarily of regional malls, Premium Outlet® centers, The Mills®, and community/lifestyle centers. As of December 31, 2007, we owned or held an interest in 320 income-producing properties in the United States, which consisted of 168 regional malls, 38 Premium Outlet centers, 67 community/lifestyle centers, 37 properties acquired in the Mills acquisition, and 10 other shopping centers or outlet centers in 41 states and Puerto Rico. Of the 37 Mills properties acquired, 17 of these are The Mills, 16 are regional malls, and four are community centers. We also own interests in four parcels of land held for future development. In the United States, we have four new properties currently under development aggregating approximately 2.75 million square feet which will open during 2008. Internationally, we have ownership interests in 51 European shopping centers (in France, Italy and Poland), six Premium Outlet centers in Japan, one Premium Outlet center in Mexico, and one Premium Outlet center in South Korea. Also, through a joint venture arrangement, we have a 32.5% interest in five shopping centers under development in China.

For a description of our operational strategies and developments in our business during 2007, see the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section of the 2007 Annual Report to Shareholders filed as Exhibit 13.1 to this Form 10-K.

Other Policies

The following is a discussion of our investment policies, financing policies, conflict of interest policies and policies with respect to certain other activities. One or more of these policies may be amended or rescinded from time to time without a stockholder vote.

Investment Policies

While we emphasize equity real estate investments, we may, at our discretion, invest in mortgages and other real estate interests consistent with our qualification as a REIT. We do not currently intend to invest to a significant extent in mortgages or deeds of trust; however, we hold an interest in one property through a mortgage note which results in us receiving 100% of the economics of the property. We may invest in participating or convertible mortgages if we conclude that we may benefit from the cash flow or any appreciation in the value of the property.

We may invest in securities of other entities engaged in real estate activities or securities of other issuers. However, any of these investments would be subject to the percentage ownership limitations and gross income tests necessary for REIT qualification. These REIT limitations mean that we cannot make an investment that would cause our real estate assets to be less than 75% of our total assets. In addition, at least 75% of our gross income must be derived directly or indirectly from investments relating to real property or mortgages on real property, including "rents from real property," dividends from other REIT's and, in certain circumstances, interest from certain types of temporary investments. At least 95% of our income must be derived from such real property investments, and from dividends, interest and gains from the sale or dispositions of stock or securities or from other combinations of the foregoing.

Subject to REIT limitations, we may invest in the securities of other issuers in connection with acquisitions of indirect interests in real estate. Such an investment would normally be in the form of general or limited partnership or membership interests in special purpose partnerships and limited liability companies that own one or more properties. We may, in the future, acquire all or substantially all of the securities or assets of other REITs, management companies or similar entities where such investments would be consistent with our investment policies.

Financing Policies

We must comply with the covenants contained in our financing agreements that limit our ratio of debt to total asset or market value, as defined. For example, the Operating Partnership's lines of credit and the indentures for the

Operating Partnership's debt securities contain covenants that restrict the total amount of debt of the Operating Partnership to 65%, or 60% in relation to certain debt, of total assets, as defined under the related arrangement, and secured debt to 50% of total assets. In addition, these agreements contain other covenants requiring compliance with financial ratios. Furthermore, the amount of debt that we may incur is limited as a practical matter by our desire to maintain acceptable ratings for our equity securities and the debt securities of the Operating Partnership.

If our Board of Directors determines to seek additional capital, we may raise such capital through additional equity offerings, debt financing, creating joint ventures with existing ownership interests in properties, retention of cash flows or a combination of these methods. Our ability to retain cash flows is limited by the requirement for REITs to distribute at least 90% of their taxable income. We must also take into account taxes that would be imposed on undistributed taxable income. If the Board of Directors determines to raise additional equity capital, it may, without stockholder approval, issue additional shares of common stock or other capital stock. The Board of Directors may issue a number of shares up to the amount of our authorized capital in any manner and on such terms and for such consideration as it deems appropriate. This may include issuing stock in exchange for property. Such securities may be senior to the outstanding classes of common stock. Such securities also may include additional classes of preferred stock, which may be convertible into common stock. Existing stockholders have no preemptive right to purchase shares in any subsequent offering of our securities. Any such offering could dilute a stockholder's investment in us.

We expect most additional borrowings would be made through the Operating Partnership or its subsidiaries. We might, however, incur borrowings that would be reloaned to the Operating Partnership. Borrowings may be in the form of bank borrowings, publicly and privately placed debt instruments, or purchase money obligations to the sellers of properties. Any such indebtedness may be secured or unsecured. Any such indebtedness may also have full or limited recourse to the borrower or cross-collateralized with other debt, or may be fully or partially guaranteed by the Operating Partnership. Although we may borrow to fund the payment of dividends, we currently have no expectation that we will regularly be required to do so.

We have a $3.5 billion revolving unsecured credit facility. We issue debt securities through the Operating Partnership, but we may issue our debt securities which may be convertible into capital stock or be accompanied by warrants to purchase capital stock. We also may sell or securitize our lease receivables. The proceeds from any borrowings or financings may be used for one or more of the following:

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

We may also finance acquisitions through the following:

- issuance of shares of common stock or preferred stock;
- issuance of additional units of limited partnership interest in the Operating Partnership;
- issuance of preferred units of the Operating Partnership;
- issuance of other securities; or
- sale or exchange of ownership interests in properties.

The ability of the Operating Partnership to issue units of limited partnership interest to transferors of properties or other partnership interests may defer gain recognition for tax purposes by the transferor. It may also be advantageous for us since there are ownership limits that restrict the number of shares of our capital stock that investors may own.

We do not have a policy limiting the number or amount of mortgages that may be placed on any particular property. Mortgage financing instruments, however, usually limit additional indebtedness on such properties. We also have covenants on our unsecured debt that limit our total secured debt.

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

Conflict of Interest Policies

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

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

Policies With Respect To Certain Other Activities

We intend to make investments which are consistent with our qualification as a REIT, unless the Board of Directors determines that it is no longer in our best interests to so qualify as a REIT. The Board of Directors may make such a determination because of changing circumstances or changes in the REIT requirements. We have authority to offer shares of our capital stock or other securities in exchange for property. We also have authority to repurchase or otherwise reacquire our shares or any other securities. We may issue shares of our common stock, or cash at our option, to holders of units of limited partnership interest in the Operating Partnership in future periods upon exercise of such holders' rights under the Operating Partnership agreement. Our policy prohibits us from making any loans to our directors or executive officers for any purpose. We may make loans to the joint ventures in which we participate.

Competition

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

We believe that we have a competitive advantage in the retail real estate business as a result of:

- the size, quality and diversity of our properties;
- our management and operational expertise;
- our extensive experience and relationships with retailers and lenders;
- our mall marketing initiatives and consumer focused strategic corporate alliances; and
- our ability to use our size to reduce the total occupancy cost of our tenants.

Our size reduces our dependence upon individual retail tenants. Approximately 5,100 different retailers occupy more than 28,600 stores in our properties and no retail tenant represents more than 2.1% of our properties' total minimum rents.

Certain Activities

During the past three years, we have:

- issued 4,060,755 shares of common stock upon the conversion of common units of limited partnership interest in the Operating Partnership;
- issued 1,038,364 restricted shares of common stock, net of forfeitures, under The Simon Property Group 1998 Stock Incentive Plan;
- issued 852,148 shares of common stock upon exercise of stock options under 1998 Plan;
- purchased and retired 111,000 shares of common stock;
- purchased 3,387,400 shares of common stock in the open market;
- issued 274,920 shares of common stock upon the conversion of 349,814 shares of Series I preferred stock;
- redeemed all of the outstanding 8,000,000 shares of Series F preferred stock;
- redeemed all of the outstanding 3,000,000 shares of Series G preferred stock;
- issued 716,731 shares of Series I preferred stock upon the exchange of Series I preferred units;
- borrowed a maximum amount of $2.6 billion under our unsecured $3.5 billion credit facility; the outstanding amount of borrowings under this facility as of December 31, 2007 was $2.4 billion;
- as a co-borrower with the Operating Partnership, borrowed $1.8 billion under an unsecured acquisition facility in connection with our acquisition of the former Chelsea Property Group in 2004, that was fully repaid as of December 31, 2006;
- provided annual reports containing financial statements certified by our independent registered public accounting firm and quarterly reports containing unaudited financial statements to our security holders.
- not made loans to other entities or persons, including our officers and directors, other than to certain joint venture properties;
- not invested in the securities of other issuers for the purpose of exercising control, other than the Operating Partnership, certain wholly-owned subsidiaries and to acquire interests in real estate;
- not underwritten securities of other issuers; and
- not engaged in the purchase and sale or turnover of investments for the purpose of trading.

Employees

At January 28, 2008, we and our affiliates employed approximately 5,100 persons at various properties and offices throughout the United States, of which approximately 1,900 were part-time. Approximately 1,100 of these employees were located at our corporate headquarters in Indianapolis, IN and 150 were located at our Chelsea offices in Roseland, NJ.

Corporate Headquarters

Our corporate headquarters are located at 225 West Washington Street, Indianapolis, Indiana 46204, and our telephone number is (317) 636-1600.

Available Information

Our Internet website address is www.simon.com. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are available or may be accessed free of charge through the "About Simon/Investor Relations/Financial Information" section of our Internet website as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Our Internet website and the information contained therein or connected thereto are not intended to be incorporated into this Annual Report on Form 10-K.

The following corporate governance documents are also available through the About Simon/Investor Relations/Corporate Governance section of our Internet website or may be obtained in print form by request of our Investor Relations Department: Governance Principles, Code of Business Conduct and Ethics, Audit Committee Charter, Compensation Committee Charter, Nominating Committee Charter, Governance Committee Charter, and Executive Committee Charter.

Executive Officers of the Registrant

The following table sets forth certain information with respect to our executive officers as of December 31, 2007.

Name	Age	Position
David Simon	46	Chairman and Chief Executive Officer
Richard S. Sokolov	58	President and Chief Operating Officer
Gary L. Lewis	49	Senior Executive Vice President and President — Leasing
Stephen E. Sterrett	52	Executive Vice President and Chief Financial Officer
John Rulli	51	Executive Vice President and President — Simon Management Group
James M. Barkley	56	General Counsel; Secretary
Andrew A. Juster	55	Senior Vice President and Treasurer

The executive officers of Simon Property serve at the pleasure of the Board of Directors. For biographical information of David Simon, Richard S. Sokolov, Stephen E. Sterrett, and James M. Barkley, see Item 10 of this report.

Mr. Lewis is the Senior Executive Vice President and President — Leasing of Simon Property. Mr. Lewis joined Melvin Simon & Associates, Inc. ("MSA") in 1986 and held various positions with MSA and Simon Property prior to becoming Senior Executive Vice President and President — Leasing. In 2002 he was appointed to Executive Vice President — Leasing and in 2007 he became Senior Executive Vice President and President — Leasing.

Mr. Rulli serves as Simon Property's Executive Vice President and President — Simon Management Group and previously served as Executive Vice President — Chief Operating Officer — Operating Properties and prior to that as Executive Vice President and Chief Administrative Officer. He joined MSA in 1988 and held various positions with MSA before becoming Simon Property's Executive Vice President in 1993 and Chief Administrative Officer in 2000. In December 2003, he was appointed to Executive Vice President — Chief Operating Officer — Operating Properties and in November 2007 to Executive Vice President and President — Simon Management Group.

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

Item 1A. Risk Factors

The following factors, among others, could cause our actual results to differ materially from those contained in forward-looking statements made in this Annual Report on Form 10-K and presented elsewhere by our management from time to time. These factors, among others, may have a material adverse effect on our business, financial condition, operating results and cash flows, and you should carefully consider them. It is not possible to predict or identify all such factors. You should not consider this list to be a complete statement of all potential risks or uncertainties and we may update them in our future periodic reports.

Risks Relating to Debt and the Financial Markets

We have a substantial debt burden that could affect our future operations.

As of December 31, 2007, our consolidated mortgages and other indebtedness, excluding the related premium and discount, totaled $17.2 billion, of which approximately $751 million matures during 2008, including recurring principal amortization on mortgages maturing during 2007. We are subject to the risks normally associated with debt financing, including the risk that our cash flow from operations will be insufficient to meet required debt service. Our debt service costs generally will not be reduced if developments at the property, such as the entry of new competitors or the loss of major tenants, cause a reduction in the income from the property. Should such events occur, our operations may be adversely affected. If a property is mortgaged to secure payment of indebtedness and income from the is insufficient to pay that indebtedness, the property could be foreclosed upon by the mortgagee resulting in a loss of income and a decline in our total asset value.

We depend on external financings for our growth and ongoing debt service requirements.

We depend primarily on external financings, principally debt financings, to fund the growth of our business and to ensure that we can meet ongoing maturities of our outstanding debt. Our access to financing depends on our credit rating, the willingness of banks to lend to us and conditions in the capital markets which have experienced increasing volatility in recent months. We cannot assure you that we will be able to obtain the financing we need for future growth or to meet our debt service as obligations mature, or that the financing available to us will be on acceptable terms.

Adverse changes in our credit rating could affect our borrowing capacity and borrowing terms.

Our outstanding senior unsecured notes and preferred stock are periodically rated by nationally recognized credit rating agencies. The credit ratings are based on our operating performance, liquidity and leverage ratios, overall financial position, and other factors viewed by the credit rating agencies as relevant to our industry and the economic outlook in general. Our credit rating can affect the amount of capital we can access, as well as the terms of any financing we obtain. Since we depend primarily on debt financing to fund our growth, adverse changes in our credit rating could have a negative effect on our future growth.

Our hedging interest rate protection arrangements may not effectively limit our interest rate risk.

We manage our exposure to interest rate risk by a combination of interest rate protection agreements to effectively fix or cap a portion of our variable rate debt, or in the case of a fair value hedge, effectively convert fixed rate debt to variable rate debt. In addition, we refinance fixed rate debt at times when we believe rates and terms are appropriate. Our efforts to manage these exposures may not be successful.

Our use of interest rate hedging arrangements to manage risk associated with interest rate volatility may expose us to additional risks, including a risk that a counterparty to a hedging arrangement may fail to honor its obligations. Developing an effective interest rate risk strategy is complex and no strategy can completely insulate us from risks associated with interest rate fluctuations. There can be no assurance that our hedging activities will have the desired beneficial impact on our results of operations or financial condition. Termination of these hedging agreements typically involves costs, such as transaction fees or breakage costs.

Factors Affecting Real Estate Investments and Operations

We face risks associated with the acquisition, development and expansion of properties.

We regularly acquire and develop new properties and expand and redevelop existing properties, and these activities are subject to various risks. We may not be successful in pursuing acquisition, development or redevelopment/expansion opportunities. In addition, newly acquired, developed or redeveloped/expanded properties may not perform as well as expected. We are subject to other risks in connection with any acquisition, development and redevelopment/expansion activities, including the following:

- construction costs of a project may be higher than projected, potentially making the project unfeasible or unprofitable;
- we may not be able to obtain financing or to refinance construction loans on favorable terms, if at all;
- we may be unable to obtain zoning, occupancy or other governmental approvals;
- occupancy rates and rents may not meet our projections and the project may not be profitable; and
- we may need the consent of third parties such as anchor tenants, mortgage lenders and joint venture partners, and those consents may be withheld.

If a development or redevelopment/expansion project is unsuccessful, either because it is not meeting our expectations when operational or was not completed according to the project planning, we could lose our investment in the project. Further, if we guarantee the property's financing, our loss could exceed our investment in the project.

Real estate investments are relatively illiquid.

Our properties represent a substantial portion of our total consolidated assets. These investments are relatively illiquid. As a result, our ability to sell one or more of our properties or investments in real estate in response to any changes in economic or other conditions is limited. If we want to sell a property, we cannot assure you that we will be able to dispose of it in the desired time period or that the sales price of a property will exceed the cost of our investment.

Environmental Risks

As owners of real estate, we can face liabilities for environmental contamination.

Federal, state and local laws and regulations relating to the protection of the environment may require us, as a current or previous owner or operator of real property, to investigate and clean up hazardous or toxic substances or petroleum product releases at a property or at impacted neighboring properties. These laws often impose liability regardless of whether the property owner or operator knew of, or was responsible for, the presence of hazardous or toxic substances. These laws and regulations may require the abatement or removal of asbestos containing materials in the event of damage, demolition or renovation, reconstruction or expansion of a property and also govern emissions of and exposure to asbestos fibers in the air. Those laws and regulations also govern the installation, maintenance and removal of underground storage tanks used to store waste oils or other petroleum products. Many of our properties contain, or at one time contained, asbestos containing materials or underground storage tanks (primarily related to auto service center establishments or emergency electrical generation equipment). The costs of investigation, removal or remediation of hazardous or toxic substances may be substantial and could adversely affect our results of operations or financial condition but is not estimable. The presence of contamination, or the failure to remediate contamination, may also adversely affect our ability to sell, lease or redevelop a property or to borrow using a property as collateral.

Our efforts to identify environmental liabilities may not be successful.

Although we believe that our portfolio is in substantial compliance with Federal, state and local environmental laws, ordinances and regulations regarding hazardous or toxic substances, this belief is based on limited testing. Nearly all of our properties have been subjected to Phase I or similar environmental audits. These environmental audits have not revealed, nor are we aware of, any environmental liability that we believe will have a material adverse effect on our results of operations or financial condition. However, we cannot assure you that:

- existing environmental studies with respect to the portfolio reveal all potential environmental liabilities;
- any previous owner, occupant or tenant of a property did not create any material environmental condition not known to us;

- the current environmental condition of the portfolio will not be affected by tenants and occupants, by the condition of nearby properties, or by other unrelated third parties; or
- future uses or conditions (including, without limitation, changes in applicable environmental laws and regulations or the interpretation thereof) will not result in environmental liabilities.

Retail Operations Risks

We are subject to risks that affect the general retail environment.

Our concentration in the retail real estate market means that we are subject to the risks that affect the retail environment generally, including the levels of consumer spending, seasonality, the willingness of retailers to lease space in our shopping centers, tenant bankruptcies, changes in economic conditions, consumer confidence and terrorist activities. The possibility that the United States may currently be experiencing a recession could adversely affect consumer spending. Any one or more of these factors could adversely affect our results of operations or financial condition.

We may not be able to lease newly developed properties and renew leases and relet space at existing properties.

We may not be able to lease new properties to an appropriate mix of tenants or for rents that are consistent with our projections. Also, when leases for our existing properties expire, the premises may not be relet or the terms of reletting, including the cost of allowances and concessions to tenants, may be less favorable than the current lease terms. To the extent that our leasing plans are not achieved, our cash generated before debt repayments and capital expenditures could be adversely affected.

Some of our properties depend on anchor stores or major tenants to attract shoppers and could be adversely affected by the loss of or a store closure by one or more of these tenants.

Regional malls are typically anchored by department stores and other large nationally recognized tenants. The value of some of our properties could be adversely affected if these tenants fail to comply with their contractual obligations, seek concessions in order to continue operations, or cease their operations. Department store and larger store, also referred to as "big box", consolidations typically result in the closure of existing stores or duplicate or geographically overlapping store locations. We do not control the disposition of those department stores or larger stores that we do not own. We also may not control the vacant space that is not re-leased in those stores we do own. Other tenants may be entitled to modify the terms of their existing leases in the event of such closures. The modification could be unfavorable to us as the lessor and could decrease rents or expense recovery charges. Additionally, major tenant closures may result in decreased customer traffic which could lead to decreased sales at other stores. If the sales of stores operating in our properties were to decline significantly due to closing of anchors, economic conditions, or other reasons, tenants may be unable to pay their minimum rents or expense recovery charges. In the event of default by a tenant or anchor store, we may experience delays and costs in enforcing our rights as landlord to recover amounts due to us under the terms of our agreements with those parties.

We face potential adverse effects from tenant bankruptcies.

Bankruptcy filings by retailers occur frequently in the course of our operations. We are continually re-leasing vacant spaces resulting from tenant terminations. The bankruptcy of a tenant, particularly an anchor tenant, may make it more difficult to lease the remainder of the affected properties. Future tenant bankruptcies could adversely affect our properties or impact our ability to successfully execute our re-leasing strategy.

Risks Relating to Joint Venture Properties

We have limited control with respect to some properties that are partially owned or managed by third parties, which may adversely affect our ability to sell or refinance them.

As of December 31, 2007, we owned interests in 181 income-producing properties with other parties. Of those, 19 properties are included in our consolidated financial statements. We account for the other 162 properties under the equity method of accounting, which we refer to as joint venture properties. We serve as general partner or property manager for 93 of these 162 properties; however, certain major decisions, such as selling or refinancing these properties, require the consent of the other owners. Of the properties for which we do not serve as general partner or property manager, 59 are in our international joint ventures. The other owners also have other participating rights that we consider substantive for purposes of determining control over the properties' assets. The remaining joint venture properties are managed by third parties. These limitations may adversely affect our ability to sell, refinance, or otherwise operate these properties.

The Operating Partnership guarantees debt or otherwise provides support for a number of joint venture properties.

Joint venture debt is the liability of the joint venture and is typically secured by a mortgage on the joint venture property. As of December 31, 2007, the Operating Partnership has loan guarantees and other guarantee obligations to support $132.5 million and $60.6 million, respectively, of our total $6.6 billion share of joint venture mortgage and other indebtedness. A default by a joint venture under its debt obligations may expose us to liability under a guaranty or letter of credit.

Other Factors Affecting Our Business

Our Common Area Maintenance (CAM) contributions may not allow us to recover the majority of our operating expenses from tenants.

CAM costs typically include allocable energy costs, repairs, maintenance and capital improvements to common areas, janitorial services, administrative, property and liability insurance costs, and security costs. We historically have used leases with variable CAM provisions that adjust to reflect inflationary increases. However, we are making a concerted effort to shift from variable to fixed CAM contributions for our cost recoveries which will fix our tenants' CAM contributions to us. As a result, our CAM contributions may not allow us to recover a substantial portion of these operating costs.

We face a wide range of competition that could affect our ability to operate profitably.

Our properties compete with other retail properties for tenants on the basis of the rent charged and location. The principal competition may come from existing or future developments in the same market areas and from discount shopping centers, outlet malls, catalogues, discount shopping clubs and electronic commerce. The presence of competitive properties also affects our ability to lease space and the level of rents we can obtain. Renovations and expansions at competing malls could also negatively affect our properties.

We also compete with other retail property developers to acquire prime development sites. In addition, we compete with other retail property companies for attractive tenants and qualified management.

Our international expansion may subject us to different or greater risk from those associated with our domestic operations.

We hold interests in joint venture properties that are under operation in Europe, Japan, South Korea, and Mexico. We have also established arrangements to develop joint venture properties in China, and expect to pursue additional expansion opportunities outside the United States. International development and ownership activities carry risks that are different from those we face with our domestic properties and operations. These risks include:

- adverse effects of changes in exchange rates for foreign currencies;
- changes in foreign political and economic environments, regionally, nationally, and locally;
- challenges of complying with a wide variety of foreign laws including corporate governance, operations, taxes, and litigation;
- differing lending practices;
- differences in cultures;
- changes in applicable laws and regulations in the United States that affect foreign operations;
- difficulties in managing international operations; and
- obstacles to the repatriation of earnings and cash.

Although our international activities currently are a relatively small portion of our business (international properties represented less than 6% of the GLA of all of our properties at December 31, 2007), to the extent that we expand our international activities, these risks could increase in significance which in turn could adversely affect our results of operations and financial condition.

Some of our potential losses may not be covered by insurance.

We maintain commercial general liability "all risk" property coverage including fire, flood, extended coverage and rental loss insurance on our properties. Our captive insurance company subsidiaries indemnify our general liability carrier for a specific layer of losses. A similar policy written through our subsidiary also provides a portion of our initial coverage for property insurance and certain windstorm risks at the properties located in coastal windstorm locations. Even insured losses could result in a serious disruption to our business and delay our receipt of revenue.

There are some types of losses, including lease and other contract claims that generally are not insured. If an uninsured loss or a loss in excess of insured limits occurs, we could lose all or a portion of the capital we have invested in a property, as well as the anticipated future revenue from the property. If this happens, we may still remain obligated for any mortgage debt or other financial obligations related to the property.

We currently maintain insurance coverage against acts of terrorism on all of our properties on an "all risk" basis in the amount of up to $1 billion per occurrence for certified foreign acts of terrorism and $500 million per occurrence for non-certified domestic acts of terrorism. The current federal laws which provide this coverage are expected to operate through 2014. Despite the existence of this insurance coverage, any threatened or actual terrorist attacks in high profile markets could adversely affect our property values, revenues, consumer traffic and tenant sales.

Inflation may adversely affect our financial condition and results of operations.

Although inflation has not materially impacted our operations in the recent past, increased inflation could have a more pronounced negative impact on our mortgage and debt interest and general and administrative expenses, as these costs could increase at a rate higher than our rents. Also, inflation may adversely affect tenant leases with stated rent increases, which could be lower than the increase in inflation at any given time. Inflation could also have an adverse effect on consumer spending which could impact our tenants' sales and, in turn, our overage rents, where applicable.

Risks Relating to Federal Income Taxes

Our failure to qualify as a REIT would have adverse tax consequences to us and our stockholders.

We cannot assure you that we will remain qualified as a REIT. Qualification as a REIT for federal income tax purposes is governed by highly technical and complex provisions for which there are only limited judicial or administrative interpretations. If we fail to comply with those provisions, we may be subject to monetary penalties or ultimately to possible disqualification as a REIT. If such events occurs, and if available relief provisions do not apply:

- we will not be allowed a deduction for distributions to stockholders in computing our taxable income;
- we will be subject to corporate level income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates; and
- unless entitled to relief under relevant statutory provisions, we will also be disqualified from treatment as a REIT for the four taxable years following the year during which qualification was lost.

As a result, net income and funds available for distribution to our stockholders will be reduced for those years in which we fail to qualify as a REIT. Also, we would no longer be required to distribute money to our stockholders. Although we currently intend to operate so as to qualify as a REIT, future economic, market, legal, tax or other considerations might cause us to revoke our REIT election.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

United States Properties

Our U.S. properties primarily consist of regional malls, Premium Outlet centers, The Mills ®, community/lifestyle centers, and other properties. These properties contain an aggregate of approximately 242 million square feet of gross leasable area, or GLA, of which we own approximately 150.8 million square feet. Total estimated retail sales at the properties in 2007 were approximately $60 billion.

Regional malls typically contain at least one traditional department store anchor or a combination of anchors and big box retailers with a wide variety of smaller stores connecting the anchors. Additional stores are usually located along the perimeter of the parking area. Our 168 regional malls are generally enclosed centers and range in size from approximately 400,000 to 2.3 million square feet of GLA. Our regional malls contain in the aggregate more than 18,300 occupied stores, including approximately 675 anchors, which are mostly national retailers.

Premium Outlet centers generally contain a wide variety of retailers located in open-air manufacturers' outlet centers. Our 38 Premium Outlet centers range in size from approximately 200,000 to 850,000 square feet of GLA. The Premium Outlet centers are generally located near metropolitan areas including New York City, Los Angeles, Chicago, Boston, Washington, D.C., and San Francisco; or within 20 miles of major tourist destinations including Palm Springs, Napa Valley, Orlando, Las Vegas, and Honolulu.

The Mills portfolio consists of Mills centers, regional malls, and community centers. The 17 Mills centers generally range in size from 1.0 million to 2.3 million square feet of GLA. The Mills centers are located in major metropolitan areas and have a combination of traditional mall, outlet center, and big box retailers and entertainment uses. The 16 regional malls typically range in size from 700,000 to 1.3 million square feet of GLA and contain a wide variety of national retailers. The four community centers are adjacent to Mills centers, and contain a mix of big box and other local and national retail tenants.

Community/lifestyle centers are generally unenclosed and smaller than our regional malls. Our 67 community/lifestyle centers generally range in size from approximately 100,000 to 900,000 square feet of GLA. Community/lifestyle centers are designed to serve a larger trade area and typically contain anchor stores and other tenants that are usually national retailers among the leaders in their markets. These tenants generally occupy a significant portion of the GLA of the center. We also own traditional community shopping centers that focus primarily on value-oriented and convenience goods and services. These centers are usually anchored by a supermarket, discount retailer, or drugstore and are designed to service a neighborhood area. Finally, we own open-air centers adjacent to our regional malls designed to take advantage of the drawing power of the mall.

We also have interests in 10 other shopping centers or outlet centers. These properties range in size from approximately 85,000 to 300,000 square feet of GLA and in total represent less than 1% of our total operating income before depreciation.

The following table provides representative data for our U.S. properties as of December 31, 2007:

	Regional Malls	Premium Outlet Centers	Mills Portfolio (including The Mills and Mills Regional Malls)	Community/ Lifestyle Centers	Other Properties
% of total property annualized base rent	65.9%	11.4%	17.5%	4.9%	0.3%
% of total property GLA	67.7%	6.2%	17.7%	7.7%	0.7%
% of owned property GLA	59.4%	10.0%	20.9%	8.6%	1.1%

As of December 31, 2007, approximately 93.5% of the owned GLA in regional malls and the retail space of the other properties was leased, approximately 99.7% of owned GLA in the Premium Outlet centers was leased, approximately 94.1% of the owned GLA for the Mills and 89.5% of owned GLA for the Mills regional malls was leased, and approximately 94.1% of owned GLA in the community/lifestyle centers was leased.

We own 100% of 198 of our properties, effectively control 19 properties in which we have a joint venture interest, and hold the remaining 103 properties through unconsolidated joint venture interests. We are the managing or co-managing general partner or member of 310 properties. Substantially all of our joint venture properties are subject to rights of first refusal, buy-sell provisions, or other sale rights for all partners which are customary in real estate partnership agreements and the industry. Our partners in our joint ventures may initiate these provisions at any time, which will result in either the use of available cash or borrowings to acquire their partnership interest or the disposal of our partnership interest.

The following property table summarizes certain data on our regional malls, Premium Outlet centers, the properties acquired in the Mills acquisition, and community/lifestyle centers located in the United States, including Puerto Rico, as of December 31, 2007.

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

	Property Name	State	City (CBSA)	Ownership Interest (Expiration if Lease)(3)	Legal Ownership	Year Built or Acquired	Occupancy(5)	Gross Leasable Area: Anchor	Gross Leasable Area: Mall & Freestanding	Gross Leasable Area: Total	Retail Anchors and Major Tenants
	Regional Malls										
1.	Anderson Mall	SC	Anderson (Greenville)	Fee	100.0%	Built 1972	90.2%	353,994	191,341	545,335	Belk Ladies Fashion Store, Belk Men's & Home Store, JCPenney, Sears, Dillard's(6)
2.	Apple Blossom Mall	VA	Winchester	Fee	49.1%(4)	Acquired 1999	89.0%	229,011	213,811	442,822	Belk, JCPenney, Sears, RC Theatres
3.	Arsenal Mall	MA	Watertown (Boston)	Fee	100.0%	Acquired 1999	94.9%	191,395	313,268(18)	504,663	Marshalls, The Home Depot, Linens 'n Things, Filene's Basement, Old Navy
4.	Atrium Mall	MA	Chestnut Hill (Boston)	Fee	49.1%(4)	Acquired 1999	100.0%	—	204,568	204,568	Borders Books & Music
5.	Auburn Mall	MA	Auburn (Worcester)	Fee	49.1%(4)	Acquired 1999	92.1%	417,620	173,320	590,940	Macy's, Macy's Home Store, Sears
6.	Aventura Mall(1)	FL	Miami Beach	Fee	33.3%(4)	Built 1983	93.8%	1,116,938	662,394	1,779,332	Bloomingdale's, Macy's, Macy's Mens & Home Furniture, JCPenney, Sears, Nordstrom, AMC Theatre
7.	Avenues, The	FL	Jacksonville	Fee	25.0%(4)(2)	Built 1990	93.9%	754,956	363,249	1,118,205	Belk, Dillard's, JCPenney, Belk Men and Kids, Sears
8.	Bangor Mall	ME	Bangor	Fee	67.4%(15)	Acquired 2003	95.2%	416,582	236,068	652,650	Macy's, JCPenney, Sears, Dick's Sporting Goods
9.	Barton Creek Square	TX	Austin	Fee	100.0%	Built 1981	99.1%	922,266	506,852	1,429,118	Nordstrom, Macy's, Dillard's Women's & Home, Dillard's Men's & Children's, JCPenney, Sears, General Cinema
10.	Battlefield Mall	MO	Springfield	Fee and Ground Lease (2056)	100.0%	Built 1970	93.9%	770,111	432,865	1,202,976	Macy's, Dillard's Women's, Dillard's Men's, Children's & Home, JCPenney, Sears
11.	Bay Park Square	WI	Green Bay	Fee	100.0%	Built 1980	98.4%	425,773	274,380	700,153	Younkers, Elder-Beerman, Kohl's, ShopKo, Bay Park Cinema
12.	Bowie Town Center	MD	Bowie (Washington, D.C.)	Fee	100.0%	Built 2001	99.7%	355,557	328,589	684,146	Macy's, Sears, Barnes & Noble, Bed Bath & Beyond
13.	Boynton Beach Mall	FL	Boynton Beach (Miami-Fort Lauderdale)	Fee	100.0%	Built 1985	87.9%	714,210	387,830	1,102,040	Macy's, Dillard's Men's & Home, Dillard's Women, JCPenney, Sears, Muvico Theatres
14.	Brea Mall	CA	Brea (Los Angeles)	Fee	100.0%	Acquired 1998	96.8%	874,802	443,902	1,318,704	Nordstrom, Macy's, JCPenney, Sears
15.	Broadway Square	TX	Tyler	Fee	100.0%	Acquired 1994	98.5%	427,730	202,122	629,852	Dillard's, JCPenney, Sears
16.	Brunswick Square	NJ	East Brunswick (New York)	Fee	100.0%	Built 1973	99.7%	467,626	298,874	766,500	Macy's, JCPenney, Barnes & Noble, Mega Movies
17.	Burlington Mall	MA	Burlington (Boston)	Ground Lease (2048)	100.0%	Acquired 1998	91.0%	642,411	537,922	1,180,333	Macy's, Lord & Taylor, Sears, Nordstrom (19), Crate & Barrel
18.	Cape Cod Mall	MA	Hyannis	Ground Leases (2009-2073)(7)	49.1%(4)	Acquired 1999	98.0%	420,199	303,658	723,857	Macy's, Macy's, Sears, Best Buy, Marshalls, Barnes & Noble, Regal Cinema
19.	Castleton Square	IN	Indianapolis	Fee	100.0%	Built 1972	96.6%	908,481	466,700	1,375,181	Macy's, Von Maur, JCPenney, Sears, Dick's Sporting Goods, Borders Books & Music, AMC Theatres
20.	Century III Mall	PA	West Mifflin (Pittsburgh)	Fee	100.0%	Built 1979	79.5%	831,439	459,141(18)	1,290,580	Macy's, Macy's Furniture Galleries, JCPenney, Sears, Dick's Sporting Goods, Steve & Barry's
21.	Charlottesville Fashion Square	VA	Charlottesville	Ground Lease (2076)	100.0%	Acquired 1997	99.4%	381,153	190,383	571,536	Belk Women's & Children's, Belk Men's & Home, JCPenney, Sears
22.	Chautauqua Mall	NY	Lakewood (Jamestown)	Fee	100.0%	Built 1971	87.2%	213,320	219,047	432,367	Sears, JCPenney, Bon Ton, Office Max, Dipson Cinema

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

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23.	Chesapeake Square	VA	Chesapeake (Virginia Beach-Norfolk)	Fee and Ground Lease (2062)	75.0%(12)	Built 1989	93.5%	534,760	272,783	807,543	Macy's, Dillard's Women's, Dillard's Men's, Children's & Home, JCPenney, Sears, Target
24.	Cielo Vista Mall	TX	El Paso	Fee and Ground Lease (2010)(7)	100.0%	Built 1974	98.2%	793,716	449,537	1,243,253	Macy's, Dillard's Women's & Furniture, Dillard's Men's, Children's & Home, JCPenney, Sears, Cinemark Theatres
25.	Circle Centre	IN	Indianapolis	Property Lease (2097)	14.7%(4)(2)	Built 1995	88.1%	350,000	432,662(18)	782,662	Nordstrom, Carson Pirie Scott, United Artists Theatre
26.	Coconut Point	FL	Estero (Cape Coral-Fort Myers)	Fee	50.0%(4)	Built 2006	94.3%	503,819	498,679	1,002,498	Dillard's, Barnes & Noble, Bed Bath & Beyond, Best Buy, DSW, Office Max, Old Navy, PetsMart, Pier 1 Imports, Ross Dress for Less, Cost Plus World Market, T.J. Maxx, Muvico Theatres, Super Target(6)
27.	Coddingtown Mall	CA	Santa Rosa	Fee	50.0%(4)	Acquired 2005	90.4%	547,090	261,372	808,462	Macy's, JCPenney, Gottschalk's, Whole Foods(6)
28.	College Mall	IN	Bloomington	Fee and Ground Lease (2048)(7)	100.0%	Built 1965	95.0%	356,887	272,925	629,812	Macy's, Sears, Target, Dick's Sporting Goods, Bed Bath & Beyond, Old Navy
29.	Columbia Center	WA	Kennewick	Fee	100.0%	Acquired 1987	92.2%	408,052	365,311	773,363	Macy's, Macy's Mens & Children, JCPenney, Sears, Barnes & Noble, Regal Cinema
30.	Copley Place	MA	Boston	Fee	98.1%	Acquired 2002	99.6%	150,847	1,091,384(18)	1,242,231	Nieman Marcus, Barneys New York
31.	Coral Square	FL	Coral Springs (Miami-Fort Lauderdale)	Fee	97.2%	Built 1984	99.7%	648,144	297,770	945,914	Macy's Mens, Children & Home, Macy's Women, Dillard's, JCPenney, Sears
32.	Cordova Mall	FL	Pensacola	Fee	100.0%	Acquired 1998	94.6%	395,875	469,150	865,025	Dillard's Men's, Dillard's Women's, Belk, Best Buy, Bed, Bath & Beyond, Cost Plus World Market, Ross Dress for Less
33.	Cottonwood Mall	NM	Albuquerque	Fee	100.0%	Built 1996	96.0%	631,556	408,590	1,040,146	Macy's, Dillard's, JCPenney, Sears, Mervyn's, United Artists Theatre
34.	Crossroads Mall	NE	Omaha	Fee	100.0%	Acquired 1994	77.8%	522,119	188,403	710,522	Dillard's, Sears, Target, Barnes & Noble, Old Navy
35.	Crystal Mall	CT	Waterford	Fee	74.6%(4)	Acquired 1998	90.6%	442,311	350,561	792,872	Macy's, JC Penney, Sears, Old Navy, Regal Cinema, Bed Bath & Beyond(6),

										Christmas Tree Store(6),(17)
36.	Crystal River Mall	FL	Crystal River	Fee	100.0%	Built 1990	89.0%	302,495	121,804	424,299	JCPenney, Sears, Belk, Kmart, Gottschalk's
37.	Dadeland Mall	FL	Miami	Fee	50.0%(4)	Acquired 1997	97.2%	1,132,072	337,869	1,469,941	Saks Fifth Avenue, Nordstrom, Macy's, Macy's Children & Home, JCPenney
38.	DeSoto Square	FL	Bradenton (Sarasota-Bradenton)	Fee	100.0%	Built 1973	98.1%	435,467	244,119	679,586	Macy's, Dillard's, JCPenney, Sears
39.	Domain, The	TX	Austin	Fee	100.0%	Built 2006	91.1%	220,000	411,118(18)	631,118	Neiman Marcus, Macy's, Borders Books & Music, Oakville Grocery, Village Roadshow
40.	Eastland Mall	IN	Evansville	Fee	50.0%(4)	Acquired 1998	93.5%	489,144	375,242	864,386	Macy's, JCPenney, Dillard's
41.	Edison Mall	FL	Fort Myers	Fee	100.0%	Acquired 1997	97.9%	742,667	309,342	1,052,009	Dillard's, Macy's Mens, Children & Home, Macy's Women, JCPenney, Sears
42.	Emerald Square	MA	North Attleboro (Providence—RI-New Bedford)	Fee	49.1%(4)	Acquired 1999	94.4%	647,372	374,955	1,022,327	Macy's, Macy's Mens & Home Store, JCPenney, Sears
43.	Empire Mall(2)	SD	Sioux Falls	Fee and Ground Lease (2013)(7)	50.0%(4)	Acquired 1998	93.9%	497,341	547,880	1,045,221	Macy's, Younkers, JCPenney, Sears, Gordmans, Old Navy

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

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44.	Fashion Centre at Pentagon City, The	VA	Arlington (Washington, DC)	Fee	42.5%(4)	Built 1989	95.7%	472,729	521,516(18)	994,245	Nordstrom, Macy's
45.	Fashion Mall at Keystone	IN	Indianapolis	Ground Lease (2067)	100.0%	Acquired 1997	96.7%	120,000	433,721(18)	553,721	Saks Fifth Avenue, Crate & Barrel, Nordstrom (19), Keystone Art Cinema
46.	Fashion Valley Mall	CA	San Diego	Fee	50.0%(4)	Acquired 2001	98.7%	1,053,305	654,841	1,708,146	Saks Fifth Avenue, Neiman-Marcus, Bloomingdale's, Nordstrom, Macy's, JCPenney, AMC Theatres
47.	Firewheel Town Center	TX	Garland (Dallas-Forth Worth)	Fee	100.0%	Built 2005	94.0%	295,532	615,917(18)	911,449	Dillard's, Macy's, Barnes & Noble, Circuit City, Linens 'n Things, Old Navy, Pier One, DSW, Cost Plus World Market, AMC Theatres, Dick's Sporting Goods(6)
48.	Florida Mall, The	FL	Orlando	Fee	50.0%(4)	Built 1986	99.3%	1,092,465	616,840	1,709,305	Saks Fifth Avenue, Nordstrom, Macy's, Dillard's, JCPenney, Sears,(8)
49.	Forest Mall	WI	Fond Du Lac	Fee	100.0%	Built 1973	92.6%	327,260	173,314	500,574	JCPenney, Kohl's, Younkers, Sears, Cinema I & II
50.	Forum Shops at Caesars, The	NV	Las Vegas	Ground Lease (2050)	100.0%	Built 1992	99.7%	—	635,258	635,258	
51.	Galleria, The	TX	Houston	Fee and Ground Lease (2029)	31.5%(4)	Acquired 2002	95.8%	1,233,802	1,113,396	2,347,198	Saks Fifth Avenue, Neiman Marcus, Nordstrom, Macy's (2 locations), Borders Books & Music, University Club
52.	Granite Run Mall	PA	Media (Philadelphia)	Fee	50.0%(4)	Acquired 1998	86.7%	500,809	535,357	1,036,166	JCPenney, Sears, Boscov's, Granite Run 8 Theatres
53.	Great Lakes Mall	OH	Mentor (Cleveland)	Fee	100.0%	Built 1961	91.3%	879,300	378,457	1,257,757	Dillard's Men's, Dillard's Women's, Macy's, JCPenney, Sears, Atlas Cinema
54.	Greendale Mall	MA	Worcester (Boston)	Fee and Ground Lease (2009)(7)	49.1%(4)	Acquired 1999	91.0%	132,634	298,632(18)	431,266	T.J. Maxx 'N More, Best Buy, DSW(8)
55.	Greenwood Park Mall	IN	Greenwood (Indianapolis)	Fee	100.0%	Acquired 1979	97.5%	754,928	488,598	1,243,526	Macy's, Von Maur, JCPenney, Sears, Dick's Sporting Goods, Barnes & Noble, AMC Theatres
56.	Gulf View Square	FL	Port Richey (Tampa-St. Pete)	Fee	100.0%	Built 1980	99.8%	461,852	291,977	753,829	Macy's, Dillard's, JCPenney, Sears, Best Buy, Linens 'n Things
57.	Gwinnett Place	GA	Duluth (Atlanta)	Fee	75.0%	Acquired 1998	87.1%	843,609	434,300	1,277,909	Belk, JCPenney, Macy's, Sears, Gwinnett Place Cinema,(8)
58.	Haywood Mall	SC	Greenville	Fee and Ground Lease (2017)(7)	100.0%	Acquired 1998	99.4%	902,400	328,787	1,231,187	Macy's, Dillard's, JCPenney, Sears, Belk
59.	Highland Mall(1)	TX	Austin	Fee and Ground Lease (2070)	50.0%(4)	Acquired 1998	77.6%	732,000	359,199	1,091,199	Dillard's Women's & Home, Dillard's Men's & Children's, Macy's
60.	Independence Center	MO	Independence (Kansas City)	Fee	100.0%	Acquired 1994	99.2%	499,284	532,844	1,032,128	Dillard's, Macy's, Sears
61.	Indian River Mall	FL	Vero Beach	Fee	50.0%(4)	Built 1996	94.5%	445,552	302,881	748,433	Dillard's, Macy's, JCPenney, Sears, AMC Theatres
62.	Ingram Park Mall	TX	San Antonio	Fee	100.0%	Built 1979	96.3%	750,888	375,483	1,126,371	Dillard's, Dillard's Home

										Store, Macy's, JCPenney, Sears, Bealls
63. Irving Mall	TX	Irving (Dallas-Fort Worth)	Fee	100.0%	Built 1971	96.3%	637,415	404,920	1,042,335	Macy's, Dillard's, Sears, Circuit City, Burlington Coat Factory, Steve & Barry's, General Cinema, (20)

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

	Property Name	State	City (CBSA)	Ownership Interest (Expiration if Lease)(3)	Legal Ownership	Year Built or Acquired	Occupancy(5)	Gross Leasable Area			Retail Anchors and Major Tenants
								Anchor	Mall & Freestanding	Total	
64.	Jefferson Valley Mall	NY	Yorktown Heights (New York)	Fee	100.0%	Built 1983	93.0%	310,095	277,988	588,083	Macy's, Sears, H&M, Movies at Jefferson Valley
65.	King of Prussia Mall	PA	King of Prussia (Philadelphia)	Fee	12.4%(4)(15)	Acquired 2003	96.3%	1,545,812	1,068,085(18)	2,613,897	Neiman Marcus, Bloomingdale's, Nordstrom, Lord & Taylor, Macy's (Plaza), Macy's (Court), JCPenney, Sears, Crate & Barrel(8)
66.	Knoxville Center	TN	Knoxville	Fee	100.0%	Built 1984	90.5%	597,028	384,569	981,597	JCPenney, Belk, Sears, The Rush Fitness Center, Regal Cinema, Dillard's(8)
67.	La Plaza Mall	TX	McAllen	Fee and Ground Lease (2040)(7)	100.0%	Built 1976	93.1%	776,397	426,362	1,202,759	Macy's, Macy's Home Store, Dillard's, JCPenney, Sears, Joe Brand
68.	Laguna Hills Mall	CA	Laguna Hills (Los Angeles)	Fee	100.0%	Acquired 1997	93.6%	536,500	330,506	867,006	Macy's, JCPenney, Sears, Laguna Hills Cinema, Nordstrom Rack(6), Ulta(6)
69.	Lake Square Mall	FL	Leesburg (Orlando)	Fee	50.0%(4)	Acquired 1998	83.3%	296,037	239,982	536,019	JCPenney, Sears, Belk, Target, AMC Theatres, Books-A-Million
70.	Lakeline Mall	TX	Cedar Park (Austin)	Fee	100.0%	Built 1995	95.8%	745,179	352,513	1,097,692	Dillard's, Macy's, JCPenney, Sears, Regal Cinema
71.	Lehigh Valley Mall	PA	Whitehall (Allentown—Bethlehem)	Fee	37.6%(4)(15)	Acquired 2003	99.1%	564,353	593,841(18)	1,158,194	Macy's, Boscov's, JCPenney, Linens 'n Things, Barnes & Noble
72.	Lenox Square	GA	Atlanta	Fee	100.0%	Acquired 1998	90.6%	873,580	665,010(18)	1,538,590	Neiman Marcus, Bloomingdale's, Macy's, Crate & Barrel
73.	Liberty Tree Mall	MA	Danvers (Boston)	Fee	49.1%(4)	Acquired 1999	91.3%	498,000	358,291	856,291	Marshalls, The Sports Authority, Target, Bed, Bath & Beyond, Kohl's, Best Buy, Staples, AC Moore, Old Navy, Pier 1 Imports, K&G Fashion Superstore, Gottschalk's, Lowes Theatre
74.	Lima Mall	OH	Lima	Fee	100.0%	Built 1965	90.6%	541,861	203,650	745,511	Macy's, JCPenney, Elder-Beerman, Sears
75.	Lincolnwood Town Center	IL	Lincolnwood (Chicago)	Fee	100.0%	Built 1990	96.7%	220,830	201,033	421,863	Kohl's, Carson Pirie Scott
76.	Lindale Mall(1)	IA	Cedar Rapids	Fee	50.0%(4)	Acquired 1998	85.4%	305,563	387,862	693,425	Von Maur, Sears, Younkers
77.	Livingston Mall	NJ	Livingston (New York)	Fee	100.0%	Acquired 1998	95.4%	616,128	338,851	954,979	Macy's, Lord & Taylor, Sears, Steve & Barry's, Barnes & Noble(6), Modell's Sporting Goods(6)
78.	Longview Mall	TX	Longview	Fee	100.0%	Built 1978	87.2%	440,917	209,283	650,200	Dillard's, JCPenney, Sears, Bealls,(17)
79.	Mall at Chestnut Hill	MA	Chestnut Hill (Boston)	Lease (2039)(9)	47.2%(4)	Acquired 2002	97.9%	297,253	180,181	477,434	Bloomingdale's, Bloomingdale's Home Furnishing and Men's Store
80.	Mall at Rockingham Park, The	NH	Salem (Boston)	Fee	24.6%(4)	Acquired 1999	99.9%	638,111	382,059	1,020,170	JCPenney, Sears, Macy's(8)

81.	Mall at The Source, The	NY	Westbury (New York)	Fee	25.5%(4)(2)	Built 1997	96.9%	210,798	516,222	727,020	Fortunoff, Off 5th-Saks Fifth Avenue, Nordstrom Rack, Circuit City, David's Bridal, Steve & Barry's, Golf Galaxy
82.	Mall of Georgia	GA	Buford (Atlanta)	Fee	100.0%	Built 1999	98.2%	1,069,590	723,886	1,793,476	Nordstrom, Dillard's, Macy's, JCPenney, Belk, Dick's Sporting Goods, Barnes & Noble, Haverty's Furniture, Bed Bath & Beyond, Regal Cinema
83.	Mall of New Hampshire, The	NH	Manchester	Fee	49.1%(4)	Acquired 1999	97.8%	444,889	362,874	807,763	Macy's, JCPenney, Sears, Best Buy, Old Navy, A.C. Moore
84.	Maplewood Mall	MN	Minneapolis	Fee	100.0%	Acquired 2002	98.2%	588,822	341,702	930,524	Macy's, JCPenney, Sears, Kohl's, Barnes & Noble

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

	Property Name	State	City (CBSA)	Ownership Interest (Expiration if Lease)(3)	Legal Ownership	Year Built or Acquired	Occupancy(5)	Gross Leasable Area Anchor	Gross Leasable Area Mall & Freestanding	Gross Leasable Area Total	Retail Anchors and Major Tenants
85.	Markland Mall	IN	Kokomo	Ground Lease (2041)	100.0%	Built 1968	93.7%	273,094	120,602	393,696	Sears, Target, MC Sporting Goods(6)(8)
86.	McCain Mall	AR	N. Little Rock	Fee and Ground Lease (2032)(10)	100.0%	Built 1973	96.1%	554,156	221,463	775,619	Dillard's, JCPenney, Sears,(8)
87.	Melbourne Square	FL	Melbourne	Fee	100.0%	Built 1982	83.9%	416,167	294,331	710,498	Macy's, Dillard's Men's, Children's & Home, Dillard's Women's, JCPenney, Dick's Sporting Goods, Circuit City
88.	Menlo Park Mall	NJ	Edison (New York)	Fee	100.0%	Acquired 1997	97.4%	527,591	794,480(18)	1,322,071	Nordstrom, Macy's, Barnes & Noble, Steve & Barry's, Cineplex Odeon
89.	Mesa Mall(1)	CO	Grand Junction	Fee	50.0%(4)	Acquired 1998	83.0%	441,208	441,532	882,740	Sears, Herberger's, JCPenney, Target, Mervyn's
90.	Miami International Mall	FL	Miami	Fee	47.8%(4)	Built 1982	95.6%	778,784	294,765	1,073,549	Macy's Mens & Home, Macy's Women & Children, Dillard's, JCPenney, Sears
91.	Midland Park Mall	TX	Midland	Fee	100.0%	Built 1980	90.0%	339,113	279,216	618,329	Dillard's, Dillard's Mens & Juniors, JCPenney, Sears, Bealls, Ross Dress for Less
92.	Miller Hill Mall	MN	Duluth	Ground Lease (2013)	100.0%	Built 1973	96.5%	429,508	361,507	791,015	JCPenney, Sears, Younkers, Barnes & Noble, Old Navy, DSW
93.	Montgomery Mall	PA	North Wales (Philadelphia)	Fee	60.0%(15)	Acquired 2003	90.0%	684,855	408,873	1,093,728	Macy's, JCPenney, Sears, Boscov's, Dick's Sporting Goods(6)
94.	Muncie Mall	IN	Muncie	Fee	100.0%	Built 1970	90.3%	435,756	203,993	639,749	Macy's, JCPenney, Sears, Elder Beerman
95.	Nanuet Mall	NY	Nanuet (New York)	Fee	100.0%	Acquired 1998	66.7%	583,711	331,263	914,974	Macy's, Boscov's, Sears
96.	North East Mall	TX	Hurst (Dallas-Fort Worth)	Fee	100.0%	Built 1971	95.6%	1,191,930	452,245	1,644,175	Nordstrom, Dillard's, Macy's, JCPenney, Sears, Dick's Sporting Goods, Rave Theatre
97.	Northfield Square Mall	IL	Bourbonnais	Fee	31.6%(12)	Built 1990	76.4%	310,994	246,540	557,534	Carson Pirie Scott Women's, Carson Pirie Scott Men's, Children's & Home, JCPenney, Sears, Cinemark Movies 10
98.	Northgate Mall	WA	Seattle	Fee	100.0%	Acquired 1987	96.6%	612,073	395,328	1,007,401	Nordstrom, Macy's, JCPenney, Toys 'R Us, Barnes & Noble, Bed Bath & Beyond(6), DSW
99.	Northlake Mall	GA	Atlanta	Fee	100.0%	Acquired 1998	97.9%	665,745	296,457	962,202	Macy's, JCPenney, Sears, Kohl's(6)
100.	NorthPark Mall	IA	Davenport	Fee	50.0%(4)	Acquired 1998	86.0%	650,456	422,579	1,073,035	Dillard's, Von Maur, Younkers, JCPenney, Sears
101.	Northshore Mall	MA	Peabody (Boston)	Fee	49.1%(4)	Acquired 1999	89.8%	677,433	692,439	1,369,872	JCPenney, Sears, Filene's Basement, Nordstrom (19), Macy's Home(6)

102.	Northwoods Mall	IL	Peoria	Fee	100.0%	Acquired 1983	96.1%	472,969	221,040	694,009	Macy's, JCPenney, Sears
103.	Oak Court Mall	TN	Memphis	Fee	100.0%	Acquired 1997	93.3%	532,817	314,812(18)	847,629	Dillard's, Dillard's Mens, Macy's
104.	Ocean County Mall	NJ	Toms River (New York)	Fee	100.0%	Acquired 1998	95.7%	616,443	274,402	890,845	Macy's, Boscov's, JCPenney, Sears
105.	Orange Park Mall	FL	Orange Park (Jacksonville)	Fee	100.0%	Acquired 1994	95.2%	576,051	382,956	959,007	Dillard's, JCPenney, Sears, Belk, Dick's Sporting Goods, AMC Theatres
106.	Orland Square	IL	Orland Park (Chicago)	Fee	100.0%	Acquired 1997	98.7%	773,295	438,011	1,211,306	Macy's, Carson Pirie Scott, JCPenney, Sears, Pitt Theatres

Simon Property Group, Inc. and Subsidiaries

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								Anchor	Mall & Freestanding	Total	
107.	Oxford Valley Mall	PA	Langhorne (Philadelphia)	Fee	63.2%(15)	Acquired 2003	96.0%	762,558	556,333(18)	1,318,891	Macy's, JCPenney, Sears, Boscov's, United Artists Theatre
108.	Paddock Mall	FL	Ocala	Fee	100.0%	Built 1980	92.9%	387,378	168,111	555,489	Macy's, JCPenney, Sears, Belk
109.	Palm Beach Mall	FL	West Palm Beach (Miami-Fort Lauderdale)	Fee	100.0%	Built 1967	82.3%	749,288	335,023	1,084,311	Dillard's, Macy's, JCPenney, Sears, Borders Books & Music, DSW
110.	Penn Square Mall	OK	Oklahoma City	Ground Lease (2060)	94.5%	Acquired 2002	97.3%	588,137	462,399	1,050,536	Macy's, Dillard's Women's, Dillard's Men's, Children's & Home, JCPenney, Dickinson Theatre
111.	Pheasant Lane Mall	NH	Nashua (Manchester)	(14)	(14)	Acquired 2002	97.0%	555,474	313,095	868,569	JCPenney, Sears, Target(8)
112.	Phipps Plaza	GA	Atlanta	Fee	100.0%	Acquired 1998	96.3%	472,385	346,240	818,625	Saks Fifth Avenue, Nordstrom, Belk, AMC Theatres
113.	Plaza Carolina	PR	Carolina (San Juan)	Fee	100.0%	Acquired 2004	97.9%	504,796	592,267(18)	1,097,063	JCPenney, Sears, Cinevista
114.	Port Charlotte Town Center	FL	Port Charlotte (Punta Gorda)	Fee	80.0%(12)	Built 1989	86.9%	458,251	322,000	780,251	Dillard's, Macy's, JCPenney, Bealls, Sears, DSW, Regal Cinema
115.	Prien Lake Mall	LA	Lake Charles	Fee and Ground Lease (2025)(7)	100.0%	Built 1972	91.8%	644,124	177,394	821,518	Dillard's, JCPenney, Sears, Macy's, Cinemark Theatres,(8)
116.	Quaker Bridge Mall	NJ	Lawrenceville (Trenton)	Fee	38.0%(4)(15)	Acquired 2003	97.4%	686,760	412,144	1,098,904	Macy's, Lord & Taylor, JCPenney, Sears
117.	Raleigh Springs Mall	TN	Memphis	Fee and Ground Lease (2018)(7)	100.0%	Built 1971	59.1%	691,230	225,965	917,195	Sears, Malco Theatres,(8),(17)
118.	Richmond Town Square	OH	Richmond Heights (Cleveland)	Fee	100.0%	Built 1966	98.4%	685,251	331,663	1,016,914	Macy's, JCPenney, Sears, Barnes & Noble, Steve & Barry's, Loews Theatre
119.	River Oaks Center	IL	Calumet City (Chicago)	Fee	100.0%	Acquired 1997	90.8%	807,871	557,760(18)	1,365,631	Macy's, Carson Pirie Scott, JCPenney, Sears, Steve & Barry's, River Oaks 6
120.	Rockaway Townsquare	NJ	Rockaway (New York)	Fee	100.0%	Acquired 1998	98.0%	786,626	456,720	1,243,346	Macy's, Lord & Taylor, JCPenney, Sears
121.	Rolling Oaks Mall	TX	San Antonio	Fee	100.0%	Built 1988	88.9%	596,308	285,785	882,093	Dillard's, Macy's, JC Penney, Sears
122.	Roosevelt Field	NY	Garden City (New York)	Fee and Ground Lease (2090)(7)	100.0%	Acquired 1998	98.8%	1,430,425	779,991(18)	2,210,416	Bloomingdale's, Bloomingdale's Furniture Gallery, Nordstrom, Macy's, JCPenney, Dick's Sporting Goods, Loews Theatre, Sport Fitness
123.	Ross Park Mall	PA	Pittsburgh	Fee	100.0%	Built 1986	93.9%	563,477	458,220	1,021,697	JCPenney, Sears, Nordstrom (19), Old Navy, H&M
124.	Rushmore	SD	Rapid City	Fee	50.0%(4)	Acquired	91.2%	470,660	361,643	832,303	JCPenney,

	Mall(1)					1998					Herberger's, Sears, Target, Carmike Cinemas
125.	Santa Rosa Plaza	CA	Santa Rosa	Fee	100.0%	Acquired 1998	96.7%	428,258	270,487	698,745	Macy's, Mervyn's, Sears
126.	Seminole Towne Center	FL	Sanford (Orlando)	Fee	45.0%(4)(2)	Built 1995	92.5%	768,798	369,098	1,137,896	Macy's, Dillard's, Belk, JCPenney, Sears, United Artists Theatre
127.	Shops at Mission Viejo, The	CA	Mission Viejo (Los Angeles)	Fee	100.0%	Built 1979	98.9%	677,215	472,775	1,149,990	Saks Fifth Avenue, Nordstrom, Macy's (2 locations)
128.	Shops at Sunset Place, The	FL	S. Miami	Fee	37.5%(4)(2)	Built 1999	90.5%	—	514,559	514,559	NikeTown, Barnes & Noble, GameWorks, Virgin Megastore, Z Gallerie, LA Fitness, AMC Theatres
129.	Smith Haven Mall	NY	Lake Grove (New York)	Fee	25.0%(4)	Acquired 1995	92.2%	794,315	517,201	1,311,516	Macy's, Macy's Furniture Gallery, JCPenney, Sears, Dick's Sporting Goods, Barnes & Noble(6)
130.	Solomon Pond Mall	MA	Marlborough (Boston)	Fee	49.1%(4)	Acquired 1999	94.6%	538,843	371,627	910,470	Macy's, JCPenney, Sears, Linens 'n Things, Regal Cinema

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131.	South Hills Village	PA	Pittsburgh	Fee	100.0%	Acquired 1997	97.8%	655,987	484,424	1,140,411	Macy's, Sears, Boscov's, Barnes & Noble, Carmike Cinemas
132.	South Shore Plaza	MA	Braintree (Boston)	Fee	100.0%	Acquired 1998	95.9%	547,287	623,808	1,171,095	Macy's, Lord & Taylor, Sears, Filene's Basement, Nordstrom (19)
133.	Southern Hills Mall(1)	IA	Sioux City	Fee	50.0%(4)	Acquired 1998	93.4%	372,937	425,694	798,631	Younkers, JCPenney, Sears, Sheel's Sporting Goods, Barnes & Noble, Carmike Cinemas
134.	Southern Park Mall	OH	Boardman (Youngstown)	Fee	100.0%	Built 1970	94.0%	811,858	383,830	1,195,688	Macy's, Dillard's, JCPenney, Sears, Tinseltown USA
135.	SouthPark	NC	Charlotte	Fee & Ground Lease (2040)(11)	100.0%	Acquired 2002	99.8%	1,044,742	569,557	1,614,299	Neiman Marcus, Nordstrom, Macy's, Dillard's, Belk, Dick's Sporting Goods, Crate & Barrel
136.	SouthPark Mall	IL	Moline (Davenport—IA-Moline)	Fee	50.0%(4)	Acquired 1998	83.3%	578,056	445,948	1,024,004	Dillard's, Von Maur, Younkers, JCPenney, Sears, Old Navy
137.	SouthRidge Mall(1)	IA	Des Moines	Fee	50.0%(4)	Acquired 1998	70.8%	388,752	498,080	886,832	JCPenney, Younkers, Sears, Target, Steve & Barry's,(8)
138.	Springfield Mall(1)	PA	Springfield (Philadelphia)	Fee	38.0%(4)(15)	Acquired 2005	86.9%	367,176	221,592	588,768	Macy's,(8)
139.	Square One Mall	MA	Saugus (Boston)	Fee	49.1%(4)	Acquired 1999	95.6%	608,601	321,446	930,047	Macy's, Sears, Best Buy, T.J. Maxx N More, Best Buy, Old Navy, Dick's Sporting Goods
140.	St. Charles Towne Center	MD	Waldorf (Washington, D.C.)	Fee	100.0%	Built 1990	94.0%	631,602	350,858	982,460	Macy's, Macy's Home Store, JCPenney, Sears, Kohl's, Dick Sporting Goods, Cineplex Odeon
141.	St. Johns Town Center	FL	Jacksonville	Fee	50.0%(4)	Built 2005	96.7%	653,291	562,667	1,215,958	Dillard's, Target, Ashley Furniture Home Store, Barnes & Noble, Dick's Clothing & Sporting Goods, Ross Dress for Less, Staples, DSW, JoAnn Fabrics, PetsMart, Old Navy
142.	Stanford Shopping Center	CA	Palo Alto (San Francisco)	Ground Lease (2054)	100.0%	Acquired 2003	97.2%	849,153	528,696(18)	1,377,849	Neiman Marcus, Bloomingdale's, Nordstrom, Macy's, Macy's Mens Store
143.	Summit Mall	OH	Akron	Fee	100.0%	Built 1965	90.9%	432,936	322,443	755,379	Dillard's Women's & Children's, Dillard's Men's & Home, Macy's

144.	Sunland Park Mall	TX	El Paso	Fee	100.0%	Built 1988	96.2%	575,837	341,916	917,753	Macy's, Dillard's Women's & Children's, Dillard's Men's & Home, Mervyn's, Sears, AMC Theatres
145.	Tacoma Mall	WA	Tacoma (Seattle)	Fee	100.0%	Acquired 1987	95.1%	797,895	405,638	1,203,533	Nordstrom(6), Macy's, JCPenney, Sears, Davids Bridal
146.	Tippecanoe Mall	IN	Lafayette	Fee	100.0%	Built 1973	96.9%	537,790	323,516	861,306	Macy's, JCPenney, Sears, Kohl's, Dick's Sporting Goods, H.H. Gregg
147.	Town Center at Aurora	CO	Aurora (Denver)	Fee	100.0%	Acquired 1998	88.2%	682,169	402,314	1,084,483	Macy's, Dillard's, JCPenney, Sears, Century Theatres
148.	Town Center at Boca Raton	FL	Boca Raton (Miami-Fort Lauderdale)	Fee	100.0%	Acquired 1998	95.4%	1,085,312	539,482	1,624,794	Saks Fifth Avenue, Neiman Marcus, Bloomingdale's, Nordstrom, Macy's, Sears, Crate & Barrel
149.	Town Center at Cobb	GA	Kennesaw (Atlanta)	Fee	75.0%	Acquired 1998	95.4%	866,381	406,582	1,272,963	Belk, Macy's, JCPenney, Sears, Macy's Furniture
150.	Towne East Square	KS	Wichita	Fee	100.0%	Built 1975	91.7%	779,490	357,126	1,136,616	Dillard's, Von Maur, JCPenney, Sears
151.	Towne West Square	KS	Wichita	Fee	100.0%	Built 1980	77.9%	619,269	333,162	952,431	Dillard's Women's & Home, Dillard's Men's & Children, JCPenney, Sears, Dick's Sporting Goods, The Movie Machine
152.	Treasure Coast Square	FL	Jensen Beach	Fee	100.0%	Built 1987	97.8%	511,372	348,748	860,120	Macy's, Dillard's, JCPenney, Sears, Borders Books & Music, Regal Cinema
153.	Tyrone Square	FL	St. Petersburg (Tampa-St. Pete)	Fee	100.0%	Built 1972	100.0%	725,298	370,820	1,096,118	Macy's, Dillard's, JCPenney, Sears, Borders Books & Music, Old Navy, AMC Theatres

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154.	University Mall	FL	Pensacola	Fee	100.0%	Acquired 1994	73.5%	478,449	230,657	709,106	JCPenney, Sears, Belk, University Dollar Movies
155.	University Park Mall	IN	Mishawaka (South Bend)	Fee	100.0%	Built 1979	97.2%	499,876	319,992	819,868	Macy's, JCPenney, Sears, Barnes & Noble(6)
156.	Upper Valley Mall	OH	Springfield (Dayton —Springfield)	Fee	100.0%	Built 1971	89.6%	479,418	249,495	728,913	Macy's, JCPenney, Sears, Elder-Beerman, Steve & Bary's, MC Sporting Goods(6), Chakeres Theatres
157.	Valle Vista Mall	TX	Harlingen	Fee	100.0%	Built 1983	80.3%	389,781	240,508	630,289	Dillard's, JCPenney, Mervyn's, Sears, Marshalls, Steve & Barry's, Circuit City(6)
158.	Valley Mall	VA	Harrisonburg	Fee	50.0%(4)	Acquired 1998	86.9%	315,078	190,714	505,792	JCPenney, Belk, Target, Old Navy,(8)
159.	Virginia Center Commons	VA	Glen Allen (Richmond)	Fee	100.0%	Built 1991	98.0%	506,639	280,803	787,442	Macy's, Dillard's Men's, Dillard's Women's, Children's & Home, JCPenney, Sears
160.	Walt Whitman Mall	NY	Huntington Station (New York)	Ground Lease (2012)	100.0%	Acquired 1998	99.2%	742,214	287,011	1,029,225	Saks Fifth Avenue, Bloomingdale's, Lord & Taylor, Macy's
161.	Washington Square	IN	Indianapolis	Fee	100.0%	Built 1974	89.4%	616,109	347,185	963,294	Macy's(16), Sears, Target, Dick's Sporting Goods, Burlington Coat Factory, Steve & Barry's, Kerasotes Theatres
162.	West Ridge Mall	KS	Topeka	Fee	100.0%	Built 1988	90.7%	716,811	281,378	998,189	Macy's, Dillard's, JCPenney, Sears, Burlington Coat Factory, Hollywood Cinema
163.	West Town Mall	TN	Knoxville	Ground Lease (2042)	50.0%(4)	Acquired 1991	95.0%	878,311	451,685	1,329,996	Belk, Dillard's, JCPenney, Belk, Sears, Regal Cinema
164.	Westchester, The	NY	White Plains (New York)	Fee	40.0%(4)	Acquired 1997	98.5%	349,393	478,269(18)	827,662	Neiman Marcus, Nordstrom
165.	Westminster Mall	CA	Westminster (Los Angeles)	Fee	100.0%	Acquired 1998	92.0%	716,939	496,024	1,212,963	Macy's, JCPenney, Sears, Target
166.	White Oaks Mall	IL	Springfield	Fee	77.5%	Built 1977	89.5%	556,831	378,427	935,258	Macy's, Bergner's, Sears, Linens'n Things, Cost Plus World Market, Dick's Sporting Goods, Kerasotes Theatres
167.	Wolfchase Galleria	TN	Memphis	Fee	94.5%	Acquired 2002	98.1%	761,648	505,733	1,267,381	Macy's, Dillard's, JCPenney, Sears, Malco Theatres
168.	Woodland	OK	Tulsa	Fee	94.5%	Acquired	97.5%	706,159	392,529	1,098,688	Macy's, Dillard's,

Hills Mall	2002				JCPenney, Sears
Total Regional Mall GLA		**98,270,239**	**65,778,819**	**164,049,058**	

Simon Property Group, Inc. and Subsidiaries

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	Premium Outlet Centers										
1.	Albertville Premium Outlets	MN	Albertville (Minneapolis)	Fee	100.0%	Acquired 2004	98.9%	—	429,534	429,534	Banana Republic, Calvin Klein, Coach, Gap Outlet, Kenneth Cole, Lucky Brand Jeans, Nike, Polo Ralph Lauren, Tommy Hilfiger
2.	Allen Premium Outlets	TX	Allen (Dallas-Ft. Worth)	Fee	100.0%	Acquired 2004	100.0%	—	441,492	441,492	Ann Taylor, Brooks Brothers, Calvin Klein, Cole Haan, J.Crew, Kenneth Cole, Michael Kors, Neiman Marcus Last Call, Nike, Polo Ralph Lauren, Tommy Hilfiger
3.	Aurora Farms Premium Outlets	OH	Aurora (Cleveland)	Fee	100.0%	Acquired 2004	98.2%	—	300,218	300,218	Ann Taylor, Brooks Brothers, Calvin Klein, Coach, Gap Outlet, Liz Claiborne, Michael Kors, Nautica, Polo Ralph Lauren, Saks Fifth Avenue Off 5th,Tommy Hilfiger
4.	Camarillo Premium Outlets	CA	Camarillo	Fee	100.0%	Acquired 2004	100.0%	—	454,091	454,091	Ann Taylor, Banana Republic, Barneys New York, Coach, Diesel, Giorgio Armani, Hugo Boss, Kenneth Cole, Nike, Polo Ralph Lauren, Saks Fifth Avenue Off 5th, Sony
5.	Carlsbad Premium Outlets	CA	Carlsbad (San Diego)	Fee	100.0%	Acquired 2004	100.0%	—	287,931	287,931	Adidas, Banana Republic, Barneys New York, BCBG Max Azria, Calvin Klein, Coach, Gap Outlet, Guess, Kenneth Cole, Lacoste, Polo Ralph Lauren, Theory
6.	Carolina Premium Outlets	NC	Smithfield (Raleigh)	Ground Lease (2029)	100.0%	Acquired 2004	100.0%	—	439,445	439,445	Banana Republic, Brooks Brothers, Coach, Gap Outlet, Liz Claiborne, Nike, Polo Ralph Lauren, Timberland, Tommy Hilfiger
7.	Chicago Premium Outlets	IL	Aurora (Chicago)	Fee	100.0%	Built 2004	100.0%	—	437,800	437,800	Ann Taylor, Banana Republic, Calvin Klein, Coach, Diesel, Dooney & Bourke, Elie Tahari, Gap Outlet, Giorgio Armani, Kate Spade, Michael Kors, Polo Ralph Lauren, Salvatore Ferragamo, Sony
8.	Clinton Crossing Premium Outlets	CT	Clinton (New Haven)	Fee	100.0%	Acquired 2004	100.0%	—	276,163	276,163	Banana Republic, Barneys New York, Calvin Klein, Coach,

											Dooney & Bourke, Gap Outlet, Kenneth Cole, Liz Claiborne, Nike, Polo Ralph Lauren, Saks Fifth Avenue Off 5th
9.	Columbia Gorge Premium Outlets	OR	Troutdale (Portland)	Fee	100.0%	Acquired 2004	100.0%	—	163,815	163,815	Adidas, Bass, Carter's, Gap Outlet, Liz Claiborne, Samsonite, Van Heusen
10.	Desert Hills Premium Outlets	CA	Cabazon (Palm Springs)	Fee	100.0%	Acquired 2004	100.0%	—	498,838	498,838	Burberry, Coach, Dior, Giorgio Armani, Gucci, Nike, Polo Ralph Lauren, Saks Fifth Avenue Off 5th, Salvatore Ferragamo, Space (Prada, Miu Miu), Yves Saint Laurent Rive Gauche, Zegna
11.	Edinburgh Premium Outlets	IN	Edinburgh (Indianapolis)	Fee	100.0%	Acquired 2004	100.0%	—	377,772	377,772	Adidas, Ann Taylor, Anne Klein, Banana Republic, Calvin Klein, Coach, Gap Outlet, J.Crew, Nautica, Nike, Polo Ralph Lauren, Tommy Hilfiger

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

	Property Name	State	City (CBSA)	Ownership Interest (Expiration if Lease)(3)	Legal Ownership	Year Built or Acquired	Occupancy(5)	Gross Leasable Area Anchor	Gross Leasable Area Mall & Freestanding	Gross Leasable Area Total	Retail Anchors and Major Tenants
12.	Folsom Premium Outlets	CA	Folsom (Sacramento)	Fee	100.0%	Acquired 2004	99.7%	—	299,328	299,328	BCBG Max Azria, Bebe, Brooks Brothers, Calvin Klein, Coach, Gap Outlet, Guess, Kenneth Cole, Liz Claiborne, Nautica, Nike, Saks Fifth Avenue Off 5th
13.	Gilroy Premium Outlets	CA	Gilroy (San Jose)	Fee	100.0%	Acquired 2004	99.8%	—	577,305	577,305	Ann Taylor, Banana Republic, Brooks Brothers, Calvin Klein, Coach, J.Crew, Hugo Boss, Michael Kors, Nike, Polo Ralph Lauren, Sony, Timberland, Tommy Hilfiger
14.	Jackson Premium Outlets	NJ	Jackson	Fee	100.0%	Acquired 2004	100.0%	—	285,775	285,775	Banana Republic, Brooks Brothers, Calvin Klein, Gap Outlet, J.Crew, Liz Claiborne, Nike, Polo Ralph Lauren, Tommy Hilfiger
15.	Johnson Creek Premium Outlets	WI	Johnson Creek (Milwaukee)	Fee	100.0%	Acquired 2004	100.0%	—	277,585	277,585	Adidas, Banana Republic, Calvin Klein, Gap Outlet, Lands' End, Nike, Polo Ralph Lauren, Tommy Hilfiger
16.	Kittery Premium Outlets	ME	Kittery	Ground Lease (2009)	100.0%	Acquired 2004	100.0%	—	264,425	264,425	Anne Klein, Banana Republic, Calvin Klein, Coach, Gap Outlet, J.Crew, Polo Ralph Lauren, Puma, Reebok, Timberland, Tommy Hilfiger
17.	Las Americas Premium Outlets	CA	San Diego	Fee	100.0%	Acquired 2007	98.7%	—	525,298	525,298	Ann Taylor, Banana Republic, Calvin Klein, Coach, Gap Outlet, J.Crew, Kenneth Cole, Neiman Marcus Last Call, Nike, Polo Ralph Lauren
18.	Las Vegas Outlet Center	NV	Las Vegas	Fee	100.0%	Acquired 2004	100.0%	—	477,002	477,002	Adidas, Calvin Klein, Coach, Nautica, Nike, Reebok, Timberland, Tommy Hilfiger, VF Outlet
19.	Las Vegas Premium Outlets	NV	Las Vegas	Fee	100.0%	Built 2003	100.0%	—	434,978	434,978	A/X Armani Exchange, Ann Taylor, Banana

											Republic, Calvin Klein, Coach, Diesel, Dolce & Gabbana, Elie Tahari, Kenneth Cole, Lacoste, Polo Ralph Lauren
20.	Leesburg Corner Premium Outlets	V A	Leesburg (Washington D.C.)	Fee	100.0%	Acquired 2004	100.0%	—	463,288	463,288	Ann Taylor, Barneys New York, Burberry, Coach, Crate & Barrel, Kenneth Cole, Nike, Polo Ralph Lauren, Restoration Hardware, Saks Fifth Avenue Off 5th, Williams-Sonoma
21.	Liberty Village Premium Outlets	NJ	Flemington	Fee	100.0%	Acquired 2004	100.0%	—	173,067	173,067	Brooks Brothers, Calvin Klein, Cole Haan, J.Crew, Liz Claiborne, Michael Kors, Polo Ralph Lauren, Tommy Hilfiger
22.	Lighthouse Place Premium Outlets	IN	Michigan City	Fee	100.0%	Acquired 2004	99.4%	—	454,314	454,314	Ann Taylor, Banana Republic, Burberry, Coach, Coldwater Creek, Gap Outlet, J.Crew, Nike, Polo Ralph Lauren, Tommy Hilfiger
23.	Napa Premium Outlets	CA	Napa	Fee	100.0%	Acquired 2004	100.0%	—	179,348	179,348	Ann Taylor, Banana Republic, Barneys New York, Calvin Klein, Coach, Cole Haan, J.Crew, Kenneth Cole, Nautica, Tommy Hilfiger

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								Anchor	Mall & Freestanding	Total	
24.	North Georgia Premium Outlets	GA	Dawsonville (Atlanta)	Fee	100.0%	Acquired 2004	100.0%	—	539,757	539,757	Ann Taylor, Banana Republic, Calvin Klein, Coach, Hugo Boss, J.Crew, Nike, Polo Ralph Lauren, Restoration Hardware, Saks Fifth Avenue Off 5th, Williams-Sonoma
25.	Orlando Premium Outlets	FL	Orlando	Fee	100.0%	Acquired 2004	100.0%	—	435,695	435,695	Barneys New York, Burberry, Coach, Diesel, Dior, Fendi, Giorgio Armani, Hugo Boss, Lacoste, Nike, Polo Ralph Lauren, Salvatore Ferragamo, Theory
26.	Osage Beach Premium Outlets	MO	Osage Beach	Fee	100.0%	Acquired 2004	98.5%	—	391,435	391,435	Adidas, Brooks Brothers, Calvin Klein, Coach, Gap Outlet, Polo Ralph Lauren, Tommy Hilfiger
27.	Petaluma Village Premium Outlets	CA	Petaluma (Santa Rosa)	Fee	100.0%	Acquired 2004	100.0%	—	195,982	195,982	BCBG Max Azria, Banana Republic, Brooks Brothers, Coach, Gap Outlet, Nike, Puma, Saks Fifth Avenue Off 5th, Tommy Hilfiger
28.	Philadelphia Premium Outlets	PA	Limerick (Philadelphia)	Fee	100.0%	Built 2007	96.9%	—	425,242	425,242	Adidas, Ann Taylor, Banana Republic, Brooks Brothers, Calvin Klein, Coach, Elie Tahari, Gap Outlet, Guess, J.Crew, Michael Kors, Neiman Marcus Last Call, Nike, Puma, Sony, Tommy Hilfiger, Waterford Wedgwood
29.	Rio Grande Valley Premium Outlets	TX	Mercedes (McAllen)	Fee	100.0%	Built 2006	100.0%	—	403,207	403,207	Adidas, Ann Taylor, Banana Republic, BCBG Max Azria, Burberry, Calvin Klein, Coach, Gap Outlet, Guess, Nike, Sony, Tommy Hilfiger
30.	Round Rock Premium Outlets	TX	Round Rock (Austin)	Fee	100.0%	Built 2006	100.0%	—	431,621	431,621	Adidas, Ann Taylor, Banana Republic, Burberry, Calvin Klein, Coach, Gap Outlet, Michael Kors, Nike, Polo Ralph Lauren, Theory, Cinemark Theatres
31.	Seattle Premium Outlets	WA	Tulalip (Seattle)	Ground Lease (2035)	100.0%	Built 2005	100.0%	—	402,668	402,668	Adidas, Ann Taylor, Banana Republic, Burberry, Calvin Klein, Coach, Kenneth Cole, Nike, Polo Ralph Lauren, Restoration Hardware, Sony
32.	St. Augustine	FL	St. Augustine	Fee	100.0%	Acquired	99.4%	—	328,489	328,489	Banana Republic,

	Premium Outlets		(Jacksonsville)			2004					Brooks Brothers, Calvin Klein, Coach, Gap Outlet, J.Crew, Nike, Polo Ralph Lauren, Reebok, Tommy Bahama
33.	The Crossings Premium Outlets	PA	Tannersville	Fee and Ground Lease (2009)(7)	100.0%	Acquired 2004	100.0%	—	411,774	411,774	Ann Taylor, Banana Republic, Burberry, Calvin Klein, Coach, Coldwater Creek, J.Crew, Liz Claiborne, Nike, Polo Ralph Lauren, Reebok, Tommy Hilfiger
34.	Vacaville Premium Outlets	CA	Vacaville	Fee	100.0%	Acquired 2004	100.0%	—	442,041	442,041	Adidas, Ann Taylor, Banana Republic, Burberry, Calvin Klein, Coach, J.Crew, Nike, Polo Ralph Lauren, Restoration Hardware
35.	Waikele Premium Outlets	HI	Waipahu (Honolulu)	Fee	100.0%	Acquired 2004	100.0%	—	209,846	209,846	A/X Armani Exchange, Banana Republic, Barneys New York, Calvin Klein, Coach, Guess, Kenneth Cole, Polo Ralph Lauren, Saks Fifth Avenue Off 5th
36.	Waterloo Premium Outlets	NY	Waterloo	Fee	100.0%	Acquired 2004	100.0%	—	417,577	417,577	Adidas, Ann Taylor, Banana Republic, Brooks Brothers, Calvin Klein, Coach, Gap Outlet, J.Crew, Nike, Polo Ralph Lauren, Tommy Hilfiger, VF Outlet

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37.	Woodbury Common Premium Outlets	NY	Central Valley (New York)	Fee	100.0%	Acquired 2004	100.0%	—	844,246	844,246	Banana Republic, Burberry, Chanel, Coach, Dior, Dolce & Gabbana, Giorgio Armani, Gucci, Lacoste, Neiman Marcus Last Call, Nike, Polo Ralph Lauren, Saks Fifth Avenue Off 5th
38.	Wrentham Village Premium Outlets	MA	Wrentham (Boston)	Fee	100.0%	Acquired 2004	98.8%	—	615,713	615,713	Banana Republic, Barneys New York, Burberry, Coach, Hugo Boss, Kenneth Cole, Lacoste, Nike, Polo Ralph Lauren, Saks Fifth Avenue Off 5th, Salvatore Ferragmo, Sony, Williams-Sonoma
	Total U.S. Premium Outlet Centers GLA							—	15,014,105	15,014,105	
	Community/Lifestyle Centers										
1.	Arboretum at Great Hills	TX	Austin	Fee	100.0%	Acquired 1998	90.8%	35,773	167,452	203,225	Barnes & Noble
2.	Bloomingdale Court	IL	Bloomingdale (Chicago)	Fee	100.0%	Built 1987	96.5%	467,513	162,846	630,359	Best Buy, T.J. Maxx N More, Office Max, Old Navy, Linens 'n Things, Wal-Mart, Circuit City, Dick's Sporting Goods, Jo-Ann Fabrics
3.	Brightwood Plaza	IN	Indianapolis	Fee	100.0%	Built 1965	100.0%	20,450	18,043	38,493	
4.	Charles Towne Square	SC	Charleston	Fee	100.0%	Built 1976	100.0%	71,794	—	71,794	Regal Cinema
5.	Chesapeake Center	VA	Chesapeake (Virginia Beach-Norfolk)	Fee	100.0%	Built 1989	98.3%	213,651	92,284	305,935	K-Mart, Movies 10, Petsmart, Michaels, Value City Furniture
6.	Clay Terrace	IN	Carmel (Indianapolis)	Fee	50.0%(4)(18)	Built 2004	94.7%	161,281	337,218	498,499	Dick's Sporting Goods, Wild Oats Natural Marketplace, DSW, Circuit City Superstore
7.	Cobblestone Court	NY	Victor (Rochester)	Fee and Ground Lease (2038)(7)	35.0%(4)(13)	Built 1993	99.4%	206,680	58,781	265,461	Dick's Sporting Goods, Kmart, Office Max
8.	Countryside Plaza	IL	Countryside (Chicago)	Fee	100.0%	Built 1977	76.2%	327,418	76,338	403,756	Best Buy, Home Depot, PetsMart, Jo-Ann Fabrics, Office Depot, Value City Furniture
9.	Crystal Court	IL	Crystal Lake (Chicago)	Fee	35.0%(4)(13)	Built 1989	66.5%	201,993	76,977	278,970	JCPenney(6),(8)
10.	Dare Centre	NC	Kill Devil Hills	Ground Lease (2058)	100.0%	Acquired 2004	98.7%	134,320	34,518	168,838	Belk, Food Lion
11.	DeKalb Plaza	PA	King of Prussia (Philadelphia)	Fee	50.3%(15)	Acquired 2003	97.5%	81,368	20,374	101,742	Lane Home Furnishings, ACME Grocery
12.	Eastland Convenience	IN	Evansville	Ground Lease (2075)	50.0%(4)	Acquired 1998	96.1%	161,849	13,790	175,639	Marshalls, Toys 'R Us, Bed Bath &

	Center										Beyond
13.	Eastland Plaza	OK	Tulsa	Fee	100.0%	Built 1986	56.0%	152,451	37,810	190,261	Marshalls, Toys 'R Us,(8)(17)
14.	Empire East(1)	SD	Sioux Falls	Fee	50.0%(4)	Acquired 1998	98.1%	275,089	22,189	297,278	Kohl's, Target, Bed Bath & Beyond
15.	Fairfax Court	VA	Fairfax (Washington, D.C.)	Fee	41.3%(4)(13)	Built 1992	100.0%	169,043	80,615	249,658	Burlington Coat Factory, Circuit City Superstore, Offenbacher's
16.	Forest Plaza	IL	Rockford	Fee	100.0%	Built 1985	100.0%	270,840	89,528	360,368	Kohl's, Marshalls, Michael's, Factory Card Outlet, Office Max, T.J. Maxx, Bed Bath & Beyond, Petco, Babies R' Us, Toys R' Us(6),(8)
17.	Gaitway Plaza	FL	Ocala	Fee	23.3%(4)(13)	Built 1989	97.2%	123,027	85,713	208,740	Books-A-Million, Office Depot, T.J. Maxx, Ross Dress for Less, Bed Bath & Beyond

Simon Property Group, Inc. and Subsidiaries

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18.	Gateway Shopping Centers	TX	Austin	Fee	95.0%	2004	98.8%	396,494	115,870	512,364	Star Furniture, Best Buy, Linens 'n Things, Recreational Equipment, Inc., Whole Foods, Crate & Barrel, The Container Store, Old Navy, Regal Cinema,(17)
19.	Great Lakes Plaza	OH	Mentor (Cleveland)	Fee	100.0%	Built 1976	100.0%	159,194	4,910	164,104	Circuit City, Michael's, Best Buy, Cost Plus World Market, Linens 'n Things
20.	Greenwood Plus	IN	Greenwood (Indianapolis)	Fee	100.0%	Built 1979	100.0%	134,141	21,178	155,319	Best Buy, Kohl's
21.	Henderson Square	PA	King of Prussia (Philadelphia)	Fee	76.0%	Acquired 2003	100.0%	72,683	34,690	107,373	Staples, Genuardi's Family Market
22.	Highland Lakes Center	FL	Orlando	Fee	100.0%(15)	Built 1991	79.2%	352,405	140,871	493,276	Marshalls, Bed Bath & Beyond, American Signature Furniture, Save-Rite Supermarkets, Ross Dress for Less, Office Max, Burlington Coat Factory, K&G Menswear,(8)
23.	Indian River Commons	FL	Vero Beach	Fee	50.0%	Built 1997	100.0%	233,358	22,524	255,882	Lowe's, Best Buy, Ross Dress for Less, Bed Bath & Beyond, Michael's
24.	Ingram Plaza	TX	San Antonio	Fee	100.0%	Built 1980	100.0%	52,231	59,287	111,518	Sheplers, Macy's Home Store, Mervyn's
25.	Keystone Shoppes	IN	Indianapolis	Ground Lease (2067)	100.0%	Acquired 1997	100.0%	—	29,140	29,140	
26.	Knoxville Commons	TN	Knoxville	Fee	100.0%	Built 1987	100.0%	171,563	8,900	180,463	Office Max,(8)(17)
27.	Lake Plaza	IL	Waukegan (Chicago)	Fee	100.0%	Built 1986	96.3%	170,789	44,673	215,462	Home Owners Bargain Outlet,(8)
28.	Lake View Plaza	IL	Orland Park (Chicago)	Fee	100.0%	Built 1986	93.6%	261,856	109,396	371,252	Factory Card Outlet, Linens 'n Things, Best Buy, Petco, Jo-Ann Fabrics, Golf Galaxy, Value City Furniture, Loehmann's
29.	Lakeline Plaza	TX	Cedar Park (Austin)	Fee	100.0%	Built 1998	98.5%	307,966	79,479	387,445	Linens 'n Things, T.J. Maxx, Old Navy, Best Buy, Ross Dress for Less, Office Max, PetsMart, Party City, Cost Plus World Market, Toys 'R Us
30.	Lima Center	OH	Lima	Fee	100.0%	Built 1978	89.0%	189,584	47,294	236,878	Kohl's, Hobby Lobby, T.J. Maxx
31.	Lincoln Crossing	IL	O'Fallon (St. Louis)	Fee	100.0%	Built 1990	100.0%	229,820	13,446	243,266	Wal-Mart, PetsMart, The Home Depot
32.	Lincoln Plaza	PA	King of Prussia (Philadelphia)	Fee	63.2%(15)	Acquired 2003	100.0%	251,224	16,007	267,231	Burlington Coat Factory, Circuit City, Lane Home Furnishings, AC Moore, Michaels, T.J. Maxx, Home Goods
33.	MacGregor Village	NC	Cary (Raleigh)	Fee	100.0%	Acquired 2004	80.4%	—	144,997	144,997	Spa Health Club, Tuesday Morning
34.	Mall of Georgia	GA	Buford (Atlanta)	Fee	100.0%	Built 1999	98.7%	341,503	99,109	440,612	Best Buy, American

	Crossing										Signature Furniture, T.J. Maxx, Nordstrom Rack, Staples, Target
35.	Markland Plaza	IN	Kokomo	Fee	100.0%	Built 1974	100.0%	49,051	41,476	90,527	Best Buy, Bed Bath & Beyond
36.	Martinsville Plaza	VA	Martinsville	Space Lease (2046)	100.0%	Built 1967	97.1%	88,470	13,635	102,105	Rose's

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37.	Matteson Plaza	IL	Matteson (Chicago)	Fee	100.0%	Built 1988	87.1%	230,885	40,070	270,955	Michael's, Dominick's, Value City Department Store,(8)
38.	Muncie Plaza	IN	Muncie	Fee	100.0%	Built 1998	98.6%	271,626	27,195	298,821	Kohl's, Target, Shoe Carnival, T.J. Maxx, MC Sporting Goods, Kerasotes Theatres
39.	New Castle Plaza	IN	New Castle	Fee	100.0%	Built 1966	83.6%	24,912	66,736	91,648	Goody's, Jo-Ann Fabrics
40.	North Ridge Plaza	IL	Joliet (Chicago)	Fee	100.0%	Built 1985	99.3%	190,323	114,747	305,070	Hobby Lobby, Office Max, Fun In Motion, Minnesota Fabrics, Burlington Coat Factory
41.	North Ridge Shopping Center	NC	Raleigh	Fee	100.0%	Acquired 2004	99.6%	43,247	123,308	166,555	Ace Hardware, Kerr Drugs, Harris-Teeter Grocery
42.	Northwood Plaza	IN	Fort Wayne	Fee	100.0%	Built 1974	78.8%	136,404	71,841	208,245	Target, Cinema Grill
43.	Palms Crossing	TX	McAllen	Fee	100.0%	Built 2007	99.5%	199,021	59,025	258,046	Bealls, DSW, Barnes & Noble, Babies 'R Us, Sports Authority, Guitar Center, Cavendar's Boot City, Best Buy(6), Ashley Furniture
44.	Park Plaza	KY	Hopkinsville	Fee	100.0%	Built 1968	96.6%	82,398	32,526	114,924	Big Lots, Peddler's Mall
45.	Plaza at Buckland Hills, The	CT	Manchester (Hartford)	Fee	35.0%(4)(13)	Built 1993	97.1%	252,179	82,214	334,393	Linens 'n Things, Jo-Ann Fabrics, Party City, The Maytag Store, Toys 'R Us, Michaels, PetsMart,(17)
46.	Regency Plaza	MO	St. Charles (St. Louis)	Fee	100.0%	Built 1988	95.5%	235,642	51,831	287,473	Wal-Mart, Sam's Wholesale Club
47.	Ridgewood Court	MS	Jackson	Fee	35.0%(4)(13)	Built 1993	96.9%	185,939	54,732	240,671	T.J. Maxx, Lifeway Christian Bookstore, Bed Bath & Beyond, Best Buy, Michaels, Marshalls
48.	Rockaway Convenience Center	NJ	Rockaway (New York)	Fee	100.0%	Acquired 1998	90.9%	99,556	50,086	149,642	Best Buy, Acme, Office Depot
49.	Rockaway Plaza	NJ	Rockaway (New York)	Fee	100.0%	Acquired 1998	100.0%	407,501	51,327	458,828	Target, Pier 1 Imports, PetsMart, Dick's Sporting Goods, AMC Theatres
50.	Royal Eagle Plaza	FL	Coral Springs (Miami-Ft. Lauderale)	Fee	35.0%(4)(13)	Built 1989	100.0%	124,479	74,830	199,309	K Mart, Stein Mart
51.	Shops at Arbor Walk, The	TX	Austin	Ground Lease (2055)	100.0%	Built 2006	97.1%	199,921	231,656	431,577	Home Depot, Marshall's, DSW, Golf Galaxy, Jo-Ann Fabrics, Circuit City
52.	Shops at North East Mall, The	TX	Hurst (Dallas-Ft. Worth)	Fee	100.0%	Built 1999	98.2%	265,595	99,148	364,743	Michael's, PetsMart, Old Navy, Pier 1 Imports, T.J. Maxx, Bed Bath & Beyond,

											Best Buy, Barnes & Noble(6)
53.	St. Charles Towne Plaza	MD	Waldorf (Washington, D.C.)	Fee	100.0%	Built 1987	72.2%	286,306	108,826	395,132	Jo-Ann Fabrics, K & G Menswear, CVS, Shoppers Food Warehouse, Dollar Tree, Value City Furniture, Gallo,(8)
54.	Teal Plaza	IN	Lafayette	Fee	100.0%	Built 1962	43.4%	98,337	2,750	101,087	Circuit City, Pep Boys
55.	Terrace at the Florida Mall	FL	Orlando	Fee	100.0%	Built 1989	93.2%	289,252	57,441	346,693	Marshalls, American Signature Furniture, Global Import, Target, Bed Bath & Beyond,(8)

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56.	Tippecanoe Plaza	IN	Lafayette	Fee	100.0%	Built 1974	100.0%	85,811	4,711	90,522	Best Buy, Barnes & Noble
57.	University Center	IN	Mishawaka (South Bend)	Fee	100.0%	Built 1980	87.7%	104,347	46,177	150,524	Michael's, Best Buy, Linens 'n Things
58.	Village Park Plaza	IN	Carmel (Indianapolis)	Fee	35.0%(4)(13)	Built 1990	98.2%	414,593	134,982	549,575	Bed Bath & Beyond, Ashley Furniture HomeStore, Kohl's, Wal-Mart, Marsh, Menards, Regal Cinema
59.	Washington Plaza	IN	Indianapolis	Fee	100.0%	Built 1976	100.0%	21,500	28,607	50,107	
60.	Waterford Lakes Town Center	FL	Orlando	Fee	100.0%	Built 1999	99.5%	622,244	329,625	951,869	Ross Dress for Less, T.J. Maxx, Bed Bath & Beyond, Old Navy, Barnes & Noble, Best Buy, Jo-Ann Fabrics, Office Max, PetsMart, Target, Ashley Furniture HomeStore, L.A. Fitness, Regal Cinema
61.	West Ridge Plaza	KS	Topeka	Fee	100.0%	Built 1988	89.5%	182,161	71,459	253,620	Famous Footwear, T.J. Maxx, Toys 'R Us, Target
62.	West Town Corners	FL	Altamonte Springs (Orlando)	Fee	23.3%(4)(13)	Built 1989	98.2%	263,782	121,477	385,259	Sports Authority, PetsMart, Winn-Dixie Marketplace, American Signature Furniture, Wal-Mart
63.	Westland Park Plaza	FL	Orange Park (Jacksonville)	Fee	23.3%(4)(13)	Built 1989	97.2%	123,548	39,606	163,154	Sports Authority, PetsMart, Burlington Coat Factory
64.	White Oaks Plaza	IL	Springfield	Fee	100.0%	Built 1986	98.9%	275,703	115,723	391,426	T.J. Maxx, Office Max, Kohl's Babies 'R Us, Kids 'R Us, Country Market
65.	Whitehall Mall	PA	Whitehall	Fee	38.0%(15)(4)	Acquired 2003	90.5%	493,475	94,647	588,122	Sears, Kohl's, Bed Bath & Beyond, Borders Books & Music, Gold's Gym
66.	Willow Knolls Court	IL	Peoria	Fee	35.0%(4)(13)	Built 1990	99.7%	341,328	41,049	382,377	Burlington Coat Factory, Kohl's, Sam's Wholesale Club, Willow Knolls 14
67.	Wolf Ranch	TX	Georgetown (Austin)	Fee	100.0%	Built 2005	81.4%	395,071	219,614	614,685	Kohl's, Target, Linens 'n Things, Michaels, Best Buy, Office Depot, Old Navy, Pier 1 Imports, PetsMart, T.J. Maxx, DSW
	Total Community/Lifestyle Center GLA							**13,483,958**	5,069,324	18,553,282	

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

	Property Name	State	City (CBSA)	Ownership Interest (Expiration if Lease)(3)	Legal Ownership	Year Built or Acquired	Occupancy(5)	Gross Leasable Area: Anchor	Gross Leasable Area: Mall & Freestanding	Gross Leasable Area: Total	Retail Anchors and Major Tenants
	Other Properties										
1.	Crossville Outlet Center	TN	Crossville	Fee	100.0%	Acquired 2004	100.0%	—	151,256	151,256	Bass, Dressbarn, Kasper, L'eggs Hanes Bali Playtex, Liz Claiborne, Rack Room Shoes, Van Heusen, VF Outlet
2.	Factory Merchants Branson	MO	Branson	Ground Lease (2021)	100.0%	Acquired 2004	78.2%	—	269,307	269,307	Carter's, Crocs, Izod, Jones New York, Pendleton, Reebok, Tuesday Morning
3.	Factory Stores of America-Boaz	AL	Boaz	Ground Lease (2012)	100.0%	Acquired 2004	81.6%	—	111,909	111,909	Banister/Easy Spirit, Bon Worth, VF Outlet
4.	Factory Stores of America-Georgetown	KY	Georgetown	Fee	100.0%	Acquired 2004	97.7%	—	176,615	176,615	Bass, Dressbarn, Van Heusen
5.	Factory Stores of America-Graceville	FL	Graceville	Fee	100.0%	Acquired 2004	100.0%	—	83,962	83,962	Factory Brand Shoes, Van Heusen, VF Outlet
6.	Factory Stores of America-Lebanon	MO	Lebanon	Fee	100.0%	Acquired 2004	100.0%	—	86,249	86,249	Dressbarn, Van Heusen, VF Outlet
7.	Factory Stores of America-Nebraska City	NE	Nebraska City	Fee	100.0%	Acquired 2004	97.8%	—	89,646	89,646	Bass, Dressbarn, VF Outlet
8.	Factory Stores of America-Story City	IA	Story City	Fee	100.0%	Acquired 2004	85.3%	—	112,405	112,405	Dressbarn, Factory Brand Shoes, Van Heusen, VF Outlet
9.	Factory Stores of North Bend	WA	North Bend	Fee	100.0%	Acquired 2004	100.0%	—	223,402	223,402	Adidas, Bass, Carter's, Coach, Gap Outlet, Izod, Nike, Nine West, Samsonite, Van Heusen, VF Outlet
10.	The Factory Shoppes at Branson Meadows	MO	Branson	Ground Lease (2021)	100.0%	Acquired 2004	88.0%	—	286,924	286,924	Branson Meadows Cinemas, Dressbarn, VF Outlet
	Total Other GLA							—	1,591,675	1,591,675	

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

	Property Name	State	City (CBSA)	Ownership Interest (Expiration if Lease)(3)	Legal Ownership	Year Built or Acquired	Occupancy(5)	Gross Leasable Area Anchor	Gross Leasable Area Mall & Freestanding	Gross Leasable Area Total	Retail Anchors and Major Tenants
	Mills Properties										
	The Mills®										
1.	Arizona Mills	AZ	Tempe (Phoenix)	Fee	25.0%	Acquired 2007	97.8%	594,294	657,941	1,252,235	Marshalls, Last Call Nieman Marcus, Off 5th Saks Fifth Avenue, Linens N Things, Burlington Coat Factory, Sears Appliance Outlet, Gameworks, Sports Authority, Ross Dress for Less, JCPenney Outlet, Group USA, Virgin Megastore, Hi-Health, Harkins Cinemas, IMAX Theatre
2.	Arundel Mills	MD	Hanover (Baltimore)	Fee	29.6%(2)	Acquired 2007	99.2%	669,935	619,767	1,289,702	Bass Pro Shops, Bed Bath & Beyond, Best Buy, Books-A-Million, Burlington Coat Factory, The Children's Place, Dave & Buster's, F.Y.E., H&M, Modell's, Neiman Marcus Last Call, OFF 5TH Saks Fifth Avenue Outlet, Off Broadway Shoe Warehouse, Old Navy, T.J. MAXX, Muvico Theatres
3.	Cincinnati Mills	OH	Cincinnati	Fee	50.0%	Acquired 2007	77.8%	931,475	510,696	1,442,171	Bass Pro Shops, OFF 5th Saks Fifth Avenue Outlet, Burlington Coat Factory, Kohl's, Wonderpark, Steve & Barry's University Sportswear, Urban Behavior, Bigg's, Guitar Center, Berean Christian Store, Babies 'R' Us, Metropolis, Showcase Cinemas, Danbarry Cinemas
4.	Colorado Mills	CO	Lakewood (Denver)	Fee	18.8%(2)	Acquired 2007	82.1%	452,746	650,246	1,102,992	Borders Books Music Café, Eddie Bauer Outlet, Last Call Clearance Center from Neiman Marcus, Off Broadway Shoe Warehouse, OFF 5TH Saks Fifth Avenue Outlet, Sports Authority, United Artists Theatre, Steve & Barry's(5)
5.	Concord Mills	NC	Concord (Charlotte)	Fee	29.6%(2)	Acquired 2007	97.0%	659,384	694,140	1,353,524	Bass Pro Shops Outdoor World, Burlington Coat Factory, Off 5th Saks Fifth Avenue, FYE, The Children's Place Outlet, Blacklion, Dave & Buster's, NIKE, TJ Maxx, Group USA, Sun & Ski, Books-a-Million,

											AC Moore, Old Navy, Bed Bath & Beyond, Circuit City, NASCAR Speedpark, AMC Theatres
6.	Discover Mills	GA	Lawrenceville (Atlanta)	Fee	25.0%(2)	Acquired 2007	96.3%	594,140	589,249	1,183,389	Bass Pro Shops, Books-A-Million, Burlington Coat Factory, Lunar Golf, Neiman Marcus Last Call, Medieval Times, Off 5th Saks Fifth Avenue Outlet, Off Broadway Shoe Warehouse, ROSS Dress for Less, Sears Appliance Outlet, Sun & Ski Sports, Urban Behavior, Woodward Skatepark of Atlanta, Dave & Buster's, Steve & Barry's, AMC Theatres

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

	Property Name	State	City (CBSA)	Ownership Interest (Expiration if Lease)(3)	Legal Ownership	Year Built or Acquired	Occupancy(5)	Gross Leasable Area			Retail Anchors and Major Tenants
								Anchor	Mall & Freestanding	Total	
7.	Franklin Mills	PA	Philadelphia	Fee	50.0%	Acquired 2007	87.8%	818,295	924,917	1,743,212	Dave & Buster's, JC Penney Outlet Store, Burlington Coat Factory, Marshalls HomeGoods, Steve & Barry's, Modell's Sporting Goods, Group USA, Bed Bath & Beyond, Sam Ash Music, Off 5th Saks Fifth Avenue, Last Call Neiman Marcus, Sears Appliance Outlet, H&M, Woodward Skatepark, AMC Theatres
8.	Grapevine Mills	TX	Grapevine (Dallas-Ft. Worth)	Fee	29.6%(2)	Acquired 2007	95.8%	803,372	974,691	1,778,063	Bed, Bath & Beyond, Books-A-Million, Burlington Coat Factory, The Children's Place, Dr. Pepper STARSCENTER, Forever 21, Group USA—The Clothing Co. JCPenney Outlet, Last Call Neiman Marcus, Marshalls, NIKE, OFF 5th Saks Fifth Avenue, Old Navy, Sears, Steve & Barry's, Sun & Ski Sports, Virgin Megastore, Western Warehouse, Woodward Skatepark, Gameworks, AMC Theatres
9.	Great Mall of the Bay Area	CA	Milpitas (San Jose)	Fee	24.5%(2)	Acquired 2007	93.6%	657,506	721,172	1,378,678	Last Call Nieman Marcus, Sports Authority, Group USA, Old Navy, Kohl's, Dave & Busters, Sears Appliance Outlet, Burlington Coat Factory, Marshalls, Off 5th Saks Fifth Avenue, NIKE, Steve & Barry's(5), Century Theatres,(8)
10.	Gurnee Mills	IL	Gurnee (Chicago)	Fee	50.0%	Acquired 2007	97.0%	952,662	863,966	1,816,628	Bass Pro Shops Outdoor World, Bed Bath & Beyond, Burlington Coat Factory, Circuit City, H & M, JCPenny Outlet Store, Kohl's, Marshall's Home Goods, Off 5th—Saks Fifth Avenue Outlet, Rink Side Sports, Sears Grand, The Sports Authority, TJ Maxx, Value City, VF

											Outlet, AMC Theatres
11.	Katy Mills	TX	Katy (Houston)	Fee	31.3%(2)	Acquired 2007	90.7%	581,053	1,006,847	1,587,900	Bass Pro Shops Outdoor World, Bed Bath and Beyond, Books-A-Million, Burlington Coat Factory, F.Y.E.-For Your Entertainment, Marshalls, Neiman Marcus Last Call Clearance Center, Off 5th Saks Fifth Avenue Outlet, Steve and Barry's, Sun & Ski Sports, American Theatres, Circuit City(6)
12.	Ontario Mills	CA	Ontario	Fee	25.0%	Acquired 2007	94.5%	809,476	672,834	1,482,310	Burlington Coat Factory, Totally for Kids, NIKE, Gameworks, The Children's Place Outlet, Cost Plus World Market, Marshalls, JCPenney Outlet, Off 5th Saks Fifth Avenue Outlet, Bed Bath & Beyond, Nordstrom Rack, Steve & Barry's, Dave & Busters, Virgin Megastore, Group USA, Sam Ash Music, Off Broadway Shoes, AMC Theatres,(8)

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

	Property Name	State	City (CBSA)	Ownership Interest (Expiration if Lease)(3)	Legal Ownership	Year Built or Acquired	Occupancy(5)	Gross Leasable Area: Anchor	Gross Leasable Area: Mall & Freestanding	Gross Leasable Area: Total	Retail Anchors and Major Tenants
13.	Opry Mills	TN	Nashville	Fee	24.5%(2)	Acquired 2007	94.2%	531,676	625,555	1,157,231	Bass Pro Shops Outdoor World, Dave & Buster's, The Gibson Showcase, Bed Bath & Beyond, Off 5th Saks Fifth Avenue Outlet, Barnes & Noble Booksellers, Old Navy Clothing Co., Off Broadway Shoe Warehouse, Nike Factory Store, Sun & Ski Sports, BLACKLION, Regal Cinema, Forever(5)
14.	Potomac Mills	VA	Prince William (Washington, D.C.)	Fee	50.0%	Acquired 2007	96.9%	771,623	791,957	1,563,580	Group USA, Marshall's, TJ Maxx, Sears Appliance Outlet, Old Navy, JCPenney Outlet, Urban Behavior, Burlington Coat Factory, Off Broadway Shoe Warehouse, Nordstrom Rack and Off 5th Saks Fifth Avenue Outlet, Costco Warehouse, The Children's Place, AMC Theatres
15.	Sawgrass Mills	FL	Sunrise (Miami-Ft. Lauderdale)	Fee	50.0%	Acquired 2007	98.5%	959,158	1,292,910	2,252,068	American Signature Home, Beall's Outlet, Bed Bath & Beyond, Brandsmart USA, Burlington Coat Factory, Gameworks, JCPenny Outlet Store, Marshalls, Neiman Marcus Last Call Clearance Center, Nike Factory Store, Nordstrom Rack, Off 5th Saks Fifth Avenue Outlet, Ron Jon Surf Shop, The Sports Authority, Super Target, TJ Maxx, VF Factory Outlet, Wannado City, FYE, Off Broadway Shoes, Regal Cinema
16.	St. Louis Mills	MO	Hazelwood (St. Louis)	Fee	25.0%(2)	Acquired 2007	82.1%	681,219	510,447	1,191,666	Bed Bath & Beyond, Books-A-Million, Burlington Coat Factory, Cabela's, Circuit City, iceZONE, Marshalls MegaStore, NASCAR SpeedPark, Off Broadway Shoe Warehouse, Sears Appliance Outlet, The Children's Place

										Outlet, Regal Cinema
17.	The Block at Orange	CA	Orange (Los Angeles)	Fee	25.0%(2)	Acquired 2007	97.8%	307,795	410,986	718,781	Dave & Buster's, The Power House, Ron Jon Surf Shop, Vans Skatepark, Virgin Megastore, Steve & Barry's, Lucky Strike Lanes, Borders Books & Music, Hilo Hattie, Off 5th Saks Fifth Avenue, AMC Theatres
	Subtotal The Mills®							**11,775,809**	**12,518,321**	**24,294,130**	

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

	Property Name	State	City (CBSA)	Ownership Interest (Expiration if Lease)(3)	Legal Ownership	Year Built or Acquired	Occupancy(5)	Gross Leasable Area Anchor	Gross Leasable Area Mall & Freestanding	Gross Leasable Area Total	Retail Anchors and Major Tenants
	Mills Regional Malls										
18.	Briarwood Mall	MI	Ann Arbor	Fee	25.0%	Acquired 2007	94.2%	608,118	353,185	961,303	Macy's, JCPenney, Sears, Von Maur
19.	Del Amo Fashion Center	CA	Torrance (Los Angeles)	Fee	25.0%(2)	Acquired 2007	85.5%	1,341,701	1,057,981(18)	2,399,682	Macy's Men's, Macy's Women's, Macy's Home & Furnishings, JCPenney, Sears, Marshalls, T.J. Maxx, Barnes & Noble, JoAnn Fabrics, Crate & Barrel, L.A. Fitness, Burlington Coat Factory, AMC Theatres
20.	Dover Mall	DE	Dover	Fee	34.1%	Acquired 2007	98.3%	140,000	747,043	887,043	Macy's, JCPenney, Boscov's, Sears, Carmike Cinemas
21.	Esplanade, The	LA	Kenner (New Orleans)	Fee	50.0%	Acquired 2007	89.4%	544,140	352,940	897,080	Dillard's, Dillard's Men's, Macy's(6)(20)
22.	Falls, The	FL	Miami	Fee	25.0%	Acquired 2007	95.0%	455,000	352,654	807,654	Bloomingdale's, Macy's, Regal Cinema
23.	Galleria at White Plains, The	NY	White Plains (New York)	Fee	50.0%	Acquired 2007	83.8%	555,915	322,238	878,153	Macy's, Sears, H&M
24.	Hilltop Mall	CA	Richmond (San Francisco)	Fee	25.0%	Acquired 2007	84.3%	748,551	326,001	1,074,552	JCPenny, Sears, Macy's, Wal-Mart, Steve & Barry's(6)
25.	Lakeforest Mall	MD	Gaithersburg (Washington, D.C.)	Fee	25.0%	Acquired 2007	87.4%	639,289	398,608	1,037,897	Macy's, Lord & Taylor, JCPenney, Sears
26.	Mall at Tuttle Crossing, The	OH	Dublin (Columbus)	Fee	25.0%	Acquired 2007	93.3%	746,568	380,762	1,127,330	Macy's, Macy's, Sears, JCPenney
27.	Marley Station	MD	Glen Burnie (Baltimore)	Fee	25.0%	Acquired 2007	78.0%	735,682	333,901	1,069,583	Boscov's, Macy's, JCPenney, Sears, The Movies at Marley Station
28.	Meadowood Mall	NV	Reno	Fee	25.0%	Acquired 2007	91.0%	609,840	274,682	884,522	Macy's Men's, Macy's, Sears, and JCPenney
29.	Northpark Mall	MS	Ridgeland (Jackson)	Fee	50.0%	Acquired 2007	93.8%	646,725	311,610	958,335	Dillard's, JCPenney, Belk, United Artists Theatre
30.	Shops at Riverside, The	NJ	Hackensack (New York)	Fee	50.0%	Acquired 2007	87.4%	404,666	339,088	743,754	Bloomingdale's, Saks Fifth Avenue, Barnes & Noble
31.	Southdale Center	MN	Edina (Minneapolis)	Fee	50.0%	Acquired 2007	87.4%	817,320	525,191	1,342,511	Macy's, JCPenney, Marshall's, American Theatres(8)
32.	Southridge Mall	WI	Greendale (Milwaukee)	Fee	50.0%	Acquired 2007	88.3%	874,925	352,492	1,227,417	JC Penney, Sears, Kohl's, Boston Store, Steve & Barry's, Linens N Things, Cost Plus World Market, Carmike Cinemas(8)
33.	Stoneridge Mall	CA	Pleasanton (San Francisco)	Fee	25.0%	Acquired 2007	97.9%	841,454	459,265	1,300,719	Macy's Women's, Macy's Men's,

											Nordstrom, Sears, JCPenney
	Subtotal Mills Regional Malls							**10,709,894**	**6,887,641**	**17,597,535**	
	Mills Community Centers										
34.	Arundel Mills Marketplace	MD	Hanover (Baltimore)	Fee	29.6%(2)	Acquired 2007	100.0%	77,472	24,141	101,613	Circuit City, Michael's, Staples
35.	Concord Mills Marketplace	NC	Concord (Charlotte)	Fee	50.0%	Acquired 2007	100.0%	216,870	13,813	230,683	BJ's Wholesale Club, Garden Ridge
36.	Denver West Village	CO	Lakewood	Fee	18.8%	Acquired 2007	92.5%	202,306	107,790	310,096	Barnes & Noble, Bed Bath & Beyond, Office Max, Old Navy, Wild Oats, United Artists
37.	Liberty Plaza	PA	Philadelphia	Fee	50.0%	Acquired 2007	98.2%	319,255	52,211	371,466	Wal-Mart, Dick's Sporting Goods, Raymour & Flanigan, Super Fresh Food Market
	Subtotal Mills Community Centers							**815,903**	**197,955**	**1,013,858**	
	Total Mills Properties							**23,301,606**	**19,603,917**	**42,905,523**	
	Total U.S. Properties GLA							**135,055,803**	**107,057,840**	**242,113,643**	

Simon Property Group, Inc. and Subsidiaries

Property Table

U.S. Properties

	Property Name	State	City (CBSA)	Ownership Interest (Expiration if Lease)(3)	Legal Ownership	Year Built or Acquired	Occupancy(5)	Gross Leasable Area Anchor	Gross Leasable Area Mall & Freestanding	Gross Leasable Area Total	Retail Anchors and Major Tenants
	PROPERTIES UNDER CONSTRUCTION					**Expected Opening**					
1.	Pier Park	FL	Panama City Beach	Fee	100.0%	3/08					Dillard's, JCPenney, Target (open), Old Navy, Borders, Grand Theatres
2.	Hamilton Town Center	IN	Noblesville (Indianapolis)	Fee	50.0%	3/08					JCPenney (open), Borders, Dick's Sporting Goods, Old Navy, Steinmart, Bed Bath & Beyond, DSW, Ulta
3.	Houston Premium Outlets	TX	Houston	Fee	100.0%	3/08					Adidas, Banana Republic, Coach, Cole Haan, Elie Tahari, Juicy Couture, Michael Kors, Nike, True Religion, Tommy Hilfiger
4.	Jersey Shore Premium Outlets	NJ	Tinton Falls	Fee	100.0%	11/08					Brooks Brothers, Calvin Klein, Elie Tahari, Guess, J. Crew, Michael Kors, Theory, NIKE, Timberland, Tommy Hilfiger

FOOTNOTES:

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

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

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

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

(5) Regional Malls—Executed leases for all company-owned GLA in mall and freestanding stores, excluding majors. Premium Outlet Centers—Executed leases for all company-owned GLA (or total center GLA). Community Centers—Executed leases for all company-owned GLA including majors, mall stores and freestanding stores.

(6) Indicates anchor is currently under development.

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

(8) Indicates vacant anchor space(s).

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

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

(11) Indicates ground lease covers outparcel only.

(12) The Operating Partnership receives substantially all the economic benefit of the property due to a preference or advance.

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

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

(15) The Operating Partnership's indirect ownership interest is through an approximately 76% ownership interest in Kravco Simon Investments.

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

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

(18) Mall & Freestanding GLA includes office space as follows:

Arsenal Mall—105,807 sq. ft.
Century III Mall—35,929 sq. ft.
Circle Centre Mall—9,123 sq. ft.
Copley Place—856,586 sq. ft.
Fashion Centre at Pentagon City, The—169,089 sq. ft.
Fashion Mall at Keystone, The—10,927 sq. ft.
Firewheel Town Center—75,000 sq. ft.
Greendale Mall—119,860 sq. ft.
The Plaza & Court at King of Prussia—13,627 sq. ft.
Lehigh Valley Mall—11,754 sq. ft.
Lenox Square—2,674 sq. ft.
Menlo Park Mall—50,615 sq. ft.
Oak Court Mall—126,319 sq. ft.
Oxford Valley Mall—109,832 sq. ft.
Plaza Carolina—28,192 sq. ft.
River Oaks Center—118,311 sq. ft.
Roosevelt Field—1,610 sq. ft.
Stanford Shopping Center—5,748 sq. ft.
The Westchester—820 sq. ft.
Del Amo Fashion Center—113,000 sq. ft.

(19) Nordstrom to open stores in locations previously operated by others at Burlington Mall (2008), Ross Park Mall (2008), Fasion Mall at Keystone (2008), South Shore Plaza (2009), and Northshore Mall (2009).

(20) Vacant anchor store owned by another company

International Properties

Our interests in properties outside the United States are all owned through international joint venture arrangements.

European Investments

The following summarizes our joint venture investments in Europe and the underlying countries in which these joint ventures own and operate real estate properties as of December 31, 2007:

Joint Venture Investment	Ownership Interest	Properties open and operating	Countries of Operation
Gallerie Commerciali Italia, S.p.A., or GCI	49.0%	44	Italy
Simon Ivanhoe S.à.r.l., or Simon Ivanhoe	50.0%	7	France, Poland

In addition, we jointly hold with a third party an interest in one parcel of land for development near Paris, France outside of these two joint ventures. Simon Ivanhoe and its wholly-owned subsidiary are fully integrated European retail real estate developers, owners and managers.

Our properties in Europe consist primarily of hypermarket-anchored shopping centers. Substantially all of our European properties are anchored by either the hypermarket retailer Auchan, primarily in Italy, who is also our partner in GCI, or are anchored by the hypermarket Carrefour in France and Poland. Certain of the properties in Italy are subject to leaseholds whereby GCI leases all or a portion of the premises from a third party who is entitled to receive substantially all the economic benefits of that portion of the properties. Auchan and Carrefour are the two largest hypermarket operators in Europe.

Other International Investments

We also hold real estate interests in six joint ventures in Japan, one in Mexico, and one in South Korea. The six joint ventures in Japan operate Premium Outlet centers in various cities in Japan and are held in joint ventures with Mitsubishi Estate Co., Ltd. and Sojitz Corporation (formerly known as Nissho Iwai Corporation). These centers have over 1.6 million square feet of GLA and were all 100% leased as of December 31, 2007. They contain 600 stores with approximately 300 different tenants. The Premium Outlet center in Mexico is 88% leased as of December 31, 2007, and the Premium Outlet center in South Korea is 100% leased as of December 31, 2007.

The following summarizes these eight Premium Outlet centers in international joint ventures:

Joint Venture Investment Holdings	Ownership Interest
Gotemba Premium Outlets—Gotemba City (Tokyo), Japan	40.0%
Rinku Premium Outlets—Izumisano (Osaka), Japan	40.0%
Sano Premium Outlets—Sano (Tokyo), Japan	40.0%
Toki Premium Outlets—Toki (Nagoya), Japan	40.0%
Tosu Premium Outlets—Fukuoka (Kyushu), Japan	40.0%
Kobe-Sanda Premium Outlets—Kobe, Japan	40.0%
Punta Norte Premium Outlets—Mexico City, Mexico	50.0%
Yeoju Premium Outlets—Yeoju, South Korea	50.0%

We also have begun construction on Sendai Izumi Premium Outlets, a 172,000 square foot center located in Sendai, Japan. We have a 40% interest in this property consistent with the ownership structure of our other Japanese investments. Also, through a joint venture arrangement with MSREF and SZITIC CP, we have a 32.5% interest in five shopping centers that are under construction in China aggregating 2.5 million square feet of GLA.

The following property table summarizes certain data on our properties that are under operation in Europe, Japan, Mexico, and South Korea at December 31, 2007.

Simon Property Group, Inc. and Subsidiaries
International Property Table

	COUNTRY/Property Name	City (Metropolitan area)	Ownership Interest	SPG Effective Ownership	Year Built	Gross Leasable Area (1) Hypermarket/ Anchor (4)	Gross Leasable Area (1) Mall & Freestanding	Gross Leasable Area (1) Total	Retail Anchors and Major Tenants
	FRANCE								
1.	Bay 2	Torcy (Paris)	Fee	50.0%	2003	159,900	416,900	576,800	Carrefour, Leroy Merlin
2.	Bay 1	Torcy (Paris)	Fee	50.0%	2004	—	348,900	348,900	Conforama, Go Sport
3.	Bel'Est	Bagnolet (Paris)	Fee	17.5%	1992	109,800	63,300	173,100	Auchan
4.	Villabé A6	Villabé (Paris)	Fee	7.5%	1992	124,900	159,400	284,300	Carrefour
5.	Wasquehal	Wasquehal (Lille)	Fee	50.0%	2006	131,300	123,400	254,700	Carrefour
	Subtotal France					**525,900**	**1,111,900**	**1,637,800**	
	ITALY								
6.	Ancona — Senigallia	Senigallia (Ancona)	Fee	49.0%	1995	41,200	41,600	82,800	Cityper
7.	Ascoli Piceno — Grottammare	Grottammare (Ascoli Piceno)	Fee	49.0%	1995	38,900	55,900	94,800	Cityper
8.	Ascoli Piceno — Porto Sant'Elpidio	Porto Sant'Elpidio (Ascoli Piceno)	Fee	49.0%	1999	48,000	114,300	162,300	Cityper
9.	Bari — Casamassima	Casamassima (Bari)	Fee	49.0%	1995	159,000	388,800	547,800	Auchan, Coin, Eldo, Bata, Leroy Merlin, Decathlon
10.	Bari — Modugno	Modugno (Bari)	Fee	49.0%	2004	96,900	46,600	143,500	Auchan, euronics, Decathlon
11.	Brescia — Mazzano	Mazzano (Brescia)	Fee / Leasehold (2)	49.0%(2)	1994	103,300	127,400	230,700	Auchan, Bricocenter, Upim
12.	Brindisi-Mesagne	Mesagne (Brindisi)	Fee	49.0%	2003	88,000	140,600	228,600	Auchan
13.	Cagliari — Santa Gilla	Cagliari	Fee / Leasehold (2)	49.0%(2)	1992	75,900	114,800	190,700	Auchan, Bricocenter
14.	Catania — La Rena	Catania	Fee	49.0%	1998	124,100	22,100	146,200	Auchan
15.	Cinisello	Cinisello (Milano)	Fee	49.0%	2007	125,000	250,600	375,600	Auchan
16.	Cuneo	Cuneo (Torino)	Fee	49.0%	2004	80,700	201,500	282,200	Auchan, Bricocenter
17.	Giugliano	Giugliano (Napoli)	Fee	49.0%(5)	2006	130,000	624,500	754,500	Auchan
18.	Milano — Rescaldina	Rescaldina (Milano)	Fee	49.0%	2000	165,100	212,000	377,100	Auchan, Bricocenter, Decathlon, Media World
19.	Milano — Vimodrone	Vimodrone (Milano)	Fee	49.0%	1989	110,400	80,200	190,600	Auchan, Bricocenter
20.	Napoli — Pompei	Pompei (Napoli)	Fee	49.0%	1990	74,300	17,100	91,400	Auchan
21.	Nola — Volcano Buono	Nola (Napoli)	Fee	22.1%	2007	142,900	733,100	876,000	Auchan, Coin, Holiday Inn, Media World
22.	Padova	Padova	Fee	49.0%	1989	73,300	32,500	105,800	Auchan
23.	Palermo	Palermo	Fee	49.0%	1990	73,100	9,800	82,900	Auchan
24.	Pesaro — Fano	Fano (Pesaro)	Fee	49.0%	1994	56,300	56,000	112,300	Auchan
25.	Pescara	Pescara	Fee	49.0%	1998	96,300	65,200	161,500	Auchan
26.	Pescara — Cepagatti	Cepagatti (Pescara)	Fee	49.0%	2001	80,200	189,600	269,800	Auchan, Bata
27.	Piacenza — San Rocco al Porto	San Rocco al Porto (Piacenza)	Fee	49.0%	1992	104,500	74,700	179,200	Auchan, Darty
28.	Porta Di Roma	Roma	Fee	19.6%	2007	624,800	630,600	1,255,400	Auchan, Leroy Merlin, UGC Theatres, Ikea, Media World, Decathlon
29.	Roma — Collatina	Collatina (Roma)	Fee	49.0%	1999	59,500	4,100	63,600	Auchan
30.	Sassari — Predda Niedda	Predda Niedda (Sassari)	Fee / Leasehold (2)	49.0%(2)	1990	79,500	154,200	233,700	Auchan, Bricocenter
31.	Taranto	Taranto	Fee	49.0%	1997	75,200	126,500	201,700	Auchan, Bricocenter
32.	Torino	Torino	Fee	49.0%	1989	105,100	66,700	171,800	Auchan
33.	Torino — Venaria	Venaria (Torino)	Fee	49.0%	1982	101,600	64,000	165,600	Auchan, Bricocenter
34.	Venezia — Mestre	Mestre (Venezia)	Fee	49.0%	1995	114,100	132,600	246,700	Auchan
35.	Vicenza	Vicenza	Fee	49.0%	1995	78,400	20,100	98,500	Auchan
36.	Ancona	Ancona	Leasehold (3)	49.0%(3)	1993	82,900	82,300	165,200	Auchan
37.	Bergamo	Bergamo	Leasehold (3)	49.0%(3)	1976	103,000	16,900	119,900	Auchan
38.	Brescia — Concesio	Concesio (Brescia)	Leasehold (3)	49.0%(3)	1972	89,900	27,600	117,500	Auchan

	COUNTRY/Property Name	City (Metropolitan area)	Ownership Interest	SPG Effective Ownership	Year Built	Gross Leasable Area (1) Hypermarket/ Anchor (4)	Mall & Freestanding	Total	Retail Anchors and Major Tenants
	ITALY (continued)								
39.	Cagliari — Marconi	Cagliari	Leasehold (3)	49.0%(3)	1994	83,500	109,900	193,400	Auchan, Bricocenter, Bata
40.	Catania — Misterbianco	Misterbianco (Catania)	Leasehold (3)	49.0%(3)	1989	83,300	16,000	99,300	Auchan
41.	Merate — Lecco	Merate (Lecco)	Leasehold (3)	49.0%(3)	1976	73,500	88,500	162,000	Auchan, Bricocenter
42.	Milano — Cesano Boscone	Cesano Boscone (Milano)	Leasehold (3)	49.0%(3)	2005	163,800	120,100	283,900	Auchan
43.	Milano — Nerviano	Nerviano (Milano)	Leasehold (3)	49.0%(3)	1991	83,800	27,800	111,600	Auchan
44.	Napoli — Mugnano di Napoli	Mugnano di Napoli	Leasehold (3)	49.0%(3)	1992	98,000	94,900	192,900	Auchan, Bricocenter
45.	Olbia	Olbia	Leasehold (3)	49.0%(3)	1993	74,600	133,000	207,600	Auchan
46.	Roma — Casalbertone	Roma	Leasehold (3)	49.0%(3)	1998	62,700	84,900	147,600	Auchan
47.	Sassari — Centro Azuni	Sassari	Leasehold (3)	49.0%(3)	1995	—	35,600	35,600	
48.	Torino — Rivoli	Rivoli (Torino)	Leasehold (3)	49.0%(3)	1986	61,800	32,300	94,100	Auchan
49.	Verona — Bussolengo	Bussolengo (Verona)	Leasehold (3)	49.0%(3)	1975	89,300	75,300	164,600	Auchan, Bricocenter
	Subtotal Italy					**4,475,700**	**5,742,800**	**10,218,500** —	
	POLAND								
50.	Arkadia Shopping Center	Warsaw	Fee	50.0%	2004	202,200	900,800	1,103,000	Carrefour, Leroy Merlin, Media Saturn, Cinema City, H & M, Zara, Royal Collection, Peek & Clopperburg
51.	Wilenska Station Shopping Center	Warsaw	Fee	50.0%	2002	92,700	215,900	308,600	Carrefour
	Subtotal Poland		**Fee**			**294,900**	**1,116,700**	**1,411,600** —	
	JAPAN								
52.	Gotemba Premium Outlets	Gotemba City (Tokyo)	Fee	40.0%	2000	—	380,100	380,100	Bally, Coach, Diesel, Gap, Gucci, Jill Stuart, L.L. Bean, Nike, Tod's
53.	Kobe-Sanda Premium Outlets	Hyougo-ken (Osaka)	Ground Lease	40.0%	2007	—	193,500	193,500	BCBG, Bose, Coach, Cole Haan, Lego, Nike, Petit Bateau, Max Azria, Theory
54.	Rinku Premium Outlets	Izumisano (Osaka)	Ground Lease (2020)	40.0%	2000	—	320,600	320,600	Bally, Brooks Brothers, Coach, Eddie Bauer, Gap, Nautica, Nike, Timberland, Versace
55.	Sano Premium Outlets	Sano (Tokyo)	Ground Lease (2022)	40.0%	2003	—	316,500	316,500	Bally, Brooks Brothers, Coach, Nautica, New Yorker, Nine West, Timberland
56.	Toki Premium Outlets	Toki (Nagoya)	Ground Lease (2024)	40.0%	2005	—	230,300	230,300	Adidas, Brooks Brothers, Bruno Magli, Coach, Eddie Bauer, Furla, Nautica, Nike, Timberland, Versace
57.	Tosu Premium Outlets	Fukuoka (Kyushu)	Ground Lease (2023)	40.0%	2004	—	240,400	240,400	BCBG, Bose, Coach, Cole Haan, Lego, Nike, Petit Bateau, Max Azria, Theory
	Subtotal Japan					**—**	**1,681,400**	**1,681,400**	
	MEXICO								
54.	Punta Norte Premium Outlets	Mexico City	Fee	50.0%	2004	—	231,900	231,900	Christian Dior, Sony, Nautica, Levi's, Nike, Rockport, Reebok, Adidas, Samsonite
	Subtotal Mexico					**—**	**231,900**	**231,900**	
	SOUTH KOREA								
55.	Yeoju Premium Outlets	Yeoju	Fee	50.0%	2007	—	249,900	249,900	Armani, Burberry, Dunhill, Ermenegildo Zegna, Salvatore Ferragamo
	Subtotal South Korea					**—**	**249,900**	**249,900**	
	TOTAL INTERNATIONAL ASSETS					**5,296,500**	**10,134,600**	**15,431,100**	

FOOTNOTES:

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

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

(3) These properties are encumbered by a leasehold on the entire premises which entitles the lessor the majority of the economics of the property

(4) Represents the sales area of the anchor and excludes any warehouse/storage areas.

(5) On April 4, 2007, Gallerie Commerciali Italia (the Italian joint venture in which the Company owns a 49% interest) acquired the remaining 60% interest in the shopping gallery at this center, which consists of 177,600 square feet of leasable area. The Company owns a 19.6% interest in the retail parks at this center, which consist of 446,900 square feet of leasable area.

Land Held for Development

We have direct or indirect ownership interests in four parcels of land held in the United States for future development, containing an aggregate of approximately 300 acres located in three states.

Also, on December 28, 2005, we invested $50.0 million of equity for a 40% interest in a joint venture with Toll Brothers, Inc. and Meritage Homes Corp. to purchase a 5,485-acre land parcel in northwest Phoenix from DaimlerChrysler Corporation for $312 million. The principal use of the land upon attaining entitled status is the development of single-family homesites by our partners. As a result of the recent downturn in the residential market, during the fourth quarter of 2007 we recorded an impairment charge of $55.1 million, $35.6 million net of tax benefit, representing our entire investment in this joint venture entity, including interest capitalized on our invested equity.

Sustainability and Energy Efficiency

Due to the size of our portfolio, we focus on energy efficiency as a core sustainability strategy. Through the continued use of energy conservation practices, energy efficiency projects, and continuous monitoring and reporting, have reduced our energy consumption at comparable properties every year since 2003. As a result, the absolute corporate energy use for operations under our control (which excludes electricity consumed by our tenants) has decreased by 9.7% from 2003 to 2007. The 102 million kilowatt-hours decrease in energy use for this four-year period reduced related annual CO_2 emissions by over 67,932 tons. This is equivalent to the amount of carbon sequestered annually by 15,439 acres of pine or fir forests and to approximately $11.0 million in avoided annual operating costs.

We were awarded *NAREIT's Leader in the Light Gold Award* for the second year in a row and have been named 2008 *"Energy Partner of the Year*" by the United States Environmental Protection Agency (EPA). We were the first real estate company in the S&P 500 and the first retail property REIT to win this award.

Mortgage Financing on Properties

The following table sets forth certain information regarding the mortgages and other debt encumbering our properties and the properties held by our international joint venture arrangements. Substantially all of the mortgage and property related debt is nonrecourse to us.

Mortgage and Other Debt on Portfolio Properties

As of December 31, 2007

(Dollars in thousands)

Property Name	Interest Rate		Face Amount		Annual Debt Service		Maturity Date	
Consolidated Indebtedness:								
Secured Indebtedness:								
Simon Property Group, LP:								
Anderson Mall	6.20%		$ 28,206		$ 2,216		10/10/12	
Arsenal Mall — 1	6.75%		30,842		2,724		10/10/08	
Arsenal Mall — 2	8.20%		1,199		286		05/05/16	
Bangor Mall	6.15%		80,000		4,918	(2)	10/01/17	
Battlefield Mall	4.60%		96,217		6,154		07/01/13	
Bloomingdale Court	7.78%		27,080	(4)	2,578		11/01/09	
Brunswick Square	5.65%		84,581		5,957		08/11/14	
Carolina Premium Outlets — Smithfield	9.10%		19,973	(6)	2,114		03/10/13	
Century III Mall	6.20%		83,261	(9)	6,541		10/10/12	
Chesapeake Square	5.84%		71,771		5,162		08/01/14	
College Mall — 1	7.00%		30,953	(8)	3,908		01/01/09	
College Mall — 2	6.76%		10,492	(8)	935		01/01/09	
Copley Place	5.25%	(1)	191,000		10,028	(2)	08/01/10	(3)
Coral Square	8.00%		84,489		8,065		10/01/10	
The Crossings Premium Outlets	5.85%		55,385		4,649		03/13/13	
Crossroads Mall	6.20%		41,816		3,285		10/10/12	
Crystal River	7.63%		15,135		1,385		11/11/10	(25)
Dare Centre	9.10%		1,663	(6)	176		03/10/13	(25)
DeKalb Plaza	5.28%		3,189		284		01/01/15	
Desoto Square	5.89%		64,153		3,779	(2)	07/01/14	
The Factory Shoppes at Branson Meadows	9.10%		9,289	(6)	983		03/10/13	(25)
Factory Stores of America — Boaz	9.10%		2,717	(6)	287		03/10/13	(25)
Factory Stores of America — Georgetown	9.10%		6,438	(6)	681		03/10/13	(25)
Factory Stores of America — Graceville	9.10%		1,912	(6)	202		03/10/13	(25)
Factory Stores of America — Lebanon	9.10%		1,607	(6)	170		03/10/13	(25)
Factory Stores of America — Nebraska City	9.10%		1,510	(6)	160		03/10/13	(25)
Factory Stores of America — Story City	9.10%		1,867	(6)	198		03/10/13	(25)
Forest Mall	6.20%		16,746	(10)	1,316		10/10/12	
Forest Plaza	7.78%		14,853	(4)	1,414		11/01/09	
Forum Shops at Caesars, The	4.78%		533,470		34,564		12/01/10	
Gateway Shopping Center	5.89%		87,000		5,124	(2)	10/01/11	
Gilroy Premium Outlets	6.99%		62,423	(7)	6,236		07/11/08	(25)
Greenwood Park Mall — 1	7.00%		25,924	(8)	3,273		01/01/09	
Greenwood Park Mall — 2	6.76%		54,206	(8)	4,831		01/01/09	
Gwinnett Place	5.68%		115,000		6,532	(2)	06/08/12	
Henderson Square	6.94%		14,846		1,270		07/01/11	
Highland Lakes Center	6.20%		15,436	(9)	1,213		10/10/12	
Independence Center	5.94%		200,000		11,886	(2)	07/10/17	
Ingram Park Mall	6.99%		78,372	(20)	6,724		08/11/11	
Kittery Premium Outlets	6.99%		10,334	(7)	1,028		07/11/08	(25)
Knoxville Center	6.99%		59,348	(20)	5,092		08/11/11	
Lake View Plaza	7.78%		19,744	(4)	1,880		11/01/09	
Lakeline Plaza	7.78%		21,647	(4)	2,061		11/01/09	
Las Americas Premium Outlets	5.84%		180,000		10,511	(2)	06/11/16	
Lighthouse Place Premium Outlets	6.99%		43,073	(7)	4,286		07/11/08	(25)

Lincoln Crossing	7.78%	2,988 (4)	285	11/01/09
Longview Mall	6.20%	31,338 (9)	2,462	10/10/12
MacGregor Village	9.10%	6,689 (6)	708	03/10/13 (25)
Mall of Georgia	7.09%	188,621	16,649	07/01/10
Markland Mall	6.20%	22,172 (10)	1,742	10/10/12
Matteson Plaza	7.78%	8,695 (4)	828	11/01/09
Midland Park Mall	6.20%	32,369 (10)	2,543	10/10/12
Montgomery Mall	5.17%	91,018	6,307	05/11/14 (25)
Muncie Plaza	7.78%	7,518 (4)	716	11/01/09
Northfield Square	6.05%	29,742	2,485	02/11/14
Northlake Mall	6.99%	68,466 (20)	5,874	08/11/11
North Ridge Shopping Center	9.10%	8,169 (6)	865	03/10/13 (25)

Oxford Valley Mall	6.76%	77,451	7,801	01/10/11
Palm Beach Mall	6.20%	51,781	4,068	10/10/12
Penn Square Mall	7.03%	67,079	6,003	03/01/09 (25)
Plaza Carolina — Fixed	5.10%	92,405	7,085	05/09/09
Plaza Carolina — Variable Capped	5.50% (29)	93,840	7,369	05/09/09 (3)
Plaza Carolina — Variable Floating	5.50% (1)	56,303	4,421	05/09/09 (3)
Port Charlotte Town Center	7.98%	51,517	4,680	12/11/10 (25)
Regency Plaza	7.78%	4,075 (4)	388	11/01/09
Richmond Towne Square	6.20%	45,466 (10)	3,572	10/10/12
SB Boardman Plaza Holdings	5.94%	23,490	1,682	07/01/14
SB Trolley Square Holding	9.03%	28,116	2,880	08/01/10
St. Charles Towne Plaza	7.78%	26,083 (4)	2,483	11/01/09
Stanford Shopping Center	3.60% (11)	220,000	7,920 (2)	09/11/08
Summit Mall	5.42%	65,000	3,768 (2)	06/10/17
Sunland Park Mall	8.63% (13)	34,558	3,768	01/01/26
Tacoma Mall	7.00%	124,796	10,778	10/01/11
Town Center at Cobb	5.74%	280,000	16,072 (2)	06/08/12
Towne East Square — 1	7.00%	42,678	4,711	01/01/09
Towne East Square — 2	6.81%	21,879	1,958	01/01/09
Towne West Square	6.99%	51,302 (20)	4,402	08/11/11
University Park Mall	5.45% (1)	100,000	5,450 (2)	07/09/10 (3)
Upper Valley Mall	5.89%	47,904	2,822 (2)	07/01/14
Valle Vista Mall	5.35%	40,000	3,598 (2)	05/10/17
Washington Square	5.94%	30,552	2,194	07/01/14
Waterloo Premium Outlets	6.99%	34,692 (7)	3,452	07/11/08 (25)
West Ridge Mall	5.89%	68,711	4,047 (2)	07/01/14
West Ridge Plaza	7.78%	5,254 (4)	500	11/01/09
White Oaks Mall	5.54%	50,000	2,768 (2)	11/01/16
White Oaks Plaza	7.78%	16,031 (4)	1,526	11/01/09
Wolfchase Galleria	5.64%	225,000	12,700 (2)	04/01/17
Woodland Hills Mall	7.00%	80,144	7,185	01/01/09 (25)
Total Consolidated Secured Indebtedness		$ 5,253,059		

Unsecured Indebtedness:				
Simon Property Group, LP:				
Unsecured Revolving Credit Facility — USD	4.98% (15)	$ 1,798,000	$ 89,451 (2)	01/11/11 (3)
Revolving Credit Facility — Yen Currency	1.08% (15)	215,593	2,323 (2)	01/11/11 (3)
Revolving Credit Facility — Euro Currency	4.66% (15)	338,019	15,739 (2)	01/11/11 (3)
Unsecured Notes — 2B	7.00%	150,000	10,500 (14)	07/15/09
Unsecured Notes — 4C	7.38%	200,000	14,750 (14)	06/15/18
Unsecured Notes — 5B	7.13%	300,000	21,375 (14)	02/09/09
Unsecured Notes — 6B	7.75%	200,000	15,500 (14)	01/20/11
Unsecured Notes — 8A	6.35%	350,000	22,225 (14)	08/28/12
Unsecured Notes — 8B	5.38%	150,000	8,063 (14)	08/28/08
Unsecured Notes — 9A	4.88%	300,000	14,625 (14)	03/18/10
Unsecured Notes — 9B	5.45%	200,000	10,900 (14)	03/15/13
Unsecured Notes — 10A	3.75%	300,000	11,250 (14)	01/30/09
Unsecured Notes — 10B	4.90%	200,000	9,800 (14)	01/30/14
Unsecured Notes — 11A	4.88%	400,000	19,500 (14)	08/15/10
Unsecured Notes — 11B	5.63%	500,000	28,125 (14)	08/15/14
Unsecured Notes — 12 A	5.10%	600,000	30,600 (14)	06/15/15
Unsecured Notes — 12 B	4.60%	400,000	18,400 (14)	06/15/10
Unsecured Notes — 13 A	5.38%	500,000	26,875 (14)	06/01/11
Unsecured Notes — 13 B	5.75%	600,000	34,500 (14)	12/01/15
Unsecured Notes — 14 A	5.75%	400,000	23,000 (14)	05/01/12
Unsecured Notes — 14 B	6.10%	400,000	24,400 (14)	05/01/16
Unsecured Notes — 15 A	5.60%	600,000	33,600 (14)	09/01/11
Unsecured Notes — 15 B	5.88%	500,000	29,375 (14)	03/01/17
Unsecured Notes — 16 A	5.00%	600,000	30,000 (14)	03/01/12
Unsecured Notes — 16 B	5.25%	650,000	34,125 (14)	12/01/16
Mandatory Par Put Remarketed Securities	7.00%	200,000	14,000 (14)	06/15/08 (16)
		11,051,612		
The Retail Property Trust, subsidiary:				
Unsecured Notes — CPI 4	7.18%	75,000	5,385 (14)	09/01/13
Unsecured Notes — CPI 5	7.88%	250,000	19,688 (14)	03/15/16
		325,000		
CPG Partners, LP, subsidiary:				
Unsecured Notes — CPG 3	3.50%	100,000	3,500 (14)	03/15/09
Unsecured Notes — CPG 4	8.63%	50,000	4,313 (14)	08/17/09
Unsecured Notes — CPG 5	8.25%	150,000	12,375 (14)	02/01/11
Unsecured Notes — CPG 6	6.88%	100,000	6,875 (14)	06/15/12
Unsecured Notes — CPG 7	6.00%	150,000	9,000 (14)	01/15/13
		550,000		
Total Consolidated Unsecured Indebtedness		11,926,612		
Total Consolidated Indebtedness at Face Amounts		17,179,671		
Fair Value Interest Rate Swaps		(90) (24)		
Net Premium on Indebtedness		63,901		
Net Discount on Indebtedness		(24,808)		

Total Consolidated Indebtedness	$	17,218,674 (19)

Joint Venture Indebtedness:

Secured Indebtedness:

Apple Blossom Mall	7.99%	$ 37,689	$ 3,607	09/10/09
Arizona Mills	7.90%	136,017	10,752	10/05/10
Arkadia Shopping Center	5.63% (31)	150,673	8,481 (2)	05/31/12
Arundel Marketplace	5.92%	11,784	884	01/01/14
Arundel Mills	6.14%	385,000	23,639 (2)	08/01/14
Atrium at Chestnut Hill	6.89%	45,338	3,880	03/11/11 (25)
Auburn Mall	7.99%	44,123	4,222	09/10/09
Aventura Mall	5.91%	430,000	25,392 (2)	12/11/17
Avenues, The	5.29%	74,226	5,325	04/01/13
Bay 1 (Torcy)	5.38% (31)	20,721	1,115 (2)	05/31/11
Bay 2 (Torcy)	5.38% (31)	77,304	4,158 (2)	06/30/11
Block at Orange	6.25%	220,000	13,753 (2)	10/01/14
Briarwood Mall — 1	3.93%	192,402	7,569 (2)	11/01/09
Briarwood Mall — 2	5.11%	1,548	79 (2)	09/01/09
Cape Cod Mall	6.80%	92,100	7,821	03/11/11
Castleton Storage	6.65% (1)	4,636	308 (2)	07/31/09 (3)
Changshu SZITIC	7.18% (39)	27,140	1,949 (2)	04/10/17
Circle Centre Mall	5.02%	74,276	5,165	04/11/13
Clay Terrace	5.08%	115,000	5,842 (2)	10/01/15
Cobblestone Court	5.60% (1)	2,700	151 (2)	04/16/10
Coconut Point	5.83%	230,000	13,409 (2)	12/10/16
Coddingtown Mall	5.75% (1)	15,500	891 (2)	07/14/10
Colorado Mills	6.18% (38)	170,000	10,506 (2)	11/12/09
Concord Mills Mall	6.13%	169,612	13,208	12/07/12
Concord Marketplace	5.76%	13,715	1,013	02/01/14
Crystal Mall	5.62%	98,213	7,319	09/11/12 (25)
Dadeland Mall	6.75%	186,553	15,566	02/11/12 (25)
Del Amo	6.55% (1)	326,513	21,387 (2)	01/10/08
Denver West Village	8.15%	22,515	2,153	10/01/11
Discover Mills — 1	7.32%	23,700	1,735 (2)	12/11/11
Discover Mills — 2	6.08%	135,000	8,212 (2)	12/11/11
Domain Residential	5.75% (1)	29,810	1,714 (2)	03/03/11 (3)
Dover Mall & Commons	6.55% (37)	83,756 (35)	5,486 (2)	02/01/12 (3)
Eastland Mall	5.79%	168,000	9,734 (2)	06/01/16
Emerald Square Mall	5.13%	134,642	9,479	03/01/13
Empire Mall	5.79%	176,300	10,215 (2)	06/01/16
Esplanade, The	6.55% (37)	75,136 (35)	4,921 (2)	02/01/12 (3)
Falls, The	4.34%	148,200	6,432 (2)	11/01/09
Fashion Centre Pentagon Retail	6.63%	154,540	12,838	09/11/11 (25)
Fashion Centre Pentagon Office	5.35% (30)	40,000	2,140 (2)	07/09/09 (3)
Fashion Valley Mall — 1	6.49%	155,843	13,218	10/11/08 (25)
Fashion Valley Mall — 2	6.58%	29,124	1,915 (2)	10/11/08 (25)
Firewheel Residential	6.45% (1)	19,939	1,286 (2)	06/20/11 (3)
Florida Mall, The	7.55%	250,721	22,766	12/10/10
Franklin Mills	5.65%	290,000	16,385 (2)	06/01/17
Galleria at White Plains	6.55% (37)	125,566 (35)	8,225 (2)	02/01/12 (3)
Galleria Commerciali Italia — Facility A	5.73% (18)	358,954	26,938	12/22/11 (3)
Galleria Commerciali Italia — Facility B	5.83% (27)	354,932	28,200	12/22/11
Galleria Commerciali Italia — Cinisello 1	5.48% (32)	110,144	6,035 (2)	03/31/08
Galleria Commerciali Italia — Cinisello 2	5.38% (33)	42,670	2,295 (2)	03/31/08
Galleria Commerciali Italia — Giugliano	5.33% (34)	41,241	2,198 (2)	10/20/13
Galleria Commerciali Italia — Catania	5.48% (5)	20,064	1,099 (2)	12/15/09

Gaitway Plaza	4.60%	13,900 (17)	640 (2)	07/01/15
Granite Run Mall	5.83%	119,812	8,622	06/01/16
Grapevine Mills	6.47%	145,160	11,720	10/01/08
Grapevine Mills II	8.39%	13,622	1,324	11/05/08
Great Mall of the Bay Area	4.80%	175,000	8,400 (2)	09/01/08
Greendale Mall	6.00%	45,000	2,699 (2)	10/01/16

Gotemba Premium Outlets — Fixed	2.00%	7,878 (26)	1,165	10/25/14
Gotemba Premium Outlets — Variable	1.61% (12)	60,154 (26)	4,494	02/28/13
Gurnee Mills	5.77%	321,000	18,512 (2)	07/01/17
Hamilton Town Center	5.60% (1)	36,677	2,054 (2)	03/31/08
Hangzhou	7.18% (40)	16,284	1,170 (2)	06/15/17
Highland Mall	6.83%	65,865	5,634	07/10/11
Hilltop Mall	4.99%	64,350	3,211 (2)	07/08/12
Houston Galleria — 1	5.44%	643,583	34,985 (2)	12/01/15
Houston Galleria — 2	5.44%	177,417	9,644 (2)	12/01/15
Indian River Commons	5.21%	9,645	503 (2)	11/01/14
Indian River Mall	5.21%	65,355	3,408 (2)	11/01/14
Katy Mills	6.69%	148,000	9,906 (2)	01/09/13
King of Prussia Mall — 1	7.49%	151,396	20,118	01/01/17
King of Prussia Mall — 2	8.53%	10,564	1,388	01/01/17
Kobe Premium Outlets	1.35%	18,799 (26)	770	01/31/12
Lakeforest Mall	4.90%	141,050	6,904 (2)	07/08/10
Lehigh Valley Mall	5.16% (36)	150,000	7,740 (2)	08/09/10 (3)
Liberty Plaza	5.68%	43,000	2,442 (2)	06/01/17
Liberty Tree Mall	5.22%	35,000	1,827 (2)	10/11/13
Mall at Chestnut Hill	8.45%	13,966	1,396	02/01/10
Mall at Rockingham	5.61%	260,000	17,931	03/10/17
Mall at Tuttle Crossing	5.05%	118,180	7,774	11/05/13
Mall of New Hampshire — 1	6.96%	94,588	8,345	10/01/08 (25)
Mall of New Hampshire — 2	8.53%	7,890	786	10/01/08
Marley Station	4.89%	114,400	5,595 (2)	07/01/12
Meadowood Mall	5.19% (38)	182,000	9,442 (2)	11/01/09 (3)
Mesa Mall	5.79%	87,250	5,055 (2)	06/01/16
Miami International Mall	5.35%	95,904	6,533	10/01/13
Mills Senior Loan Facility	5.85% (1)	773,000	45,221 (2)	06/07/12 (3)
Net Leases I	7.96%	26,326	2,096 (2)	10/10/10
Net Leases II	9.35%	21,049	1,968 (2)	01/10/23
Northpark Mall — Mills	6.55% (37)	105,543 (35)	6,913 (2)	02/01/12 (3)
Northshore Mall	5.03%	207,850	13,566	03/11/14 (25)
Ontario Mills	6.75%	128,192	11,286	12/01/08
Ontario Mills II	8.01%	9,828	925	01/05/09
Opry Mills	6.16%	280,000	17,248 (2)	10/10/14
Potomac Mills	5.83%	410,000	23,901 (2)	07/11/17
Plaza at Buckland Hills, The	4.60%	24,800 (17)	1,142 (2)	07/01/15
Quaker Bridge Mall	7.03%	20,790	2,407	04/01/16
Ridgewood Court	4.60%	14,650 (17)	674 (2)	07/01/15
Rinku Premium Outlets	2.19%	36,998 (26)	4,935	11/25/14
Rushmore Mall	5.79%	94,000	5,446 (2)	06/01/16
Sano Premium Outlets	2.39%	34,755 (26)	7,094	05/31/16
Sawgrass Mills	5.82%	850,000	49,470 (2)	07/01/14
Shops at Riverside, The	5.40% (1)	130,000	7,020 (2)	11/14/11 (3)
St. Johns Town Center	5.06%	170,000	8,602 (2)	03/11/15
St. John's Town Center Phase II	5.25% (1)	64,000	3,360 (2)	02/12/10 (3)
St. Louis Mills	6.39%	90,000	5,751 (2)	01/08/12 (3)
Seminole Towne Center	5.25% (22)	70,000	3,675 (2)	07/09/09 (3)
Shops at Sunset Place, The	5.35% (21)	87,469	6,701	05/09/09 (3)
Smith Haven Mall	5.16%	180,000	9,283 (2)	03/01/16
Solomon Pond	3.97%	111,379	6,505	08/01/13
Source, The	6.65%	124,000	8,246 (2)	03/11/09
Southern Hills Mall	5.79%	101,500	5,881 (2)	06/01/16
Southdale Center	5.18%	186,550	9,671 (2)	04/01/10
SouthPark Residential	6.00% (1)	41,141	2,468 (2)	12/31/10 (3)

Southridge Mall	5.23%	124,000	6,489 (2)	04/01/12
Springfield Mall	5.70% (1)	76,500	4,361 (2)	12/01/10 (3)
Square One	6.73%	88,763	7,380	03/11/12
Stoneridge Shopping Center	4.69% (38)	293,800	13,785 (2)	11/01/09

Surprise Grand Vista	10.61%	298,161	31,640 (2)	12/28/10
Toki Premium Outlets	1.45% (12)	19,962 (26)	3,313	10/31/11
Tosu Premium Outlets	2.20%	20,379 (26)	2,024	01/31/14
University Storage	6.65% (1)	5,288	352 (2)	07/31/09 (3)
Valley Mall	5.83%	46,602	3,357	06/01/16
Villabe A6 — Bel'Est	5.68% (31)	12,917	734 (2)	08/31/11
Village Park Plaza	4.60%	29,850 (17)	1,374 (2)	07/01/15
West Town Corners	4.60%	18,800 (17)	865 (2)	07/01/15
West Town Mall	6.34%	210,000	13,309 (2)	12/01/17
Westchester, The	4.86%	500,000	24,300 (2)	06/01/10
Whitehall Mall	6.77%	12,663	1,282	11/01/08
Wilenska Station Shopping Center	6.08% (31)	44,091	2,680 (2)	08/31/11
Total Joint Venture Secured Indebtedness at Face Amounts		$ 16,191,865		
Unsecured Indebtedness:				
Galleria Commerciali Italia—Facility C	4.93% (1)	189,562 (28)	9,348 (2)	12/22/08
Trust Preferred Unsecured Securities	7.38%	100,000	7,375 (2)	03/30/09 (3)
Total Joint Venture Unsecured Indebtedness		289,562		
Net Premium on Indebtedness		26,350		
Net Discount on Indebtedness		(701)		
Total Joint Venture Indebtedness		$ 16,507,076 (23)		

(Footnotes on following page)

(Footnotes for preceding pages)

(1) Variable rate loans based on LIBOR plus interest rate spreads ranging from 37.5 bps to 205 bps. LIBOR as of December 31, 2007 was 4.60%.

(2) Requires monthly payment of interest only.

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

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

(5) Debt is denominated in Euros and bears interest at 3 month Euribor + 0.80%. Debt consists of a Euros 14.7 million tranche with Euros 13.6 million is drawn.

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

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

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

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

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

(11) Simultaneous with the issuance of this loan, the Operating Partnership entered into a $70 million notional amount variable rate swap agreement which is designated as a hedge against this loan. As of December 31, 2007, after including the impacts of this swap, the terms of the loan are effectively $150 million fixed at 3.60% and $70 million variable rate at 4.60%.

(12) Variable rate loans based on Yen LIBOR plus interest rate spreads ranging from 50 bps to 187.5 bps. Yen LIBOR as of December 31, 2007 was 0.7025%.

(13) Lender also participates in a percentage of certain gross receipts above a specified base. This threshold was met and additional interest was paid in 2007.

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

(15) $3,500,000 Credit Facility. As of December 31, 2007, the Credit Facility bears interest at LIBOR + 0.375% and provides for different pricing based upon the Operating Partnership's investment grade rating. As of December 31, 2007, $1.1 billion was available after outstanding borrowings and letter of credits.

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

(17) Loans secured by these five Properties are cross-collateralized and cross-defaulted.

(18) Debt is denominated in Euros and bears interest at 3 month Euribor + 1.05%. Debt consists of a Euros 258.5 million tranche of which Euros 243.7 million is drawn.

(19) Our share of consolidated indebtedness was $16,933,771.

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

(21) LIBOR + 0.750%, with LIBOR capped at 7.500%.

(22) LIBOR + 0.650%, with LIBOR capped at 8.500%.

(23) Our share of joint venture indebtedness was $6,568,403.

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

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

(26) Amounts shown in US Dollar Equivalent. Yen equivalent 22,221.8 million

(27) Debt is denominated in Euros and bears interest at 3 month Euribor + 1.15%. Debt consists of a Euros 255 million tranche which Euros 241.0 million is drawn.

(28) Debt is denominated in Euros and bears interest at Euribor + 0.650%. Debt consists of a Euros 150 million tranche of which Euros 128.7 million is drawn.

(29) LIBOR + 0.900%, with LIBOR capped at 8.250%.

(30) LIBOR + 0.750%, with LIBOR capped at 8.250%.

(31) Associated with these loans are interest rate swap agreements with a total combined Euro 199.3 million notional amount that effectively fixed these loans at a combined 4.75%.

(32) Debt is denominated in Euros and bears interest at 3 month Euribor + 0.70%. Debt consists of a Euros 75 million tranche which Euros 74.8 million is drawn.

(33) Debt is denominated in Euros and bears interest at 3 month Euribor + 0.80%. Debt consists of a Euros 30 million tranche which Euros 29.0 million is drawn.

(34) Debt is denominated in Euros and bears interest at 3 month Euribor + 0.65%. Debt consists of a Euros 55 million tranche which Euros 28.0 million is drawn.

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

(36) LIBOR + 0.560%, with LIBOR capped at 7.00%.

(37) LIBOR + 1.950%, with LIBOR capped at 6.00%.

(38) Associated with these loans are an interest rate swap agreement that effectively fixes the interest rate of the loans.

(39) Debt is denominated in Chinese Yuan Renuinbi and bears interest at 95% of the People's Republic of China (PBOC) rate. Debt consists of a CNY 250 million tranche which CNY 200 million is drawn.

(40) Debt is denominated in Chinese Yuan Renuinbi and bears interest at 95% of the People's Republic of China (PBOC) rate. Debt consists of a CNY 250 million tranche which CNY 120 million is drawn.

Mortgage and Other Debt on Portfolio Properties

As of December 31, 2007

(Dollars in thousands)

Changes in Mortgages and Other Indebtedness

The changes in mortgages and other indebtedness for the years ended December 31, 2007, 2006 and 2005 are as follows:

	2007	2006	2005
Balance, Beginning of Year	**$ 15,394,489**	$ 14,106,117	$ 14,586,393
Additions during period:			
New Loan Originations	**3,362,732**	2,810,239	2,484,264
Loans assumed in acquisitions and consolidations	**399,545**	192,272	—
Net Premium/(Discount) and other	**(1,669)**	(5,031)	(11,328)
Deductions during period:			
Loan Retirements	**(1,862,145)**	(1,619,148)	(2,764,438)
Loans Related to Deconsolidations	**—**	—	(100,022)
Amortization of Net (Premiums)/Discounts	**(13,661)**	(25,784)	(33,710)
Scheduled Principal Amortization	**(60,617)**	(64,176)	(55,042)
Balance, End of Year	**$ 17,218,674**	$ 15,394,489	$ 14,106,117

Item 3. Legal Proceedings

In November of 2004, the Attorneys General of Massachusetts, New Hampshire and Connecticut filed complaints in their respective state courts against us and our affiliate, SPGGC, Inc., alleging that the sale of co-branded, bank-issued gift cards sold in certain of our properties violated gift certificate statutes and consumer protection laws in those states. We filed our own actions for declaratory relief in Federal district courts in each of the three states. We have also been named as a defendant in two other state court proceedings in New York which have been brought by private parties as purported class actions. They allege violation of state consumer protection and contract laws and seek a variety of remedies, including unspecified damages and injunctive relief.

In 2006, we received a judgment in our favor in the Federal district court in New Hampshire. The First Circuit Court of Appeals affirmed that ruling on May 30, 2007, holding that the current gift card program is a banking product and state law regulation is preempted by federal banking laws. The First Circuit Court of Appeals did not, however, rule on the question of whether the gift card program as it existed prior to January 1, 2005, was similarly exempt from state regulation. In February 2007, we entered into a voluntary, no-fault settlement with the New Hampshire Attorney General relating to the gift card program in New Hampshire as it existed prior to January 1, 2005. The New Hampshire litigation was dismissed at that time.

In October 2007, the Second Circuit Court of Appeals issued a ruling in the case brought by the Connecticut Attorney General holding that the Connecticut gift card statute could be applied to the gift card program as it existed prior to January 1, 2005, and could prohibit the charging of administrative fees but could not prohibit the use of expiration dates on gift cards.

We believe we have viable defenses under both state and federal laws to the pending gift card actions in Massachusetts, Connecticut and New York. Although it is not possible to provide any assurance of the ultimate outcome of any of these pending actions, management does not believe they will have any material adverse affect on our financial position, results of operations or cash flow.

We are involved in various other legal proceedings that arise in the ordinary course of our business. We believe that such litigation, claims and administrative proceedings will not have a material adverse impact on our financial position or our results of operations. We record a liability when a loss is considered probable and the amount can be reasonably estimated.

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

None.

Part II

Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities

Market Information

Our common stock trades on the New York Stock Exchange under the symbol "SPG". The quarterly price range on the NYSE for the shares and the distributions declared per share for each quarter in the last two fiscal years are shown below:

	High	Low	Close	Declared Dividends
2006				
1st Quarter	$ 88.48	$ 76.21	$ 84.14	$ 0.76
2nd Quarter	84.88	76.14	82.94	0.76
3rd Quarter	92.35	81.19	90.62	0.76
4th Quarter	104.08	89.75	101.29	0.76
2007				
1st Quarter	**$ 123.96**	**$ 98.50**	**$ 111.25**	**$ 0.84**
2nd Quarter	**118.25**	**91.12**	**93.04**	**0.84**
3rd Quarter	**103.00**	**82.60**	**100.00**	**0.84**
4th Quarter	**109.00**	**85.49**	**86.86**	**0.84**

There is no established public trading market for Simon Property's Class B common stock or Class C common stock. Distributions per share of the Class B and Class C common stock are identical to the common stock.

Holders

The number of holders of record of common stock outstanding was 2,165 as of December 31, 2007. The Class B common stock is held entirely by a voting trust to which Melvin Simon, Herbert Simon, David Simon and certain of their affiliates are parties and is exchangeable on a one-for-one basis into shares of common stock, and the Class C common stock is held entirely by NID Corporation, the successor corporation of Edward J. DeBartolo Corporation, and is also exchangeable on a one-for-one basis into shares of common stock.

Dividends

We are required to pay a minimum level of dividends to maintain our status as a REIT. Our dividends and distributions of the Operating Partnership typically exceed our net income generated in any given year primarily because of depreciation, which is a "non-cash" expense. Our future dividends and the distributions of the Operating Partnership will be determined by the Board of Directors based on actual results of operations, cash available for dividends and limited partner distributions, and what may be required to maintain our status as a REIT. We paid a common stock dividend of $0.84 per share in the fourth quarter of 2007.

We offer an Automatic Dividend Reinvestment Plan that allows stockholders to acquire additional shares by automatically reinvesting cash dividends. Shares are acquired pursuant to the plan at a price equal to the prevailing market price of such shares, without payment of any brokerage commission or service charge.

Unregistered Sales of Equity Securities

During the fourth quarter of 2007, we sold 6,000,000 shares of Series L Variable Rate Redeemable Preferred Stock to a single institutional investor for $150.0 million. We used the proceeds to fund the redemption of the Series G Cumulative Redeemable Preferred Stock. The Series L preferred stock was not registered under the Securities Act of 1933, as amended, in reliance upon the exemption contained in Section 4(2) regarding private transactions. We redeemed the series L preferred stock in the fourth quarter of 2007 for a price equal to its liquidation value plus accrued dividends.

Issuances Under Equity Compensation Plans

For information regarding the securities authorized for issuance under our equity compensation plans, see Item 12 of this report.

Issuer Purchases of Equity Securities

On July 26, 2007, our Board of Directors authorized the repurchase of up to $1.0 billion of our common stock over the next twenty-four months as market conditions warrant. We may repurchase shares in the open market or in privately negotiated transactions. As of December 31, 2007, the program had remaining availability of approximately $950.7 million. There were no purchases under this program during the fourth quarter of 2007.

Item 6. Selected Financial Data

The information required by this item is incorporated herein by reference to the Selected Financial Data section of the 2007 Annual Report to Stockholders filed as Exhibit 13.1 to this Form 10-K.

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

The information required by this item is incorporated herein by reference to the Management's Discussion and Analysis of Financial Condition and Results of Operations section of Simon Property's 2007 Annual Report to Stockholders filed as Exhibit 13.1 to this Form 10-K.

Item 7A. Qualitative and Quantitative Disclosure About Market Risk

The information required by this item is incorporated herein by reference to the Management's Discussion and Analysis of Financial Condition and Results of Operations section of Simon Property's 2007 Annual Report to Stockholders under the caption "Liquidity and Capital Resources — Market Risk," filed as Exhibit 13.1 to this Form 10-K.

Item 8. Financial Statements and Supplementary Data

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

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

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. We carried out an evaluation under the supervision and with participation of management, including our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Annual Report on Form 10-K pursuant to Exchange Act Rule 13a-15. Based upon that evaluation, our management, including the chief executive officer and chief financial officer, concluded that our disclosure controls and procedures were effective as of December 31, 2007.

Management's Report on Internal Control over Financial Reporting. Our management's report on internal control over financial reporting is set forth in our 2008 Annual Report to Stockholders filed as Exhibit 13.1 to this Form 10-K and is incorporated herein by reference.

Changes in Internal Control Over Financial Reporting. There was no change in our internal control over financial reporting (as defined in Rule 13a-15(f)) that occurred during the fourth quarter of 2007 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None.

Part III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item is incorporated herein by reference to the definitive proxy statement for our 2008 annual meeting of stockholders to be filed with the Commission pursuant to Regulation 14A and the information included under the caption "Executive Officers of the Registrants" in Part I hereof.

Item 11. Executive Compensation

The information required by this item is incorporated herein by reference to the definitive proxy statement for our 2008 annual meeting of stockholders to be filed with the Commission pursuant to Regulation 14A.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated herein by reference to the definitive proxy statement for our 2008 annual meeting of stockholders to be filed with the Commission pursuant to Regulation 14A.

Item 13. Certain Relationships and Related Transactions and Director Independence

The information required by this item is incorporated herein by reference to the definitive proxy statement for our 2008 annual meeting of stockholders to be filed with the Commission pursuant to Regulation 14A.

Item 14. Principal Accountant Fees and Services

The information required by this item is incorporated herein by reference to the definitive proxy statement for our 2008 annual meeting of stockholders to be filed with the Commission pursuant to Regulation 14A.

Part IV

Item 15. Exhibits and Financial Statement Schedules

(1) *Consolidated Financial Statements*

Simon Property Group, Inc. and Subsidiaries' consolidated financial statements and independent registered public accounting firm's reports are included in our 2007 Annual Report to Stockholders, filed as Exhibit 13.1 to this Form 10-K and are incorporated herein by reference.

		Page No.
(2)	*Financial Statement Schedule*	
	Simon Property Group, Inc. and Subsidiaries Schedule III — Schedule of Real Estate and Accumulated Depreciation	58
	Notes to Schedule III	65
(3)	*Exhibits*	
	The Exhibit Index attached hereto is hereby incorporated by reference to this Item.	56

SIGNATURES

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

SIMON PROPERTY GROUP, INC.

By /s/ DAVID SIMON

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

February 26, 2008

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

Signature	Capacity	Date
/s/ DAVID SIMON David Simon	Chairman of the Board of Directors and Chief Executive Officer (Principal Executive Officer)	February 26, 2008
/s/ HERBERT SIMON Herbert Simon	Co-Chairman Emeritus	February 26, 2008
/s/ MELVIN SIMON Melvin Simon	Co-Chairman Emeritus	February 26, 2008
/s/ RICHARD S. SOKOLOV Richard S. Sokolov	President, Chief Operating Officer and Director	February 26, 2008
/s/ BIRCH BAYH Birch Bayh	Director	February 26, 2008
/s/ MELVYN E. BERGSTEIN Melvyn E. Bergstein	Director	February 26, 2008
/s/ LINDA WALKER BYNOE Linda Walker Bynoe	Director	February 26, 2008
/s/ PIETER S. VAN DEN BERG Pieter S. van den Berg	Director	February 26, 2008

/s/ REUBEN S. LEIBOWITZ Reuben S. Leibowitz	Director	February 26, 2008
/s/ FREDRICK W. PETRI Fredrick W. Petri	Director	February 26, 2008
/s/ J. ALBERT SMITH, JR. J. Albert Smith, Jr.	Director	February 26, 2008
/s/ KAREN N. HORN Karen N. Horn	Director	February 26, 2008
/s/ M. DENISE DEBARTOLO YORK M. Denise DeBartolo York	Director	February 26, 2008
/s/ STEPHEN E. STERRETT Stephen E. Sterrett	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 26, 2008
/s/ JOHN DAHL John Dahl	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 26, 2008

Exhibits

2	Agreement and Plan of Merger, dated as February 12, 2007, by and among SPG-FCM Ventures, LLC, SPG-FCM Acquisitions, Inc., SPG-FCM Acquisitions, L.P., The Mills Corporation, and The Mills Limited Partnership (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed February 23, 2007).
3.1	Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 of the Form 8-K filed by the Registrant on October 9, 1998).
3.2	Restated By-laws of the Registrant (incorporated by reference to Exhibit 3.2 of the Registrant's Current Report on Form 8-K filed October 16, 2007).
3.3	Certificate of Powers, Designations, Preferences and Rights of the 7.00% Series C Cumulative Convertible Preferred Stock, $0.0001 Par Value (incorporated by reference to Exhibit 3.1 of the Registrant's Form 10-Q filed on November 15, 1999).
3.3a	Certificate of Correction Filed to Correct Certain Errors in Certificate of Powers, Designations, Preferences and Rights of the 7.00% Series C Cumulative Convertible Preferred Stock, $0.0001 Par Value (incorporated by reference to Exhibit 3.1a of the Registrant's Form 10-Q filed on November 15, 1999).
3.4	Certificate of Powers, Designations, Preferences and Rights of the 8.00% Series D Cumulative Redeemable Preferred Stock, $0.0001 Par Value (incorporated by reference to Exhibit 3.2 of the Registrant's Form 10-Q filed on November 15, 1999).
3.4a	Certificate of Correction Filed to Correct Certain Errors in Certificate of Powers, Designations, Preferences and Rights of the 8.00% Series D Cumulative Redeemable Preferred Stock, $0.0001 Par Value (incorporated by reference to Exhibit 3.2a of the Registrant's Form 10-Q filed on November 15, 1999).
3.6	Certificate of Powers, Designations, Preferences and Rights of the 7.89% Series G Cumulative Step-Up Premium Rate Preferred Stock, $0.0001 Par Value (incorporated by reference to Exhibit 4.2 to the Registration Statement on Form S-4 filed by the Registrant on May 9, 2001 (Reg. No. 333-60526)).
3.7	Certificate of Powers, Designations, Preferences and Rights of the 6% Series I Convertible Perpetual Preferred Stock, $0.0001 Par Value (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed October 20, 2004).
3.8	Certificate of Powers, Designations, Preferences and Rights of the 8 $^{3}/_{8}$% Series J Cumulative Redeemable Preferred Stock, $0.0001 Par Value (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed October 20, 2004).
3.9	Certificate of Powers, Designations, Preferences and rights of the Series L Variable Rate Redeemable Preferred Stock, $0.0001 Par Value (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on October 2, 2007).
9.1	Second Amended and Restated Voting Trust Agreement, Voting Agreement and Proxy dated as of March 1, 2004 between Melvin Simon & Associates, Inc., on the one hand and Melvin Simon, Herbert Simon, and David Simon on the other hand (incorporated by reference to Exhibit 9.1 of the Registrant's Quarterly Report on Form 10-Q filed on May 10, 2004).
9.2	Voting Trust Agreement, Voting Agreement and Proxy dated as of March 1, 2004 between David Simon, Melvin Simon and Herbert Simon (incorporated by reference to Exhibit 9.2 of the Registrant's Quarterly Report on Form 10-Q filed on May 10, 2004).
10.1	Credit Agreement, dated as of October 12, 2004, among Simon Property Group, L.P., the Lenders named therein, and the Co-Agents named therein (incorporated by reference to Exhibit 10 of the Registrant's Quarterly Report on Form 10-Q filed on November 8, 2004).
10.2	$3,500,000,000 Credit Agreement, dated as of December 15, 2005, among Simon Property Group, L.P., the Institutions named therein as Lenders and the Institutions named therein as Co-Agents (incorporated by reference to Exhibit 99.2 of Simon Property Group, L.P.'s Current Report on Form 8-K filed on December 20, 2005).
10.3	Amendment to Credit Agreement among Simon Property Group, L.P., the Institutions named therein as Lenders and the Institutions named therein as Co-Agents, dated October 4, 2007.
10.4	Form of the Indemnity Agreement between the Registrant and its directors and officers (incorporated by reference to Exhibit 10.7 of the Form S-4 filed by the Registrant on August 13, 1998 (Reg. No. 333-61399)).
10.5	Registration Rights Agreement, dated as of September 24, 1998, by and among the Registrant and the persons named therein. (incorporated by reference to Exhibit 4.4 of the Form 8-K filed by the Registrant on October 9, 1998).
10.6	Registration Rights Agreement, dated as of August 27, 1999 by and among the Registrant and the persons named therein (incorporated by reference to Exhibit 4.4 to the Registration Statement on Form S-3 filed March 24, 2004 (Reg. No. 333-113884)).
10.7	Registration Rights Agreement, dated as of November 14, 1997, by and between O'Connor Retail Partners, L.P. and Simon DeBartolo Group, Inc. (incorporated by reference to Exhibit 4.8 to the Registration Statement on Form S-3 filed December 7, 2001 (Reg. No. 333-74722)).
10.8*	Simon Property Group, L.P. 1998 Stock Incentive Plan, as amended (incorporated by reference to Exhibit 10.1 to the Form 8-K dated October 5, 2006).
10.9*	Form of Nonqualified Stock Option Award Agreement under the Simon Property Group, L.P. 1998 Stock Incentive Plan (incorporated by reference to Exhibit 10.8 of the 2004 Form 10-K filed by the Registrant).

10.10*	Form of Performance-Based Restricted Stock Award Agreement under the Simon Property Group, L.P. 1998 Stock Incentive Plan (incorporated by reference to Exhibit 10.9number of the 2006 Form 10-K filed by the Registrant).
10.11*	Form of Non-Employee Director Restricted Stock Award Agreement under the Simon Property Group, L.P. 1998 Stock Incentive Plan (incorporated by reference to this same Exhibit 10.10 of the 2004 Form 10-K filed by the Registrant).
10.12*	Employment Agreement among Richard S. Sokolov, the Registrant, and Simon Property Group Administrative Services Partnership, L.P. dated January 1, 2007.
10.13*	Description of Director and Executive Compensation Agreements.
10.14	Credit and Guaranty Agreement, dated as of February 16, 2007, by and among The Mills Limited Partnership, as Borrower, The Mills Corporation, as Parent, certain of its subsidiaries, as Guarantors, the lenders party thereto, and Simon Property Group, L.P., as Adminstrative Agent and Collateral Agent (incorporated by reference to Exhibit 10.1 to the Registrants Current Report of Form 8-K filed on February 23, 2007).
10.15	Voting Agreement dated as of June 20, 2004 among the Registrant, Simon Property Group, L.P., and certain holders of shares of common stock of Chelsea Property Group, Inc. and/or common units of CPG Partners, L.P. (incorporated by reference to Exhibit 99.3 to the Registrant's Current Report on Form 8-K filed June 22, 2004).
12.1	Statement regarding computation of ratios.
13.1	Selected Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations and Financial Statements of the Registrant as contained in the Registrant's 2006 Annual Report to Stockholders.
21.1	List of Subsidiaries of the Company.
23.1	Consent of Ernst & Young LLP.
31.1	Certification by the Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification by the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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

SCHEDULE III

Simon Property Group, Inc. and Subsidiaries

Real Estate and Accumulated Depreciation

December 31, 2007

(Dollars in thousands)

		Initial Cost (Note 3)		Cost Capitalized Subsequent to Acquisition (Note 3)		Gross Amounts At Which Carried At Close of Period				
Name, Location	**Encumbrances**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Total (1)**	**Accumulated Depreciation (2)**	**Date of Construction**
Regional Malls										
Anderson Mall, Anderson, SC	$ 28,206	$ 1,712	$ 15,227	$ 1,363	$ 16,055	$ 3,075	$ 31,282	$ 34,357	$ 11,989	1972
Arsenal Mall, Watertown, MA	32,041	15,505	47,680	—	7,364	15,505	55,044	70,549	12,162	1999 (Note 4)
Bangor Mall, Bangor, ME	80,000	5,478	59,740	—	7,495	5,478	67,235	72,713	13,692	2004 (Note 5)
Barton Creek Square, Austin, TX	—	2,903	20,929	7,983	59,311	10,886	80,240	91,126	33,572	1981
Battlefield Mall, Springfield, MO	96,217	3,919	27,231	3,225	61,158	7,144	88,389	95,533	40,208	1970
Bay Park Square, Green Bay, WI	—	6,358	25,623	4,133	24,105	10,491	49,728	60,219	17,400	1980
Bowie Town Center, Bowie, MD	—	2,710	65,044	235	5,049	2,945	70,093	73,038	17,856	2001
Boynton Beach Mall, Boynton Beach, FL	—	22,240	78,804	4,666	24,444	26,906	103,248	130,154	29,795	1985
Brea Mall, Brea, CA	—	39,500	209,202	—	22,018	39,500	231,220	270,720	61,250	1998 (Note 4)
Broadway Square, Tyler, TX	—	11,470	32,431	—	16,004	11,470	48,435	59,905	17,359	1994 (Note 4)
Brunswick Square, East Brunswick, NJ	84,581	8,436	55,838	—	26,108	8,436	81,946	90,382	28,174	1973
Burlington Mall, Burlington, MA	—	46,600	303,618	19,600	72,156	66,200	375,774	441,974	84,695	1998 (Note 4)
Castleton Square, Indianapolis, IN	—	26,250	98,287	7,434	65,375	33,684	163,662	197,346	44,713	1972
Century III Mall, West Mifflin, PA	83,261	17,380	102,364	10	8,089	17,390	110,453	127,843	55,625	1979
Charlottesville Fashion Square, Charlottesville, VA	—	—	54,738	—	13,038	—	67,776	67,776	20,590	1997 (Note 4)
Chautauqua Mall, Lakewood, NY	—	3,257	9,641	—	16,211	3,257	25,852	29,109	9,987	1971
Chesapeake Square, Chesapeake, VA	71,771	11,534	70,461	—	7,286	11,534	77,747	89,281	31,720	1989
Cielo Vista Mall, El Paso, TX	—	1,005	15,262	608	42,336	1,613	57,598	59,211	27,745	1974
College Mall, Bloomington, IN	41,445	1,003	16,245	720	41,553	1,723	57,798	59,521	22,713	1965
Columbia Center, Kennewick, WA	—	17,441	66,580	—	20,271	17,441	86,851	104,292	25,290	1987
Copley Place, Boston, MA	191,000	—	378,045	—	63,682	—	441,727	441,727	66,948	2002 (Note 4)
Coral Square, Coral Springs, FL	84,489	13,556	93,630	—	3,967	13,556	97,597	111,153	40,184	1984
Cordova Mall, Pensacola, FL	—	18,626	73,091	7,321	30,317	25,947	103,408	129,355	25,640	1998 (Note 4)
Cottonwood Mall, Albuquerque, NM	—	10,122	69,958	—	2,656	10,122	72,614	82,736	28,290	1996
Crossroads Mall, Omaha, NE	41,816	639	30,658	409	35,628	1,048	66,286	67,334	24,538	1994 (Note 4)
Crystal River Mall, Crystal River, FL	15,135	5,393	20,241	—	4,810	5,393	25,051	30,444	8,193	1990
DeSoto Square, Bradenton, FL	64,153	9,011	52,675	—	8,555	9,011	61,230	70,241	20,810	1973
Domain, The, Austin, TX	—	39,503	183,630	—	—	39,503	183,630	223,133	6,573	2005
Edison Mall, Fort Myers, FL	—	11,529	107,350	—	27,416	11,529	134,766	146,295	35,682	1997 (Note 4)
Fashion Mall at Keystone, Indianapolis, IN	—	—	120,579	—	40,139	—	160,718	160,718	43,632	1997 (Note 4)
Firewheel Town Center, Garland, TX	—	8,636	82,627	—	23,042	8,636	105,669	114,305	10,058	2004
Forest Mall, Fond Du Lac, WI	16,746	721	4,491	—	8,790	721	13,281	14,002	6,648	1973
Forum Shops at Caesars, The, Las Vegas, NV	533,470	—	276,378	—	198,757	—	475,135	475,135	92,336	1992

Simon Property Group, Inc. and Subsidiaries

Real Estate and Accumulated Depreciation
December 31, 2007
(Dollars in thousands)

		Initial Cost (Note 3)		Cost Capitalized Subsequent to Acquisition (Note 3)		Gross Amounts At Which Carried At Close of Period				
Name, Location	**Encumbrances**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Total (1)**	**Accumulated Depreciation (2)**	**Date of Construction**
Great Lakes Mall, Mentor, OH	—	12,302	100,362	—	10,384	12,302	110,746	123,048	37,583	1961
Greenwood Park Mall, Greenwood, IN	80,130	2,423	23,445	5,275	111,180	7,698	134,625	142,323	39,570	1979
Gulf View Square, Port Richey, FL	—	13,690	39,991	2,023	18,939	15,713	58,930	74,643	20,090	1980
Gwinnett Place, Duluth, GA	115,000	20,222	141,191	—	549	20,222	141,740	161,962	32,626	1998 (Note 5)
Haywood Mall, Greenville, SC	—	11,585	133,893	6	18,608	11,591	152,501	164,092	51,130	1998 (Note 4)
Independence Center, Independence, MO	200,000	5,042	45,798	—	30,746	5,042	76,544	81,586	27,642	1994 (Note 4)
Ingram Park Mall, San Antonio, TX	78,372	733	17,163	73	18,447	806	35,610	36,416	18,668	1979
Irving Mall, Irving, TX	—	6,737	17,479	2,533	37,362	9,270	54,841	64,111	29,393	1971
Jefferson Valley Mall, Yorktown Heights, NY	—	4,868	30,304	—	23,716	4,868	54,020	58,888	23,792	1983
Knoxville Center, Knoxville, TN	59,348	5,006	21,617	3,712	34,529	8,718	56,146	64,864	24,976	1984
La Plaza Mall, McAllen, TX	—	1,375	9,828	6,569	36,392	7,944	46,220	54,164	18,843	1976
Laguna Hills Mall, Laguna Hills, CA	—	27,928	55,446	—	11,628	27,928	67,074	95,002	19,798	1997 (Note 4)
Lakeline Mall, Austin, TX	—	10,088	81,568	14	8,292	10,102	89,860	99,962	30,983	1995
Lenox Square, Atlanta, GA	—	38,213	492,411	—	56,412	38,213	548,823	587,036	137,573	1998 (Note 4)
Lima Mall, Lima, OH	—	7,662	35,338	—	9,285	7,662	44,623	52,285	17,202	1965
Lincolnwood Town Center, Lincolnwood, IL	—	7,907	63,480	28	6,987	7,935	70,467	78,402	32,492	1990
Livingston Mall, Livingston, NJ	—	30,200	105,250	—	23,726	30,200	128,976	159,176	32,685	1998 (Note 4)
Longview Mall, Longview, TX	31,338	259	3,567	124	7,980	383	11,547	11,930	5,323	1978
Mall of Georgia, Mill Creek, GA	188,621	47,492	326,633	—	2,604	47,492	329,237	376,729	49,416	1999 (Note 5)
Maplewood Mall, Minneapolis, MN	—	17,119	80,758	—	11,377	17,119	92,135	109,254	18,231	2002 (Note 4)
Markland Mall, Kokomo, IN	22,172	—	7,568	—	7,871	—	15,439	15,439	8,053	1968
McCain Mall, N. Little Rock, AR	—	—	9,515	—	11,633	—	21,148	21,148	14,899	1973
Melbourne Square, Melbourne, FL	—	15,762	55,891	4,160	25,376	19,922	81,267	101,189	23,049	1982
Menlo Park Mall, Edison, NJ	—	65,684	223,252	—	31,678	65,684	254,930	320,614	75,620	1997 (Note 4)
Midland Park Mall, Midland, TX	32,369	687	9,213	—	11,681	687	20,894	21,581	11,584	1980
Miller Hill Mall, Duluth, MN	—	2,537	18,092	—	24,797	2,537	42,889	45,426	24,265	1973
Montgomery Mall, Montgomeryville, PA	91,018	27,105	86,915	—	17,675	27,105	104,590	131,695	19,713	2004 (Note 5)
Muncie Mall, Muncie, IN	7,518	172	5,776	52	27,255	224	33,031	33,255	14,479	1970
Nanuet Mall, Nanuet, NY	—	27,310	162,993	—	3,093	27,310	166,086	193,396	73,597	1998 (Note 4)
North East Mall, Hurst, TX	—	128	12,966	19,010	148,871	19,138	161,837	180,975	53,110	1971
Northfield Square Mall, Bourbonnais, IL	29,742	362	53,396	—	1,015	362	54,411	54,773	28,934	2004 (Note 5)
Northgate Mall, Seattle, WA	—	24,392	115,992	—	90,176	24,392	206,168	230,560	43,725	1987
Northlake Mall, Atlanta, GA	68,466	33,400	98,035	—	4,146	33,400	102,181	135,581	39,763	1998 (Note 4)
Northwoods Mall, Peoria, IL	—	1,185	12,779	2,451	36,223	3,636	49,002	52,638	25,609	1983
Oak Court Mall, Memphis, TN	—	15,673	57,304	—	8,740	15,673	66,044	81,717	20,180	1997 (Note 4)
Ocean County Mall, Toms River, NJ	—	20,404	124,945	—	22,375	20,404	147,320	167,724	37,670	1998 (Note 4)

Simon Property Group, Inc. and Subsidiaries

Real Estate and Accumulated Depreciation
December 31, 2007
(Dollars in thousands)

		Initial Cost (Note 3)		Cost Capitalized Subsequent to Acquisition (Note 3)		Gross Amounts At Which Carried At Close of Period				
Name, Location	**Encumbrances**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Total (1)**	**Accumulated Depreciation (2)**	**Date of Construction**
Orange Park Mall, Orange Park, FL	—	12,998	65,121	—	37,497	12,998	102,618	115,616	34,195	1994 (Note 4)
Orland Square, Orland Park, IL	—	35,514	129,906	—	20,444	35,514	150,350	185,864	45,341	1997 (Note 4)
Oxford Valley Mall, Langhorne, PA	77,451	24,544	100,287	—	4,514	24,544	104,801	129,345	40,214	2003 (Note 4)
Paddock Mall, Ocala, FL	—	11,198	39,727	—	9,819	11,198	49,546	60,744	15,085	1980
Palm Beach Mall, West Palm Beach, FL	51,781	11,962	112,437	—	36,378	11,962	148,815	160,777	73,921	1967
Penn Square Mall, Oklahoma City, OK	67,079	2,043	155,958	—	27,562	2,043	183,520	185,563	45,100	2002 (Note 4)
Pheasant Lane Mall, Nashua, NH	—	3,902	155,068	550	12,940	4,452	168,008	172,460	43,225	2004 (Note 5)
Phipps Plaza, Atlanta, GA	—	19,200	210,610	—	20,238	19,200	230,848	250,048	61,783	1998 (Note 4)
Plaza Carolina, Carolina, PR	242,548	15,493	279,560	—	5,027	15,493	284,587	300,080	35,177	2004 (Note 4)
Port Charlotte Town Center, Port Charlotte, FL	51,517	5,471	58,570	—	15,153	5,471	73,723	79,194	25,667	1989
Prien Lake Mall, Lake Charles, LA	—	1,842	2,813	3,091	38,012	4,933	40,825	45,758	16,581	1972
Raleigh Springs Mall, Memphis, TN	—	9,137	28,604	—	12,983	9,137	41,587	50,724	29,294	1971
Richmond Town Square, Richmond Heights, OH	45,466	2,600	12,112	—	61,013	2,600	73,125	75,725	33,480	1966
River Oaks Center, Calumet City, IL	—	30,884	101,224	—	10,460	30,884	111,684	142,568	32,388	1997 (Note 4)
Rockaway Townsquare, Rockaway, NJ	—	44,116	212,257	27	21,162	44,143	233,419	277,562	59,870	1998 (Note 4)
Rolling Oaks Mall, San Antonio, TX	—	1,929	38,609	—	14,995	1,929	53,604	55,533	23,981	1988
Roosevelt Field, Garden City, NY	—	164,058	702,008	2,117	37,986	166,175	739,994	906,169	192,013	1998 (Note 4)
Ross Park Mall, Pittsburgh, PA	—	23,541	90,203	—	49,793	23,541	139,996	163,537	47,019	1986
Santa Rosa Plaza, Santa Rosa, CA	—	10,400	87,864	—	9,679	10,400	97,543	107,943	26,254	1998 (Note 4)
Shops at Mission Viejo, The, Mission Viejo, CA	—	9,139	54,445	7,491	145,094	16,630	199,539	216,169	66,893	1979
South Hills Village, Pittsburgh, PA	—	23,445	125,840	—	15,415	23,445	141,255	164,700	40,875	1997 (Note 4)
South Shore Plaza, Braintree, MA	—	101,200	301,495	—	43,169	101,200	344,664	445,864	84,343	1998 (Note 4)
Southern Park Mall, Boardman, OH	—	16,982	77,767	97	22,785	17,079	100,552	117,631	35,154	1970
SouthPark, Charlotte, NC	—	32,141	188,004	100	163,731	32,241	351,735	383,976	61,481	2002 (Note 4)
St Charles Towne Center, Waldorf, MD	—	7,710	52,934	1,180	27,269	8,890	80,203	89,093	33,572	1990
Stanford Shopping Center, Palo Alto, CA	220,000	—	339,537	—	4,167	—	343,704	343,704	50,095	2003 (Note 4)
Summit Mall, Akron, OH	65,000	15,374	51,137	—	31,896	15,374	83,033	98,407	24,337	1965
Sunland Park Mall, El Paso, TX	34,558	2,896	28,900	—	6,753	2,896	35,653	38,549	18,663	1988
Tacoma Mall, Tacoma, WA	124,796	37,803	125,826	—	47,096	37,803	172,922	210,725	50,032	1987
Tippecanoe Mall, Lafayette, IN	—	2,897	8,439	5,517	44,645	8,414	53,084	61,498	30,386	1973
Town Center at Aurora, Aurora, CO	—	9,959	56,766	6	55,602	9,965	112,368	122,333	29,303	1998 (Note 4)
Town Center at Boca Raton, Boca Raton, FL	—	64,200	307,279	—	140,034	64,200	447,313	511,513	105,534	1998 (Note 4)
Town Center at Cobb, Kennesaw, GA	280,000	31,759	158,225	—	1,723	31,759	159,948	191,707	36,012	1998 (Note 5)
Towne East Square, Wichita, KS	64,557	8,525	18,479	1,429	32,130	9,954	50,609	60,563	27,343	1975

Simon Property Group, Inc. and Subsidiaries

Real Estate and Accumulated Depreciation

December 31, 2007

(Dollars in thousands)

		Initial Cost (Note 3)		Cost Capitalized Subsequent to Acquisition (Note 3)		Gross Amounts At Which Carried At Close of Period				
Name, Location	**Encumbrances**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Total (1)**	**Accumulated Depreciation (2)**	**Date of Construction**
Towne West Square, Wichita, KS	51,302	972	21,203	61	11,662	1,033	32,865	33,898	16,669	1980
Treasure Coast Square, Jensen Beach, FL	—	11,124	72,990	3,067	29,027	14,191	102,017	116,208	32,179	1987
Tyrone Square, St. Petersburg, FL	—	15,638	120,962	—	27,798	15,638	148,760	164,398	46,698	1972
University Mall, Pensacola, FL	100,000	4,256	26,657	—	3,615	4,256	30,272	34,528	12,311	1994
University Park Mall, Mishawaka, IN	—	16,768	112,158	7,000	26,344	23,768	138,502	162,270	70,367	1996 (Note 4)
Upper Valley Mall, Springfield, OH	47,904	8,421	38,745	—	8,261	8,421	47,006	55,427	14,779	1979
Valle Vista Mall, Harlingen, TX	40,000	1,398	17,159	372	14,336	1,770	31,495	33,265	15,779	1983
Virginia Center Commons, Glen Allen, VA	—	9,764	50,547	4,149	8,848	13,913	59,395	73,308	22,355	1991
Walt Whitman Mall, Huntington Station, NY	—	51,700	111,258	3,789	42,209	55,489	153,467	208,956	51,210	1998 (Note 4)
Washington Square, Indianapolis, IN	30,552	16,800	36,495	462	27,556	17,262	64,051	81,313	31,016	1974
West Ridge Mall, Topeka, KS	68,711	5,453	34,132	1,168	14,684	6,621	48,816	55,437	20,793	1988
Westminster Mall, Westminster, CA	—	43,464	84,709	—	20,121	43,464	104,830	148,294	28,079	1998 (Note 4)
White Oaks Mall, Springfield, IL	50,000	3,024	35,692	2,241	34,289	5,265	69,981	75,246	25,696	1977
Wolfchase Galleria, Memphis, TN	225,000	15,881	128,276	—	9,365	15,881	137,641	153,522	40,818	2002 (Note 4)
Woodland Hills Mall, Tulsa, OK	80,144	34,211	187,123	—	10,718	34,211	197,841	232,052	41,142	2004 (Note 5)
Premium Outlet Centers										
Albertville Premium Outlets, Albertville, MN	—	3,900	97,059	—	2,659	3,900	99,718	103,618	15,882	2004 (Note 4)
Allen Premium Outlets, Allen, TX	—	13,855	43,687	97	22,224	13,952	65,911	79,863	10,089	2004 (Note 4)
Aurora Farms Premium Outlets, Aurora, OH	—	2,370	24,326	—	1,920	2,370	26,246	28,616	8,944	2004 (Note 4)
Camarillo Premium Outlets, Camarillo, CA	—	16,670	224,721	—	7,510	16,670	232,231	248,901	28,939	2004 (Note 4)
Carlsbad Premium Outlets, Carlsbad, CA	—	12,890	184,990	96	914	12,986	185,904	198,890	24,653	2004 (Note 4)
Carolina Premium Outlets, Smithfield, NC	19,973	3,170	59,863	—	1,330	3,170	61,193	64,363	12,171	2004 (Note 4)
Chicago Premium Outlets, Aurora, IL	—	659	118,005	6,448	13,337	7,107	131,342	138,449	19,323	2004 (Note 4)
Clinton Crossings Premium Outlets, Clinton, CT	—	2,060	107,557	32	989	2,092	108,546	110,638	15,844	2004 (Note 4)
Columbia Gorge Premium Outlets, Troutdale, OR	—	7,900	16,492	—	745	7,900	17,237	25,137	5,299	2004 (Note 4)
Desert Hills Premium Outlets, Cabazon, CA	—	3,440	338,679	—	1,135	3,440	339,814	343,254	37,252	2004 (Note 4)
Edinburgh Premium Outlets, Edinburgh, IN	—	2,857	47,309	—	10,673	2,857	57,982	60,839	10,854	2004 (Note 4)
Folsom Premium Outlets, Folsom, CA	—	9,060	50,281	—	1,698	9,060	51,979	61,039	10,894	2004 (Note 4)
Gilroy Premium Outlets, Gilroy, CA	62,423	9,630	194,122	—	3,416	9,630	197,538	207,168	28,938	2004 (Note 4)
Jackson Premium Outlets, Jackson, NJ	—	6,413	104,013	3	2,399	6,416	106,412	112,828	12,308	2004 (Note 4)
Johnson Creek Premium Outlets, Johnson Creek, WI	—	2,800	39,546	—	2,930	2,800	42,476	45,276	5,282	2004 (Note 4)
Kittery Premium Outlets, Kittery, ME	10,334	11,832	94,994	—	4,079	11,832	99,073	110,905	8,938	2004 (Note 4)
Las Americas Premium Outlets, San Diego, CA	180,000	45,168	251,634	—	1,037	45,168	252,671	297,839	2,556	2007 (Note 4)
Las Vegas Outlet Center, Las Vegas, NV	—	13,085	160,777	—	3,401	13,085	164,178	177,263	15,846	2004 (Note 4)
Las Vegas Premium Outlets, Las										2004

Vegas, NV	—	25,435	134,973	—	53,834	25,435	188,807	214,242	20,025	(Note 4)

Simon Property Group, Inc. and Subsidiaries

Real Estate and Accumulated Depreciation

December 31, 2007

(Dollars in thousands)

		Initial Cost (Note 3)		Cost Capitalized Subsequent to Acquisition (Note 3)		Gross Amounts At Which Carried At Close of Period				
Name, Location	**Encumbrances**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Total (1)**	**Accumulated Depreciation (2)**	**Date of Construction**
Leesburg Corner Premium Outlets, Leesburg, VA	—	7,190	162,023	—	2,337	7,190	164,360	171,550	25,328	2004 (Note 4)
Liberty Village Premium Outlets, Flemington, NJ	—	5,670	28,904	—	1,202	5,670	30,106	35,776	7,530	2004 (Note 4)
Lighthouse Place Premium Outlets, Michigan City, IN	43,073	6,630	94,138	—	3,459	6,630	97,597	104,227	19,347	2004 (Note 4)
Napa Premium Outlets, Napa, CA	—	11,400	45,023	—	1,069	11,400	46,092	57,492	7,188	2004 (Note 4)
North Georgia Premium Outlets, Dawsonville, GA	—	4,300	132,325	—	1,128	4,300	133,453	137,753	20,314	2004 (Note 4)
Orlando Premium Outlets, Orlando, FL	—	14,040	304,410	15,855	23,280	29,895	327,690	357,585	32,558	2004 (Note 4)
Osage Beach Premium Outlets, Osage Beach, MO	—	9,460	85,804	3	2,197	9,463	88,001	97,464	15,360	2004 (Note 4)
Petaluma Village Premium Outlets, Petaluma, CA	—	13,322	14,067	—	2,157	13,322	16,224	29,546	4,298	2004 (Note 4)
Philadelphia Premium Outlets, Limerick, PA	—	16,676	105,249	—	—	16,676	105,249	121,925	635	2006
Rio Grande Valley Premium Outlets, Mercedes, TX	—	12,693	41,547	1	19,133	12,694	60,680	73,374	2,842	2005
Round Rock Premium Outlets, Round Rock, TX	—	22,911	82,252	—	5,245	22,911	87,497	110,408	6,005	2005
Seattle Premium Outlets, Seattle, WA	—	13,557	103,722	12	2,876	13,569	106,598	120,167	11,634	2004 (Note 4)
St. Augustine Premium Outlets, St. Augustine, FL	—	6,090	57,670	2	5,041	6,092	62,711	68,803	11,185	2004 (Note 4)
The Crossings Premium Outlets, Tannersville, PA	55,385	7,720	172,931	—	7,795	7,720	180,726	188,446	22,242	2004 (Note 4)
Vacaville Premium Outlets, Vacaville, CA	—	9,420	84,856	—	2,892	9,420	87,748	97,168	17,234	2004 (Note 4)
Waikele Premium Outlets, Waipahu, HI	—	22,630	77,316	—	922	22,630	78,238	100,868	12,183	2004 (Note 4)
Waterloo Premium Outlets, Waterloo, NY	34,692	3,230	75,277	—	5,042	3,230	80,319	83,549	14,669	2004 (Note 4)
Woodbury Common Premium Outlets, Central Valley, NY	—	11,110	862,557	1,658	1,735	12,768	864,292	877,060	96,410	2004 (Note 4)
Wrentham Village Premium Outlets, Wrentham, MA	—	4,900	282,031	—	2,256	4,900	284,287	289,187	37,847	2004 (Note 4)
Community/Lifestyle Centers										
Arboretum at Great Hills, Austin, TX	—	7,640	36,774	71	8,642	7,711	45,416	53,127	12,143	1998 (Note 4)
Bloomingdale Court, Bloomingdale, IL	27,080	8,748	26,184	—	9,481	8,748	35,665	44,413	14,579	1987
Brightwood Plaza, Indianapolis, IN	—	65	128	—	337	65	465	530	294	1965
Charles Towne Square, Charleston, SC	—	—	1,768	370	10,636	370	12,404	12,774	5,529	1976
Chesapeake Center, Chesapeake, VA	—	5,352	12,279	—	556	5,352	12,835	18,187	4,162	1989

Simon Property Group, Inc. and Subsidiaries

Real Estate and Accumulated Depreciation

December 31, 2007

(Dollars in thousands)

		Initial Cost (Note 3)		Cost Capitalized Subsequent to Acquisition (Note 3)		Gross Amounts At Which Carried At Close of Period				
Name, Location	**Encumbrances**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Total (1)**	**Accumulated Depreciation (2)**	**Date of Construction**
Countryside Plaza, Countryside, IL	—	332	8,507	2,554	8,546	2,886	17,053	19,939	6,338	1977
Dare Centre, Kill Devil Hills, NC	1,663	—	5,702	—	204	—	5,906	5,906	573	2004 (Note 4)
DeKalb Plaza, King of Prussia, PA	3,189	1,955	3,405	—	1,062	1,955	4,467	6,422	1,323	2003 (Note 4)
Eastland Plaza, Tulsa, OK	—	651	3,680	—	85	651	3,765	4,416	2,809	1986
Forest Plaza, Rockford, IL	14,853	4,132	16,818	453	2,940	4,585	19,758	24,343	7,794	1985
Gateway Shopping Centers, Austin, TX	87,000	24,549	81,437	—	7,084	24,549	88,521	113,070	13,927	2004 (Note 4)
Great Lakes Plaza, Mentor, OH	—	1,028	2,025	—	3,668	1,028	5,693	6,721	2,609	1976
Greenwood Plus, Greenwood, IN	—	1,131	1,792	—	3,773	1,131	5,565	6,696	2,493	1979
Henderson Square, King of Prussia, PA	14,846	4,223	15,124	—	147	4,223	15,271	19,494	2,283	2003 (Note 4)
Highland Lakes Center, Orlando, FL	15,436	7,138	25,284	—	1,450	7,138	26,734	33,872	11,021	1991
Ingram Plaza, San Antonio, TX	—	421	1,802	4	59	425	1,861	2,286	1,131	1980
Keystone Shoppes, Indianapolis, IN	—	—	4,232	—	968	—	5,200	5,200	1,547	1997 (Note 4)
Knoxville Commons, Knoxville, TN	—	3,731	5,345	—	1,738	3,731	7,083	10,814	4,361	1987
Lake Plaza, Waukegan, IL	—	2,487	6,420	—	1,059	2,487	7,479	9,966	3,051	1986
Lake View Plaza, Orland Park, IL	19,744	4,702	17,543	—	12,450	4,702	29,993	34,695	11,055	1986
Lakeline Plaza, Austin, TX	21,647	5,822	30,875	—	7,399	5,822	38,274	44,096	12,552	1998
Lima Center, Lima, OH	—	1,808	5,151	—	6,788	1,808	11,939	13,747	3,636	1978
Lincoln Crossing, O'Fallon, IL	2,988	674	2,192	—	598	674	2,790	3,464	1,072	1990
Lincoln Plaza, King of Prussia, PA	—	—	21,299	—	1,827	—	23,126	23,126	7,333	2003 (Note 4)
MacGregor Village, Cary, NC	6,689	502	8,897	—	192	502	9,089	9,591	899	2004 (Note 4)
Mall of Georgia Crossing, Mill Creek, GA	—	9,506	32,892	—	111	9,506	33,003	42,509	9,374	2004 (Note 5)
Markland Plaza, Kokomo, IN	—	206	738	—	6,205	206	6,943	7,149	2,156	1974
Martinsville Plaza, Martinsville, VA	—	—	584	—	328	—	912	912	699	1967
Matteson Plaza, Matteson, IL	8,695	1,771	9,737	—	2,534	1,771	12,271	14,042	5,624	1988
Muncie Plaza, Muncie, IN	—	267	10,509	87	1,313	354	11,822	12,176	3,559	1998
New Castle Plaza, New Castle, IN	—	128	1,621	—	1,435	128	3,056	3,184	1,776	1966
North Ridge Plaza, Joliet, IL	8,169	2,831	7,699	—	3,172	2,831	10,871	13,702	4,009	1985
North Ridge Shopping Center, Raleigh, NC	—	385	12,838	—	407	385	13,245	13,630	1,340	2004 (Note 4)
Northwood Plaza, Fort Wayne, IN	—	148	1,414	—	1,406	148	2,820	2,968	1,632	1974
Palms Crossing, McAllen, TX	—	14,282	45,925	—	—	14,282	45,925	60,207	364	2006
Park Plaza, Hopkinsville, KY	—	300	1,572	—	225	300	1,797	2,097	1,668	1968
Regency Plaza, St. Charles, MO	4,075	616	4,963	—	569	616	5,532	6,148	2,109	1988
Rockaway Convenience Center, Rockaway, NJ	—	5,149	26,435	—	6,525	5,149	32,960	38,109	6,184	1998 (Note 4)
Rockaway Town Plaza, Rockaway, NJ	—	—	15,295	—	1,695	—	16,990	16,990	1,576	2004
Shops at Arbor Walk, Austin, TX	—	930	42,546	—	5,253	930	47,799	48,729	1,739	2005

Simon Property Group, Inc. and Subsidiaries

Real Estate and Accumulated Depreciation

December 31, 2007

(Dollars in thousands)

		Initial Cost (Note 3)		Cost Capitalized Subsequent to Acquisition (Note 3)		Gross Amounts At Which Carried At Close of Period				
Name, Location	**Encumbrances**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Land**	**Buildings and Improvements**	**Total (1)**	**Accumulated Depreciation (2)**	**Date of Construction**
Shops at North East Mall, The, Hurst, TX	—	12,541	28,177	402	4,806	12,943	32,983	45,926	12,254	1999
St. Charles Towne Plaza, Waldorf, MD	26,083	8,377	18,993	—	2,835	8,377	21,828	30,205	9,061	1987
Teal Plaza, Lafayette, IN	—	99	878	—	2,986	99	3,864	3,963	1,907	1962
Terrace at the Florida Mall, Orlando, FL	—	2,150	7,623	—	5,161	2,150	12,784	14,934	3,422	1989
Tippecanoe Plaza, Lafayette, IN	—	—	745	234	5,012	234	5,757	5,991	2,851	1974
University Center, Mishawaka, IN	—	3,071	7,413	—	3,174	3,071	10,587	13,658	5,713	1980
Washington Plaza, Indianapolis, IN	—	941	1,697	—	398	941	2,095	3,036	2,522	1976
Waterford Lakes Town Center, Orlando, FL	—	8,679	72,836	—	13,246	8,679	86,082	94,761	27,447	1999
West Ridge Plaza, Topeka, KS	5,254	1,376	4,560	—	1,695	1,376	6,255	7,631	2,644	1988
White Oaks Plaza, Springfield, IL	16,031	3,169	14,267	—	1,166	3,169	15,433	18,602	6,083	1986
Wolf Ranch, Georgetown, TX	—	22,118	51,509	—	2,078	22,118	53,587	75,705	5,094	2004
Other Properties										
Crossville Outlet Center, Crossville, TN	—	263	4,380	—	204	263	4,584	4,847	527	2004 (Note 4)
Factory Merchants Branson, Branson, MO	—	1,383	19,637	1	736	1,384	20,373	21,757	1,750	2004 (Note 4)
Factory Shoppes at Branson Meadows, Branson, MO	9,289	—	5,206	—	131	—	5,337	5,337	531	2004 (Note 4)
Factory Stores of America — Boaz, AL	2,717	—	924	—	1	—	925	925	79	2004 (Note 4)
Factory Stores of America — Georgetown, KY	6,438	148	3,610	—	17	148	3,627	3,775	347	2004 (Note 4)
Factory Stores of America — Graceville, FL	1,912	12	408	—	46	12	454	466	41	2004 (Note 4)
Factory Stores of America — Lebanon. MO	1,607	24	214	—	—	24	214	238	30	2004 (Note 4)
Factory Stores of America — Nebraska City, NE	1,510	26	566	—	4	26	570	596	60	2004 (Note 4)
Factory Stores of America — Story City, IA	1,867	7	526	—	—	7	526	533	48	2004 (Note 4)
Factory Stores of North Bend, North Bend, WA	—	2,143	36,197	—	1,012	2,143	37,209	39,352	4,068	2004 (Note 4)
Development Projects										
Houston Premium Outlets, Cypress, TX	—	21,159	69,350	—	—	21,159	69,350	90,509	—	2007
Jersey Shore Premium Outlets, Tinton Falls, NJ	—	—	50,979	—	—	—	50,979	50,979	—	2007
Pier Park, Panama City Beach, FL	—	22,814	71,988	—	—	22,814	71,988	94,802	—	2006
Other pre-development costs	—	83,674	43,263	1,268	11,212	84,942	54,475	139,417	—	
Other	—	4,733	3,698	665	428	5,398	4,126	9,524	2,082	
	$ 5,201,453	2,660,485	$ 17,448,774	$ 177,967	$ 3,876,141	$ 2,798,452	$ 21,364,915	$ 24,163,367	$ 5,168,565	

Simon Property Group, Inc. and Subsidiaries

Notes to Schedule III as of December 31, 2007

(Dollars in thousands)

(1) Reconciliation of Real Estate Properties:

The changes in real estate assets for the years ended December 31, 2007, 2006, and 2005 are as follows:

	2007	2006	2005
Balance, beginning of year	**$ 22,644,299**	$ 21,551,247	$ 21,082,582
Acquisitions and consolidations	**743,457**	402,095	294,654
Improvements	**1,057,663**	772,806	661,569
Disposals and de-consolidations	**(282,052)**	(81,849)	(487,558)
Balance, close of year	**$ 24,163,367**	$ 22,644,299	$ 21,551,247

The unaudited aggregate cost of real estate assets for federal income tax purposes as of December 31, 2007 was $18,506,993.

(2) Reconciliation of Accumulated Depreciation:

The changes in accumulated depreciation and amortization for the years ended December 31, 2007, 2006, and 2005 are as follows:

	2007	2006	2005
Balance, beginning of year	**$ 4,479,198**	$ 3,694,807	$ 3,066,604
Acquisitions and consolidations (5)	**12,714**	64,818	2,627
Depreciation expense	**808,041**	767,726	768,028
Disposals	**(131,388)**	(48,153)	(142,452)
Balance, close of year	**$ 5,168,565**	$ 4,479,198	$ 3,694,807

Depreciation of Simon Property's investment in buildings and improvements reflected in the consolidated statements of operations and comprehensive income is calculated over the estimated original lives of the assets as follows:

- Buildings and Improvements — typically 10-40 years for the structure, 15 years for landscaping and parking lot, and 10 years for HVAC equipment.

- Tenant Allowances and Improvements — shorter of lease term or useful life.

(3) Initial cost generally represents net book value at December 20, 1993, except for acquired properties and new developments after December 20, 1993. Initial cost also includes any new developments that are opened during the current year. Costs of disposals of property are first reflected as a reduction to cost capitalized subsequent to acquisition.

(4) Not developed/constructed by Simon Property or its predecessors. The date of construction represents acquisition date.

(5) Property initial cost for these properties is the cost at the date of consolidation for properties previously accounted for under the equity method of accounting. Accumulated depreciation amounts for properties consolidated which were previously accounted for under the equity method of accounting include the minority interest holders' portion of accumulated depreciation.

QuickLinks

TABLE OF CONTENTS
Part I

Item 1A. Risk Factors

Mortgage and Other Debt on Portfolio Properties As of December 31, 2007 (Dollars in thousands)
Mortgage and Other Debt on Portfolio Properties As of December 31, 2007 (Dollars in thousands)
Part II
Part III
Part IV
SIGNATURES
Simon Property Group, Inc. and Subsidiaries Notes to Schedule III as of December 31, 2007 (Dollars in thousands)

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 10.3

AMENDMENT TO CREDIT AGREEMENT

THIS AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is made as of October 4, 2007, by and among SIMON PROPERTY GROUP, L.P., a Delaware limited partnership (the "Borrower"), the LENDERS listed on the signature pages hereof, JPMORGAN CHASE BANK, N.A., as Administrative Agent, DEUTSCHE BANK SECURITIES, INC., as Co-Documentation Agent, THE BANK OF NOVA SCOTIA, NEW YORK AGENCY, as Co-Documentation Agent, and SUMITOMO MITSUI BANKING CORPORATION, as Co-Documentation Agent, and UBS SECURITIES LLC, as Joint Syndication Agent, BANK OF AMERICA, N.A., as Joint Syndication Agent, and CITICORP NORTH AMERICA INC., as Joint Syndication Agent.

WITNESSETH:

WHEREAS, the Borrower and the Lenders have entered into the Credit Agreement, dated as of December 15, 2005 (the "Credit Agreement"); and

WHEREAS, the Borrower has exercised its option pursuant to Section 2.1(d) of the Credit Agreement; and

WHEREAS, the parties desire to modify the Credit Agreement upon the terms and conditions set forth herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. *Definitions.* All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

2. *Amendments to Definitions.*

   (a) The definition of "Managing Agents" is hereby amended by adding after T.M. Life Insurance Company", the following: "and Norddeutsche Landesbank Girozentrale, New York Branch, Aareal Bank AG and Goldman Sachs Bank USA"

   (b) The definition of "Revolving Credit Commitment" is hereby deleted and the following substituted therefor:

   "Revolving Credit Commitment" means, with respect to any Lender, the obligation of such Lender to make Committed Loans and to participate in Letters of Credit pursuant to the terms and conditions of this Agreement, and which shall not exceed the sum of the principal amount set forth opposite such Lender's name under the heading "Revolving Credit Commitment" and "Alternative Currency Commitment" on Schedule 1.1 attached to the Amendment to Credit Agreement, dated as of October 4, 2007 or the signature page of the Assignment and Acceptance by which it became a Lender, as modified from time to time pursuant to the terms of this Agreement or to give effect to any applicable Assignment and Acceptance, and "Revolving Credit Commitments" means the aggregate principal amount of the Revolving Credit Commitments and Alternative Currency Commitments of all the Lenders, the maximum amount of which shall be $3,500,000,000, as reduced from time to time pursuant to Section 4.1.

3. *Other Amendments.* Section 2.1(d) and all references thereto are hereby deleted in their entirety.

4. *Effective Date.* This Amendment shall become effective upon receipt by the Administrative Agent of (i) counterparts hereof signed by the Borrower and each existing Lender that has elected to increase its Revolving Credit Commitment and each institution (which shall be an Eligible Assignee) that has elected to become a Lender, and (ii) payment by Borrower of the agreed upon fees for the account of the Lenders increasing their Revolving Credit Commitments and new institutions becoming Lenders (the date of such receipt being deemed the "Effective Date").

5. *Representations and Warranties.* Borrower hereby represents and warrants that as of the Effective Date, all the representations and warranties set forth in the Credit Agreement, as amended hereby, are true and complete in all material respects.

6. *Entire Agreement.* This Amendment constitutes the entire and final agreement among the parties hereto with respect to the subject matter hereof and there are no other agreements, understandings, undertakings, representations or warranties among the parties hereto with respect to the subject matter hereof except as set forth herein.

7. *Governing Law.* This Amendment shall be governed by, and construed in accordance with, the law of the State of New York.

8. *Counterpart.* This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same agreement, and any of the parties hereto may execute this Amendment by signing any such counterpart.

9. *Headings Etc.* Section or other headings contained in this Amendment are for reference purposes only and shall not in any way affect the meaning or interpretation of this Amendment.

10. *No Further Modifications.* Except as modified herein, all of the terms and conditions of the Credit Agreement, as modified hereby shall remain in full force and effect and, as modified hereby, the Borrower confirms and ratifies all of the terms, covenants and conditions of the Credit Agreement in all respects.

IN WITTIESS WHEREOF, this Amendment has been duly executed as of the date first above written.

BORROWER:	SIMON PROPERTY GROUP, L.P., a Delaware limited partnership	
	By:	SIMON PROPERTY GROUP, INC., as Managing General Partner
	By:	/s/ DAVID SIMON
		Chief Executive Officer

ADMINISTRATIVE AGENT AND LENDER:	JPMORGAN CHASE BANK, N.A.	
	By:	/s/ MARC COSTANTINO
	Name:	Marc Costantino
	Title:	Executive Director

SYNDICATION AGENT AND LENDER:

UBS LOAN FINANCE, LLC

By: /s/ IRJA R. OTSA

Name: Irja R. Otsa
Title: Associate Director Banking Products Services, US

By: /s/ DAVID B. JULIE

Name: David B. Julie
Title: Associate Director Banking Products Services, US

Revolving Credit Commitment: $106,765,625

Alternative Currency Commitment: $43,234,375

SYNDICATION AGENT AND LENDER:

CITICORP NORTH AMERICA, INC.

By: /s/ RICARDO JAMES

Name: Ricardo James
Title: SCO 2 Real Estate Estate Industry Specialist

Revolving Credit Commitment: $106,765,625

Alternative Currency Commitment: $43,234,375

CO-DOCUMENTATION AGENT AND LENDER:

DEUTSCHE BANK AG, NEW YORK BRANCH

By: /s/ BRENDA CASEY

Name: Brenda Casey
Title: Director

By: /s/ J.T. JOHNSTON COE

Name: J.T. Johnston Coe
Title: Managing Director

Revolving Credit Commitment: $103,015,625

Alternative Currency Commitment: $41,984,375

CO-DOCUMENTATION AGENT AND LENDER:

THE BANK OF NOVA SCOTIA, NEW YORK AGENCY

By: /s/ ROBERT BOESE

Name: Robert Boese
Title: Managing Director

Revolving Credit Commitment: $95,515,625

Alternative Currency Commitment: $39,484,375

CO-DOCUMENTATION AGENT AND LENDER:

SUMITOMO MITSUI BANKING CORPORATION

By:	/s/ WILLIAM M. GINN
Name:	William M. Ginn
Title:	General Manager

Revolving Credit Commitment: $99,265,625

Alternative Currency Commitment: $40,734,375

SENIOR EXECUTIVE MANAGING AGENT AND LENDER:	THE ROYAL BANK OF SCOTLAND PLC
	By: /s/ BRETT THOMPSON
	Name: Brett Thompson
	Title: Vice President

Revolving Credit Commitment: $92,265,625

Alternative Currency Commitment: $37,734,375

SENIOR EXECUTIVE MANAGING AGENT AND LENDER:

CALYON NEW YORK BRANCH

By: /s/ WILLIAM J. ROGERS

Name: William J. Rogers
Title: Managing Director

By: /s/ PAUL T. RAGUSIN

Name: Paul T. Ragusin
Title: Director

Revolving Credit Commitment: $84,765,625

Alternative Currency Commitment: $35,234,375

SENIOR EXECUTIVE MANAGING AGENT AND LENDER:	CREDIT SUISSE, CAYMAN ISLANDS BRANCH	
	By:	/s/ CASSANDRA DROOGAN
	Name:	Cassandra Droogan
	Title:	Vice President
	By:	/s/ SHAHEEN MALIK
	Name:	Shaheen Malik
	Title:	Associate

Revolving Credit Commitment: $88,515,625

Alternative Currency Commitment: $36,484,375

SENIOR EXECUTIVE MANAGING AGENT AND LENDER:	MERRILL LYNCH BANK USA	
	By:	/s/ LOUIS ALDER
	Name:	Louis Alder
	Title:	Director

Revolving Credit Commitment: $88,515,625

Alternative Currency Commitment: $36,484,375

SENIOR EXECUTIVE MANAGING AGENT AND LENDER:

MORGAN STANLEY BANK

By: /s/ DANIEL TWENGE

Name: Daniel Twenge
Title: Authorized Signatory

Revolving Credit Commitment: $88,515,625

Alternative Currency Commitment: $36,484,375

SENIOR EXECUTIVE MANAGING AGENT AND LENDER:	PNC BANK, NATIONAL ASSOCIATION
	By: /s/ TERRI A. WYDA
	Name: Terri A. Wyda
	Title: Vice President

Revolving Credit Commitment: $77,265,625

Alternative Currency Commitment: $32,734,375

SENIOR MANAGING AGENT AND LENDER:

NATIONAL CITY BANK

By: /s/ JOHN J. THULLEN

Name: John J. Thullen
Title: Senior Vice President

Revolving Credit Commitment: $75,000,000

Alternative Currency Commitment: $25,000,000

SENIOR MANAGING AGENT AND LENDER:	SUNTRUST BANK
	By: /s/ NANCY B. RICHARDS
	Name: Nancy B. Richards
	Title: Senior Vice Prcsident

Revolving Credit Commitment: $60,000,000

Alternative Currency Commitment: $20,000,000

MANAGING AGENT AND LENDER:

KBC BANK N.V.

By: /s/ FRANCIS X. PAYNE

Name: Francis X. Payne
Title: Vice President

By: /s/ THOMAS R. LALLI

Name: Thomas R. Lalli
Title: First Vice President

Revolving Credit Commitment: $45,000,000

Alternative Currency Commitment: $15,000,000

MANAGING AGENT AND LENDER:	UNION BANK OF CALIFORNIA, N.A	
	By:	/s/ DAVID B. MURPHY
	Name:	David B. Murphy
	Title:	SVP/Regional Mgr.

Revolving Credit Commitment: $45,000,000

Alternative Currency Commitment: $15,000,000

MANAGING AGENT AND LENDER:	LANDESBANK BADEN-WURTTEMBERG NEW YORK BRANCH
	By: /s/ LEONARD J. CRANN
	Name: Leonard J. Crann Title: Head of Real Estate Finance Department
	By: /s/ ROBERT DOWLING
	Name: Robert Dowling Title: Vice President Sr. Marketing Officer

Revolving Credit Commitment: $48,750,000

Alternative Currency Commitment: $16,250,000

MANAGING AGENT AND LENDER:	BANK OF TOKYO—MITSUBISHI UFJ, LTD.
	By: /s/ JAMES T. TAYLOR
	Name: James T. Taylor
	Title: Vice President

Revolving Credit Commitment: $45,000,000

Alternative Currency Commitment: $15,000,000

MANAGING AGENT AND LENDER:	AAREAL BANK AG	
	By:	/s/ MICHAEL GREVE
	Name:	Michael Greve
	Title:	Manager
	By:	/s/ K. PEETERMANS
	Name:	K. Peetermans
	Title:	Legal Counsel

Revolving Credit Commitment: $22,500,000

Alternative Currency Commitment: $7,500,000

MANAGING AGENT AND LENDER:

GOLDMAN SACHS BANK USA

By: /s/ WILLIAM YARBENET

Name: William Yarbenet
Title: Vice President

Revolving Credit Commitment: $22,500,000

Alternative Currency Commitment: $7,500,000

LENDER:	PEOPLE'S UNITED BANK	
	By:	/s/ MAURICE FRY
	Name:	Maurice Fry
	Title:	Vice President

Revolving Credit Commitment: $25,000,000

Alternative Currency Commitment: $0

SCHEDULE 1.1

Lender		Revolving Credit Commitment		Alternative Currency Commitment
JPMorgan Chase Bank, N.A.	$	89,765,625	$	42,734,375
Bank of America, N.A.	$	89,765,625	$	42,734,375
Citicorp North America, Inc.	$	106,765,625	$	43,234,375
UBS Loan Finance LLC	$	106,765,625	$	43,234,375
Deutsche Bank AG, New York Branch	$	103,015,625	$	41,984,375
Sumitomo Mitsui Banking Corporation	$	99,265,625	$	40,734,375
The Bank of Nova Scotia, New York Agency	$	95,515,625	$	39,484,375
The Royal Bank of Scotland plc	$	92,265,625	$	37,734,375
Wachovia Bank, National Association	$	92,265,625	$	37,734,375
Credit Suisse, Cayman Islands Branch	$	88,515,625	$	36,484,375
Merrill Lynch Bank USA	$	88,515,625	$	36,484,375
Morgan Stanley Bank	$	88,515,625	$	36,484,375
U.S. Bank National Association	$	88,515,625	$	36,484,375
Calyon New York Branch	$	84,765,625	$	35,234,375
PNC Bank, National Association	$	77,265,625	$	32,734,375
Eurohypo AG, New York Branch	$	66,015,625	$	28,984,375
National City Bank of Indiana	$	75,000,000	$	25,000,000
Suntrust Bank	$	60,000,000	$	20,000,000
Bayerische Landesbank, New York Branch	$	56,250,000	$	18,750,000
ING Real Estate Finance (USA) LLC	$	56,250,000	$	18,750,000
LaSalle Bank National Association	$	56,250,000	$	18,750,000
Landesbank Baden-Wurttemberg New York Branch	$	48,750,000	$	16,250,000
Bank of Tokyo-.Mitsubishi UFJ, Ltd.	$	45,000,000	$	15,000,000
Fifth Third Bank	$	45,000,000	$	15,000,000
KBCBank N.V.	$	45,000,000	$	15,000,000
Union Bank of California, N.A.	$	45,000,000	$	15,000,000
Hypo Real Estate Capital Corporation	$	37,500,000	$	12,500,000
Mizuho Corporate Bank, Ltd.	$	37,500,000	$	12,500,000
Nomura Funding Facility Corporation Ltd.	$	37,500,000	$	12,500,000
Societe Generale	$	37,500,000	$	12,500,000
C.M. Life Insurance Company	$	3,000,000	$	0
Massachusetts Mutual Life Insurance Company	$	47,000,000	$	0
Emigrant Bank	$	50,000,000	$	0
Westdeutsche Immobilienbank	$	50,000,000	$	0
Norddeutsche Landesbank Girozentrale New York Branch	$	30,000,000	$	10,000,000
Aareal Bank AG	$	22,500,000	$	7,500,000
Goldman Sachs Bank USA	$	22,500,000	$	7,500,000
Banco Popular de Puerto Rico	$	25,000,000	$	0
Bank of China	$	25,000,000	$	0
Chang Hwa Commercial Bank, Ltd., New York Branch	$	25,000,000	$	0
Comerica Bank	$	25,000,000	$	0
Malayan Banking Berhad	$	25,000,000	$	0
People's United Bank	$	25,000,000	$	0
The Governor and Company of the Bank of Ireland	$	25,000,000	$	0
Mega International Commercial Bank, New York Branch	$	15,000,000	$	5,000,000
First Commercial Bank, Los Angeles Branch	$	20,000,000	$	0
The Norinchukin Bank, New York Branch	$	15,000,000	$	5,000,000
Bank of Taiwan, New York Agency	$	15,000,000	$	0
Chinatrust Commercial Bank, New York Branch	$	10,000,000	$	0
Hua Nan Commercial Bank Ltd., New York Agency	$	10,000,000	$	0
TOTAL	$	2,625,000,000	$	875,000,000

QuickLinks

Exhibit 10.3

Exhibit 10.12

EMPLOYMENT AGREEMENT

This **Employment Agreement** is made and entered into by and among SIMON PROPERTY GROUP, Inc., a Delaware corporation (the "Parent"), SIMON PROPERTY GROUP ADMINISTRATIVE SERVICES PARTNERSHIP, L.P., an indirect subsidiary of the Parent (the "Company") and RICHARD S. SOKOLOV (the "Executive"), as of January 1, 2007.

WHEREAS, Executive serves as President and Chief Operating Officer of Parent and its subsidiaries;

WHEREAS, Parent, Company and Executive are parties to a certain Employment Agreement dated March 26, 1996 and effective as of August 9, 1996, as the same has been amended and supplemented ("Prior Agreement");

WHEREAS, each of the Parent and the Company considers it essential to its best interests and the best interests of Parent's stockholders to foster the continued employment of Executive by the Parent and the Company;

WHEREAS, Executive is willing so to continue his employment on the terms hereinafter set forth in this agreement (the "Agreement"); and

WHEREAS, Executive has agreed that from and after the date hereof, this Agreement shall supersede in all respects the Prior Agreement and any other agreements, arrangements or understandings relating to the subject matter hereof.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein and for other good and valuable consideration, the parties agree as follows:

ARTICLE I

EXECUTIVE REPRESENTATIONS

1.1 *Executive Representations and Agreement*

(a) Executive agrees and acknowledges that as of the date hereof (i) this Agreement shall supersede the Prior Agreement in all respects and (ii) except as otherwise expressly provided in this Agreement, neither the Executive nor the Parent, the Company or their affiliates shall have any further rights, claims or obligations under any provisions of the Prior Agreement or any other existing agreements, arrangements or understandings relating to the subject matter hereof.

(b) Executive represents and warrants to the Parent and the Company, that to the best of his knowledge, neither the execution nor delivery of this Agreement nor the performance of his duties hereunder violates or will violate the provisions of any other agreement to which he is a party or by which he is bound.

ARTICLE II

EMPLOYMENT, DUTIES AND RESPONSIBILITIES

2.1 *Employment*. During the term of Executive's employment hereunder, Executive shall serve as the President and Chief Operating Officer of the Parent and agrees to serve, if elected, for no additional compensation as a trustee or director of the Parent and/or in the position of officer, trustee or director of any subsidiary or affiliate of the Parent. Executive hereby accepts such employment. Executive agrees to devote his full time and efforts to promote the interests of the

Parent and its affiliates. In addition, during the term of Executive's employment hereunder, the Parent shall use its best efforts to nominate Executive for election to, and to cause Executive to be elected to, the Board of Directors of Parent (the "Board") and to the Executive Committee of the Board and shall nominate Executive for re-election to the Board at each annual meeting of the Parent's shareholders at which directors of the Parent are to be elected.

2.2 *Duties and Responsibilities*. During the term of Executive's employment hereunder, Executive shall perform such duties and exercise such supervision and authority over and with regard to the business of the Parent as are similar in nature to those duties and services customarily associated with the position of President and Chief Operating Officer, including authority, subject to the oversight of the Chief Executive Officer of the Parent and the Board, with respect to the day-to-day operations of the Parent, and development and implementation of business strategies. In exercising such authority the Executive shall routinely consult with, and report directly and only to, the Chief Executive Officer of the Parent and the Board.

2.3 *Base of Operation*. Executive's principal base of operation for the performance of his duties and responsibilities under this Agreement shall initially be in Youngstown, Ohio; *provided*, *however*, that Executive shall perform such duties and responsibilities not involving a permanent transfer of his base of operation outside of Youngstown, Ohio at such other places as shall from time to time be reasonably necessary to fulfill his obligations hereunder and shall devote at least a majority of his business time to duties performed by Executive at the Parent's corporate offices in Indianapolis, Indiana.

ARTICLE III

TERM, EFFECTIVENESS

3.1 *Term*. Unless earlier terminated pursuant to Article VI below, the term of this Agreement (the "Term") shall commence as of the date hereof and shall continue for a period of three (3) years and one month thereafter (January 31, 2010); *provided*, *however*, that the Term shall be automatically renewed for two (2) successive twelve month periods unless either party hereto gives at least 90 days prior written notice to the other of its election not to so renew the Term.

ARTICLE IV

COMPENSATION AND EXPENSES

4.1 *Salary, Bonuses and Benefits*. As compensation and consideration for the performance by Executive of his obligations under this Agreement, Executive shall be entitled to the following (subject, in each case, to the provisions of ARTICLE VI hereof):

(a) *Base Salary*. The Company shall pay Executive a base salary during the Term, payable in accordance with the normal payment procedures of the Company, at the rate of $782,000 per annum. The Parent and the Company agree to review such compensation not less frequently than annually during the Term, which shall in any event be subject to review and approval by the Compensation Committee of the Board (the "Committee").

(b) *Retirement, Welfare and Other Benefits.* Executive shall participate during the Term in such pension, savings, profit sharing, life insurance, health, disability and major medical insurance plans, and in such other employee benefit plans and programs, for the benefit of the employees of the Parent and its affiliates, as may be maintained from time to time during the Term, in each case to the extent and in the manner available to other officers of the Parent and subject to the terms and provisions of such plans or programs. In addition, Executive will be afforded the same indemnity provisions regarding directors and officers liability that the Parent provides to its other senior executive officers and directors and Executive will be covered by any directors and officers liability policy generally in force for the Parent's senior executive officers and directors.

(c) *Equity Arrangements.*

(i) Executive shall participate during each calendar year during the Term commencing with fiscal year 2007, in the Parent's stock and performance incentive plans (or such plans of the Parent's affiliates maintained for the benefit of other officers of Parent) on the same basis as is made available to other executives of the Parent and approved by the Committee. As of the date hereof, 423,599 shares of restricted stock have been earned and awarded to Executive pursuant to the 1998 Incentive Stock Plan of Simon Property Group, L.P., as amended from time to time (the "Plan") but which remain subject to the vesting requirements of the Plan. Of that amount, 41,769 have not yet vested.

(d) *Bonus Opportunity*. Executive shall participate during the Term in the Parent's (or its affiliates') annual cash bonus plan for senior executives of the Parent as in effect from time to time, with a target annual bonus for each year during the Term equal to at least 75%, and a maximum bonus of not more than 150%, of Executive's base salary, and with the amount of any cash bonus to be approved by the Committee.

(e) *Vacation.* Executive shall be entitled to a reasonable paid vacation period (but not necessarily consecutive vacation weeks) during the Term.

(f) *Use of Aircraft*. To the extent reasonably practicable and feasible, the Company shall make available to the Executive the use of a chartered aircraft to transport to Executive to and from the Executive's home in Youngstown, Ohio and the Company's corporate offices in Indianapolis, Indiana, and for other incidental business related travel for Executive, all for the purpose of facilitating the performance of Executive's duties hereunder.

4.2 *Expenses*. The Parent will reimburse, or will cause the Company to reimburse, Executive for reasonable business-related expenses incurred by him in connection with the performance of his duties hereunder during the Term, subject, however, to the Parent's and the Company's policies relating to business-related expenses as in effect from time to time during the Term. Executive shall be responsible for any of Executive's housing expenses incurred in connection with the performance of Executive's duties in Indianapolis, Indiana.

ARTICLE V

EXCLUSIVITY, ETC.

5.1 *Exclusivity*. Executive agrees to perform his duties, responsibilities and obligations hereunder efficiently and to the best of his ability. Executive agrees that he will devote his entire working time, care and attention and best efforts to such duties, responsibilities and obligations throughout the Term. Executive also agrees that he will not engage in any other business activities, whether charitable or pursued for gain, profit, other pecuniary advantage or otherwise, that are competitive with the activities of the Parent or its affiliates or that would adversely effect Executive's ability to perform his duties hereunder. Executive agrees that all of his activities as an employee and/or trustee or director of the Parent or its affiliates shall be in conformity with all present and future policies, rules and regulations and directions of the Parent and its affiliates not inconsistent with this Agreement.

5.2 *Other Employment Business Ventures*. Executive agrees that for so long as he is employed by the Parent, and for a period of one (1) year thereafter, he will not, directly or indirectly, become an employee, shareholder, partner, owner, officer, agent, director of, or otherwise associate with, any firm, person, business enterprise or other entity which is engaged in or competitive with, any business engaged in by the Parent or its affiliates. Notwithstanding the foregoing, Executive may own, directly or indirectly, up to 5% of the outstanding capital stock of any business having a class of capital stock which is traded on any national stock exchange or in the over-the-counter market.

5.3 *Confidentiality; Non-solicitation*.

(a) Executive agrees that he will not, at any time during or after the Term, make use of or divulge to any other person, firm, business enterprise or other entity, any trade or business secret, process, method or means, or any other confidential information concerning the business or policies of the Parent or its affiliates including, without limitation, any information, data, or other confidential information relating to customers, development programs, costs, marketing, trading, investment, sales activities, promotion, credit and financial data, manufacturing processes, financing methods, plans or the business and affairs of the Parent or its affiliates generally; *provided* that the foregoing shall not apply to information which is not unique to the Parent or its affiliates or which is generally known to the industry or the public other than as a result of the Executive's breach of this covenant. Executive agrees not to remove from the premises of the Parent or its affiliates, except as an employee of the Parent or its affiliates in pursuit of the business of the Parent or its affiliates or except as specifically permitted in writing by the Parent, any document or other object containing or reflecting any such confidential information. Executive recognizes that all such documents and objects, whether developed by him or by someone else, will be the sole exclusive property of the Parent and its affiliates. Upon termination of his employment hereunder, Executive shall forthwith deliver to the Parent all such confidential information, including without limitation all lists of customers, correspondence, accounts, records and any other documents or property made or held by him or under his control in relation to the business or affairs of the Parent or its affiliates, and no copy of any such confidential information shall be retained by him.

(b) Executive agrees that for so long as he is employed by the Parent and for a period of one (1) year thereafter. Executive shall not, directly or indirectly, whether as an employee, consultant, independent contractor, partner, joint venturer or otherwise, (A) solicit or induce, or in any manner attempt to solicit or induce, any person employed by, or as agent of, the Parent or its affiliates to terminate such person's contract of employment or agency, as the case may be, with the Parent or its affiliates, (B) employ or offer employment to any person who was employed by the Parent or its affiliates in other than a purely administrative capacity unless such person shall have ceased to be employed by the Parent or its affiliates for a period of at least 12 months, or (C) divert, or attempt to divert, any person, concern, or entity from doing business with the Parent or its affiliates, nor will he attempt to induce any such person, concern or entity to cease being a customer or supplier of the Parent or its affiliates.

(c) Executive agrees that, at any time and from time to time during and after the Term, he will execute any and all documents which the Parent may deem reasonably necessary or appropriate to effectuate the provisions of this Section 5.3.

5.4 *Specific Performance*. Executive acknowledges and agrees that the Parent's remedies at law for a breach or threatened breach of any of the provisions of this Article V would be inadequate and, in recognition of this fact, Executive agrees that, in the event of such a breach or threatened breath, in addition to any remedies at law, the Parent, without posting any bond, shall be entitled to seek equitable relief in the form of specific performances temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available.

ARTICLE VI

TERMINATION

6.1 *Termination by the Parent*. The Parent shall have the right to terminate this Agreement and Executive's employment hereunder at any time during the Term with or without Cause. For purposes of this Agreement, "Cause" shall mean (i) a substantial and continued failure by Executive to perform his duties hereunder or (ii) Executive's conviction of a felony; *provided* that no termination for Cause as a result of any of the events described in clause (i) shall be deemed effective unless and until the Parent shall have provided Executive with written notice specifying in detail the action(s) or event(s) allegedly constituting grounds for the Cause termination and the Executive shall have failed to cure such action(s) or event(s) within 10 days of receipt of such notice. Any such termination without cause or due to Executive's conviction of a felony shall be effective upon the giving of notice thereof to Executive in accordance with Section 8.3 hereof, and any termination which is based on any of the action(s) or event(s) described in clause (i) shall be effective as of the 10th day following Executive's receipt of such notice if Executive shall have failed to cure the applicable action(s) or event(s).

6.2 *Death*. In the event Executive dies during the Term, this Agreement shall automatically terminate, such termination to be effective on the date of Executive's death.

6.3 *Disability*. In the event that Executive shall suffer a disability during the Term which shall have prevented him from performing satisfactorily his obligations hereunder for a period of at least 90 consecutive days, the Parent shall have the right to terminate this Agreement and Executive's employment hereunder, such termination to be effective upon the giving of notice thereof to Executive in accordance with Section 8.3 hereof.

6.4 *Termination by Executive for Good Reason*. This Agreement and Executive's employment hereunder may be terminated during the Term by Executive with or without Good Reason, by giving 30 days advance written notice to the Parent in accordance with Section 8.3. For purposes of this Agreement, the following circumstances shall constitute "Good Reason":

(a) the assignment to Executive of any duties inconsistent in any material respect with Executive's position (including status, offices, titles and reporting requirements). or with his authority, duties or responsibilities as contemplated by Sections 2.1 and 2.2 of this Agreement or any other action by the Parent or its successor which results in a material diminution or material adverse change in Executive's titles, position, status, authority, duties or responsibilities (including, without limitation, removal of Executive from, or failure to secure the Executive's election or appointment to, the Board or the Executive Committee of the Board without the Executive's written consent during any period when the number of directors constituting the entire Board equals or exceeds 13, other than as a result of Executive's death or (excluding advisor directors) disability);

(b) any material breach by the Parent or its successor of the provisions of this Agreement;

(c) any failure by the Parent to comply with and satisfy Section 8.2(b) of this Agreement; or

(d) a relocation of Executive's principal base of operation to any location other than Youngstown, Ohio during the term of Executive's employment hereunder; *provided* that the requirement that Executive devote at least a majority of his business time to duties performed at the Parent's corporate offices in Indianapolis, Indiana shall not constitute a relocation of Executive's principal base of operation for purposes of this Agreement; *provided* that no termination by Executive for Good Reason shall be deemed effective unless and until the Executive shall have provided the Parent with written notice specifying in detail the action(s) or event(s) allegedly constituting grounds for the Good Reason termination and the Parent shall have failed to cure such action(s) or event(s) within 10 days of receipt of such notice.

6.5 *Effect of Termination.*

(a) In the event of termination of this Agreement during the Term by either party for any reason, or by reason of the Executive's death, the Company shall pay to Executive (or his beneficiary in the event of his death) any base salary earned but not paid to Executive prior to the effective date of such termination, together with any other earned and currently payable, but then unpaid, compensation.

(b) In the event of the termination of this Agreement during the Term (i) by the Parent without Cause (other than due to Executive's death or disability), or (ii) by Executive for Good Reason (each, a "Wrongful Termination"), the Company shall pay to Executive, in addition to the amounts described in Section 6.5(a) hereof, an amount equal to one-year's then current base salary and bonus, in twelve equal monthly installments following the date of such termination (the "Cash Severance"). For this purpose, Executive's then current bonus shall be Executive's maximum target bonus for the Parent's fiscal year within which such termination occurs.

(c) In the event of the termination of this Agreement during the Term for any of the reasons specified in (b) above, or a termination by Parent due to Executive's disability, then Executive shall continue to vest in any restricted stock grants deemed earned and awarded by the Committee due to the attainment of prescribed goals and objectives, provided that at the time of any such termination, Executive executes a release in favor of the Company in form and content reasonably acceptable to Executive and the Company, and provided, further, that Executive complies with the provisions of Sections 5.2 and 5.3(b) above.

(d) Unless otherwise agreed among the parties in writing, in the event of the termination of Executive's employment upon the expiration of the Term whether as the result of either the Company or the Executive providing notice electing not to renew the Term pursuant to Section 3.1 or otherwise, Executive shall be entitled to no further benefits hereunder, other than those described in Sections 6.5(a), and any continuation of Executive's employment with the Parent beyond the expiration of the Term shall be deemed an employment at will and shall not be deemed to extend any of the provisions of this Agreement, and Executive's employment may thereafter be terminated at will by Executive or the Parent.

(e) In the event of Executive's termination of employment by Parent as a result of Executive's death, in addition to Executive's entitlement to the amounts described in Section 6.5(a), the deferred stock deemed earned and awarded as described in Section 6.5(c) above shall be accelerated and shall be deemed fully vested as of the date of Executive's Death.

(f) Except as expressly provided in this Article VI, the Parent shall have no further obligations to Executive under this Agreement following Executive's termination of employment with the Parent. Any other benefits due Executive following Executive's termination of employment with the Parent shall be determined in accordance with the plans, policies and practices of the Parent; *provided* that any severance benefits otherwise payable to Executive in connection with Executive's termination of employment under any plan or policy of the Parent or its affiliates shall be reduced by the aggregate amount payable to Executive pursuant to Section 6.5(b).

(g) Upon the termination of Executive's employment with the Parent for any reason, Executive agrees to promptly resign, effective as of the date of such termination of employment, from the Board (and any committee thereof) and as an officer of Parent, as well as from participation as a member of the Board of Directors or trustee or committee member or officer of any of the Parent's affiliates and subsidiaries, and will take all action reasonably requested by the Parent in order to evidence such resignation.

ARTICLE VII

SECTION 409A COMPLIANCE

7.1 *Key Employee*. If as of the date his employment terminates, Executive is a "key employee" within the meaning of the Internal Revenue Code (the "Code") Section 416(i), without regard to paragraph 416(i)(5) thereof, and if the Company has stock that is publicly traded on an established securities market or otherwise, any deferred compensation payments otherwise payable to Executive because of his termination of service (for reasons other than death or disability) will be suspended until, and will be paid to the Executive on, the first day of the seventh month following the month in which the Executive's last day of employment occurs. For purposes of this Agreement, "deferred compensation" means compensation provided under a nonqualified deferred compensation plan as defined in, and subject to, Code Section 409A.

7.2 *Adjustments*. This Agreement and any amendments hereto shall be interpreted and applied in a manner consistent with the applicable standards for nonqualified deferred compensation plans established by Code Section 409A and its interpretive regulations and other regulatory guidance. To the extent that any terms of this Agreement would subject Executive to gross income inclusion, interest, or additional tax pursuant to Code Section 409A, those terms are to that extent superseded by, and shall be adjusted to the minimum extent necessary to satisfy, the applicable Code Section 409A standards.

ARTICLE VIII

MISCELLANEOUS

8.1 *Life Insurance*. Executive agrees that the Parent and/or its affiliates may apply for and secure and own insurance on Executive's life (in amounts determined by the Parent or its affiliates). Executive agrees to cooperate fully in the application for and securing of such insurance, including the submission by Executive to such physical and other examinations, and the answering of such questions and furnishing of such information by Executive, as may be required by the carrier(s) of such insurance. notwithstanding anything to the contrary contained herein, the Parent and its affiliates shall not be required to obtain any insurance for or on behalf of Executive, except as provided in Section 4.1(b) hereof.

8.2 *Benefit of Agreement; Assignment; Beneficiary.*

(a) This Agreement shall inure to the benefit of and be binding upon the Parent, the Company and its successors and assigns, including without limitation, any corporation or person which may acquire all or substantially all of the Parent's assets or business, or with or into which the Parent may be consolidated or merged. This Agreement shall also inure to the benefit of, and be enforceable by, the Executive and his personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Executive should die while any amount would still be payable to the Executive pursuant to Section 6.5(a), all such amounts shall be paid in accordance with the terms of this Agreement to the Executive's beneficiary, devisee, legatee or other designee, or if there is no such designee, to the Executive's estate.

(b) The Parent shall require any successor (whether direct or indirect, by operation of law, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Parent to expressly assume and agree to perform this Agreement in the same manner and to the saint extent that the Parent would be required to perform it if no such succession had taken place.

8.3 *Notices*. Any notice required or permitted hereunder shall be in writing and shall be sufficiently given if personally delivered or if sent by telegram or telex or by registered or certified mail, postage prepaid, with return receipt requested, addressed: (a) in the case of the Parent to its principal corporate offices in Indianapolis, Indiana, Attention: *General Counsel*, or to such other address and/or to the attention of such other person as the Parent shall designate by written notice to Executive; and (b) in the case of Executive, to the then most current address of the Executive as recorded in the personnel records of the Parent, or to such other address as Executive shall designate by written notice to the Parent. Any notice given hereunder shall be deemed to have been given at the time of receipt thereof by the person to whom such notice is given.

8.4 *Entire Agreement; Amendment.*

(a) As of the Effective Date, this Agreement shall constitute the entire agreement of the parties hereto with respect to the terms and conditions of Executive's employment during the Term and supersedes any and all prior agreements and understandings, whether written or oral, between the parties hereof with respect to compensation due for services rendered hereunder. Executive, the Parent and the Company further hereby expressly agree that from and after the Effective Date, (i) this Agreement shall supersede the Prior Agreement in all respects, (ii) Executive's rights with respect to the vesting and payment of awards under any stock incentive plan of the Company shall be limited to those expressly provided in Section 4.1(c) and Section 6.5(c) and (e), and (iii) neither the Executive nor the Parent or its affiliates shall have any further rights, claims or obligations under any provisions of the Prior Agreement or any then existing agreements, arrangements or understandings relating to the subject matter hereof.

(b) This Agreement may not be changed or modified except by an instrument in writing signed by both of the parties hereto.

8.5 *Waiver.* The waiver by either party of a breach of any provision of this Agreement shall not operate or be construed as a continuing waiver or as a consent to or waiver of any subsequent breath hereof.

8.6 *Headings*. The Article and Section headings herein are for convenience of reference only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

8.7 *Governing Law*. This Agreement shall be governed by, and construed and interpreted in accordance with, the internal laws of the State of Indiana without reference to the principles of conflict in laws.

8.8 *Agreement to Take Actions.* Each party hereto shall execute and deliver such documents, certificates, agreements and other instruments, and shall take such other actions, as may be reasonably necessary or desirable in order to perform his or its obligations under this Agreement or to effectuate the purposes hereof.

8.9 *Arbitration*. Except for disputes with respect to Article V hereof, any dispute between the parties hereto respecting the meaning and intent of this Agreement or any of its terms and provisions shall be submitted to arbitration in Indianapolis, Indiana in accordance with the Commercial Rules of the American Arbitration Association then in effect, and the arbitration determination resulting from any such submission shall be final and binding upon the parties hereto. Judgment upon any arbitration award may be entered in any court of competent jurisdiction.

8.10 *Attorneys' Fees.* In the event of any arbitration or legal proceeding between the parties hereto arising out of the subject matter of this Agreement, including any such proceeding to enforce any right or provision hereunder, which proceeding shall result in the rendering by an arbitration panel or court of a decision in favor of Executive, the Parent shall pay to Executive all costs and expenses incurred therein by Executive, including, without limitation, reasonable attorneys' fees, which costs, expenses and attorneys' fees shall be included in and as a part of any award or judgment rendered in such arbitration or legal proceeding.

8.11 *Notification Requirement*. During the term of Executive's employment hereunder and for the one (1) year period following Executive's termination of employment with the Parent for any reason, the Executive shall give notice to the Parent of any change in the Executive's address and of each new employment that the Executive plans to undertake, at least seven (7) days prior to beginning any such new employment. Such notice shall state the nature of the new employment, the name and address of the person for whom such new employment is undertaken and the Executive shall provide the Parent with such other pertinent information concerning such new employment as the Parent may reasonably request in order to determine the Executive's continued compliance with the Executive's obligations under Article V.

8.12 *Withholding Taxes.* The Parent and its affiliates may withhold from any amounts payable under this Agreement such Federal, state and local taxes as are required to be withheld pursuant to any applicable law or regulation and the Parent and its affiliates shall be authorized to take such action as may be necessary in the opinion of the Parent's counsel (including, without limitation, withholding amounts from any compensation or other amount owing from the Parent (or its affiliates) to the Executive) to satisfy all obligations for the payment.

8.13 *Survival*. The respective tights and obligations of the parties hereunder shall survive any termination of this Agreement to the extent necessary to the intended preservation of such rights and obligations.

8.14 *Validity.* The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision or provisions of this Agreement, which shall remain in full force and effect.

8.15 *Counterparts*. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, each of the parties hereto has duly executed this Agreement as of this 1 st day of January, 2007.

SIMON PROPERTY GROUP, INC., A DELAWARE CORPORATION

By: /s/ DAVID SIMON

David Simon
Chairman and Chief Executive Officer

SIMON PROPERTY GROUP ADMINISTRATIVE SERVICES PARTNERSHIP, L.P., A DELAWARE LIMITED PARTNERSHIP

By its General Partner:

M.S. MANAGEMENT ASSOCIATES, INC.,
a Delaware corporation

By: /s/ DAVID SIMON

David Simon
Chairman and Chief Executive Officer

/s/ RICHARD S. SOKOLOV

RICHARD S. SOKOLOV

QuickLinks

Exhibit 10.12

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 10.13

DESCRIPTION OF DIRECTOR AND EXECUTIVE COMPENSATION ARRANGEMENTS

(February 26, 2008)

Compensation of Non-Employee Directors

Annual Retainer. Non-employee members of the Board receive a retainer in cash and restricted stock:

- The cash component is $70,000.
- The restricted stock award has a value of $82,500(1).

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(1) Grants of restricted stock are determined by dividing the cash value of the award by the 20 trading day average closing price of Company common stock ending on the trading day immediately preceding the date of such award.

- The retainer is payable annually, upon election, re-election or appointment to the Board(2).

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(2) Pro-rated for partial years of service.

Committee Chair Retainers. Each non-employee Committee Chair receives:

- Audit—$20,000 payable one-half in cash and one-half in restricted stock.
- All other Committees (except Executive Committee)—$15,000, payable one-half in cash and one-half in restricted stock.

Meeting Fees. Non-employee directors receive $2,000 per Board meeting for in person attendance. Non-employee directors receive $1,500 per committee meeting for attendance (whether in person, by telephone or video conference). The per meeting fee payable for in person attendance of Board or committee meetings is two (2) times regular meeting fee for any non-employee Director who must travel more than four (4) times zones from his or her personal residence to the location of a meeting of the Board or any of its committees.

Lead Director Compensation. The non-employee director designated as Lead Director receives an additional retainer of $25,000 annually, payable one-half in cash and one-half in restricted stock(2).

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(2) Pro-rated for partial years of service.

Vesting of Restricted Stock. All restricted stock compensation received by non-employee directors vests one year after the award.

Director Ownership Guidelines. Under the Company's Governance Principles, directors must own 3,000 shares or more of Company common stock within two years after their initial election or appointment and 5,000 shares or more three years from such date. Restricted stock qualifies for this purpose only after full vesting.

Deferred Compensation. Non-employee directors may elect to defer all or a portion of their cash compensation under the Company's Nonqualified Deferred Compensation Plan (the "Deferred Compensation Plan"). To date, none of our non-employee directors has elected to do so. All restricted stock issued to non-employee directors as retainers will be placed in the Deferred Compensation Plan. Dividends paid on the restricted stock in this account must be reinvested in Company common stock. Amounts in the Deferred Compensation Plan will not be released until a director retires and resigns from the Board or is not re-elected.

Compensation of Named Executive Officers

Base Salaries. The executive officers of the Company serve at the discretion of the Board of Directors. The Compensation Committee of the Board sets or ratifies the base salaries of the Company's executive officers. The following are the current annual base salary levels for the Company's Chief Executive Officer, Chief Financial Officer and its three other most highly compensated executive officers (the "Named Executive Officers") required to be identified in the proxy statement for the Company's 2007 annual meeting of stockholders:

David Simon Chief Executive Officer	$	1,000,000
Steven Sterrett Executive Vice President and Chief Financial Officer		475,000
Richard S. Sokolov President and Chief Operating Officer		782,000
Gary Lewis Senior Executive Vice President		500,000
James M. Barkley General Counsel and Secretary		500,000

Employment Agreements. Mr. Sokolov has entered into an employment agreement with the Company, a copy of which has been filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2007 (the "2007 10-K").

Bonus Plan. Each of the Named Executive Officers is also eligible to receive an annual bonus under the Company's bonus program. For each participant, the Company sets a bonus target, generally expressed as a percentage of base salary. Actual bonus payments may range from 0 to 200% of the target amount. The Company sets specific criteria for corporate, business unit (if applicable) and individual (if applicable) objectives. The criteria may also include subjective measures of performance or financial measures such as EBITDA or other measures related to an executive's primary areas of responsibility. In the case of our Named Executive Officers, the bonus criteria are approved by the Compensation Committee. In the recent past, the payment of bonuses has been made subject to achievement of the Company's overall budget for the year. The Company also includes "stretch" levels which may justify higher payments if Company performance exceeds its budget. If an executive officer's bonus criteria are objective, then the achievement of those criteria are reviewed by the Compensation Committee. Achievement of the bonus criteria is generally determined in February of the year after the performance year and bonuses are paid in March.

At the time of filing this description, the Compensation Committee has not yet determined the bonuses for the Named Executive Officers for 2007.

Stock-Based Awards. The Named Executive Officers are eligible to receive discretionary awards under the Simon Property Group, L.P. 1998 Stock Incentive Plan (the "1998 Plan"). Under the 1998 Plan, the Compensation Committee may make the following types of equity-based awards: incentive stock options, nonqualified stock options, stock appreciation rights, performance units and restricted stock. The only forms of awards the Compensation Committee has granted have been options and restricted stock. No stock options have been granted to employees since 2001.

Each year the Compensation Committee creates an annual stock incentive program under the 1998 Plan. The stock incentive program provides participants an opportunity to receive an award of restricted shares of common stock if financial and return-based performance measures for the program year are achieved. Until 2006, award opportunities were for a specific number of restricted shares that would be granted in the following year if the performance measures for the program year were met.

Beginning with the 2006 stock incentive program, award opportunities were designated as a specific dollar value which is to be converted into shares of restricted stock if the awards are granted.

The performance measures and weightings for the 2007 stock incentive program were:

Measure	Weighting
"Target" FFO per Share Goal	35%
"Stretch" FFO per Share Goal	25%
Total Stockholder Return vs. MSCI US REIT Index (meet or exceed)	20%
Total Stockholder Return vs. S&P 500 Index (meet or exceed)	20%
Total	100%

The 2007 stock incentive program also recognizes evaluations of individual performance on a positive or negative basis. The committee assigns each executive officer an individual rating for his or her program year performance ranging from "0" to "3." Participants with the highest rating of "3" receive 110% to 125% of the initial allocation based on corporate performance (the "Calculated Award"). Participants with a rating of "2" receive 100% of the Calculated Award. Participants with a rating of "1" receive 75% of the Calculated Award, and participants with a rating of 0, which represents unacceptable performance, receive no award.

The Compensation Committee allocated to the Named Executive Officers, other than David Simon, the opportunity to receive restricted shares with an aggregate value of $4.5 million under the 2007 stock incentive program. David Simon was allocated the opportunity to receive an award of restricted shares with a value of $1.4 million under the 2007 stock incentive plan.

Insurance and 401(k) Plan. The Company pays employee and dependent life insurance premiums for each Named Executive Officer and makes annual contributions to the accounts of the Named Executive Officers under the Company's 401(k) retirement plan. The Company's basic contribution to the 401(k) retirement plan is equal to 1.5% of the Named Executive Officer's compensation and for contributions made prior to January 1, 2007 becomes vested 30% after completion of three years of service, 40% after four years of service and an additional 20% after each additional year of service until fully vested after seven years. Company basic contributions made after January 1, 2007 will vest 20% after completion of two years and an additional 20% after each additional year of service until fully vested after six years. The Company matches 100% of the first 3% of the Named Executive Officer's contribution and 50% of the next 2% of the Named Executive Officer's contribution. Company matching contributions are vested when made. The Company's basic and matching contributions are subject to applicable IRS limits and regulations.

Non-Qualified Plan. The Named Executive Officers may also participate in the Deferred Compensation Plan, a non-qualified deferred compensation plan for certain executives, key employees and directors. While the Deferred Compensation Plan is an unfunded plan for purposes of the Employee Retirement Income Security Act of 1974, as amended, certain assets have been set aside in the Simon Property Group, L.P. Deferred Compensation Plan Trust to be used to pay benefits to participants, except to the extent the Company becomes insolvent.

The Deferred Compensation Plan permits eligible employees to defer receipt of up to 100% of their compensation, including Company stock awarded under the 1998 Plan. The Deferred Compensation Plan also authorizes the Company to make matching contributions based on each eligible employee's elective cash deferrals. The Company has not made any matching contributions since the inception of the Deferred Compensation Plan. Participants in the Deferred Compensation Plan are 100% vested in all elective cash deferrals. Deferrals of Company stock awarded under the 1998 Plan vest in accordance with the terms of the 1998 Plan. Employee elective cash deferrals generate earnings based on investment elections made by individual participants.

Heath and Welfare Benefits. The Named Executive Officers also participate in health and welfare benefit plans on the same terms as other salaried employees.

QuickLinks

Exhibit 10.13

DESCRIPTION OF DIRECTOR AND EXECUTIVE COMPENSATION ARRANGEMENTS (February 26, 2008)

[QuickLinks](#) -- Click here to rapidly navigate through this document

Exhibit 12.1

SIMON PROPERTY GROUP, INC.

Computation of Ratio of Earnings to Fixed Charges and Preferred Stock Dividends

(in thousands)

	For the year ended December 31,				
	2007	**2006**	**2005**	**2004**	**2003**
Earnings:					
Pre-tax income from continuing operations	$ 507,982	$ 574,813	$ 369,636	$ 362,600	$ 341,795
Add:					
Pre-tax (loss) income from 50% or greater than 50% owned unconsolidated entities	(9,061)	45,313	49,939	46,124	59,165
Limited partners' interest in the Operating Partnership	120,818	128,661	75,841	87,891	89,722
Minority interest in income of majority owned subsidiaries	13,936	11,524	13,743	9,687	7,277
Distributed income from less than 50% owned unconsolidated entities	51,594	53,000	66,165	45,909	42,939
Amortization of capitalized interest	2,462	5,027	2,772	2,533	1,850
Fixed Charges	1,218,298	985,797	932,404	769,883	696,289
Less:					
Income from unconsolidated entities	(38,120)	(110,819)	(81,807)	(81,113)	(99,645)
Interest capitalization	(37,270)	(34,073)	(15,502)	(15,546)	(11,059)
Earnings	**$ 1,830,639**	**$ 1,659,243**	**$ 1,413,191**	**$ 1,227,968**	**$ 1,128,333**
Fixed Charges:					
Portion of rents representative of the interest factor	9,032	9,052	8,869	7,092	5,507
Interest on indebtedness (including amortization of debt expense)	1,150,416	915,693	879,953	726,025	667,679
Interest capitalized	37,270	34,073	15,502	15,546	11,059
Preferred distributions of consolidated subsidiaries	21,580	26,979	28,080	21,220	12,044
Fixed Charges	**$ 1,218,298**	**$ 985,797**	**$ 932,404**	**$ 769,883**	**$ 696,289**
Add: Preferred Stock Dividends	55,075	77,695	73,854	42,346	55,138
Fixed Charges and Preferred Stock Dividends	**$ 1,273,373**	**$ 1,063,492**	**$ 1,006,258**	**$ 812,229**	**$ 751,427**
Ratio of Earnings to Fixed Charges and Preferred Stock Dividends	**1.44x**	**1.56x**	**1.40x**	**1.51x**	**1.50x**

For purposes of calculating the ratio of earnings to fixed charges, "earnings" have been computed by adding fixed charges, excluding capitalized interest, to pre-tax income from continuing operations including income from minority interests and our share of pre-tax income from 50%, or greater than 50%, owned unconsolidated entities which have fixed charges, and including distributed operating income from less than 50% owned unconsolidated joint ventures instead of income from the less than 50% owned unconsolidated joint ventures. There are generally no restrictions on our ability to receive distributions from our joint ventures where no preference in favor of the other owners of the joint venture exists. "Fixed charges" consist of interest costs, whether expensed or capitalized, the interest component of rental expenses, preferred distributions, and amortization of debt issue costs.

QuickLinks

[Exhibit 12.1](#)

[SIMON PROPERTY GROUP, INC. Computation of Ratio of Earnings to Fixed Charges and Preferred Stock Dividends (in thousands)](#)

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 13.1

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

Selected Financial Data

	As of or for the Year Ended December 31,				
	2007	2006	2005(1)	2004(1)	2003(1)
	(in thousands, except per share data)				
OPERATING DATA:					
Total consolidated revenue	**$ 3,650,799**	$ 3,332,154	$ 3,166,853	$ 2,585,079	$ 2,242,399
Income from continuing operations	**519,304**	563,443	353,407	350,830	334,198
Net income available to common stockholders	**$ 436,164**	$ 486,145	$ 401,895	$ 300,647	$ 313,577
BASIC EARNINGS PER SHARE:					
Income from continuing operations	**$ 2.09**	$ 2.20	$ 1.27	$ 1.49	$ 1.47
Discontinued operations	**(0.13)**	—	0.55	(0.04)	0.18
Net income	**$ 1.96**	$ 2.20	$ 1.82	$ 1.45	$ 1.65
Weighted average shares outstanding	**222,998**	221,024	220,259	207,990	189,475
DILUTED EARNINGS PER SHARE:					
Income from continuing operations	**$ 2.08**	$ 2.19	$ 1.27	$ 1.48	$ 1.47
Discontinued operations	**(0.13)**	—	0.55	(0.04)	0.18
Net income	**$ 1.95**	$ 2.19	$ 1.82	$ 1.44	$ 1.65
Diluted weighted average shares outstanding	**223,777**	221,927	221,130	208,857	190,299
Dividends per share (2)	**$ 3.36**	$ 3.04	$ 2.80	$ 2.60	$ 2.40
BALANCE SHEET DATA:					
Cash and cash equivalents	**$ 501,982**	$ 929,360	$ 337,048	$ 520,084	$ 535,623
Total assets	**23,605,662**	22,084,455	21,131,039	22,070,019	15,684,721
Mortgages and other indebtedness	**17,218,674**	15,394,489	14,106,117	14,586,393	10,266,388
Stockholders' equity	**$ 3,563,383**	$ 3,979,642	$ 4,307,296	$ 4,642,606	$ 3,338,627
OTHER DATA:					
Cash flow provided by (used in):					
Operating activities	**$ 1,458,648**	$ 1,273,367	$ 1,170,371	$ 1,080,532	$ 950,869
Investing activities	**(2,036,921)**	(601,851)	(52,434)	(2,745,697)	(761,663)
Financing activities	**$ 150,895**	$ (79,204)	$ (1,300,973)	$ 1,649,626	$ (50,712)
Ratio of Earnings to Fixed Charges and Preferred Stock Dividends (3)	**1.44x**	1.56x	1.40x	1.51x	1.50x
Funds from Operations (FFO) (4)	**$ 1,691,887**	$ 1,537,223	$ 1,411,368	$ 1,181,924	$ 1,041,105
FFO allocable to Simon Property	**$ 1,342,496**	$ 1,215,319	$ 1,110,933	$ 920,196	$ 787,467

Notes

(1) *On October 14, 2004 we acquired the former Chelsea Property Group, Inc. In the accompanying financial statements, Note 2 describes the basis of presentation and Note 4 describes acquisitions and disposals.*

(2) *Represents dividends declared per period.*

(3) *The ratios for 2004 and 2003 have been restated for the reclassification of discontinued operations described in Note 3.*

(4) *FFO is a non-GAAP financial measure that we believe provides useful information to investors. Please refer to Management's Discussion and Analysis of Financial Condition and Results of Operations for a definition and reconciliation of FFO.*

Management's Discussion and Analysis of Financial Condition and Results of Operations

Simon Property Group, Inc. and Subsidiaries

You should read the following discussion in conjunction with the consolidated financial statements and notes thereto that are included in this Annual Report to Stockholders.

Overview

Simon Property Group, Inc., or Simon Property, is a Delaware corporation that operates as a self-administered and self-managed real estate investment trust, or REIT, under the Internal Revenue Code. To qualify as a REIT, among other things, a company must distribute at least 90 percent of its taxable income to its stockholders annually. Taxes are paid by stockholders on dividends received and any capital gains distributed. Most states also follow this federal treatment and do not require REITs to pay state income tax. Simon Property Group, L.P., or the Operating Partnership, is our majority-owned partnership subsidiary that owns all of our real estate properties. In this discussion, the terms "we", "us" and "our" refer to Simon Property Group, Inc. and its subsidiaries.

We own, develop, and manage retail real estate properties, primarily regional malls, Premium Outlet® centers, The Mills®, and community/lifestyle centers. As of December 31, 2007, we owned or held an interest in 320 income-producing properties in the United States, which consisted of 168 regional malls, 67 community/lifestyle centers, 38 Premium Outlet centers, 37 properties acquired in the Mills acquisition, and 10 other shopping centers or outlet centers in 41 states plus Puerto Rico. Of the 37 Mills properties acquired, 17 of these are The Mills, 16 are regional malls, and four are community centers. We also own interests in four parcels of land held in the United States for future development. In the United States, we have four new properties currently under development aggregating approximately 2.75 million square feet which will open during 2008. Internationally, we have ownership interests in 51 European shopping centers (France, Italy, and Poland); six Premium Outlet centers in Japan, one Premium Outlet center in Mexico, and one Premium Outlet center in South Korea. Also, through a joint venture arrangement, we have a 32.5% interest in five shopping centers under construction in China.

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

- Base minimum rents,
- Overage and percentage rents based on tenants' sales volume, and
- Recoveries of substantially all of our recoverable expenditures, which consist of property operating, real estate 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 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:

- Focusing on leasing to increase revenues and utilization of economies of scale to reduce operating expenses,
- Expanding and re-tenanting existing franchise locations at competitive market rates,
- Adding mixed-use elements to properties through our asset intensification initiatives, including the addition of multifamily housing, condominiums, hotels and self-storage facilities,
- Acquiring high quality real estate assets or portfolios of assets, and
- Selling 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 (including 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, as well as major capital expenditures such as roofing, parking lots and energy systems,
- Selling or leasing land adjacent to our shopping center properties, commonly referred to as "outlots" or "outparcels," and,
- Generating interest income on cash deposits and loans made to related entities.

We focus on high quality real estate across the retail real estate spectrum. We expand or renovate to enhance existing assets' profitability and market share when we believe the investment of our capital meets our risk-reward criteria. We selectively develop new properties in major metropolitan areas that exhibit strong population and economic growth.

We routinely review and evaluate acquisition opportunities based on their ability to complement our portfolio. Lastly, we are selectively expanding our international presence. 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.

Results Overview

Diluted earnings per common share decreased $0.24 during 2007, or 11.0%, to $1.95 from $2.19 for 2006. The 2007 results include $19.0 million of lease settlements related to two department store closures, our share of the gain on sale of assets in Poland of $90.6 million, and $39.1 million of interest income attributable to loans made to The Mills Corporation and its majority-owned subsidiary, The Mills Limited Partnership (collectively "Mills") and SPG-FCM Ventures, LLC ("SPG-FCM"), net of inter-entity eliminations, and increases in portfolio operations. Also included in 2007 were $28.0 million in losses on sale of discontinued operations (net of limited partners' interest) and a $35.6 million charge, net-of-tax benefit, related to the impairment of our investment in an Arizona land joint venture investment. Included in the 2006 results is a $34.4 million gain from the sale of partnership interests in Simon Ivanhoe, S.à.r.l., or Simon Ivanhoe, one of our European joint ventures, to a new partner, an $86.5 million gain related to our receipt of capital transaction proceeds, and recognition of $15.6 million in income during 2006 from a property in which we had a beneficial interest, representing the right to receive cash flow, capital distributions, and related profits and losses, and increases in portfolio operations.

Core business fundamentals remained strong during 2007. Regional mall comparable sales per square foot ("psf") increased in 2007, by 3.2% to $491 psf from $476 psf in 2006, reflecting stable retail sales activity. Our regional mall average base rents increased 4.8% to $37.09 psf from $35.38 psf. In addition, our regional mall leasing spreads were $5.64 psf as of December 31, 2007, compared to $6.48 psf as of December 31, 2006, principally as a result of leasing larger "big box" spaces in 2007, which are generally at a lower rent per square foot as compared to traditional in-line retail stores. The operating fundamentals of the Premium Outlet centers, The Mills centers, and community/lifestyle centers also contributed to the improved 2007 operating results, as seen in the section entitled "United States Portfolio Data". Finally, regional mall occupancy was 93.5% as of December 31, 2007, as compared to 93.2% as of December 31, 2006.

During 2007, SPG-FCM, an entity in which a subsidiary of the Operating Partnership holds a 50% interest, completed the Mills acquisition, which adds an additional 37 properties and over 42 million square feet of gross leasable area to our portfolio. The properties are generally located in major metropolitan areas and consist of a combination of traditional anchor tenants, local and national retailers, and a number of larger "big box" tenants. The acquisition required an equity investment of $650.0 million by us, as well as our providing loans to SPG-FCM and Mills in various amounts throughout 2007 to effect the initial successful tender offer, and to acquire all remaining common and preferred equity, and to pay various costs of the transaction. We also serve as manager of the properties acquired in this transaction, which is more fully discussed in the "Liquidity and Capital Resources" section.

We continue to identify additional opportunities in various international markets. We continue to focus on our joint venture interests in Europe, Japan, and other market areas abroad. In 2005, we realigned the interests in Simon Ivanhoe with the result that our ownership and that of our new partner, Ivanhoe Cambridge, Inc., were increased to 50% each in the first quarter of 2006. In 2007, we increased our presence in Europe and Asia with the opening of Cinisello in Italy, a 376,000 square-foot center, Porta di Roma in Italy, a 1,300,000 square-foot center, Nola-Vulcano Buono in Italy, a 876,000 square-foot center, Yeoju Premium Outlets in South Korea, a 250,000 square-foot center, and Kobe-Sanda Premium Outlets in Japan, a 194,000 square foot center. We also opened expansions to a Premium Outlet center in Toki, Japan and a shopping center in Wasquehal, France. We expect international development and redevelopment/expansion activity for 2008 to include:

- Continuing construction by GCI, of three shopping centers: one in Naples, and two in Sicily with a total gross leasable area, or GLA, of nearly 1.2 million square feet;

- Completing and opening of Sendai Izumi Premium Outlets Phase 1, a 172,000 square foot Premium Outlet center located in Japan. We hold a 40% ownership interest in this property; and

- Completing and opening one and continuing construction on four additional Wal-Mart anchored shopping centers, all located in China. We hold a 32.5% ownership interest in these centers.

Despite a 15 basis point increase in the average LIBOR rate for the year as compared to the prior year (5.25% for 2007 versus 5.10% for 2006), our effective overall borrowing rate for the year ended December 31, 2007 decreased thirty basis points as compared to the year ended December 31, 2006. Our consolidated financing activities for the year ended December 31, 2007 included:

- We repaid $1.1 billion in unsecured notes that bore interest ranging from 6.38% to 7.25%.

- We repaid four mortgages totaling $191.3 million that bore interest at fixed rates ranging from 7.65% to 9.38%.

- We increased our borrowings on our $3.5 billion unsecured credit facility to approximately $2.4 billion during the twelve months ended December 31, 2007. At December 31, 2006, there were no outstanding amounts on the U.S.-denominated portion of our credit facility, and the multicurrency portion of our credit facility had a balance of $305.1 million. The increase was as a result of our $650 million equity funding commitment to SPG-FCM in relation to the Mills acquisition, funding of a loan to SPG-FCM totaling $548 million, the funding of our share of development costs for consolidated and joint venture property development and redevelopment and expansion opportunities, our other consolidated acquisition activity, and the retirement of unsecured notes.

- As a result of the Mills acquisition, we now have a majority ownership interest in Gwinnett Place and Town Center at Cobb, and we now consolidate those two properties. Included in this consolidation were two mortgages secured by Gwinnett Place of $35.6 million and $79.2 million at fixed rates of 7.54% and 7.25%, respectively, and two mortgages secured by Town Center at Cobb of $45.4 million and $60.3 million at fixed rates of 7.54% and 7.25%, respectively. On May 23, 2007, we refinanced Gwinnett Place and Town Center at Cobb with $115.0 million and $280.0 million mortgages at fixed rates of 5.68% and 5.74% respectively.

- We placed a $200.0 million fixed-rate mortgage on Independence Center, a regional mall property, on July 10, 2007 which matures on July 10, 2017 and bears a rate of 5.94%.

- As a result of the acquisition of Las Americas Premium Outlets on August 23, 2007, we assumed its $180.0 million fixed-rate mortgage that matures June 11, 2016 and bears a rate of 5.84%.

United States Portfolio Data

The portfolio data discussed in this overview includes the following key operating statistics: occupancy; average base rent per square foot; and comparable sales per square foot for our four domestic platforms. We include acquired properties in this data beginning in the year of acquisition and remove properties sold in the year disposed. We do not include any properties located outside of 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.

	2007	%/basis points Change(1)	2006	%/basis points Change(1)	2005	%/basis point Change(1)
Regional Malls:						
Occupancy						
Consolidated	**93.9%**	**+90 bps**	93.0%	-30 bps	93.3%	+60 bps
Unconsolidated	**92.7%**	**-80 bps**	93.5%	+80 bps	92.7%	+10 bps
Total Portfolio	**93.5%**	**+30 bps**	93.2%	+10 bps	93.1%	+40 bps
Average Base Rent per Square Foot						
Consolidated	**$ 36.24**	**4.2%**	$ 34.79	2.2%	$ 34.05	3.8%
Unconsolidated	**$ 38.73**	**6.2%**	$ 36.47	3.3%	$ 35.30	1.5%
Total Portfolio	**$ 37.09**	**4.8%**	$ 35.38	2.6%	$ 34.49	3.0%
Comparable Sales per Square Foot						
Consolidated	**$ 472**	**2.2%**	$ 462	6.2%	$ 435	5.8%
Unconsolidated	**$ 530**	**4.9%**	$ 505	5.6%	$ 478	3.9%
Total Portfolio	**$ 491**	**3.2%**	$ 476	5.8%	$ 450	5.4%
Premium Outlet Centers:						
Occupancy	**99.7%**	**+30 bps**	99.4%	-20 bps	99.6%	+30 bps
Average Base Rent per Square Foot	**$ 25.67**	**5.9%**	$ 24.23	4.6%	$ 23.16	6.0%
Comparable Sales per Square Foot	**$ 504**	**7.0%**	$ 471	6.1%	$ 444	7.8%
The Mills®:						
Occupancy	**94.1%**	**—**	—	—	—	—
Average Base Rent per Square Foot	**$ 19.06**	**—**	—	—	—	—
Comparable Sales per Square Foot	**$ 372**	**—**	—	—	—	—
Mills Regional Malls:						
Occupancy	**89.5%**	**—**	—	—	—	—
Average Base Rent per Square Foot	**$ 35.63**	**—**	—	—	—	—
Comparable Sales per Square Foot	**$ 444**	**—**	—	—	—	—
Community/Lifestyle Centers:						
Occupancy						
Consolidated	**92.9%**	**+140 bps**	91.5%	+200 bps	89.5%	-100 bps
Unconsolidated	**96.6%**	**+10 bps**	96.5%	+40 bps	96.1%	-140 bps
Total Portfolio	**94.1%**	**+90 bps**	93.2%	+160 bps	91.6%	-30 bps

Average Base Rent per Square Foot								
Consolidated	**$**	**12.73**	**7.0%**	$	11.90	1.7%	$	11.70	5.2%
Unconsolidated	**$**	**11.85**	**1.5%**	$	11.68	8.0%	$	10.81	3.1%
Total Portfolio	**$**	**12.43**	**5.2%**	$	11.82	3.6%	$	11.41	4.6%

(1) Percentages may not recalculate due to rounding.

Occupancy Levels and Average Base Rent Per Square Foot. Occupancy and average base rent are based on mall and freestanding Gross Leasable Area, or GLA, owned by us in the regional malls, all tenants at The Mills and the Premium Outlet centers, and all tenants at community/lifestyle centers. Our portfolio has maintained stable occupancy and increased average base rents despite the current economic climate.

Comparable Sales Per Square Foot. Comparable sales include total reported retail tenant sales at owned GLA (for mall and freestanding stores with less than 10,000 square feet) in the regional malls, and all reporting tenants at The Mills and the Premium Outlet centers and community/lifestyle centers. 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.

International Property Data

The following key operating statistics are provided for our international properties which we account for using the equity method of accounting.

	2007	2006	2005
European Shopping Centers			
Occupancy	**98.7%**	97.1%	98.1%
Comparable sales per square foot	**€421**	€391	€380
Average rent per square foot	**€29.58**	€26.29	€25.72
International Premium Outlet Centers (1)			
Occupancy	**100%**	100%	100%
Comparable sales per square foot	**¥93,169**	¥89,238	¥84,791
Average rent per square foot	**¥4,626**	¥4,646	¥4,512

(1) Does not include our center in Mexico (Premium Outlets Punta Norte), which opened December 2004, or our center in South Korea (Yeoju Premium Outlets), which opened in June 2007.

Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, or GAAP, requires management to use judgment in the application of accounting policies, including making estimates and assumptions. We base our estimates on historical experience and on various other assumptions believed to be reasonable under the circumstances. These judgments affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. If our judgment or interpretation of the facts and circumstances relating to various transactions had been different, it is possible that different accounting policies would have been applied resulting in a different presentation of our financial statements. From time to time, we evaluate our estimates and assumptions. In the event estimates or assumptions prove to be different from actual results, adjustments are made in subsequent periods to reflect more current information. Below is a discussion of accounting policies that we consider critical in that they may require complex judgment in their application or require estimates about matters that are inherently uncertain. For a summary of all of our significant accounting policies, see Note 3 of the Notes to Consolidated Financial Statements.

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

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

- To maintain our status as a REIT, we must distribute at least 90% of our taxable income in any given year and meet certain asset and income tests. We monitor our business and transactions that may potentially impact our REIT status. In the unlikely event that we fail to maintain our REIT status, and available relief provisions do not apply, then we would be required to pay federal income taxes at regular corporate income tax rates during the period we did not qualify as a REIT. If we lost our REIT status, we could not elect to be taxed as a REIT for four years unless our failure was due to reasonable cause and certain other conditions were met. As a result, failing to maintain REIT status would result in a significant increase in the income tax expense recorded during those periods.

- We make estimates as part of our allocation of the purchase price of acquisitions to the various components of the acquisition based upon the relative value of each component. The most significant components of our allocations are typically the allocation of fair value to the buildings as-if-vacant, land and market value of in-place leases. In the case of the fair value of buildings and the allocation of value to land and other intangibles, our estimates of the values of these components will affect the amount of depreciation we record over the estimated useful life of the property acquired or the remaining lease term. In the case of the market value of in-place leases, we make our best estimates of the tenants' ability to pay rents based upon the tenants' operating performance at the property, including the competitive position of the property in its market as well as sales psf, rents psf, and overall occupancy cost for the tenants in place at the acquisition date. Our assumptions affect the amount of future revenue that we will recognize over the remaining lease term for the acquired in-place leases.

- A variety of costs are incurred in the acquisition, development and leasing of properties. After determination is made to capitalize a cost, it is allocated to the specific component of a project that is benefited. Determination of when a development project is substantially complete and capitalization must cease involves a degree of judgment. Our capitalization policy on development properties is guided by SFAS No. 34 "Capitalization of Interest Cost" and SFAS No. 67 "Accounting for Costs and the Initial Rental Operations of Real Estate Properties." The costs of land and buildings under development include specifically identifiable costs. The capitalized costs include pre-construction costs essential to the development of the property, development costs, construction costs, interest costs, real estate taxes, salaries and related costs and other costs incurred during the period of development. We consider a construction project as substantially completed and held available for occupancy and cease capitalization of costs upon opening.

Results of Operations

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

- On November 15, 2007, we opened Palms Crossing, a 396,000 square foot community center, located adjacent to the new McAllen Convention Center in McAllen, Texas.

- On November 8, 2007, we opened Philadelphia Premium Outlets, a 425,000 square foot outlet center located 35 miles northwest of Philadelphia in Limerick, Pennsylvania.

- On November 1, 2007, we acquired an additional 6.5% interest in Montgomery Mall.

- On August 23, 2007, we acquired Las Americas Premium Outlets, a 560,000 square foot upscale outlet center located in San Diego, California, for $283.5 million, including the assumption of its $180.0 million mortgage.

- On July 13, 2007, we acquired an additional 1% interest in Bangor Mall.

- On March 29, 2007, we acquired an additional 25% interest in two regional malls (Town Center at Cobb and Gwinnett Place) in the Mills acquisition and now consolidate those properties.

- On March 28, 2007, we acquired a 100% interest in The Maine Outlet, a 112,000 square foot outlet center located in Kittery, Maine for a purchase price of $45.2 million. The center is 99% occupied.

- On March 9, 2007, we opened The Domain, in Austin, Texas, which combines 700,000 square feet of luxury fashion and restaurant space, 75,000 square feet of Class A office space and 390 apartments. The Domain is anchored by Macy's and central Texas' first Neiman Marcus.

- On March 1, 2007, we acquired the remaining 40% interest in University Park Mall and University Center. We had previously consolidated these properties, but now have no provision for minority interest in our consolidated income from continuing operations since March 1, 2007.

- On December 1, 2006, we opened Shops at Arbor Walk, a 230,841 square foot community center located in Austin, Texas.

- On November 2, 2006, we opened Rio Grande Valley Premium Outlets, a 404,000 square foot upscale outlet center in Mercedes, Texas, 20 miles east of McAllen, Texas, and 10 miles from the Mexico border.

- On November 2, 2006, we received capital transaction proceeds of $102.2 million related to the beneficial interests in a mall that the Simon family contributed to us in 2006. This transaction terminated our beneficial interests and resulted in the recognition of a $86.5 million gain.

- On November 1, 2006, we acquired the remaining 50% interest in Mall of Georgia from our partner for $252.6 million which includes the assumption of our $96.0 million share of debt.

- On August 4, 2006, we opened Round Rock Premium Outlets, a 432,000 square foot Premium Outlet center located 20 minutes North of Austin, Texas in Round Rock, Texas.

- In November 2005, we opened Rockaway Plaza, a 450,000 square foot community center located in Rockaway, New Jersey, adjacent to our Rockaway Townsquare.

- On October 7, 2005, we opened Firewheel Town Center, a 785,000 square foot open-air regional mall located 15 miles northeast of downtown Dallas in Garland, Texas.

- On July 15, 2005, we opened Wolf Ranch, a 600,000 square foot open-air community center located in Georgetown, Texas.

- On May 6, 2005, we opened the 400,000 square foot Seattle Premium Outlets.

- On March 15, 2005, we and our joint venture partner completed the construction of, obtained permanent financing for, and opened St. Johns Town Center (St. Johns), a 1.5 million square foot open-air retail project in Jacksonville, Florida. Prior to the project's completion, we consolidated St. Johns as we were responsible for 85% of the development costs and were deemed to be the property's primary beneficiary. At opening and permanent financing, the ownership percentages were each adjusted to 50%, and we began to account for St. Johns using the equity method of accounting.

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

- On October 17, 2007, we acquired an 18.75% interest in Denver West Village in Lakewood, Colorado through our ownership in SPG-FCM.

- On July 5, 2007, Simon Ivanhoe sold its interest in five assets located in Poland, for which we recorded our share of the gain of $90.6 million.

- On November 10, 2006 we opened Coconut Point, in Bonita Springs, Florida, a 1.2 million square foot, open-air shopping center complex with village, lakefront and community center areas.

- On October 26, 2006, we opened the 200,000 square foot expansion of a shopping center in Wasquehal, France.

- On October 14, 2006 we opened a 53,000 square foot expansion of Toki Premium Outlets.

- On September 28, 2006, Simon Ivanhoe opened Gliwice Shopping Center, a 380,000 square foot shopping center in Gliwice, Poland.

- On May 31, 2006, GCI opened Giugliano, an 800,000 square foot center anchored by a hypermarket, in Italy.

- On November 18, 2005, we purchased a 37.99% interest in Springfield Mall in Springfield, Pennsylvania for approximately $39.3 million, including the issuance of our share of debt of $29.1 million.

- On November 21, 2005, we purchased a 50% interest in Coddingtown Mall in Santa Rosa, California for approximately $37.1 million, which includes the assumption of our share of debt of $10.5 million.

- In March 2005, we opened Toki Premium Outlets in Japan.

- On January 11, 2005, Metrocenter, a regional mall located in Phoenix, Arizona, was sold. We held a 50% interest in Metrocenter.

For the purposes of the following comparisons between the years ended December 31, 2007 and 2006 and the years ended December 31, 2006 and 2005, the above transactions are referred to as the property transactions. In the following discussions of our results of operations, "comparable" refers to properties open and operating throughout both the current and prior year.

During 2007, we disposed of five consolidated properties that had an aggregate book value of $91.6 million for aggregate sales proceeds of $56.4 million, resulting in a net loss on sale of $35.2 million, or $28.0 million net of limited partners' interest. The loss on sale of these assets has been reported as discontinued operations in the consolidated statements of operations. The operating results of these properties disposed of during 2007 was not significant to our consolidated results of operations. The following is a list of consolidated property dispositions on the indicated date for which we have reported the operations or results of sale with discontinued operations:

Property	Date of Disposition
Lafayette Square	December 27, 2007
University Mall	September 28, 2007
Boardman Plaza	September 28, 2007
Griffith Park Plaza	September 20, 2007
Alton Square	August 2, 2007
Biltmore Square	December 28, 2005
Eastland Mall (Tulsa, OK)	December 16, 2005
Southgate Mall	November 28, 2005
Cheltenham Square	November 17, 2005
Grove at Lakeland Square	July 1, 2005
Riverway (office)	June 1, 2005
O'Hare International Center (office)	June 1, 2005

We sold the following properties in 2006. Due to the limited significance of these properties' operations and result of disposition on our consolidated financial statements, we did not report these properties as discontinued operations.

Property	Date of Disposition
Northland Plaza	December 22, 2006
Trolley Square	August 3, 2006
Wabash Village	July 27, 2006

Year Ended December 31, 2007 vs. Year Ended December 31, 2006

Minimum rents increased $133.9 million during the period, of which the property transactions accounted for $87.0 million of the increase. Total amortization of the fair market value of in-place leases served to decrease minimum rents by $8.8 million due to certain in-place lease adjustments becoming fully amortized. Comparable rents increased $46.8 million, or 2.3%. This was primarily due to the leasing of space at higher rents that resulted in an increase in minimum rents of $54.6 million offset by a $9.2 million decrease in comparable property straight-line rents and fair market value of in-place lease amortization. In addition, rents from carts, kiosks, and other temporary tenants increased comparable rents by $1.4 million.

Overage rents increased $14.2 million or 14.9%, reflecting increases in tenant sales.

Tenant reimbursements increased $76.6 million, of which the property transactions accounted for $40.2 million. The remainder of the increase of $36.4 million, or 3.8%, was in comparable properties and was due to inflationary increases in property operating costs and our ongoing initiative of converting our leases to a fixed reimbursement with an annual escalation provision for common area maintenance costs.

Management fees and other income increased $31.5 million principally as a result of additional management fees derived from the additional properties being managed from the Mills acquisition and additional leasing and development fees as a result of incremental property activity.

Total other income increased $62.5 million, and was principally the result of the following:

- a $46.4 million increase in interest income of which $39.1 million is as a result of Mills-related loans, combined with increased interest rates on the investment of excess cash balances,
- an $18.4 million increase in lease settlement income as a result of settlements received from two department stores in 2007,
- a $17.4 million increase in loan financing fees, net of intercompany eliminations, related to Mills-related loan refinancing activity, offset by
- a $19.7 million decrease in gains on land sale activity.

Property operating expenses increased $13.3 million, or 3.0%, primarily as a result of the property transactions and inflationary increases.

Depreciation and amortization expense increased $49.4 million and is primarily a result of the property transactions.

Real estate taxes increased $13.1 million from the prior period, $10.4 million of which is related to the property transactions, and $2.7 million from our comparable properties due to the effect of increases resulting from reassessments, higher tax rates, and the effect of expansion and renovation activities.

Repairs and maintenance increased $14.2 million due to increased snow removal costs in 2007 over that of 2006, normal inflationary increases, and the effect of the property transactions.

Advertising and promotion increased $5.9 million primarily due to the effect of the property transactions.

Home and Regional office expense increased $7.3 million primarily due to increased personnel costs, primarily the result of the Mills acquisition, and the effect of incentive compensation plans.

General and administrative expenses increased $2.9 million due to increased executive salaries, principally as a result of additional share-based payment amortization from the vesting of recent years restricted stock grants.

Interest expense increased $124.0 million due principally to the following:

- increased borrowings to fund our development and redevelopment activities;
- additional borrowings to fund the Mills-related loans; and
- the full year effect of May, August, and December 2006 bond offerings.

Also impacting interest expense was the consolidation of Town Center at Cobb, Gwinnett Place, and Mall of Georgia as a result of our acquisition of additional ownership interests, and the assumption of debt related to the acquisition of Las Americas Premium Outlets.

Income tax expense of taxable REIT subsidiaries decreased $22.7 million due primarily to a $19.5 million tax benefit recognized related to the impairment charge related to our write-off of our entire investment in Surprise Grand Vista JV I, LLC, which is developing land located in Phoenix, Arizona, along with a reduction in the taxable income for the management company as a result of structural changes made to our wholly-owned captive insurance entities.

Income from unconsolidated entities decreased $72.7 million, due in part to the impact of the Mills transaction (net of eliminations). On a net income basis, our share of income from SPG-FCM approximates a net loss of $58.7 million for the year due to additional depreciation and amortization expenses on asset basis step-ups in purchase accounting approximating $102.2 million for the second through fourth quarters of 2007. Also contributing to the decrease is the prior year recognition of $15.6 million in income related to a beneficial interest that we held in 2006 in a regional mall entity. This beneficial interest was terminated in November 2006.

In 2007, we recognized an impairment of $55.1 million related to our Surprise Grand Vista venture in Phoenix, Arizona. As described above, the charge to earnings resulted in a $19.5 million tax benefit, resulting in a net charge to earnings, before consideration of the limited partners' interest, of $35.6 million.

We recorded a $92.0 million net gain on the sales of assets and interests in unconsolidated entities in 2007 primarily as a result of the sale of five assets in Poland by Simon Ivanhoe. In 2006, we recorded a gain related to the sale of a beneficial interest of $86.5 million, a $34.4 million gain on the sale of a 10.5% interest in Simon Ivanhoe, and the net gain on the sale of four non-core properties, including one joint venture property, of $12.2 million.

Preferred distributions of the Operating Partnership decreased $5.4 million due to the effect of the conversion of preferred units to common units or shares.

In 2007, the loss on sale of discontinued operations of $28.0 million, net of the limited partners' interest, represents the net loss upon disposition of five non-core properties consisting of three regional malls and two community/lifestyle centers.

Preferred dividends decreased $22.6 million as a result of the redemption of the Series G preferred stock in the fourth quarter of 2007 and the Series F preferred stock in the fourth quarter of 2006.

Year Ended December 31, 2006 vs. Year Ended December 31, 2005

Minimum rents increased $83.2 million during the period, of which the property transactions accounted for $21.2 million of the increase. Total amortization of the fair market value of in-place leases increased minimum rents by $5.3 million. Comparable rents increased $61.4 million, or 3.2%. This was primarily due to leasing space at higher rents, resulting in an increase in base rents of $51.9 million. In addition, rents from carts, kiosks, and other temporary tenants increased comparable rents by $5.1 million in 2006.

Overage rents increased $10.2 million or 12.0%, reflecting the increases in tenants' rents, particularly in the Premium Outlet centers.

Tenant reimbursements increased $49.7 million. The property transactions accounted for $11.8 million. The remainder of the increase of $37.9 million, or 4.2%, was in comparable properties and was due to inflationary increases in property operating costs.

Management fees and other revenues increased $4.5 million primarily due to increased leasing and development fees generated through our support activities provided to new joint venture properties.

Total other income increased $17.7 million. The aggregate increase in other income included the following significant activity:

- $11.9 million increase in our land sales activity on consolidated properties;

- $6.4 million increase in interest income as a result of increasing investments rates;
- $3.7 million increase related to a gain on sale of a holding in a technology venture by Chelsea;
- $4.7 million decrease in gift card revenues; and
- a $0.4 million increase in other net activity of the comparable properties.

Property operating expenses increased $19.6 million, $18.4 million of which was on comparable properties (representing an increase of 4.4%) and was principally as a result of inflationary increases.

Home office and regional costs increased $12.0 million due to increased personnel costs, which is primarily due to the effect of the increase in our stock price on our stock-based compensation program.

Other expenses increased $6.6 million primarily due to increases in ground rent expenses of $3.9 million and increased professional fees.

Interest expense increased $22.8 million due to the impact of increased debt, primarily as a result of the issuances of unsecured notes in May, August, and December of 2006, and the annualized effect of our unsecured notes issued in June and November of 2005.

Income from unconsolidated entities increased $29.0 million primarily due to favorable results of operations at the joint venture properties, plus the increase in our ownership of Simon Ivanhoe and $15.6 million in income related to a beneficial interest we held during 2006 in a regional mall entity.

We recorded a $132.8 million net gain on the sales of assets and interests in unconsolidated entities in 2006 that included a gain related to the sale of a beneficial interest of $86.5 million, a $34.4 million gain on the sale of 10.5% interest in Simon Ivanhoe, and the net gain on the sale of four non-core properties, including one joint venture property, of $12.2 million.

The increase in the Limited Partner interest of $52.8 million is primarily due to the increases in our income from continuing operations.

Discontinued operations for 2005 included the net operating results of properties sold, including the sale of underlying ground adjacent to the Riverway and O'Hare International Center properties. There were no discontinued operations in 2006.

In 2005, the gain on sale of discontinued operations of $115.8 million, net of the limited partners' interest, principally represents the net gain upon disposition of seven non-core properties consisting of four regional malls, two office buildings, and one community/lifestyle center.

Preferred dividends increased due to the redemption of the Series F preferred stock, which resulted in a $7.0 million charge to net income.

Liquidity and Capital Resources

Because we generate revenues primarily from long-term leases, our financing strategy relies primarily on long-term fixed rate debt. We manage our floating rate debt to be at or below 15-25% of total outstanding indebtedness by setting interest rates for each financing or refinancing based on current market conditions. Floating rate debt currently comprises approximately 19% of our total consolidated debt. We also enter into interest rate protection agreements as appropriate to assist in managing our interest rate risk. We derive most of our liquidity from leases that generate positive net cash flow from operations and distributions of capital from unconsolidated entities that totaled $1.9 billion during 2007. In addition, our $3.5 billion credit facility provides an alternative source of liquidity as our cash needs vary from time to time.

Our balance of cash and cash equivalents decreased $427.4 million during 2007 to $502.0 million as of December 31, 2007. December 31, 2007 and 2006 balances include $41.3 million and $27.2 million, respectively, related to our co-branded gift card programs, which we do not consider available for general working capital purposes.

On December 31, 2007, our credit facility had available borrowing capacity of approximately $1.1 billion, net of outstanding borrowings of $2.4 billion and letters of credit of $28.2 million. During 2007, the maximum amount outstanding under our Credit Facility was $2.6 billion and the weighted average amount outstanding was $1.4 billion. The weighted average interest rate was 5.31% for the year ended December 31, 2007. The credit facility is available through January 11, 2011, including a one-year extension at our option.

We and the Operating Partnership also have access to public equity and long term unsecured debt markets and access to private equity from institutional investors at the property level.

Acquisition of The Mills Corporation by SPG-FCM

On February 16, 2007, SPG-FCM, a 50/50 joint venture between an affiliate of the Operating Partnership and funds owned by Farallon Capital Management, L.L.C., entered into a definitive merger agreement to acquire all of the outstanding common stock of Mills for $25.25 per common share in cash. The acquisition of Mills and its interests in the 37 properties that remain at December 31, 2007 was completed through a cash tender offer and a subsequent merger transaction which concluded on April 3, 2007. As of December 31, 2007, we and Farallon had each funded $650.0 million into SPG-FCM to acquire all of the common stock of Mills. As part of the transaction, the Operating Partnership also made loans to SPG-FCM and Mills that bear interest primarily at rates of LIBOR plus 270-275 basis points. These funds were used by SPG-FCM and Mills to repay loans and other obligations of Mills, including the redemption of preferred stock, during the year. As of December 31, 2007, the outstanding balance of our loan to SPG-FCM was $548.0 million, and the average outstanding balance during the twelve month period ended December 31, 2007 of all loans made to SPG-FCM and Mills was approximately $993.3 million. During 2007, we recorded approximately $39.1 million in interest income (net of inter-entity eliminations) related to these loans. We also recorded fee income, including fee income amortization related to up-front fees on loans made to SPG-FCM and Mills, during 2007 of approximately $17.4 million (net of inter-entity eliminations), for providing refinancing services to Mills' properties and SPG-FCM. The existing loan facility to SPG-FCM bears a rate of LIBOR plus 275 basis points and matures on June 7, 2009, with three available one-year extensions, subject to certain terms and conditions. Fees charged on loans made to SPG-FCM and Mills are amortized on a straight-line basis over the life of the loan.

As a result of the change in control of Mills, holders of Mills' Series F convertible cumulative redeemable preferred stock had the right to require the repurchase of their shares for cash equal to the liquidation preference per share plus accrued and unpaid dividends. During the second quarter of 2007, all of the holders of Mills' Series F preferred stock exercised this right, and Mills redeemed this series of preferred stock for approximately $333.2 million, including accrued dividends. Further, as of August 1, 2007, The Mills Corporation was liquidated and the holders of the remaining series' of Mills preferred stock were paid a liquidation preference of approximately $693.0 million, including accrued dividends.

During the third quarter of 2007, the holders of less than 5,000 common units in the Mills' operating partnership ("Mills Units") received $25.25 in cash, and those holding 5,000 or more Mills Units had the option to exchange for cash of $25.25, or Units of the Operating Partnership based on a fixed exchange ratio of 0.211 Operating Partnership Units for each Mills Unit. That option expired on August 1, 2007. Holders electing to exchange received 66,036 Units in the Operating Partnership for their Mills Units. The remaining Mills Units were exchanged for cash.

Effective July 1, 2007, we or an affiliate of ours began serving as the manager for substantially all of the properties in which SPG-FCM holds an interest. In conjunction with the Mills acquisition, we acquired a majority interest in two properties in which we previously held a 50% ownership interest (Town Center at Cobb and Gwinnett Place) and as a result we have consolidated these two properties at the date of acquisition.

The acquisition of Mills involved the purchase of all Mills' outstanding shares of common stock and common units for approximately $1.7 billion (at $25.25 per share or unit), the assumption of $954.9 million of preferred stock, the assumption of a proportionate share of property-level mortgage debt, SPG-FCM's share of which approximated $3.8 billion, the assumption of $1.2 billion in unsecured loans provided by us, costs to effect the acquisition, and certain liabilities and contingencies, including an ongoing investigation by the Securities and Exchange Commission, for an aggregate purchase price of approximately $8 billion. SPG-FCM has completed its preliminary purchase price allocations for the acquisition of Mills. The valuations were developed with the assistance of a third-party professional appraisal firm. The preliminary allocations will be finalized within one year of the acquisition date in accordance with applicable accounting standards.

Cash Flows

Our net cash flow from operating activities and distributions of capital from unconsolidated entities totaled $1.9 billion during 2007. We also received proceeds of $56.4 million from the sale of partnership interests and the sale of assets during 2007. In addition, we received net proceeds from all of our debt financing and repayment activities in 2007 of $1.4 billion. These activities are further discussed below in "Financing and Debt". We also:

- repurchased preferred stock and limited partner units amounting to $384.5 million,
- paid stockholder dividends and unitholder distributions totaling $944.0 million,
- paid preferred stock dividends and preferred unit distributions totaling $76.7 million,
- funded consolidated capital expenditures of $1.0 billion. These capital expenditures include development costs of $432.3 million, renovation and expansion costs of $348.5 million, and tenant costs and other operational capital expenditures of $236.7 million, and
- funded investments in unconsolidated entities of $687.3 million.

In general, we anticipate that cash generated from operations will be sufficient to meet operating expenses, monthly debt service, recurring capital expenditures, and distributions to stockholders necessary to maintain our REIT qualification for 2007 and on a long-term basis. In addition, we expect to be able to obtain capital for nonrecurring capital expenditures, such as acquisitions, major building renovations and expansions, as well as for scheduled principal maturities on outstanding indebtedness, from:

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

Financing and Debt

Unsecured Debt

Unsecured Notes. We have $875 million of unsecured notes issued by subsidiaries that are structurally senior in right of payment to holders of other unsecured notes to the extent of the assets and related cash flows of certain properties. These unsecured notes have a weighted average interest rate of 6.99% and weighted average maturities of 5.0 years.

Credit Facility. Significant draws on our credit facility during the twelve-month period ended December 31, 2007 were as follows:

Draw Date	Draw Amount	Use of Credit Line Proceeds
02/16/07	$ 600,000	Borrowing to partially fund a $1.187 billion loan to Mills.
03/29/07	550,000	Borrowing to fund our equity commitment for the Mills acquisition and to fund a loan to SPG-FCM.
04/17/07	140,000	Borrowing to fund a loan to SPG-FCM.
06/28/07	181,000	Borrowing to fund a loan to SPG-FCM.
07/31/07	557,000	Borrowing to fund a loan to SPG-FCM.
08/23/07	105,000	Borrowing to fund a property acquisition.
09/20/07	180,000	Borrowing to fund SPG Medium Term Note payoff.
10/22/07	125,000	Borrowing to fund repayment of an unsecured note of the former Chelsea Property Group, which had a fixed rate of 7.25%.
11/01/07	90,000	Borrowing to partially fund redemption of the Series L preferred stock.
11/15/07	550,000	Borrowing to partially fund repayment of unsecured notes, which had a fixed rate of 6.38%.

Other amounts drawn on our credit facility during the period were primarily for general working capital purposes. We repaid a total of $2.6 billion on our Credit Facility during the year ended December 31, 2007. The total outstanding balance of our credit facility as of December 31, 2007 was $2.4 billion, and the maximum amount outstanding during the year was approximately $2.6 billion. During the year ended December 31, 2007, the weighted average outstanding balance was approximately $1.4 billion. The amount outstanding as of December 31, 2007 includes $553.6 million in Euro and Yen-denominated borrowings.

On October 4, 2007, we exercised the $500 million accordion feature of our credit facility, increasing the revolving borrowing capacity from $3.0 billion to $3.5 billion. The expanded capacity includes an increase of $125.0 million to $875.0 million in the multi-currency tranche for Euro, Yen and Sterling borrowings.

Secured Debt

Total secured indebtedness was $5.3 billion and $4.4 billion at December 31, 2007 and 2006, respectively. During the twelve-month period ended December 31, 2007, we repaid $191.3 million in mortgage loans, unencumbering four properties.

As a result of the acquisition of Mills by SPG-FCM, we now hold a majority ownership interest in Gwinnet Place and Town Center at Cobb, and as a result they were consolidated as of the acquisition date. This included the consolidation of two mortgages secured by Gwinnett Place of $35.6 million and $79.2 million at fixed rates of 7.54% and 7.25%, respectively and two mortgages secured by Town Center at Cobb of $45.4 million and $60.3 million at fixed rates of 7.54% and 7.25%, respectively. On May 23, 2007, we refinanced Gwinnett Place and Town Center at Cobb with $115.0 million and $280.0 mortgages at fixed rates of 5.68% and 5.74%, respectively.

We placed a $200.0 million fixed-rate mortgage on Independence Center, a regional mall, on July 10, 2007, which matures on July 10, 2017, and bears a rate of 5.94%.

As a result of the acquisition of Las Americas Premium Outlets on August 23, 2007, we assumed its $180.0 million fixed-rate mortgage that matures June 11, 2016 and bears a rate of 5.84%.

Summary of Financing

Our consolidated debt, adjusted to reflect outstanding derivative instruments and the effective weighted average interest rates for the years then ended consisted of the following (dollars in thousands):

Debt Subject to	Adjusted Balance as of December 31, 2007	Effective Weighted Average Interest Rate	Adjusted Balance as of December 31, 2006	Effective Weighted Average Interest Rate
Fixed Rate	**$ 14,056,008**	**5.88%**	$ 14,548,226	6.02%
Variable Rate	**3,162,666**	**4.73%**	846,263	5.01%
	$ 17,218,674	**5.67%**	$ 15,394,489	5.97%

As of December 31, 2007, we had interest rate cap protection agreements on $93.8 million of consolidated variable rate debt. We also hold $370.0 million of notional amount variable rate swap agreements that have a weighted average variable pay rate of 4.97% and a weighted average fixed receive rate of 3.72%. As of December 31, 2007 and December 31, 2006, these agreements effectively converted $370.0 million of fixed rate debt to variable rate debt. These were terminated in January 2008.

Contractual Obligations and Off-balance Sheet Arrangements: The following table summarizes the material aspects of our future obligations as of December 31, 2007 (dollars in thousands):

	2008	2009 to 2010	2011 to 2013	After 2013	Total
Long Term Debt					
Consolidated (1)	$ 809,667	$ 3,946,526	$ 7,186,347	$ 5,237,131	$ 17,179,671
Pro Rata Share Of Long Term Debt:					
Consolidated (2)	$ 806,968	$ 3,917,203	$ 7,050,818	$ 5,120,676	$ 16,895,665
Joint Ventures (2)	555,745	1,300,018	2,021,536	2,678,927	6,556,226
Total Pro Rata Share Of Long Term Debt	1,362,713	5,217,221	9,072,354	7,799,603	23,451,891
Consolidated Capital Expenditure Commitments (3)	699,110	142,596	—	—	841,706
Joint Venture Capital Expenditure Commitments (3)	119,892	13,417	—	—	133,309
Consolidated Ground Lease Commitments(4)	16,839	33,124	49,952	669,482	769,397
Total	$ 2,198,554	$ 5,406,358	$ 9,122,306	$ 8,469,085	$ 25,196,303

(1) Represents principal maturities only and therefore, excludes net premiums and discounts and fair value swaps of $39,003.

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

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

(4) Represents only the minimum non-cancellable lease period, excluding applicable lease extension and renewal options.

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

Our off-balance sheet arrangements consist primarily of our investments in real estate joint ventures which are common in the real estate industry and are described in Note 7 of the notes to the accompanying financial statements. Joint venture debt is the liability of the joint venture, is typically secured by the joint venture property, and is non-recourse to us. As of December 31, 2007, the Operating Partnership has loan guarantees and other guarantee obligations to support $132.5 million and $50.3 million, respectively, to support our total $6.6 billion share of joint venture mortgage and other indebtedness presented in the table above.

Preferred Stock Activity

During 2007, a total of 289,090 6% Convertible Perpetual Preferred Units were exchanged for an equal number of shares of Series I preferred stock; we redeemed 5,000 units of Series I Preferred Units for cash; we issued 51,987 shares of common stock to holders of Series I preferred stock who exercised their conversion rights; we issued 478,144 units as a result of the conversion of 606,400 6% Convertible Perpetual Preferred Units; and we issued 121, 727 units as a result of the conversion of 160,865 7% Cumulative Convertible Preferred Units; and we redeemed 7,266 8% Cumulative Redeemable Preferred Units for cash. On October 2, 2007, we redeemed all 3,000,000 shares of the 7.89% Series G Cumulative Redeemable Preferred Stock with proceeds from the issuance of a new series of preferred stock, which we then repurchased prior to year end.

Acquisitions and Dispositions

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

Acquisitions. The acquisition of high quality individual properties or portfolios of properties remains an integral component of our growth strategies.

On November 1, 2007, we acquired an additional 6.5% interest in Montgomery Mall (which gives us a combined ownership interest of 60%). On August 23, 2007, we acquired Las Americas Premium Outlets, a 560,000 square foot upscale outlet center located at the San Diego — Tijuana border in Southern California. On July 13, 2007, we acquired an additional 1% interest in Bangor Mall (which gives us a combined ownership interest of 67.4%). On March 29, 2007, as part of the Mills acquisition, we acquired an additional 25% interest in two regional malls (Town Center at Cobb and Gwinnett Place), and as a result we now consolidate those properties. On March 28, 2007, we acquired a 100% interest in The Maine Outlet, a 112,000 square foot outlet center located in Kittery, Maine. The center is 99% occupied. Finally, on March 1, 2007, we acquired the remaining 40% interest in both University Park Mall and University Center located in Mishawaka, Indiana, and as a result we now own 100% of these properties. The aggregate purchase price of the consolidated assets acquired during 2007, excluding Town Center and Cobb and Gwinnett Place which were consolidated as a result of the Mills acquisition, was approximately $394.2 million, including the assumption of our share of debt of the properties acquired.

Dispositions. We continue to pursue the sale of properties that no longer meet our strategic criteria or that are not the primary retail venue within their trade area. In 2007, we sold the following wholly-owned properties: Alton Square a regional mall located in Alton, Illinois; Griffith Park Plaza, a community center located in Griffith, Indiana; University Mall, a regional mall located in Little Rock, Arkansas; Boardman Plaza, a community center located in Youngstown, Ohio; and Lafayette Square, a regional mall located in Indianapolis, Indiana. Our joint venture partnership, Simon Ivanhoe, sold its interest in five assets located in Poland, of which we held a 50% interest. As part of the sale, we received a distribution of proceeds from Simon Ivanhoe of $125.4 million, and recorded $90.6 million as our share of the gain.

In addition to the distribution from Simon Ivanhoe, we received net proceeds of $56.4 million on the U.S. property dispositions. We recorded our share of the net loss on these dispositions of $35.2 million and presented it in the consolidated statement operations as loss on sale of discontinued operations. We do not believe the sale of these properties will have a material impact on our future results of operations or cash flows. We believe the disposition of these properties will enhance the average overall quality of our portfolio.

Development Activity

New Developments. The following describes certain of our new development projects, the estimated total cost, and our share of the estimated total cost and our share of the construction in progress balance as of December 31, 2007 (dollars in millions):

Property	Location	Gross Leasable Area	Estimated Total Cost (a)	Our Share of Estimated Total Cost	Our Share of Construction in Progress	Estimated Opening Date
Under Construction:						
Hamilton Town Center	Noblesville, IN	950,000	$ 121	$ 60	$ 28	2nd Quarter 2008
Houston Premium Outlets	Houston, TX	427,000	96	96	91	1st Quarter 2008
Jersey Shore Premium Outlets	Tinton Falls, NJ	435,000	157	157	67	3rd Quarter 2008
Pier Park	Panama City Beach, FL	920,000	143	143	95	2nd Quarter 2008

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

We expect to fund these projects with available cash flow from operations, borrowings from our credit facility, or project specific construction loans. We expect our share of total 2008 new development costs for these and our other planned new development projects to be approximately $475 million.

Strategic Expansions and Renovations. In addition to new development, we also incur costs related to construction for significant renovation and/or expansion projects at our properties. Included in these projects are the renovation and addition of Crate & Barrel and Nordstrom at Burlington Mall, expansions and life-style additions at Tacoma Mall and University Park Mall, Nordstrom additions at Aventura Mall, Northshore Mall and Ross Park Mall, and addition of Phase II expansions at Las Vegas Premium Outlets, Orlando Premium Outlets, Philadelphia Premium Outlets, and Rio Grande Valley Premium Outlets.

We expect to fund these capital projects with available cash flow from operations, borrowings from our credit facility, or project specific loans. We expect to invest a total of approximately $525 million (our share) on expansion and renovation activities in 2008.

Capital Expenditures on Consolidated Properties.

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

	2007	2006	2005
New Developments	**$ 432**	$ 317	$ 341
Renovations and Expansions	**349**	307	252
Tenant Allowances	**106**	52	69
Operational Capital Expenditures	**130**	92	64
Total	**$ 1,017**	$ 768	$ 726

International Development Activity. We typically reinvest net cash flow from our international investments 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 our European investments with Euro-denominated borrowings that act as a natural hedge against local currency fluctuations. This has also been the case with our Premium Outlet joint ventures in Japan and Mexico where we use Yen and Peso denominated financing, respectively. We expect our share of international development for 2008 to approximate $200 million.

Currently, our net income exposure to changes in the volatility of the Euro, Yen, Peso and other foreign currencies is not material. In addition, since cash flows from international operations are currently being reinvested in other development projects, we do not expect to repatriate foreign denominated earnings in the near term.

The carrying amount of our total combined investment in Simon Ivanhoe and Gallerie Commerciali Italia ("GCI"), as of December 31, 2007, net of the related cumulative translation adjustment, was $289.5 million. Our investments in Simon Ivanhoe and GCI are accounted for using the equity method of accounting. Currently three European developments are under construction which will add approximately 1.2 million square feet of GLA for a total net cost of approximately €272 million, of which our share is approximately€78 million, or $115 million based on current Euro:USD exchange rates.

On October 20, 2005, Ivanhoe Cambridge, Inc. ("Ivanhoe"), an affiliate of Caisse de dépôt et placement du Québec, effectively acquired our former partner's 39.5% ownership interest in Simon Ivanhoe. On February 13, 2006, we sold a 10.5% interest in this joint venture to Ivanhoe for €45.2 million, or $53.9 million and recorded a gain on the disposition of $34.4 million. This gain is reported in "gain on sales of interests in unconsolidated entities" in the 2006 consolidated statements of operations. We then settled all remaining share purchase commitments from the company's founders, including the early settlement of some commitments by purchasing an additional 25.8% interest for €55.1 million, or $65.5 million. As a result of these transactions, we and Ivanhoe each own a 50% interest in Simon Ivanhoe at December 31, 2006 and 2007.

As of December 31, 2007, the carrying amount of our 40% joint venture investment in the six Japanese Premium Outlet centers net of the related cumulative translation adjustment was $273.0 million. Currently, Sendai-Izumi Premium Outlets, a 172,000 square foot Premium Outlet Center, is under construction in Sendai, Japan. The project's total projected net cost is JPY 5.4 billion, of which our share is approximately JPY 2.1 billion, or $19.1 million based on current Yen:USD exchange rates.

During 2006, we finalized the formation of joint venture arrangements to develop and operate shopping centers in China. The shopping centers will be anchored by Wal-Mart stores and we own a 32.5% interest in the joint venture entities, and a 32.5% ownership in the management operation overseeing these projects, collectively referred to as Great Mall Investments, Ltd. ("GMI"). We are planning on initially developing five centers in China, all of which are under construction as of December 31, 2007. Our total equity commitment for these centers approximates $60 million and as of December 31, 2007, our combined investment in GMI is approximately $32.1 million.

Distributions and Stock Repurchase Program

On February 1, 2008, our Board of Directors approved a 7.1% increase in the annual dividend rate to $3.60 per share. Dividends during 2007 aggregated $3.36 per share and dividends during 2006 aggregated $3.04 per share. We must pay a minimum amount of dividends to maintain our status as a REIT. Our dividends and limited partner distributions typically exceed our net income generated in any given year primarily because of depreciation, which is a "non-cash" expense. Future dividends and distributions of Simon Property and the Operating Partnership will be determined by the Board of Directors based on actual results of operations, cash available for dividends and limited partner distributions, and what may be required to maintain our status as a REIT.

On July 26, 2007, our Board of Directors authorized the repurchase of up to $1.0 billion of common stock over the next twenty-four months as market conditions warrant. We may repurchase the shares in the open market or in privately negotiated transactions. During 2007, we repurchased 572,000 shares at an average price of $86.11 per share as part of this program. The program had remaining availability of approximately $950.7 million at December 31, 2007.

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, changes in market rates of interest and foreign exchange rates for foreign currencies, the ability to hedge interest rate risk, risks associated with the acquisition, development and expansion of properties, general risks related to retail real estate, the liquidity of real estate investments, environmental liabilities, international, national, regional and local economic climates, changes in market rental rates, 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, costs of common area maintenance, competitive market forces, risks related to international activities, insurance costs and coverage, terrorist activities, changes in economic and market conditions and maintenance of our status as a real estate investment trust. We discuss these and other risks and uncertainties under the heading "Risk Factors" in our most recent Annual Report on Form 10-K. We may update that discussion in subsequent Quarterly Reports on Form 10-Q, but otherwise 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 Measure — Funds from Operations

Industry practice is to evaluate real estate properties in part based on funds from operations, or FFO. We consider FFO to be a key measure of our operating performance that is not specifically defined by accounting principles generally accepted in the United States, or GAAP. We believe that FFO is helpful to investors because it is a widely recognized measure of the performance of REITs and provides a relevant basis for comparison among REITs. We also use this measure internally to measure the operating performance of our portfolio.

As defined by the National Association of Real Estate Investment Trusts, or NAREIT, FFO is 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 of 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 change or resulting from the sale or disposal of depreciable real estate. However, you should understand that our computation of FFO might not be comparable to FFO reported by other REITs and that FFO:

- does not represent cash flow from operations as defined by GAAP,
- should not be considered as an alternative to net income determined in accordance with GAAP as a measure of operating performance, and
- is not an alternative to cash flows as a measure of liquidity.

The following schedule sets forth total FFO before allocation to the limited partners of the Operating Partnership and FFO allocable to Simon Property. This schedule also reconciles consolidated net income, which we believe is the most directly comparable GAAP financial measure to FFO for the periods presented.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Simon Property Group, Inc. and Subsidiaries

	For the Year Ended December 31,		
	2007	**2006**	**2005**
		(in thousands)	
Funds from Operations	**$ 1,691,887**	$ 1,537,223	$ 1,411,368
Increase in FFO from prior period	**10.1%**	8.9%	19.4%
Net Income	**$ 491,239**	$ 563,840	$ 475,749
Adjustments to Net Income to Arrive at FFO:			
Limited partners' interest in the Operating Partnership and preferred distributions of the Operating Partnership	**142,398**	155,640	103,921
Limited partners' interest in discontinued operations	**(24)**	87	1,744
Depreciation and amortization from consolidated properties, beneficial interests and discontinued operations	**892,488**	854,394	850,519
Simon's share of depreciation and amortization from unconsolidated entities	**315,159**	209,428	205,981
Gain on sales of assets and interests in unconsolidated entities and discontinued operations, net of Limited partners' interest	**(64,072)**	(132,853)	(115,006)
Tax provision related to sale	**—**	—	(428)
Minority interest portion of depreciation and amortization	**(8,646)**	(8,639)	(9,178)
Preferred distributions and dividends	**(76,655)**	(104,674)	(101,934)
Funds from Operations	**$ 1,691,887**	$ 1,537,223	$ 1,411,368
FFO Allocable to Simon Property	**$ 1,342,496**	$ 1,215,319	$ 1,110,933
Diluted net income per share to diluted FFO per share reconciliation:			
Diluted net income per share	**$ 1.95**	$ 2.19	$ 1.82
Depreciation and amortization from consolidated properties and beneficial interests, and our share of depreciation and amortization from unconsolidated affiliates, net of minority interest portion of depreciation and amortization	**4.27**	3.78	3.73
Gain on sales of assets and interests in unconsolidated entities and discontinued operatinos, net of Limited partners' interest	**(0.20)**	(0.47)	(0.52)
Tax provision related to sale	**—**	—	—
Impact of additional dilutive securities for FFO per share	**(0.12)**	(0.11)	(0.07)
Diluted FFO per share	**$ 5.90**	$ 5.39	$ 4.96
Basic weighted average shares outstanding	**222,998**	221,024	220,259
Adjustments for dilution calculation:			
Effect of stock options	**778**	903	871
Impact of Series C cumulative preferred 7% convertible units	**122**	912	1,086
Impact of Series I preferred stock	**11,065**	10,816	10,736
Impact of Series I preferred units	**2,485**	3,230	3,369
Diluted weighted average shares outstanding	**237,448**	236,885	236,321

Weighted average limited partnership units outstanding	**58,036**	58,543	59,566
Diluted weighted average shares and units outstanding	**295,484**	295,428	295,887

Management's Report On Internal Control Over Financial Reporting

We are responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934 as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our Board of Directors, management and other personnel, 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 and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect our transactions and disposition of asset;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

We assessed the effectiveness of our internal control over financial reporting as of December 31, 2007. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework.

Based on that assessment, we believe that, as of December 31, 2007, our internal control over financial reporting is effective based on those criteria.

Our independent registered public accounting firm has issued an audit report on their assessment of our internal control over financial reporting. Their report appears on the following page of this Annual Report.

Report Of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of
Simon Property Group, Inc.:

We have audited Simon Property Group, Inc. and Subsidiaries' internal control over financial reporting as of December 31, 2007 based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Simon Property Group, Inc. and Subsidiaries' management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Simon Property Group, Inc. and Subsidiaries maintained, in all material respects, effective internal control over financial reporting as of December 31, 2007, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Simon Property Group, Inc. and Subsidiaries as of December 31, 2007 and 2006, and the related consolidated statements of operations and comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2007 of Simon Property Group, Inc and Subsidiaries, and our report dated February 22, 2008 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Indianapolis, Indiana
February 22, 2008

Report Of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of
Simon Property Group, Inc.:

We have audited the accompanying consolidated balance sheets of Simon Property Group, Inc. and Subsidiaries as of December 31, 2007 and 2006, and the related consolidated statements of operations and comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Simon Property Group, Inc. and Subsidiaries at December 31, 2007 and 2006, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2007, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Simon Property Group, Inc. and Subsidiaries' internal control over financial reporting as of December 31, 2007, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 22, 2008, expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

Indianapolis, Indiana
February 22, 2008

Simon Property Group, Inc. and Subsidiaries

Consolidated Balance Sheets

(Dollars in thousands, except share amounts)

	December 31, 2007	December 31, 2006
ASSETS:		
Investment properties, at cost	**$ 24,415,025**	$ 22,863,963
Less — accumulated depreciation	**5,312,095**	4,606,130
	19,102,930	18,257,833
Cash and cash equivalents	**501,982**	929,360
Tenant receivables and accrued revenue, net	**447,224**	380,128
Investment in unconsolidated entities, at equity	**1,886,891**	1,526,235
Deferred costs and other assets	**1,118,635**	990,899
Note receivable from related party	**548,000**	—
Total assets	**$ 23,605,662**	$ 22,084,455
LIABILITIES:		
Mortgages and other indebtedness	**$ 17,218,674**	$ 15,394,489
Accounts payable, accrued expenses, intangibles, and deferred revenues	**1,251,044**	1,109,190
Cash distributions and losses in partnerships and joint ventures, at equity	**352,798**	227,588
Other liabilities, minority interest and accrued dividends	**180,644**	178,250
Total liabilities	**19,003,160**	16,909,517
COMMITMENTS AND CONTINGENCIES		
LIMITED PARTNERS' INTEREST IN THE OPERATING PARTNERSHIP	**731,406**	837,836
LIMITED PARTNERS' PREFERRED INTEREST IN THE OPERATING PARTNERSHIP	**307,713**	357,460
STOCKHOLDERS' EQUITY:		
CAPITAL STOCK (750,000,000 total shares authorized, $.0001 par value, 237,996,000 shares of excess common stock):		
All series of preferred stock, 100,000,000 shares authorized, 14,801,884 and 17,578,701 issued and outstanding, respectively, and with liquidation values of $740,094 and $878,935, respectively	**746,608**	884,620
Common stock, $.0001 par value, 400,000,000 shares authorized, 227,719,614 and 225,797,566 issued and outstanding, respectively	**23**	23
Class B common stock, $.0001 par value, 12,000,000 shares authorized, 8,000 issued and outstanding	**—**	—
Class C common stock, $.0001 par value, 4,000 shares authorized, issued and outstanding	**—**	—
Capital in excess of par value	**5,067,718**	5,010,256
Accumulated deficit	**(2,055,447)**	(1,740,897)
Accumulated other comprehensive income	**18,087**	19,239
Common stock held in treasury at cost, 4,697,332 and 4,378,495 shares, respectively	**(213,606)**	(193,599)
Total stockholders' equity	**3,563,383**	3,979,642

Total liabilities and stockholders' equity	**$ 23,605,662**	$ 22,084,455

The accompanying notes are an integral part of these statements.

Simon Property Group, Inc. and Subsidiaries

Consolidated Statements of Operations and Comprehensive Income

(Dollars in thousands, except per share amounts)

	For the Year Ended December 31,		
	2007	**2006**	**2005**
REVENUE:			
Minimum rent	**$ 2,154,713**	$ 2,020,856	$ 1,937,657
Overage rent	**110,003**	95,767	85,536
Tenant reimbursements	**1,023,164**	946,554	896,901
Management fees and other revenues	**113,740**	82,288	77,766
Other income	**249,179**	186,689	168,993
Total revenue	**3,650,799**	3,332,154	3,166,853
EXPENSES:			
Property operating	**454,510**	441,203	421,576
Depreciation and amortization	**905,636**	856,202	849,911
Real estate taxes	**313,311**	300,174	291,113
Repairs and maintenance	**120,224**	105,983	105,489
Advertising and promotion	**94,340**	88,480	92,377
Provision for credit losses	**9,562**	9,500	8,127
Home and regional office costs	**136,610**	129,334	117,374
General and administrative	**19,587**	16,652	17,701
Other	**61,954**	64,397	57,762
Total operating expenses	**2,115,734**	2,011,925	1,961,430
OPERATING INCOME	**1,535,065**	1,320,229	1,205,423
Interest expense	**(945,852)**	(821,858)	(799,092)
Minority interest in income of consolidated entities	**(13,936)**	(11,524)	(13,743)
Income tax benefit (expense) of taxable REIT subsidiaries	**11,322**	(11,370)	(16,229)
Income from unconsolidated entities	**38,120**	110,819	81,807
Impairment charge	**(55,061)**	—	—
Gain (loss) on sales of assets and interests in unconsolidated entities, net	**92,044**	132,787	(838)
Limited partners' interest in the Operating Partnership	**(120,818)**	(128,661)	(75,841)
Preferred distributions of the Operating Partnership	**(21,580)**	(26,979)	(28,080)
Income from continuing operations	**519,304**	563,443	353,407
Discontinued operations, net of Limited Partners' interest	**(93)**	331	6,498
(Loss) gain on sale of discontinued operations, net of Limited Partners' interest	**(27,972)**	66	115,844
NET INCOME	**491,239**	563,840	475,749
Preferred dividends	**(55,075)**	(77,695)	(73,854)
NET INCOME AVAILABLE TO COMMON STOCKHOLDERS	**$ 436,164**	$ 486,145	$ 401,895
BASIC EARNINGS PER COMMON SHARE:			
Income from continuing operations	**$ 2.09**	$ 2.20	$ 1.27
Discontinued operations	**(0.13)**	—	0.55

Net income	**$ 1.96**	$ 2.20	$ 1.82

DILUTED EARNINGS PER COMMON SHARE:

Income from continuing operations	**$ 2.08**	$ 2.19	$ 1.27
Discontinued operations	**(0.13)**	—	0.55
Net income	**$ 1.95**	$ 2.19	$ 1.82

Net Income	**$ 491,239**	$ 563,840	$ 475,749
Unrealized (loss) gain on interest rate hedge agreements	**(8,465)**	5,211	2,988
Net income (loss) on derivative instruments reclassified from accumulated other comprehensive income into interest expense	**716**	1,789	(1,428)
Currency translation adjustments	**4,991**	1,336	(7,342)
Other income (loss)	**1,606**	1,110	(790)
Comprehensive Income	**$ 490,087**	$ 573,286	$ 469,177

The accompanying notes are an integral part of these statements.

Simon Property Group, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

(Dollars in thousands)

	For the Year Ended December 31,		
	2007	**2006**	**2005**
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	**$ 491,239**	$ 563,840	$ 475,749
Adjustments to reconcile net income to net cash provided by operating activities —			
Depreciation and amortization	**875,284**	812,718	818,468
(Gain) loss on sales of assets and interests in unconsolidated entities	**(92,044)**	(132,787)	838
Impairment charge	**55,061**	—	—
(Gain) loss on disposal or sale of discontinued operations, net of limited partners' interest	**27,972**	(66)	(115,844)
Limited partners' interest in the Operating Partnership	**120,818**	128,661	75,841
Limited partners' interest in the results of operations from discontinued operations	**(24)**	87	1,744
Preferred distributions of the Operating Partnership	**21,580**	26,979	28,080
Straight-line rent	**(20,907)**	(17,020)	(21,682)
Minority interest	**13,936**	11,524	13,743
Minority interest distributions	**(91,032)**	(37,200)	(24,770)
Equity in income of unconsolidated entities	**(38,120)**	(110,819)	(81,807)
Distributions of income from unconsolidated entities	**101,998**	94,605	106,954
Changes in assets and liabilities —			
Tenant receivables and accrued revenue, net	**(40,976)**	(3,799)	22,803
Deferred costs and other assets	**(82,793)**	(132,570)	(38,417)
Accounts payable, accrued expenses, intangibles, deferred revenues and other liabilities	**113,753**	69,214	(91,329)
Net cash provided by operating activities	**1,455,745**	1,273,367	1,170,371
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisitions	**(263,098)**	(158,394)	(37,505)
Funding of loans to related parties	**(2,752,400)**	—	—
Repayments of loans from related parties	**2,204,400**	—	—
Capital expenditures, net	**(1,017,472)**	(767,710)	(726,386)
Cash impact from the consolidation and de-consolidation of properties	**6,117**	8,762	(9,479)
Net proceeds from sale of partnership interests, other assets and discontinued operations	**56,374**	209,039	384,104
Investments in unconsolidated entities	**(687,327)**	(157,309)	(76,710)
Distributions of capital from unconsolidated entities and other	**416,485**	263,761	413,542
Net cash used in investing activities	**(2,036,921)**	(601,851)	(52,434)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from sales of common and preferred stock and other	**156,710**	217,237	13,811
Purchase of limited partner units and treasury stock	**(83,993)**	(16,150)	(193,837)

Preferred stock redemptions	**(300,468)**	(393,558)	(579)
Minority interest contributions	**2,903**	2,023	—
Preferred distributions of the Operating Partnership	**(21,580)**	(26,979)	(28,080)
Preferred dividends and distributions to stockholders	**(804,271)**	(749,507)	(690,654)
Distributions to limited partners	**(194,823)**	(177,673)	(166,617)
Mortgage and other indebtedness proceeds, net of transaction costs	**5,577,083**	5,507,735	3,962,778
Mortgage and other indebtedness principal payments	**(4,177,763)**	(4,442,332)	(4,197,795)
Net cash provided by (used in) financing activities	**153,798**	(79,204)	(1,300,973)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	**(427,378)**	592,312	(183,036)
CASH AND CASH EQUIVALENTS, beginning of year	**929,360**	337,048	520,084
CASH AND CASH EQUIVALENTS, end of year	**$ 501,982**	$ 929,360	$ 337,048

The accompanying notes are an integral part of these statements.

Simon Property Group, Inc. and Subsidiaries

Consolidated Statements of Stockholders' Equity

(Dollars in thousands)

	Preferred Stock	Common Stock	Accumulated Other Comprehensive Income	Capital in Excess of Par Value	Accumulated Deficit	Common Stock Held in Treasury	Total Stockholders' Equity
Balance at December 31, 2004	**$ 1,062,687**	**$ 23**	**$ 16,365**	**$ 4,971,885**	**$ (1,335,436)**	**$ (72,918)**	**$ 4,642,606**
Conversion of Limited Partner Units (2,281,481 Common Shares, Note 10)				37,381			37,381
Stock options exercised (206,464 Common Shares)				6,184			6,184
Series I Preferred Unit conversion to Series I Preferred Stock (197,155 Preferred Shares)	9,858						9,858
Series J Preferred Stock premium net of amortization	7,171						7,171
Treasury Stock purchase (2,815,400 Shares)						(182,408)	(182,408)
Series G Preferred stock accretion	306						306
Stock incentive program (400,541 Common Shares, Net)				(25,240)		25,240	—
Common Stock retired (18,000 Shares)				(605)	(502)		(1,107)
Amortization of stock incentive				14,320			14,320
Other				505			505
Adjustment to limited partners' interest from increased ownership in the Operating Partnership				(5,707)			(5,707)
Distributions					(690,990)		(690,990)
Other comprehensive income			(6,572)				(6,572)
Net income					475,749		475,749
Balance at December 31, 2005	**$ 1,080,022**	**$ 23**	**$ 9,793**	**$ 4,998,723**	**$ (1,551,179)**	**$ (230,086)**	**$ 4,307,296**
Conversion of Limited Partner Units (86,800 Common Shares, Note 10)				1,247			1,247
Stock options exercised (414,659 Common Shares)				14,906			14,906
Series I Preferred Unit conversion to Series I Preferred Stock (230,486 Preferred Shares)	11,524						11,524
Series I Preferred Stock conversion to Common Stock (283,907 Preferred Shares to 222,933 Common Shares)	(14,195)			14,195			—
Series J Preferred Stock premium amortization	(329)						(329)
Series F Preferred Stock redemption (8,000,000 shares)	(192,989)						(192,989)
Series G Preferred stock accretion	587						587
Series K Preferred Stock issuance (8,000,000 shares)	200,000						200,000
Series K Preferred Stock redemption (8,000,000 shares)	(200,000)						(200,000)
Stock incentive program (415,098 Common Shares, Net)				(36,487)		36,487	—
Common Stock retired (70,000 Shares)				(2,354)	(4,051)		(6,405)
Amortization of stock incentive				23,369			23,369
Other				608			608
Adjustment to limited partners' interest from increased ownership in the Operating Partnership				(3,951)			(3,951)
Distributions					(749,507)		(749,507)
Other comprehensive income			9,446				9,446
Net income					563,840		563,840
Balance at December 31, 2006	**$ 884,620**	**$ 23**	**$ 19,239**	**$ 5,010,256**	**$ (1,740,897)**	**$ (193,599)**	**$ 3,979,642**
Conversion of Limited Partner Units (1,692,474 Common Shares, Note 10)				22,781			22,781
Stock options exercised (231,025 Common Shares)				7,604			7,604
Series I Preferred Unit conversion to Series I Preferred Stock (289,090 Preferred Shares)	14,455						14,455
Series I Preferred Stock conversion to Common Stock (65,907 Preferred Shares to 51,987 Common Shares)	(3,296)			3,296			—
Series J Preferred Stock premium amortization	(328)						(328)
Treasury Stock purchase (572,000 Shares)						(49,269)	(49,269)
Series G Preferred stock accretion	1,157						1,157
Series G Preferred stock redemption (3,000,000 shares)	(150,000)						(150,000)
Series L Preferred Stock issuance (6,000,000 shares)	150,000						150,000
Series L Preferred Stock redemption (6,000,000 shares)	(150,000)						(150,000)
Stock incentive program (222,725 Common Shares, Net)				(29,262)		29,262	—
Common Stock retired (23,000 Shares)				(773)	(1,518)		(2,291)
Amortization of stock incentive				26,779			26,779
Other				571			571
Adjustment to limited partners' interest from decreased ownership in the Operating Partnership				26,466			26,466
Distributions					(804,271)		(804,271)

Other comprehensive income			(1,152)				(1,152)
Net income					491,239		491,239
Balance at December 31, 2007	**$ 746,608**	**$ 23**	**$ 18,087**	**$ 5,067,718**	**$ (2,055,447)**	**$ (213,606)**	**$ 3,563,383**

The accompanying notes are an integral part of these statements.

Simon Property Group, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

(Dollars in thousands, except share and per share amounts and where indicated as 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. Simon Property Group, L.P., or the Operating Partnership, is our majority-owned partnership subsidiary that owns all of our real estate properties. In these notes to consolidated financial statements, the terms "we", "us" and "our" refer to Simon Property, the Operating Partnership, and their subsidiaries.

We own, develop, and manage retail real estate, which consist primarily of regional malls, Premium Outlet® centers, The Mills®, and community/lifestyle centers. As of December 31, 2007, we owned or held an interest in 320 income-producing properties in the United States, which consisted of 168 regional malls, 67 community/lifestyle centers, 38 Premium Outlet centers, 37 properties acquired in the Mills acquisition, and 10 other shopping centers or outlet centers in 41 states and Puerto Rico. Of the 37 Mills properties acquired, 17 of these are The Mills, 16 are regional malls, and four are community centers. We also own interests in four parcels of land held in the United States for future development. Internationally, we have ownership interests in 51 European shopping centers (France, Italy, and Poland); six Premium Outlet centers in Japan; one Premium Outlet center in Mexico, and one Premium Outlet center in South Korea. Also, through a joint venture arrangement we have ownership interests in five shopping centers under construction in China.

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

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

We also 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 (including 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, as well as major capital expenditures such as roofing, parking lots and energy systems,
- Selling or leasing land adjacent to our shopping center properties, commonly referred to as "outlots" or "outparcels," and,
- Generating interest income on cash deposits and loans made to related entities.

2. Basis of Presentation and Consolidation

The accompanying consolidated financial statements include the accounts of all majority-owned subsidiaries, and all significant intercompany amounts have been eliminated.

We consolidate properties that are wholly owned or properties that we own less than 100% but we control. Control of a property is demonstrated by, among other factors, our ability to:

- manage day-to-day operations,
- refinance debt and sell the property without the consent of any other partner or owner, and

- the inability of any other partner or owner to replace us.

We also consolidate all variable interest entities when we are determined to be the primary beneficiary.

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

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

As of December 31, 2007, we consolidated 198 wholly-owned properties and consolidated 19 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 162 properties using the equity method of accounting (joint venture properties). We manage the day-to-day operations of 93 of the 162 joint venture properties but have determined that our partner or partners have substantive participating rights in regards to the assets and operations of these joint venture properties. Additionally, we account for our investment in SPG-FCM Ventures, LLC ("SPG-FCM"), which acquired The Mills Corporation and its majority-owned subsidiary, The Mills Limited Partnership (collectively "Mills") in April 2007, using the equity method of accounting. We have determined that SPG-FCM is not a variable interest entity (VIE) and that Farallon Capital Management, L.L.C. ("Farallon"), our joint venture partner, has substantive participating rights with respect to the assets and operations of SPG-FCM pursuant to the applicable partnership agreements.

We allocate net operating results of the Operating Partnership after preferred distributions to third parties and to us based on the partners' respective weighted average ownership interests in the Operating Partnership.

Our weighted average ownership interest in the Operating Partnership was as follows:

	For the Year Ended December 31,		
	2007	**2006**	**2005**
Weighted average ownership interest	**79.4%**	79.1%	78.7%

As of December 31, 2007 and 2006, our ownership interest in the Operating Partnership was 79.4% and 78.9%, respectively. We adjust the limited partners' interest in the Operating Partnership at the end of each period to reflect their interest in the Operating Partnership.

Preferred distributions of the Operating Partnership in the accompanying statements of operations and cash flows represent distributions on outstanding preferred units of limited partnership interest.

3. Summary of Significant Accounting Policies

Investment Properties

We record investment properties at cost. Investment properties include costs of acquisitions; development, predevelopment, and construction (including allocable salaries and related benefits); tenant allowances and improvements; and interest and real estate taxes incurred related to construction. We capitalize improvements and replacements from repair and maintenance when the repair and maintenance extend the useful life, increase capacity, or improve the efficiency of the asset. All other repair and maintenance items are expensed as incurred. We capitalize interest on projects during periods of construction until the projects are ready for their intended purpose based on interest rates in place during the construction period. The amount of interest capitalized during each year is as follows:

	For the Year Ended December 31,		
	2007	2006	2005
Capitalized interest	**$ 35,793**	$ 30,115	$ 14,433

We record depreciation on buildings and improvements utilizing the straight-line method over an estimated original useful life, which is generally 10 to 40 years. We review depreciable lives of investment properties periodically and we make adjustments when necessary to reflect a shorter economic life. We record depreciation on tenant allowances, tenant inducements and tenant improvements utilizing the straight-line method over the term of the related lease or occupancy term of the tenant, if shorter. We record depreciation on equipment and fixtures utilizing the straight-line method over seven to ten years.

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

Certain of our real estate assets contain asbestos. The asbestos is appropriately contained, in accordance with current environmental regulations, and we have no current plans to remove the asbestos. If these properties were demolished, certain environmental regulations are in place which specify the manner in which the asbestos must be handled and disposed. Because the obligation to remove the asbestos has an indeterminable settlement date, we are not able to reasonably estimate the fair value of this asset retirement obligation.

Purchase Accounting Allocation

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

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

Amounts allocated to building are depreciated over the estimated remaining life of the acquired building or related improvements. We amortize amounts allocated to tenant improvements, in-place lease assets and other lease-related intangibles over the remaining life of the underlying leases. We also estimate the value of other acquired intangible assets, if any, which are amortized over the remaining life of the underlying related leases or intangibles.

Discontinued Operations

SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS No. 144") provides a framework for the evaluation of impairment of long-lived assets, the treatment of assets held for sale or to be otherwise disposed of, and the reporting of discontinued operations. SFAS No. 144 requires us to reclassify any material operations related to consolidated properties sold during the period to discontinued operations. We have reclassified the results of operations of the seven regional malls, community/lifestyle centers, and office building properties disposed during 2005, as described in Note 4 to discontinued operations in the accompanying consolidated statements of operations and comprehensive income for 2005. Revenues included in discontinued operations were $29.3 million for the year ended December 31, 2005. There were no discontinued operations reported in 2006 as assets sold were not material to our consolidated financial statements. During 2007, we reported the loss upon sale on our five consolidated assets sold in "loss on sale of discontinued operations" in the consolidated statements of operations and comprehensive income. The operating results of the assets disposed of in 2007 were not significant to our consolidated results of operations.

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 market value. Cash equivalents generally consist of commercial paper, bankers acceptances, Eurodollars, repurchase agreements, and money markets. During 2005, independent banks assumed responsibility for the gift card programs. We collect gift card funds at the point of sale and then remit those funds to the banks for further processing. As a result, cash and cash equivalents, as of December 31, 2007 and 2006, includes a balance of $41.3 million and $27.2 million, respectively, related to these gift card programs which we do not consider available for general working capital purposes. See Notes 4, 8, and 10 for disclosures about non-cash investing and financing transactions.

Marketable Securities

Marketable securities consist primarily of the assets of our insurance subsidiaries and are included in deferred costs and other assets. The types of securities typically include U.S. Treasury or other U.S. government securities as well as corporate debt securities with maturities ranging from 1 to 10 years. These securities are classified as available-for-sale and are valued based upon quoted market prices or using discounted cash flows when quoted market prices are not available. The amortized cost of debt securities in this category is adjusted for amortization of premiums and accretion of discounts to maturity. Changes in the values of these securities are recognized in accumulated other comprehensive income until the gain or loss is realized and recorded in other income. However, if we determine a decline in value is other than temporary, then we recognize the unrealized loss in income to write down the investments to their net realizable value. Our insurance subsidiaries are required to maintain statutory minimum capital and surplus as well as maintain a minimum liquidity ratio. Therefore, our access to their securities may be limited.

Accounting for Beneficial Interests in Mall of America

In January 2006, an entity controlled by the Simon family assigned to us its right to receive cash flow, capital distributions, and related profits and losses with respect to a portion of its ownership interest in the Mall of America through Mall of America Associates ("MOAA"). This beneficial interest was transferred subject to a credit facility repayable from MOAA's distributions from the property. As a result of this assignment, we began recognizing our share of MOAA's income during the first quarter of 2006, including the proportionate share of earnings of MOAA since August 2004 through the first quarter of 2006 of $10.2 million. This income is included with "income from unconsolidated entities" in our consolidated statement of operations. We accounted for our beneficial interests in MOAA under the equity method of accounting. On November 2, 2006, the Simon family entity sold its partnership interest to an affiliate of another partner in MOAA and settled all pending litigation, terminating our beneficial interests. As a result of this sale, we ceased recording income from this property's operations, and recorded a gain of approximately $86.5 million as a result of the receipt of $102.2 million of capital transaction proceeds assigned to us from this arrangement which is included in "gain (loss) on sale of assets and interests in unconsolidated entities, net" in the consolidated statements of operations and comprehensive income.

Use of Estimates

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

Segment Disclosure

The Financial Accounting Standards Board (the "FASB") Statement No. 131, "Disclosures about Segments of an Enterprise and Related Information" ("Statement 131") requires disclosure of certain operating and financial data with respect to separate business activities within an enterprise. Our primary business is the ownership, development, and management of retail real estate. We have aggregated our retail operations, including regional malls, Premium Outlet centers, The Mills, and community/lifestyle centers, into one reportable segment because they have similar economic characteristics and we provide similar products and services to similar types of tenants. Further, all material operations are within the United States and no customer or tenant comprises more than 10% of consolidated revenues.

Deferred Costs and Other Assets

Deferred costs and other assets include the following as of December 31:

	2007	2006
Deferred financing and lease costs, net	**$ 221,433**	$ 204,645
In-place lease intangibles, net	**66,426**	93,563
Acquired above market lease intangibles, net	**49,741**	70,623
Marketable securities of our captive insurance companies	**116,260**	103,605
Goodwill	**20,098**	20,098
Minority interests	**163,196**	81,282
Prepaids, notes receivable and other assets, net	**481,481**	417,083
	$ 1,118,635	$ 990,899

Deferred Financing and Lease Costs. Our deferred costs consist primarily of financing fees we incurred in order to obtain long-term financing and internal and external leasing commissions and related costs. We record amortization of deferred financing costs on a straight-line basis over the terms of the respective loans or agreements. Our deferred leasing costs consist primarily of capitalized salaries and related benefits in connection with lease originations. We record amortization of deferred leasing costs on a straight-line basis over the terms of the related leases. We amortize debt premiums and discounts, which are included in mortgages and other indebtedness, over the remaining terms of the related debt instruments. These debt premiums or discounts arise either at the debt issuance or as part of the purchase price allocation of the fair value of debt assumed in acquisitions. Details of these deferred costs as of December 31 are as follows:

	2007	2006
Deferred financing and lease costs	**$ 401,153**	$ 340,427
Accumulated amortization	**(179,720)**	(135,782)
Deferred financing and lease costs, net	**$ 221,433**	$ 204,645

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

	For the year ended December 31,		
	2007	**2006**	**2005**
Amortization of deferred financing costs	**$ 15,467**	$ 18,716	$ 22,063
Amortization of debt premiums net of discounts	**(23,000)**	(28,163)	(26,349)
Amortization of deferred leasing costs	**26,033**	22,259	20,606

We report amortization of deferred financing costs, amortization of premiums, and accretion of discounts as part of interest expense. Amortization of deferred leasing costs are a component of depreciation and amortization expense.

Intangible Assets. The average life of the in-place lease intangibles is approximately 5.5 years and is amortized over the remaining life of the leases of the related property on the straight-line basis and is included with depreciation and amortization in the consolidated statements of operations and comprehensive income. The fair market value of above and below market leases are amortized into revenue over the remaining lease life as a component of reported minimum rents. The weighted average remaining life of these intangibles approximates 3.5 years. The unamortized amounts of below market leases are included in accounts payable, accrued expenses, intangibles and deferred revenues on the consolidated balance sheets and $146.7 million and $186.6 million as of December 31, 2007 and 2006, respectively. The amount of amortization of above and below market leases, net for the year ended December 31, 2007, 2006, and 2005 was $44.6 million, $53.3 million, and $48.0 million, respectively.

Details of intangible assets as of December 31 are as follows:

	2007	**2006**
In-place lease intangibles	**$ 190,151**	$ 183,544
Accumulated amortization	**(123,725)**	(89,981)
In-place lease intangibles, net	**$ 66,426**	$ 93,563
Acquired above market lease intangibles	**$ 144,224**	$ 144,224
Accumulated amortization	**(94,483)**	(73,601)
Acquired above market lease intangibles, net	**$ 49,741**	$ 70,623

Estimated future amortization, and the increasing (decreasing) effect on minimum rents for our above and below market leases recorded as of December 31, 2007 are as follows:

	Below Market Leases	**Above Market Leases**	**Increase to Minimum Rent, Net**
2008	$ 49,269	$ (16,929)	$ 32,340
2009	34,537	(13,388)	21,149
2010	23,287	(6,958)	16,329
2011	17,190	(4,909)	12,281
2012	12,280	(3,703)	8,577
Thereafter	10,096	(3,854)	6,242
	$ 146,659	$ (49,741)	$ 96,918

Derivative Financial Instruments

We account for our derivative financial instruments pursuant to SFAS 133 "Accounting for Derivative Instruments and Hedging Activities," as amended by SFAS 138, "Accounting for Derivative Instruments and Hedging Activities." We use a variety of derivative financial instruments in the normal course of business to manage or hedge the risks associated with our indebtedness and interest payments as described in Note 8 and record all derivatives on our balance sheets at fair value. We require that hedging derivative instruments are effective in reducing the risk exposure that they are designated to hedge. We formally designate any instrument that meets these hedging criteria as a hedge at the inception of the derivative contract.

We adjust our balance sheets on an ongoing basis to reflect the current fair market value of our derivatives. We record changes in the fair value of these derivatives each period in earnings or other comprehensive income, as appropriate. The ineffective portion of the hedge is immediately recognized in earnings to the extent that the change in value of a derivative does not perfectly offset the change in value of the instrument being hedged. The unrealized gains and losses held in accumulated other comprehensive income will be reclassified to earnings over time as the hedged items are recognized in earnings. We have a policy of only entering into contracts with major financial institutions based upon their credit ratings and other factors.

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

Accumulated Other Comprehensive Income

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

	2007	2006
Cumulative translation adjustment	**$ 3,516**	$ (1,475)
Accumulated derivative gains, net	**11,966**	19,715
Net unrealized gains on marketable securities	**2,605**	999
Total accumulated other comprehensive income	**$ 18,087**	$ 19,239

Revenue Recognition

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

We structure our leases to allow us to recover a significant portion of our property operating, real estate taxes, repairs and maintenance, and advertising and promotion expenses from our tenants. A substantial portion of our leases, other than those for anchor stores, require the tenant to reimburse us for a substantial portion of our operating expenses, including common area maintenance (CAM), real estate taxes and insurance. This significantly reduces our exposure to increases in costs and operating expenses resulting from inflation. Such property operating expenses typically include utility, insurance, security, janitorial, landscaping, food court and other administrative expenses. We accrue reimbursements from tenants for recoverable portions of all these expenses as revenue in the period the applicable expenditures are incurred. For approximately 67.7% of our leases, we receive a fixed payment from the tenant for the CAM component. We are continually working towards converting the remainder of our leases to the fixed payment methodology. Without the fixed-CAM component, CAM expense reimbursements are based on the tenant's proportionate share of the allocable operating expenses and CAM capital expenditures for the property. We also receive escrow payments for these reimbursements from substantially all our non-fixed CAM tenants and monthly fixed CAM payments throughout the year. We recognize differences between estimated recoveries and the final billed amounts in the subsequent year. These differences were not material in any period presented. Our advertising and promotional costs are expensed as incurred.

Management Fees and Other Revenues

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

Insurance premiums written and ceded are recognized on a pro-rata basis over the terms of the policies. Insurance losses are reflected in property operating expenses in the accompanying statements of operations and comprehensive income and include estimates for losses incurred but not reported as well as losses pending settlement. Estimates for losses are based on evaluations by actuaries and management's best estimates. Total insurance reserves for our insurance subsidiaries and other self-insurance programs as of December 31, 2007 and 2006 approximated $121.4 million and $112.5 million, respectively.

We recognize fee revenues from our co-branded gift card programs when the fees are earned under the related arrangements with the card issuer. Generally, these revenues are recorded at the issuance of the gift card for handling fees.

Allowance for Credit Losses

We record a provision for credit losses based on our judgment of a tenant's creditworthiness, ability to pay and probability of collection. In addition, we also consider the retail sector in which the tenant operates and our historical collection experience in cases of bankruptcy, if applicable. Accounts are written off when they are deemed to be no longer collectible. Presented below is the activity in the allowance for credit losses and includes the activities related to discontinued operations during the following years:

	For the year Ended December 31,		
	2007	**2006**	**2005**
Balance at Beginning of Year	**$ 32,817**	$ 35,239	$ 37,039
Consolidation of previously unconsolidated entities	**495**	321	—
Provision for Credit Losses	**9,672**	9,730	7,284
Accounts Written Off	**(9,174)**	(12,473)	(9,084)
Balance at End of Year	**$ 33,810**	$ 32,817	$ 35,239

Income Taxes

We and certain other subsidiaries of the Operating Partnership are taxed as REITs under Sections 856 through 860 of the Internal Revenue Code and applicable Treasury regulations relating to REIT qualification. In order to maintain this REIT status, the regulations require us to distribute at least 90% of our taxable income to stockholders and meet certain other asset and income tests as well as other requirements. We intend to continue to adhere to these requirements and maintain our REIT status and that of the REIT subsidiaries. As REITs, these entities will generally not be liable for federal corporate income taxes as long as they continue to distribute in excess of 100% of their taxable income. Thus, we made no provision for federal income taxes for these entities in the accompanying consolidated financial statements. If Simon Property or any of our REIT subsidiaries fail to qualify as a REIT, we or that entity will be subject to tax at regular corporate rates for the years in which it failed to qualify. If we lose our REIT status we could not elect to be taxed as a REIT for four years unless our failure to qualify was due to reasonable cause and certain other conditions were satisfied.

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

As of December 31, 2007 and 2006, we had a net deferred tax asset of $19.8 million and $12.8 million, respectively, related to our TRS subsidiaries. The net deferred tax asset is included in deferred costs and other assets in the accompanying consolidated balance sheets and consists primarily of operating losses and other carryforwards for Federal income tax purposes as well as the timing of the deductibility of losses or reserves from insurance subsidiaries. State income, franchise or other taxes were not significant in any of the periods presented. The income tax benefit in 2007 results primarily from the tax deductibility of a $55.1 million impairment charge.

4. Real Estate Acquisitions, Disposals, and Impairment

We acquire properties to generate both current income and long-term appreciation in value. We acquire individual properties or portfolios of other retail real estate companies that meet our investment criteria. We sell properties which no longer meet our strategic criteria. Our consolidated acquisition and disposal activity for the periods presented are highlighted as follows:

2007 Acquisitions

As a result of the Mills acquisition which is more fully discussed in Note 7, we consolidated two regional mall properties, Town Center at Cobb and Gwinnett Place. In additional to the Mills acquisition, on March 1, 2007, we acquired the remaining 40% interest in both University Park Mall and University Center located in Mishawaka, Indiana from our partner and as a result, we now own 100% of these properties. On March 28, 2007, we acquired The Maine Outlet, a 112,000 square foot outlet center located in Kittery, Maine, adjacent to our Kittery Premium Outlets property. On August 23, 2007, we acquired Las Americas Premium Outlets, a 560,000 square foot upscale outlet center located in San Diego, California. We also purchased an additional 1% interest in Bangor Mall on July 13, 2007, and an additional 6.5% interest in Montgomery Mall on November 1, 2007. The aggregate purchase price of the consolidated assets acquired during 2007, excluding Town Center and Cobb and Gwinnett Place, was approximately $394.2 million, including the assumption of our share of debt of the properties acquired.

2006 Acquisitions

On November 1, 2006, we acquired the remaining 50% interest in Mall of Georgia, a regional mall property, from our partner for $252.6 million, including the assumption of our $96.0 million share of debt. As a result, we now own 100% of Mall of Georgia and the property was consolidated as of the acquisition date.

2005 Acquisitions

On November 18, 2005, we purchased a 37.99% interest in Springfield Mall in Springfield, Pennsylvania, for approximately $39.3 million, including the issuance of our share of debt of $29.1 million. On November 21, 2005, we purchased a 50% interest in Coddingtown Mall in Santa Rosa, California, for approximately $37.1 million, including the assumption of our share of debt of $10.5 million. Both of these properties are being accounted for on the equity method of accounting.

2007 Dispositions

During the year ended December 31, 2007, we sold five consolidated properties for which we received net proceeds of $56.4 million and recorded our share of a loss on the disposals totaling $35.2 million.

2006 Dispositions

During the year ended December 31, 2006, we sold three consolidated properties and one property in which we held a 50% interest and accounted for under the equity method. We received net proceeds of $52.7 million and recorded our share of a gain on the dispositions totaling $12.2 million.

2005 Dispositions

During the year ended December 31, 2005, we sold sixteen non-core properties, consisting of four regional malls, one community/lifestyle center, nine other outlet centers and two office buildings. Seven of these disposals were considered significant and we reclassified the operations and the resulting net gain on sale to discontinued operations. For these seven asset sales, we received net proceeds of $375.2 million and recorded our share of a gain on the dispositions totaling $115.8 million, net of $31.1 million in limited partners' interest. The additional nine other properties sold were insignificant non-core properties that resulted in no gain or loss

Certain of the net proceeds from these sales, net of repayment of outstanding debt, were held in escrow to complete IRS Section 1031 exchanges while the remainder was used for general working capital purposes.

Impairment. We evaluate properties for impairment using a combination of estimations of the fair value based upon a multiple of the net cash flow of the properties and discounted cash flows from the individual properties' operations as well as contract prices, if applicable and available. As discussed in Note 7, we recorded an impairment charge of $55.1 million in 2007 related to our investment in a joint venture that holds an interest in land in Arizona.

5. Per Share Data

We determine basic earnings per share based on the weighted average number of shares of common stock outstanding during the period. We determine diluted earnings per share based on the weighted average number of shares of common stock outstanding combined with the incremental weighted average shares that would have been outstanding assuming all dilutive potential common shares were converted into shares at the earliest date possible. The following table sets forth the computation of our basic and diluted earnings per share. The amounts presented in the reconciliation below represent the common stockholders' pro rata share of the respective line items in the statements of operations and is after considering the effect of preferred dividends.

	For the Year ended December 31,		
	2007	2006	2005
Common Stockholders' share of:			
Net Income available to Common Stockholders — Basic	**$ 436,164**	$ 486,145	$ 401,895
Effect of dilutive securities:			
Impact to General Partner's interest in Operating Partnership from all dilutive securities and options	**313**	415	337
Net Income available to Common Stockholders — Diluted	**$ 436,477**	$ 486,560	$ 402,232
Weighted Average Shares Outstanding — Basic	**222,998,313**	221,024,096	220,259,480
Effect of stock options	**778,471**	903,255	871,010
Weighted Average Shares Outstanding — Diluted	**223,776,784**	221,927,351	221,130,490

For the year ending December 31, 2007, potentially dilutive securities include stock options, convertible preferred stock and common units of limited partnership interest ("Units") in the Operating Partnership which are exchangeable for common stock and certain preferred units of limited partnership interest of the Operating Partnership. The only security that had a dilutive effect for the years ended December 31, 2007, 2006 and 2005 were stock options.

We accrue distributions when they are declared. The taxable nature of the dividends declared for each of the years ended as indicated is summarized as follows:

	For the Year Ended December 31,		
	2007	2006	2005
Total dividends paid per common share	**$ 3.36**	$ 3.04	$ 2.80
Percent taxable as ordinary income	**92.9**%	81.4%	85.8%
Percent taxable as long-term capital gains	**7.1**%	18.6%	14.2%
	100.0%	100.0%	100.0%

6. Investment Properties

Investment properties consist of the following as of December 31:

	2007	2006
Land	**$ 2,798,452**	$ 2,651,205
Buildings and improvements	**21,364,915**	19,993,094
Total land, buildings and improvements	**24,163,367**	22,644,299
Furniture, fixtures and equipment	**251,658**	219,664
Investment properties at cost	**24,415,025**	22,863,963
Less — accumulated depreciation	**5,312,095**	4,606,130
Investment properties at cost, net	**$ 19,102,930**	$ 18,257,833
Construction in progress included above	**$ 647,303**	$ 530,298

7. Investments in Unconsolidated Entities

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. We held joint venture ownership interests in 103 properties as of December 31, 2007 and 68 as of December 31, 2006. We also held interests in two joint ventures which owned 51 European shopping centers as of December 31, 2007 and 53 as of December 31, 2006. We also held an interest in six joint venture properties under operation in Japan, one joint venture property in Mexico, and one joint venture property in South Korea. We account for these joint venture properties using the equity method of accounting.

Substantially all of our joint venture properties are subject to rights of first refusal, buy-sell provisions, or other sale rights for partners which are customary in real estate joint venture agreements and the industry. Our partners in these joint ventures may initiate these provisions at any time (subject to any applicable lock up or similar restrictions), which will result in either the sale of our interest or the use of available cash or borrowings to acquire the joint venture interest.

Acquisition of The Mills Corporation by SPG-FCM

On February 16, 2007, SPG-FCM, a 50/50 joint venture between an affiliate of the Operating Partnership and funds owned by Farallon, entered into a definitive merger agreement to acquire all of the outstanding common stock of Mills for $25.25 per common share in cash. The acquisition of Mills and its interests in the 37 properties that remain at December 31, 2007 was completed through a cash tender offer and a subsequent merger transaction which concluded on April 3, 2007. As of December 31, 2007, we and Farallon had each funded $650.0 million into SPG-FCM to acquire all of the common stock of Mills. As part of the transaction, the Operating Partnership also made loans to SPG-FCM and Mills that bear interest primarily at rates of LIBOR plus 270-275 basis points. These funds were used by SPG-FCM and Mills to repay loans and other obligations of Mills, including the redemption of preferred stock, during the year. As of December 31, 2007, the outstanding balance of our loan to SPG-FCM was $548.0 million, and the average outstanding balance during the twelve month period ended December 31, 2007 of all loans made to SPG-FCM and Mills was approximately $993.3 million. During 2007, we recorded approximately $39.1 million in interest income (net of inter-entity eliminations) related to these loans. We also recorded fee income, including fee income amortization related to up-front fees on loans made to SPG-FCM and Mills, during 2007 of approximately $17.4 million (net of inter-entity eliminations), for providing refinancing services to Mills' properties and SPG-FCM. The existing loan facility to SPG-FCM bears a rate of LIBOR plus 275 basis points and matures on June 7, 2009, with three available one-year extensions, subject to certain terms and conditions. Fees charged on loans made to SPG-FCM and Mills are amortized on a straight-line basis over the life of the loan.

As a result of the change in control of Mills, holders of Mills' Series F convertible cumulative redeemable preferred stock had the right to require the repurchase of their shares for cash equal to the liquidation preference per share plus accrued and unpaid dividends. During the second quarter of 2007, all of the holders of Mills' Series F preferred stock exercised this right, and Mills redeemed this series of preferred stock for approximately $333.2 million, including accrued dividends. Further, as of August 1, 2007, The Mills Corporation was liquidated and the holders of the remaining series' of Mills preferred stock were paid a liquidation preference of approximately $693.0 million, including accrued dividends.

During the third quarter of 2007, the holders of less than 5,000 common units in the Mills' operating partnership ("Mills Units") received $25.25 in cash, and those holding 5,000 or more Mills Units had the option to exchange for cash of $25.25, or Units of the Operating Partnership based on a fixed exchange ratio of 0.211 Operating Partnership Units for each Mills Unit. That option expired on August 1, 2007. Holders electing to exchange received 66,036 Units in the Operating Partnership for their Mills Units. The remaining Mills Units were exchanged for cash.

Effective July 1, 2007, we or an affiliate of ours began serving as the manager for substantially all of the properties in which SPG-FCM holds an interest. In conjunction with the Mills acquisition, we acquired a majority interest in two properties in which we previously held a 50% ownership interest (Town Center at Cobb and Gwinnett Place) and as a result we have consolidated these two properties at the date of acquisition. We have reclassified the results of these properties in the Joint Venture Statement of Operations into "Income from consolidated joint venture interests."

The acquisition of Mills involved the purchase of all of Mills' outstanding shares of common stock and common units for approximately $1.7 billion (at $25.25 per share or unit), the assumption of $954.9 million of preferred stock, the assumption of a proportionate share of property-level mortgage debt, SPG-FCM's share of which approximated $3.8 billion, the assumption of $1.2 billion in unsecured loans provided by us, costs to effect the acquisition, and certain liabilities and contingencies, including an ongoing investigation by the Securities and Exchange Commission, for an aggregate purchase price of approximately $8 billion. SPG-FCM has completed its preliminary purchase price allocations for the acquisition of Mills. The valuations were developed with the assistance of a third-party professional appraisal firm. The preliminary allocations will be finalized within one year of the acquisition date in accordance with applicable accounting standards.

In addition we sold our interest in Broward and Westland Malls, which we acquired through the Mills acquisition, and recognized no gain or loss on these dispositions.

Joint Venture Property Refinancing Activity

The following joint venture property refinancing activity resulted in our receiving significant excess refinancing proceeds:

On November 15, 2007, we refinanced Aventura Mall, a joint venture property in which we own a 33.3% interest, with a $430.0 million, 5.905% fixed-rate mortgage that matures on December 11, 2017. The balances of the previous $200.0 million 6.61% fixed-rate mortgage was repaid, and we received our share of the excess refinancing proceeds of approximately $71.4 million.

On November 1, 2007, we refinanced West Town Mall, a joint venture property in which we own a 50% interest, with a $210.0 million, 6.3375% fixed-rate mortgage that matures on December 1, 2017. The balances of the previous $76.0 million 6.90% fixed-rate mortgage was repaid, and we received our share of the excess refinancing proceeds of approximately $66.4 million.

On May 10, 2006, we refinanced thirteen cross-collateralized mortgages with seven individual secured loans totaling $796.6 million with fixed rates ranging from 5.79% to 5.83%. The balance of the previous mortgages totaled $625.0 million, and bore interest at rates ranging from LIBOR plus 41 basis points to a fixed rate of 8.28%, and was scheduled to mature on May 15, 2006. We received our share of excess refinanced proceeds of approximately $86 million on the closing of the new mortgage loan.

On November 29, 2005, we refinanced Houston Galleria, a joint venture property, with a $821.0 million, 5.436% fixed-rate mortgage that matures on December 1, 2015. The balances of the two previous mortgages, which were repaid, were $213.2 million and $84.7 million and bore interest at a fixed rate of 7.93% and at LIBOR plus 150 basis points, respectively. They were scheduled to mature on December 1, 2005 and December 31, 2006, respectively. We received our share of the excess refinancing proceeds of approximately $165.0 million on the closing of the new mortgage loan.

On June 1, 2005, we refinanced Westchester Mall, a joint venture property, with a $500.0 million, 4.86% fixed-rate mortgage that matures on June 1, 2010. The balances of the two previous mortgages, which were repaid, were $142.0 million and $50.1 million and bore interest at fixed rates of 8.74% and 7.20%, respectively. Both werescheduled to mature on September 1, 2005. We received our share of the excess refinancing proceeds of approximately $120.0 million on the closing of the new mortgage loan.

Summary Financial Information

A summary of our investments in joint ventures and share of income from such joint ventures follow. We condensed into separate line items major captions of the statements of operations for joint venture interests sold or consolidated. Consolidation occurs when we acquire an additional interest in the joint venture or became the primary beneficiary and as a result, gain unilateral control of the property. We reclassified these line items into "Income (loss) from discontinued joint venture interests" and "Income from consolidated joint venture interests" so that we may present comparative results of operations for those joint venture interests held as of December 31, 2007. Balance sheet information for the joint ventures is as follows:

	December 31, 2007	December 31, 2006
BALANCE SHEET		
Assets:		
Investment properties, at cost	**$ 21,009,416**	$ 10,669,967
Less — accumulated depreciation	**3,217,446**	2,206,399
	17,791,970	8,463,568
Cash and cash equivalents	**747,575**	354,620
Tenant receivables	**435,093**	258,185
Investment in unconsolidated entities	**258,633**	176,400
Deferred costs and other assets	**713,180**	307,468
Total assets	**$ 19,946,451**	$ 9,560,241
Liabilities and Partners' Equity:		
Mortgages and other indebtedness	**$ 16,507,076**	$ 8,055,855
Accounts payable, accrued expenses, and deferred revenue	**972,699**	513,472
Other liabilities	**825,279**	255,633
Total liabilities	**18,305,054**	8,824,960
Preferred units	**67,450**	67,450
Partners' equity	**1,573,947**	667,831
Total liabilities and partners' equity	**$ 19,946,451**	$ 9,560,241
Our Share of:		
Total assets	**$ 8,040,987**	$ 4,113,051
Partners' equity	**$ 776,857**	$ 380,150
Add: Excess Investment	**757,236**	918,497
Our net Investment in Joint Ventures	**$ 1,534,093**	$ 1,298,647
Mortgages and other indebtedness	**$ 6,568,403**	$ 3,472,228

"Excess Investment" represents the unamortized difference of our investment over our share of the equity in the underlying net assets of the joint ventures acquired. We amortize excess investment over the life of the related properties, typically no greater than 40 years, and the amortization is included in the reported amount of income from unconsolidated entities.

As of December 31, 2007, scheduled principal repayments on joint venture properties' mortgages and other indebtedness are as follows:

2008	$ 1,559,991
2009	1,622,137
2010	1,985,312
2011	1,634,178
2012	2,290,767
Thereafter	7,389,042
Total principal maturities	16,481,427
Net unamortized debt premiums	26,350
Net unamortized debt discounts	(701)
Total mortgages and other indebtedness	$ 16,507,076

This debt becomes due in installments over various terms extending through 2023 with interest rates ranging from 1.35% to 10.61% and a weighted average rate of 5.84% at December 31, 2007.

	For the Year Ended December 31,		
	2007	**2006**	**2005**
STATEMENTS OF OPERATIONS			
Revenue:			
Minimum rent	**$ 1,682,671**	$ 1,060,896	$ 1,004,042
Overage rent	**119,134**	89,968	81,498
Tenant reimbursements	**852,312**	540,560	514,587
Other income	**201,075**	147,549	124,015
Total revenue	**2,855,192**	1,838,973	1,724,142
Operating Expenses:			
Property operating	**580,910**	366,122	339,552
Depreciation and amortization	**627,929**	318,589	311,870
Real estate taxes	**220,474**	131,359	129,374
Repairs and maintenance	**113,517**	83,331	80,995
Advertising and promotion	**62,182**	42,096	34,663
Provision for credit losses	**22,448**	4,620	8,723
Other	**162,570**	125,976	119,908
Total operating expenses	**1,790,030**	1,072,093	1,025,085
Operating Income	**1,065,162**	766,880	699,057
Interest expense	**(853,307)**	(415,425)	(370,001)
Income (loss) from unconsolidated entities	**665**	1,204	(1,892)
Minority interest	**—**	—	—
Gain (loss) on sale of asset	**(6,399)**	(6)	1,423
Income from Continuing Operations	**206,125**	352,653	328,587
Income from consolidated joint venture interests	**2,562**	14,070	13,626
Income (loss) from discontinued joint venture interests	**202**	736	(2,452)
Gain on disposal or sale of discontinued operations, net	**198,952**	20,375	65,599
Net Income	**$ 407,841**	$ 387,834	$ 405,360
Third-Party Investors' Share of Net Income	**$ 232,586**	$ 232,499	$ 238,265
Our Share of Net Income	**175,255**	155,335	167,095
Amortization of Excess Investment	**(46,503)**	(49,546)	(48,597)
Inncome from Beneficial Interests and Other, net	**—**	15,605	—
Write-off of Investment Related to Properties Sold	**—**	(2,846)	(38,666)
Our Share of Net (Gain)/Loss Related to Properties Sold	**(90,632)**	(7,729)	1,975
Income from Unconsolidated Entities	**$ 38,120**	$ 110,819	$ 81,807

Prior Year Acquisition and Disposition Activity

On November 1, 2006, we acquired the remaining 50% interest in Mall of Georgia, a regional mall property, from our partner for $252.6 million, including the assumption of our $96.0 million share of debt. As a result, we now own 100% of Mall of Georgia and the property was consolidated as of the acquisition date. We have reclassified the results of this property in the Joint Venture Statement of Operations into "Income from consolidated joint venture interests."

On January 11, 2005, Metrocenter, a joint venture regional mall property was sold. We recognized our share of the gain of $11.8 million, net of the write-off of the related investment and received $62.6 million representing our share of the proceeds from this disposition. On December 22, 2005, The Forum Entertainment Centre, our Canadian property, was sold. We recognized our share of the loss of $13.7 million, net of the write-off of the related investment, from the disposition of this property. On April 25, 2006, Great Northeast Plaza, a joint venture community center was sold. We recognized our share of the gain of $7.7 million, net of the write-off of the related investment and received $8.8 million representing our share of the proceeds from this disposition. Our share of the net gain resulting from the sale of Metrocenter, The Forum Entertainment Centre, and Great Northeast Plaza are shown separately in "gain (loss) on sales of assets and interests in unconsolidated entities, net" in the consolidated statement of operations and comprehensive income.

Impairment Charge. On December 28, 2005, we invested $50.0 million of equity for a 40% interest in a joint venture with Toll Brothers, Inc. and Meritage Homes Corp. to purchase a 5,485-acre land parcel in northwest Phoenix from DaimlerChrysler Corporation for $312 million. The principal use of the land upon attaining entitled status is to develop single-family homesites by our partners. As a result of the recent downturn in the residential market, during the fourth quarter of 2007, we recorded an impairment charge of $55.1 million, $36.5 million net of tax benefit, representing our entire equity investment in this joint venture, including interest capitalized on our invested equity.

International Joint Venture Investments

European Joint Ventures. We conduct our international operations in Europe through our two European joint venture investment entities; Simon Ivanhoe S.à.r.l. ("Simon Ivanhoe") and Gallerie Commerciali Italia ("GCI"). The carrying amount of our total combined investment in these two joint venture investments is $289.5 million and $338.1 million as of December 31, 2007 and 2006, respectively, net of the related cumulative translation adjustments. The Operating Partnership has a 50% ownership in Simon Ivanhoe and a 49% ownership in GCI as of December 31, 2007.

On October 20, 2005, Ivanhoe Cambridge, Inc. ("Ivanhoe"), an affiliate of Caisse de dépôt et placement du Québec, effectively acquired our former partner's 39.5% ownership interest in Simon Ivanhoe. On February 13, 2006, pursuant to the terms of our October 20, 2005 transaction with Ivanhoe, we sold a 10.5% interest in this joint venture to Ivanhoe for €45.2 million, or $53.9 million, and recorded a gain on the disposition of $34.4 million. This gain is reported in "gain (loss) on sales of assets and interests in unconsolidated entities, net" in the 2006 consolidated statements of operations. We then settled all remaining share purchase commitments from the company's founders, including the early settlement of some commitments by purchasing an additional 25.8% interest in Simon Ivanhoe for €55.1 million, or $65.5 million. As a result of these transactions, we and Ivanhoe each own a 50% interest in Simon Ivanhoe at December 31, 2006 and 2007.

On July 5, 2007, Simon Ivanhoe completed the sale of five non-core assets in Poland and we presented our share of the gain upon this disposition in "gain (loss) on sale of assets and interests in unconsolidated entities, net" in the consolidated statement of operations and comprehensive income.

Asian Joint Ventures. We conduct our international Premium Outlet operations in Japan through joint ventures with Mitsubishi Estate Co., Ltd. and Sojitz Corporation (formerly known as Nissho Iwai Corporation). The carrying amount of our investment in these Premium Outlet joint ventures in Japan is $273.0 million and $281.2 million as of December 31, 2007 and 2006, respectively, net of the related cumulative translation adjustments. We have a 40% ownership in these Japan Premium Outlet joint ventures. During 2007, we also completed construction and opened our first Premium Outlet in South Korea. As of December 31, 2007 and 2006 respectively, our investment in our Premium Outlet in South Korea, for which we hold a 50% ownership interest, approximated $23.1 million and $18.5 million net of the related cumulative translation adjustments.

During 2006, we finalized the formation of joint venture arrangements to develop and operate shopping centers in China. The shopping centers will be anchored by Wal-Mart stores and we own a 32.5% interest in the joint venture entities, and a 32.5% ownership in the management operation overseeing these projects, collectively referred to as Great Mall Investments, Ltd. ("GMI"). We have five centers currently under construction, with our share of the total equity commitment of approximately $60 million. We account for our investments in GMI under the equity method of accounting. As of December 31, 2007, our combined investment in these shopping centers in GMI is approximately $32.1 million.

8. Indebtedness and Derivative Financial Instruments

Our mortgages and other indebtedness, excluding the impact of derivative instruments, consist of the following as of December 31:

	2007	2006
Fixed-Rate Debt:		
Mortgages and other notes, including $24,845 and $41,579 net premiums, respectively. Weighted average interest and maturity of 6.06% and 4.5 years at December 31, 2007.	**$ 4,836,761**	$ 4,266,045
Unsecured notes, including $9,680 and $17,513 net premiums, respectively. Weighted average interest and maturity of 5.68% and 5.2 years at December 31, 2007.	**9,384,680**	10,447,513
7% Mandatory Par Put Remarketed Securities, including $4,568 and $4,669 premiums, respectively, due June 2028 and subject to redemption June 2008.	**204,568**	204,669
Total Fixed-Rate Debt	**14,426,009**	14,918,227
Variable-Rate Debt:		
Mortgages and other notes, at face value, respectively. Weighted average interest and maturity of 5.38% and 2.2 years.	**441,143**	180,558
Credit Facility (see below)	**2,351,612**	305,132
Total Variable-Rate Debt	**2,792,755**	485,690
Fair value interest rate swaps	**(90)**	(9,428)
Total Mortgages and Other Indebtedness, Net	**$ 17,218,674**	$ 15,394,489

General. At December 31, 2007, we have pledged 80 properties as collateral to secure related mortgage notes including 7 pools of cross-defaulted and cross-collateralized mortgages encumbering a total of 39 properties. Under these cross-default provisions, a default under any mortgage included in the cross-defaulted package may constitute a default under all such mortgages and may lead to acceleration of the indebtedness due on each property within the collateral package. Of our 80 encumbered properties, indebtedness on 19 of these encumbered properties and our unsecured notes are subject to various financial performance covenants relating to leverage ratios, annual real property appraisal requirements, debt service coverage ratios, minimum net worth ratios, debt-to-market capitalization, and/or minimum equity values. Our mortgages and other indebtedness may be prepaid but are generally subject to prepayment of a yield-maintenance premium or defeasance. As of December 31, 2007, we are in compliance with all our debt covenants.

Some of the limited partner Unitholders guarantee a portion of our consolidated debt through foreclosure guarantees. In total, 53 limited partner Unitholders provide guarantees of foreclosure of $351.9 million of our consolidated debt at six consolidated properties. In each case, the loans were made by unrelated third party institutional lenders and the guarantees are for the benefit of each lender. In the event of foreclosure of the mortgaged property, the proceeds from the sale of the property are first applied against the amount of the guarantee and also reduce the amount payable under the guarantee. To the extent the sale proceeds from the disposal of the property do not cover the amount of the guarantee, then the Unitholder is liable to pay the difference between the sale proceeds and the amount of the guarantee so that the entire amount guaranteed to the lender is satisfied. The debt is non-recourse to us and our affiliates.

Unsecured Debt

We have $875 million of unsecured notes issued by our subsidiaries that are structurally senior in right of payment to holders of other unsecured notes to the extent of the assets and related cash flows of certain properties. These unsecured notes have a weighted average interest rate of 6.99% and weighted average maturities of 5.0 years.

Credit Facility. Significant draws on our $3.5 billion credit facility during the twelve-month period ended December 31, 2007 were as follows:

Draw Date	Draw Amount		Use of Credit Line Proceeds
02/16/07	$	600,000	Borrowing to partially fund a $1.187 billion loan to Mills.
03/29/07		550,000	Borrowing to fund our equity commitment for the Mills acquisition and to fund a loan to SPG-FCM.
04/17/07		140,000	Borrowing to fund a loan to SPG-FCM.
06/28/07		181,000	Borrowing to fund a loan to SPG-FCM.
07/31/07		557,000	Borrowing to fund a loan to SPG-FCM.
08/23/07		105,000	Borrowing to fund a property acquisition
09/20/07		180,000	Borrowing to fund SPG Medium Term Note payoff.
10/22/07		125,000	Borrowing to fund repayment of Chelsea unsecured note, which had a fixed rate of 7.25%.
11/01/07		90,000	Borrowing to partially fund redemption of Series L preferred stock.
11/15/07		550,000	Borrowing to partially fund repayment of unsecured notes, which had a fixed rate of 6.38%.

Other amounts drawn on our credit facility were primarily for general working capital purposes. We repaid a total of $2.6 billion on our credit facility during the year ended December 31, 2007. The total outstanding balance of the credit facility as of December 31, 2007 was $2.4 billion, and the maximum amount outstanding during the year was approximately $2.6 billion. During the year ended December 31, 2007, the weighted average outstanding balance of the credit facility was approximately $1.4 billion. The amount outstanding as of December 31, 2007 includes $553.6 million in Euro and Yen-denominated borrowings.

On October 4, 2007, we exercised the $500 million accordion feature of our credit facility, increasing the revolving borrowing capacity from $3.0 billion to $3.5 billion. The expanded capacity includes an increase of $125.0 million to $875.0 million for the multi-currency tranche for Euro, Yen and Sterling borrowings. The credit facility is available through January 11, 2011, including a one-year extension at our option. The credit facility bears a rate of 37.5 basis points over the LIBOR rate applicable to our borrowings, which averaged 5.25% and 5.10% for the years ended December 31, 2007 and 2006, respectively, for U.S. dollar-denominated borrowings.

Secured Debt

Mortgages and Other Indebtedness. The balance of fixed and variable rate mortgage notes was $5.3 billion and $4.4 billion as of December 31, 2007 and 2006, respectively. Of the 2007 amount, $5.2 billion is nonrecourse to us. The fixed-rate mortgages generally require monthly payments of principal and/or interest. The interest rates of variable-rate mortgages are typically based on LIBOR. During the twelve-month period ended December 31, 2007, we repaid $191.3 million in mortgage loans, unencumbering four properties.

As a result of the acquisition of Mills by SPG-FCM, we now hold a majority ownership interest in Gwinnett Place and Town Center at Cobb, and as a result they were consolidated as of the acquisition date. This included the consolidation of two mortgages secured by Gwinnett Place of $35.6 million and $79.2 million at fixed rates of 7.54% and 7.25%, respectively, and two mortgages secured by Town Center at Cobb of $45.4 million and $60.3 million at fixed rates of 7.54% and 7.25%, respectively. On May 23, 2007, we refinanced Gwinnett Place and Town Center at Cobb with $115.0 million and $280.0 mortgages at fixed rates of 5.68% and 5.74%, respectively.

We placed a $200.0 million fixed-rate mortgage on Independence Center, a regional mall property, on July 10, 2007, which matures on July 10, 2017, and bears a rate of 5.94%.

As a result of the acquisition of Las Americas Premium Outlets on August 23, 2007, we recorded its $180.0 million fixed-rate mortgage that matures June 11, 2016 and bears a rate of 5.84%.

Debt Maturity and Other

Our scheduled principal repayments on indebtedness as of December 31, 2007 are as follows:

2008	$	809,667
2009		1,654,043
2010		2,292,483
2011		4,355,900
2012		2,202,532
Thereafter		5,865,046
Total principal maturities		17,179,671
Net unamortized debt premium and other		39,003
Total mortgages and other indebtedness	$	17,218,674

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

	For the year ended December 31,					
	2007		2006		2005	
Cash paid for interest	**$**	**983,219**	$	845,964	$	822,906

Derivative Financial Instruments

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

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

As of December 31, 2007, we reflected the fair value of outstanding consolidated derivatives in other liabilities for $6.8 million. In addition, we recorded the benefits from our treasury lock and interest rate hedge agreements in accumulated other comprehensive income and the unamortized balance of these agreements is $4.4 million as of December 31, 2007. The net benefits from terminated swap agreements are also recorded in accumulated other comprehensive income and the unamortized balance is $10.7 million as of December 31, 2007. As of December 31, 2007, our outstanding LIBOR based derivative contracts consisted of:

- interest rate cap protection agreements with a notional amount of $93.8 million that mature in May 2008.

- variable rate swap agreements with a notional amount of $370.0 million have a weighted average pay rate of 4.97% and a weighted average receive rate of 3.72%. These were terminated in January 2008.

Within the next twelve months, we expect to reclassify to earnings approximately $0.9 million of income of the current balance held in accumulated other comprehensive income. The amount of ineffectiveness relating to fair value and cash flow hedges recognized in income during the periods presented was not material.

Fair Value of Financial Instruments

The carrying value of our variable-rate mortgages and other loans approximates their fair values. We 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. The fair values of financial instruments and our related discount rate assumptions used in the estimation of fair value for our consolidated fixed-rate mortgages and other indebtedness as of December 31 is summarized as follows:

	2007	2006
Fair value of fixed-rate mortgages and other indebtedness	**$ 14,741,949**	$ 14,479,171
Average discount rates assumed in calculation of fair value	**5.16**%	6.53%

9. Rentals under Operating Leases

Future minimum rentals to be received under noncancelable tenant operating leases for each of the next five years and thereafter, excluding tenant reimbursements of operating expenses and percentage rent based on tenant sales volume as of December 31, 2007 are as follows:

2008	$ 1,771,729
2009	1,666,698
2010	1,493,630
2011	1,312,011
2012	1,126,972
Thereafter	3,486,524
	$ 10,857,564

Approximately 0.6% of future minimum rents to be received are attributable to leases with an affiliate of a limited partner in the Operating Partnership.

10. Capital Stock

Our Board of Directors is authorized to reclassify excess common stock into one or more additional classes and series of capital stock, to establish the number of shares in each class or series and to fix the preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends, and qualifications and terms and conditions of redemption of such class or series, without any further vote or action by the stockholders. The issuance of additional classes or series of capital stock may have the effect of delaying, deferring or preventing a change in control of Simon Property without further action of the stockholders. The ability to issue additional classes or series of capital stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could have the effect of making it more difficult for a third party to acquire, or of discouraging a third party from acquiring, a majority of our outstanding voting stock.

Holders of our common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders, other than for the election of directors. At the time of the initial public offering of our predecessor in 1993, the charter of the predecessor gave Melvin Simon, Herbert Simon, David Simon and certain of their affiliates (the "Simons") the right to elect four of the thirteen members of the Board of Directors, conditioned upon the Simons, or entities they control, maintaining specified levels of equity ownership in Simon Property's predecessor, the Operating Partnership and all of their subsidiaries. In addition, at that time, Melvin Simon & Associates, Inc. ("MSA"), acquired 3,200,000 shares of Class B common stock. MSA placed the Class B common stock into a voting trust under which the Simons were the sole trustees. These voting trustees had the authority to elect the four members of the Board of Directors. These same arrangements were incorporated into Simon Property's Charter in 1998 during the combination of its predecessor and Corporate Property Investors, Inc. Shares of Class B common stock convert automatically into an equal number of shares of common stock upon the sale or transfer thereof to a person not affiliated with Melvin Simon, Herbert Simon or David Simon. The holders of the Class C common stock (the "DeBartolos") are entitled to elect two of the thirteen members of the Board of Directors. Shares of Class C common stock convert automatically into an equal number of shares of common stock upon the sale or transfer thereof to a person not affiliated with the members of the DeBartolo family or entities controlled by them. The Class B and Class C shares can be converted into shares of common stock at the option of the holders. At the initial offering we reserved 3,200,000 and 4,000 shares of common stock for the possible conversion of the outstanding Class B and Class C shares, respectively.

Common Stock Issuances and Repurchases

In 2007, we issued 1,692,474 shares of common stock to nine limited partners in exchange for an equal number of Units.

We issued 231,025 shares of common stock related to employee and director stock options exercised during 2007. We used the net proceeds from the option exercises of approximately $7.6 million to acquire additional units of the Operating Partnership. The Operating Partnership used the net proceeds for general working capital purposes.

On July 26, 2007, our Board of Directors authorized us to repurchase up to $1.0 billion of common stock over the next twenty-four months as market conditions warrant. We may repurchase the shares in the open market or in privately negotiated transactions. During 2007, we repurchased 572,000 shares at an average price of $86.11 per share as part of this program. The program had remaining availability of approximately $950.7 million at December 31, 2007.

Holders of Series I 6% Convertible Perpetual Preferred Stock can currently convert their shares into shares of common stock. During the twelve months ended December 31, 2007, 65,907 shares of Series I preferred stock were converted into 51,987 shares of common stock.

Preferred Stock

The following table summarizes the carrying values of each series of preferred stock of Simon Property that had shares issued and outstanding as of December 31:

	2007	2006
Series G 7.89% Cumulative Step-Up Premium Rate Preferred Stock, 3,000,000 shares authorized, 3,000,000 issued and outstanding at 2006, none at 2007.	**$ —**	$ 148,843
Series I 6% Convertible Perpetual Preferred Stock, 19,000,000 shares authorized, 14,004,936 and 13,781,753 issued and outstanding, respectively.	**700,247**	689,088
Series J 8 3/8% Cumulative Redeemable Preferred Stock, 1,000,000 shares authorized, 796,948 issued and outstanding, including unamortized premium of $6,514 and 6,842 in 2007 and 2006, respectively.	**46,361**	46,689
	$ 746,608	$ 884,620

The following series of preferred stock were previously issued, but had no shares of such series issued and outstanding at the end of 2007 and 2006: Series B 6.5% Convertible Preferred Stock (5,000,000 shares); Series C 7.00% Cumulative Convertible Preferred Stock (2,700,000 shares); Series D 8.00% Cumulative Redeemable Preferred Stock (2,700,000 shares); Series E 8.00% Cumulative Redeemable Preferred Stock (1,000,000 shares); Series F 8.75% Cumulative Redeemable Preferred Stock (8,000,000 shares); and Series H Variable Rate Preferred Stock (4,530,000 shares), Series K Variable Rate Redeemable Preferred Stock (8,000,000 shares); Series L Variable Rate Redeemable Preferred Stock (6,000,000 shares).

Dividends on all series of preferred stock are calculated based upon the preferred stock's preferred return multiplied by the preferred stock's corresponding liquidation value. The Operating Partnership pays us preferred distributions to Simon Property equal to the dividends we pay on the preferred stock issued.

Series C 7.00% Cumulative Convertible Preferred Stock and Series D 8.00% Cumulative Redeemable Preferred Stock. We issued these two series of preferred stock in 1999 to facilitate the possible conversion of two related series of preferred units described below, 7.00% Cumulative Convertible Preferred Units and the 8.00% Cumulative Redeemable Preferred Units. Each of these series of preferred stock has terms that are substantially identical to the related series of preferred units. There are no shares of either series currently outstanding.

Series F Cumulative Redeemable Preferred Stock. This series of preferred stock was redeemable on or after September 29, 2006, at a redemption equal to the liquidation value ($25.00 per share), plus accrued and unpaid dividends. We redeemed all outstanding shares of this series in October 2006 and recorded a $7.0 million charge to net income during the fourth quarter of 2006 related to the redemption.

Series G Cumulative Step-Up Premium Rate Preferred Stock. This series of preferred stock was redeemable after September 30, 2007 at a redemption price equal to the liquidation value ($50.00 per share) plus accrued and unpaid dividends. We redeemed all outstanding shares of this series in October 2007.

Series I 6% Convertible Perpetual Preferred Stock. This series of preferred stock was issued in connection with our acquisition of Chelsea Property Group in 2004. The terms of this series of preferred stock are substantially identical to those of the related series of 6% Series I Convertible Perpetual Preferred Units described below. During 2007, holders exchanged 289,090 preferred units for an equal number of shares of preferred stock. In prior years, 803,952 preferred units had been exchanged for an equal number of shares of preferred stock. Dividends accrue quarterly at an annual rate of 6% per share. On or after October 14, 2009, we can convert the preferred stock, in whole or in part, into shares of common stock having a value equal to the liquidation preference ($50.00 per share) plus accumulated and unpaid dividends. However, if the conversion date falls between the record date and the preferred stock dividend payment date, the conversion price will be the liquidation preference only. The conversion may occur only if, for 20 trading days within a period of 30 consecutive trading days ending on the trading day before notice of conversion is issued, the closing price per share of the common stock exceeds 130% of the applicable conversion price. This series of preferred stock is also convertible into common stock upon the occurrence of a conversion triggering event. A conversion triggering event includes the following: (a) if we call the preferred stock for conversion; or, (b) if we are a party to a consolidation, merger, binding share exchange, or sale of all or substantially all of our assets; or, (c) if during any fiscal quarter after the fiscal quarter ending December 31, 2004, the closing sale price of the common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the preceding fiscal quarter exceeds 125% of the applicable conversion price. If the closing trigger price condition is not met at the end of any quarter, then conversions are not permitted in the following quarter.

As of December 31, 2007, the conversion trigger price of $78.71 had been met and each share of this series of preferred stock is convertible into 0.794079 of a share of common stock through March 31, 2008. During the twelve months ended December 31, 2007, 65,907 shares of preferred stock were converted into 51,987 shares of common stock.

Series J 8 3/8% Cumulative Redeemable Preferred Stock. We issued this series of preferred stock in 2004 to replace a series of Chelsea preferred stock. Dividends accrue quarterly at an annual rate of 8 3/8% per share. We can redeem this series, in whole or in part, on and after October 15, 2027 at a redemption price of $50.00 per share, plus accumulated and unpaid dividends. This preferred stock was issued at a premium of $7,553 as of the date of our acquisition of Chelsea.

Series K Variable Rate Redeemable Preferred Stock. We issued this series of preferred stock to fund the redemption of the Series F preferred stock in the fourth quarter of 2006. We later repurchased all outstanding shares of this series in the same quarter at the original issue price.

Series L Variable Rate Redeemable Preferred Stock. We issued this series of preferred stock to fund the redemption of the Series G preferred stock in the fourth quarter of 2007. We later repurchased all outstanding shares of this series at the original issue price.

Limited Partners' Preferred Interests in the Operating Partnership

The following table summarizes each of the authorized preferred units of the Operating Partnership as of December 31:

	2007	2006
6% Series I Convertible Perpetual Preferred Units, 19,000,000 units authorized, 3,034,675 and 3,935,165 issued and outstanding.	**$ 151,734**	$ 196,759
7.75% / 8.00% Cumulative Redeemable Preferred Units, 900,000 shares authorized, 850,698 issued and outstanding.	**85,070**	85,070
7.5% Cumulative Redeemable Preferred Units, 260,000 units authorized, 255,373 issued and outstanding.	**25,537**	25,537
7% Cumulative Convertible Preferred Units, 2,700,000 units authorized, 100,818 and 261,683 issued and outstanding as of December 31, 2007 and 2006, respectively.	**2,823**	7,327
8.00% Cumulative Redeemable Preferred Units, 2,700,000 units authorized, 1,418,307 and 1,425,573 issued and outstanding.	**42,549**	42,767
	$ 307,713	$ 357,460

6% Series I Convertible Perpetual Preferred Units. The Operating Partnership issued 4,753,794 preferred units of this series in the Chelsea acquisition in 2004. In 2007, holders exchanged 289,090 preferred units of this series for an equal number of shares of Series I preferred stock. In prior years, 803,952 units had been exchanged for an equal number of shares of Series I preferred stock. The preferred units have terms that are substantially identical to the Series I preferred stock, except that as it relates to the preferred units, we have the option to pay cash or issue shares of Series I preferred stock.

7.75%/8.00% Cumulative Redeemable Preferred Units. The Operating Partnership issued this series of preferred units in connection with a 1999 acquisition. The preferred units accrue cumulative quarterly distributions at a rate of 8.00% of the liquidation value through December 31, 2009, 10.00% of the liquidation value for the period beginning January 1, 2010 and ending December 31, 2010, and 12% of the liquidation value thereafter. A holder may require the Operating Partnership to repurchase the preferred units on or after January 1, 2009, or any time that the aggregate liquidation value of the outstanding preferred units exceeds 10% of the book value of partners' equity of the Operating Partnership. The Operating Partnership may redeem the preferred units on or after January 1, 2011, or earlier upon the occurrence of certain tax triggering events. The Operating Partnership intends to redeem these units after January 1, 2009, upon the occurrence of a tax triggering event. The redemption price is the liquidation value ($100.00 per 7.75% preferred unit and 8.00% preferred unit) plus accrued and unpaid distributions, payable in cash or in interest to one or more properties mutually agreed upon.

7.5% Cumulative Redeemable Preferred Units. The Operating Partnership issued this series of preferred units in connection with the purchase of an additional interest in a joint venture. The preferred units accrue cumulative quarterly distributions at a rate of $7.50 annually. The Operating Partnership may redeem the preferred units on or after November 10, 2013, unless there is the occurrence of certain tax triggering events such as death of the initial holder, or the transfer of any units to any person or entity other than the persons or entities entitled to the benefits of the original holder. The redemption price is the liquidation value ($100.00 per preferred unit) plus accrued and unpaid distributions, payable either in cash or shares of our common stock. In the event of the death of a holder of the preferred units, the occurrence of certain tax triggering events applicable to the holder, or on or after November 10, 2006, the holder may require the Operating Partnership to redeem the preferred units at the same redemption price payable at the option of the Operating Partnership in either cash or shares of common stock.

7.00% Cumulative Convertible Preferred Units. This series of preferred units accrues cumulative quarterly distributions at a rate of $1.96 annually. The preferred units are convertible at the holders' option on or after August 27, 2004, into either an equal number of shares of Series C preferred stock or Units of the Operating Partnership at a ratio of 0.75676 Units to each preferred unit provided that the closing stock price of the common stock exceeds $37.00 for any three consecutive trading days prior to the conversion date. The Operating Partnership may redeem the preferred Units at their liquidation value ($28.00 per unit) plus accrued and unpaid distributions on or after August 27, 2009, by issuing units. In the event of the death of a holder of the preferred units, or the occurrence of certain tax triggering events applicable to a holder, the Operating Partnership may be required to redeem the preferred units at the liquidation value payable at the option of the Operating Partnership in either cash or shares of common stock. During 2007, holders converted 160,865 preferred units into 121,727 Units.

8.00% Cumulative Redeemable Preferred Units. This series of preferred units accrues cumulative quarterly distributions at a rate of $2.40 annually. The preferred units are paired with one 7.00% preferred unit or with the number of Units into which the 7.00% preferred units may be converted. The Operating Partnership may redeem the preferred units at their liquidation value ($30.00 per preferred unit) plus accrued and unpaid distributions on or after August 27, 2009, payable in either a new series of preferred units having the same terms as the preferred units, except that the distribution rate would be reset to a then determined market rate, or in Units. The preferred units are convertible at the holders' option on or after August 27, 2004, into shares of Series D preferred stock or Units. In the event of the death of a holder of the preferred units, or the occurrence of certain tax triggering events applicable to a holder, the Operating Partnership may be required to redeem the preferred units owned by such holder at their liquidation value payable at the option of the Operating Partnership in either cash or shares of common stock. During 2007, one holder redeemed 7,266 of the preferred units for $218.

Notes Receivable from Former CPI Stockholders. Notes receivable of $17,199 from stockholders of anentity, are reflected as a deduction from capital in excess of par value in the consolidated statements of stockholders' equity in the accompanying financial statements. The notes do not bear interest and become due at the time the underlying shares are sold.

The Simon Property Group 1998 Stock Incentive Plan. This plan, or the 1998 plan, provides for the grant of equity-based awards in the form of options to purchase shares, stock appreciation rights, restricted stock grants and performance unit 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. An aggregate of 11,300,000 shares of common stock have been reserved for issuance under the 1998 plan. Additionally, the partnership agreement requires us to sell shares of common stock to the Operating Partnership, at fair value, sufficient to satisfy the exercising of any stock options, and for us to purchase Units for cash in an amount equal to the fair market value of such shares.

Administration. The 1998 plan is administered by the Compensation Committee of the Board of Directors. The committee determines which eligible individuals may participate and the type, extent and terms of the awards to be granted to them. In addition, the committee interprets the 1998 plan and makes all other determinations deemed advisable for its administration. Options granted to employees become exercisable over the period determined by the committee. The exercise price of an employee option may not be less than the fair market value of the shares on the date of grant. Employee options generally vest over a three-year period and expire ten years from the date of grant. Since 2001, we have not granted any options to employees, except for a series of reload options we assumed as part of a prior business combination.

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

From May 7, 2003 to May 10, 2006, eligible directors received annual grants of restricted stock under the 1999 plan. Each eligible director received on the first day of the first calendar month following his or her initial election as a director, a grant of 1,000 shares of restricted stock annually. Thereafter, as of the date of each annual meeting of stockholders, eligible directors re-elected received a grant of 1,000 shares of restricted stock. In addition, eligible directors who served as chairpersons of standing committees received an additional annual grant in the amount of 500 shares of restricted stock (in the case of the Audit Committee) or 300 shares of restricted stock (in the case of all other standing committees).

Awards of restricted stock issued prior to May 11, 2006 vested in four equal annual installments on January 1 of each year, beginning in the year following the year in which the award occurred. If a director otherwise ceased to serve as a director before vesting, the unvested portion of the award terminated. Any unvested portion of a restricted stock award vested if the director died or became disabled while in office or has served a minimum of five annual terms as a director, but only if the committee or the full Board of Directors determines that such vesting is appropriate. The restricted stock also vested in the event of a "change in control."

Pursuant to an amendment to the 1998 plan approved by the stockholders effective May 11, 2006, each eligible director now receives on the first day of the first calendar month following his or her initial election an award of restricted stock with a value of $82,500 (pro-rated for partial years of service). Thereafter, as of the date of each annual meeting of stockholders, eligible directors who are re-elected receive an award of restricted stock having a value of $82,500. In addition, eligible directors who serve as chairpersons of the standing committees (excluding the Executive Committee) receive an additional annual award of restricted stock having a value of $10,000 (in the case of the Audit Committee) or $7,500 (in the case of all other standing committees). The Lead Director also receives an annual restricted stock award having a value of $12,500. The restricted stock vests in full after one year.

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

In addition to automatic awards, eligible directors may be granted discretionary awards under the 1998 plan.

Restricted Stock. The 1998 plan also provides for shares of restricted stock to be granted to certain employees at no cost to those employees, subject to achievement of certain financial and return-based performance measures established by the committee related to the most recent year's performance. Once granted, the shares of restricted stock then vest annually over a four-year period (25% each year) beginning on January 1 of the following year. The cost of restricted stock grants, which is based upon the stock's fair market value on the grant date, is charged to earnings ratably over the vesting period. Through December 31, 2007 a total of 4,461,537 shares of restricted stock, net of forfeitures, have been awarded under the plan. Information regarding restricted stock awards are summarized in the following table for each of the years presented:

	For the Year Ended December 31,		
	2007	**2006**	**2005**
Restricted stock shares awarded during the year, net of forfeitures	**222,725**	415,098	400,541
Weighted average fair value of shares granted during the year	**$ 120.55**	$ 84.33	$ 61.01
Amortization expense for all awards vesting during the year	**$ 26,779**	$ 23,369	$ 14,320

The weighted average life of our outstanding options as of December 31, 2007 is 2.8 years. Information relating to Director Options and Employee Options from December 31, 2004 through December 31, 2007 is as follows:

	Director Options		Employee Options	
	Options	Weighted Average Exercise Price Per Share	Options	Weighted Average Exercise Price Per Share
Shares under option at December 31, 2004	64,290	$ 26.75	1,696,026	$ 29.71
Granted	—	N/A	18,000	61.48
Exercised	(22,860)	25.25	(183,604)	27.20
Forfeited	(3,930)	25.51	(2,500)	25.54
Shares under option at December 31, 2005	37,500	$ 27.80	1,527,922	$ 30.39
Granted	—	N/A	70,000	90.87
Exercised	(18,000)	27.68	(396,659)	36.02
Forfeited	(3,000)	24.25	(3,000)	24.47
Shares under option at December 31, 2006	16,500	$ 28.57	1,198,263	$ 32.07
Granted	**—**	**N/A**	**23,000**	**99.03**
Exercised	**(16,500)**	**28.57**	**(214,525)**	**32.62**
Forfeited	**—**	**—**	**—**	**—**
Shares under option at December 31, 2007	**—**	**$ —**	**1,006,738**	**$ 33.48**

	Outstanding			Exercisable	
Employee Options: **Range of Exercise Prices**	**Options**	**Weighted Average Remaining Contractual Life in Years**	**Weighted Average Exercise Price Per Share**	**Options**	**Weighted Average Exercise Price Per Share**
$22.36 - $30.38	820,939	2.63	$ 25.10	820,939	$ 25.10
$30.39 - $46.97	59,749	6.10	46.97	59,749	46.97
$46.98 - $63.51	33,050	6.18	50.17	33,050	50.17
$63.52 - $99.03	93,000	0.85	92.89	70,000	90.87
Total	1,006,738		$ 33.48	983,738	$ 31.95

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

Exchange Rights

Limited partners in the Operating Partnership have the right to exchange all or any portion of their Units for shares of common stock on a one-for-one basis or cash, as determined by the Board of Directors. The amount of cash to be paid if the exchange right is exercised and the cash option is selected will be based on the trading price of our common stock at that time. At December 31, 2007, we had reserved 76,514,149 shares of common stock for possible issuance upon the exchange of Units, options, Class B and C common stock and certain convertible preferred stock.

11. Commitments and Contingencies

Litigation

In November of 2004, the Attorneys General of Massachusetts, New Hampshire and Connecticut filed complaints in their respective state courts against us and our affiliate, SPGGC, Inc., alleging that the sale of co-branded, bank-issued gift cards sold in certain of our properties violated gift certificate statutes and consumer protection laws in those states. We filed our own actions for declaratory relief in Federal district courts in each of the three states. We have also been named as a defendant in two other state court proceedings in New York which have been brought by private parties as purported class actions. They allege violation of state consumer protection and contract laws and seek a variety of remedies, including unspecified damages and injunctive relief.

In 2006, we received a judgment in our favor in the Federal district court in New Hampshire. The First Circuit Court of Appeals affirmed that ruling on May 30, 2007, holding that the current gift card program is a banking product and state law regulation is preempted by federal banking laws. The First Circuit Court of Appeals did not, however, rule on the question of whether the gift card program as it existed prior to January 1, 2005, was similarly exempt from state regulation. In February 2007, we entered into a voluntary, no-fault settlement with the New Hampshire Attorney General relating to the gift card program in New Hampshire as it existed prior to January 1, 2005. The New Hampshire litigation was dismissed at that time.

In October 2007, the Second Circuit Court of Appeals issued a ruling in the case brought by the Connecticut Attorney General holding that the Connecticut gift card statute could be applied to the gift card program as it existed prior to January 1, 2005, and could prohibit the charging of administrative fees but could not prohibit the use of expiration dates on gift cards.

We believe we have viable defenses under both state and federal laws to the pending gift card actions in Massachusetts, Connecticut and New York. Although it is not possible to provide any assurance of the ultimate outcome of any of these pending actions, management does not believe they will have any material adverse affect on our financial position, results of operations or cash flow.

We are involved in various other legal proceedings that arise in the ordinary course of our business. We believe that such litigation, claims and administrative proceedings will not have a material adverse impact on our financial position or our results of operations. We record a liability when a loss is considered probable and the amount can be reasonably estimated.

Lease Commitments

As of December 31, 2007, a total of 30 of the consolidated properties are subject to ground leases. The termination dates of these ground leases range from 2009 to 2090. These ground leases generally require us to make payments of a fixed annual rent, or a fixed annual rent plus a participating percentage over a base rate based upon the revenues or total sales of the property. Some of these leases also include escalation clauses and renewal options. We incurred ground lease expense included in other expense and discontinued operations as follows:

	For the year ended December 31,		
	2007	**2006**	**2005**
Ground lease expense	**$ 30,499**	$ 29,301	$ 25,584

Future minimum lease payments due under such ground leases for years ending December 31, excluding applicable extension options, are as follows:

2008	$	16,839
2009		16,689
2010		16,435
2011		16,471
2012		16,585
Thereafter		686,378
	$	769,397

Insurance

We maintain commercial general liability, fire, flood, extended coverage and rental loss insurance on all of our properties in the United States through wholly-owned captive insurance entities and other self-insurance mechanisms. Rosewood Indemnity, Ltd. and Bridgwood Insurance Company, Ltd. are our wholly-owned captive insurance subsidiaries, and have agreed to indemnify our general liability carrier for a specific layer of losses for the properties that are covered under these arrangements. The carrier has, in turn, agreed to provide evidence of coverage for this layer of losses under the terms and conditions of the carrier's policy. A similar policy written through these captive insurance entities also provides initial coverage for property insurance and certain windstorm risks at the properties located in coastal windstorm locations.

We currently maintain insurance coverage against acts of terrorism on all of our properties in the United States on an "all risk" basis in the amount of up to $1 billion per occurrence for certified foreign acts of terrorism and $500 million per occurrence for non-certified domestic acts of terrorism. The current federal laws which provide this coverage are expected to operate through 2014. Despite the existence of this insurance coverage, any threatened or actual terrorist attacks in high profile markets could adversely affect our property values, revenues, consumer traffic and tenant sales.

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 December 31, 2007, the Operating Partnership has loan guarantees and other guarantee obligations of $132.5 million and $60.6 million, respectively, to support our total $6.6 billion share of joint venture mortgage and other indebtedness in the event the joint venture partnership defaults under the terms of the underlying arrangement. Mortgages which are guaranteed by us are secured by the property of the joint venture and that property could be sold in order to satisfy the outstanding obligation.

Concentration of Credit Risk

We are subject to risks incidental to the ownership and operation of commercial real estate. These risks include, among others, the risks normally associated with changes in the general economic climate, trends in the retail industry, creditworthiness of tenants, competition for tenants and customers, changes in tax laws, interest rate and foreign currency levels, the availability of financing, and potential liability under environmental and other laws. Our regional malls, Premium Outlet centers, The Mills, and community/lifestyle centers rely heavily upon anchor tenants like most retail properties. Four retailers occupied 474 of the approximately 1,000 anchor stores in the properties as of December 31, 2007. An affiliate of one of these retailers is a limited partner in the Operating Partnership.

Limited Life Partnerships

FASB Statement No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity" ("SFAS 150") establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. It requires that an issuer classify a financial instrument that is within its scope as a liability. The effective date of a portion of the Statement has been indefinitely postponed by the FASB. We have certain transactions, arrangements, or financial instruments that have been identified that appear to meet the criteria for liability recognition in accordance with paragraphs 9 and 10 under SFAS 150 due to the finite life of certain joint venture arrangements. However, SFAS 150 requires disclosure of the estimated settlement value of these non-controlling interests. As of December 31, 2007 and 2006, the estimated settlement value of these non-controlling interests was approximately $145 million and $175 million, respectively. The minority interest amount recognized as a liability on the consolidated balance sheets related to these non-controlling interests was approximately $14 million and $15 million as of December 31, 2007 and 2006, respectively.

12. Related Party Transactions

Our management company provides management, insurance, and other services to Melvin Simon & Associates, Inc., a related party, and other non-owned properties. Amounts for services provided by our management company and its affiliates to our unconsolidated joint ventures and other related parties were as follows:

	For the year ended December 31,		
	2007	**2006**	**2005**
Amounts charged to unconsolidated joint ventures	**$ 95,564**	$ 62,879	$ 58,450
Amounts charged to properties owned by related parties	**5,049**	9,494	9,465

During 2007, we recorded interest income and financing fee income of $39.1 million and $17.4 million, respectively, net of inter-entity eliminations, related to the loans that we have provided to Mills and SPG-FCM and lending financing services to those entities and the properties in which they hold an ownership interest.

13. Recently Issued Accounting Pronouncements

In June 2006, the FASB issued Interpretation No. 48, "Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109" ("FIN 48"). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in a company's financial statements and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Interpretation also provides guidance on description, classification, interest and penalties, accounting in interim periods, disclosure and transition. FIN 48 became effective on January 1, 2007. The adoption of FIN 48 had no impact on our financial position or results of operations.

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements". SFAS 157 is definitional and disclosure oriented and addresses how companies should approach measuring fair value when required by GAAP; it does not create or modify any current GAAP requirements to apply fair value accounting. The Standard provides a single definition for fair value that is to be applied consistently for all accounting applications, and also generally describes and prioritizes according to reliability the methods and inputs used in valuations. SFAS 157 prescribes various disclosures about financial statement categories and amounts which are measured at fair value, if such disclosures are not already specified elsewhere in GAAP. The new measurement and disclosure requirements of SFAS 157 are effective for us in the first quarter of 2008. The FASB deferred application of certain elements of SFAS No. 157 relating to non-financial assets and liabilities. We do not expect the provisions of SFAS 157 that we are required to adopt in 2008 will have a significant impact on our results of operations or financial position.

In December 2007, the FASB issued SFAS No. 141(R), "Business Combinations", and SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements". SFAS No. 141(R) requires an acquirer to measure the identifiable assets acquired, the liabilities assumed and any noncontrolling interest in the acquiree at their fair values on the acquisition date, with goodwill being the excess value over the net identifiable assets acquired. SFAS No. 160 clarifies that a noncontrolling interest in a subsidiary should be reported as equity in the consolidated financial statements. The calculation of earnings per share will continue to be based on income amounts attributable to the parent. SFAS No. 141(R) and SFAS No. 160 are effective for financial statements issued for fiscal years beginning after December 15, 2008. Early adoption is prohibited. We do not expect the adoption of SFAS No. 141(R) or SFASNo. 160 will have a significant impact on our results of operations or financial position.

14. Quarterly Financial Data (Unaudited)

Quarterly 2007 and 2006 data is summarized in the table below and, as disclosed in Note 3, the amounts have been reclassified from previously disclosed amounts in accordance with the discontinued operations provisions of SFAS No. 144 and reflect dispositions through December 31, 2007. The amounts presented for income from continuing operations, income from continuing operations per share — Basic, and income from continuing operations per share — Diluted for the third quarter of 2007 are not equal to the same amounts previously reported in the September 30, 2007 Form 10-Q filed with the Securities and Exchange Commission as a result of the additional property sales which occurred in the fourth quarter of 2007 and resulted in losses on dispositions being reflected in discontinued operations. Income from continuing operations, income from continuing operations per share — Basic, and income from continuing operations per share — Diluted as previously reported in the September 30, 2007 Form 10-Q were $179,253, $0.74, and $0.74, respectively, and are presented below as $186,345, $0.77, and $0.77, respectively. All other amounts previously reported are equal to the amounts reported below.

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2007				
Total revenue	**$ 852,141**	**$ 855,932**	**$ 907,145**	**$ 1,035,581**
Operating income	**348,966**	**333,551**	**378,699**	**473,849**
Income from continuing operations	**112,949**	**74,203**	**186,345**	**145,807**
Net income available to common stockholders	**98,381**	**59,917**	**164,937**	**112,929**
Income from continuing operations per share — Basic	**$ 0.44**	**$ 0.27**	**$ 0.77**	**$ 0.60**
Net income per share — Basic	**$ 0.44**	**$ 0.27**	**$ 0.74**	**$ 0.51**
Income from continuing operations per share — Diluted	**$ 0.44**	**$ 0.27**	**$ 0.77**	**$ 0.60**
Net income per share — Diluted	**$ 0.44**	**$ 0.27**	**$ 0.74**	**$ 0.51**
Weighted average shares outstanding	**222,443,434**	**223,399,287**	**223,103,314**	**223,015,421**
Diluted weighted average shares outstanding	**223,300,903**	**224,236,142**	**223,848,882**	**223,688,665**
2006				
Total revenue	$ 787,649	$ 798,738	$ 818,736	$ 927,031
Operating income	299,204	310,049	321,324	389,652
Income from continuing operations	122,461	101,282	112,950	226,750
Net income available to common stockholders	104,017	82,868	94,592	204,668
Income from continuing operations per share — Basic	$ 0.47	$ 0.37	$ 0.43	$ 0.93
Net income per share — Basic	$ 0.47	$ 0.37	$ 0.43	$ 0.93
Income from continuing operations per share — Diluted	$ 0.47	$ 0.37	$ 0.43	$ 0.92
Net income per share — Diluted	$ 0.47	$ 0.37	$ 0.43	$ 0.92
Weighted average shares outstanding	220,580,464	220,990,425	221,198,011	221,317,474
Diluted weighted average shares outstanding	221,553,566	221,875,643	222,069,615	222,185,308

QuickLinks

Exhibit 13.1

Management's Discussion and Analysis of Financial Condition and Results of Operations Simon Property Group, Inc. and Subsidiaries
Management's Discussion and Analysis of Financial Condition and Results of Operations Simon Property Group, Inc. and Subsidiaries
Management's Discussion and Analysis of Financial Condition and Results of Operations Simon Property Group, Inc. and Subsidiaries
Management's Report On Internal Control Over Financial Reporting
Simon Property Group, Inc. and Subsidiaries Consolidated Balance Sheets (Dollars in thousands, except share amounts)
Simon Property Group, Inc. and Subsidiaries Notes to Consolidated Financial Statements (Dollars in thousands, except share and per share amounts and where indicated as in millions or billions)

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 21.1

List of Subsidiaries of Simon Property

Subsidiary	Jurisdiction
Simon Property Group, L.P.	Delaware
The Retail Property Trust	Massachusetts
Simon Property Group (Illinois), L.P.	Illinois
Simon Property Group (Texas), L.P.	Texas
Shopping Center Associates	New York
Simon Capital Limited Partnership	Delaware
M.S. Management Associates, Inc.	Delaware
Rosewood Indemnity, Ltd.	Bermuda
Marigold Indemnity, Ltd.	Delaware
Bridgwood Insurance Company, Ltd.	Bermuda
Simon Business Network, LLC	Delaware
Simon Brand Ventures, LLC	Indiana
Simon Global Limited	United Kingdom
Simon Services, Inc.	Delaware
Simon Property Group Administrative Services Partnership, L.P.	Delaware
SPGGC, LLC	Virginia
Kravco Simon Investments, L.P.	Pennsylvania
SPG ML Holdings, LLC	Delaware
Simon Management Associates II, LLC	Delaware
Simon Management Associates, LLC	Delaware
CPG Partners, L.P.	Delaware

Omits names of subsidiaries that as of December 31, 2007 were not, in the aggregate, a "significant subsidiary."

QuickLinks

Exhibit 21.1

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in this Annual Report (Form 10-K) of Simon Property Group, Inc. of our reports dated February 22, 2008, with respect to the consolidated financial statements of Simon Property Group, Inc., and the effectiveness of internal control over financial reporting of Simon Property Group, Inc., included in the 2007 Annual Report to Stockholders of Simon Property Group, Inc.

Our audits also included the financial statement schedule of Simon Property Group, Inc. listed in Item 15(a). This schedule is the responsibility of Simon Property Group, Inc.'s management. Our responsibility is to express an opinion based on our audits. In our opinion, as to which the date is February 22, 2008, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 No. 333-132513) of Simon Property Group, Inc.;

(2) Registration Statement (Form S-4 No. 333-118427) of Simon Property Group, Inc;

(3) Registration Statement (Form S-8 No. 333-101185) pertaining to the Simon Property Group 1998 Stock Incentive Plan;

(4) Registration Statement (Form S-8 No. 333-82471) pertaining to the Simon Property Group and Adopting Entities Matching Savings Plan;

(5) Registration Statement (Form S-8 No. 333-63919) pertaining to the Corporate Property Investors, Inc. and Corporate Realty Consultants, Inc. Employee Share Purchase Plan;

of our reports dated February 22, 2008, with respect to the consolidated financial statements of Simon Property Group, Inc. and our report dated February 22, 2008, with respect to the effectiveness of internal control over financial reporting of Simon Property Group, Inc., both incorporated by reference herein, and our report included in the preceding paragraph with respect to the financial statement schedule of Simon Property Group, Inc. included in this Annual Report (Form 10-K) of Simon Property Group, Inc. for the year ended December 31, 2007.

/s/ ERNST & YOUNG LLP

Indianapolis, Indiana
February 22, 2008

QuickLinks

Exhibit 23.1

Exhibit 31.1

Certification by the Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David Simon, certify that:

1. I have reviewed this Annual Report on Form 10-K of Simon Property Group, 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 Rule 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 function):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2008

/s/ DAVID SIMON

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

QuickLinks

Exhibit 31.1

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 31.2

Certification by the Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Stephen E. Sterrett, certify that:

1. I have reviewed this Annual Report on Form 10-K of Simon Property Group, 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 Rule 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 function):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2008

/s/ STEPHEN E. STERRETT

Stephen E. Sterrett
Executive Vice President and Chief Financial Officer

QuickLinks

Exhibit 31.2

Certification by the Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Exhibit 32

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Simon Property Group, Inc. ("Simon Property"), on Form 10-K for the period ending December 31, 2007 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 Simon Property.

/S/ DAVID SIMON

David Simon
Chairman of the Board of Directors
and Chief Executive Officer
February 26, 2008

/S/ STEPHEN E. STERRETT

Stephen E. Sterrett
Executive Vice President and
Chief Financial Officer
February 26, 2008

QuickLinks

Exhibit 32