

MACERICH CO
Form 424B2
May 22, 2009
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Registration No. 333-155742

In accordance with Rule 457(r), a registration fee of \$742.63 has been calculated for 854,771 shares of Common Stock with an aggregate offering price of \$13,308,783. Pursuant to Rule 416 of the Securities Act of 1933, as amended, the Registrant common stock offered hereby shall be deemed to cover additional securities to be issued to prevent dilution resulting from stock splits, stock dividends or similar transactions.

Prospectus Supplement

(To Prospectus dated November 26, 2008)

854,771 Shares

Common Stock

Unless the context otherwise requires, or unless otherwise specified, all references in this prospectus supplement to the terms we, us, our and our Company refer to The Macerich Company, which we refer to as Macerich, together with its subsidiaries, including The Macerich Partnership, L.P., which we refer to as our Operating Partnership.

This prospectus supplement relates to the issuance of up to an aggregate of 854,771 shares of our common stock, par value \$.01 per share (Common Stock), that we may issue in one of the following transactions:

(1) the payment of a distribution that the Operating Partnership has declared on its outstanding common units of limited partnership interest in the Operating Partnership and long term incentive plan units of limited partnership in the Operating Partnership (collectively, OP Units), payable (a) partially in cash and (b) partially in Common Stock or additional OP Units pursuant to elections described in this prospectus supplement, to those holders of OP Units who make a valid election to receive the non-cash component of such distribution in the form of Common Stock;

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(2) the tender for redemption of OP Units that holders of currently outstanding OP Units who make a valid election to receive the non-cash component of the distribution described in clause (1) above in the form of additional OP Units will receive in connection with such distribution (Distribution Units), whereby we will acquire such Distribution Units from redeeming holders in exchange for shares of Common Stock that we issue upon redemption if we do not elect to pay cash for the Distribution Units tendered; or

(3) the issuance of Common Stock in connection with transactions described in clause (1) or (2) above to pledgees, donees, transferees or other successors in interest of the current holders of OP Units or Distribution Units.

The registration of shares of Common Stock pursuant to this prospectus supplement does not necessarily mean that any of the holders of OP Units will elect to receive Common Stock for the non-cash portion of the Operating Partnership's distribution or exercise their redemption rights with respect to Distribution Units, or that we will elect, in our sole and absolute discretion, to redeem some or all of the Distribution Units for shares of Common Stock instead of cash.

Macerich has declared a dividend of \$0.60 per share of Common Stock expected to be paid on June 22, 2009 in cash or Common Stock, at the election of stockholders, subject to a limitation that the aggregate amount of cash payable to stockholders will not exceed 10% of the aggregate amount of the dividend. Macerich is taxed as a real estate investment trust, or REIT, for federal income tax purposes. In order to qualify as a REIT and minimize taxes, we generally must distribute at least 90% of our annual taxable income, as determined for federal income tax purposes, to our stockholders. In order to comply with REIT taxable income distribution requirements, while retaining capital and enhancing our financial flexibility, our Board of Directors determined that the cash component of the dividend (other than cash paid in lieu of fractional shares) will not exceed 10% in the aggregate, or \$0.06 per share.

Macerich has determined that in connection with its dividend the Operating Partnership will make a comparable distribution of \$0.60 per OP Unit (the Distribution) to unitholders of record as of the close of business on May 11, 2009 (the Record Date). The Distribution is expected to be paid on June 22, 2009. Each OP Unitholder will receive 10% of the Distribution in cash (the Cash Limit) and has the option to elect to receive the remaining 90% of the Distribution either (1) in shares of Common Stock or (2) in Distribution Units, as described below under The Election. We will pay cash in lieu of issuing any fractional shares, but cash paid in lieu of fractional shares will not count toward the Cash Limit. Fractional units will be paid in Distribution Units. As an alternative to making the Distribution partially in the form of Common Stock or Distribution Units, we reserve the right to determine, at any time up to midnight on June 21, 2009, to make the Distribution entirely in cash, notwithstanding any unitholder elections we have received and without prior notice to unitholders.

The actual number of shares of Common Stock and/or Distribution Units that will be issued in the Distribution will depend primarily upon (1) unitholder elections, (2) the per share value of the Common Stock, and (3) whether we exercise our right to pay the Distribution entirely in cash, notwithstanding unitholder elections, all as described in greater detail below. The Common Stock is listed on the New York Stock Exchange under the symbol MAC. The value per share of Common Stock for purposes of calculating the number of shares of Common Stock and/or Distribution Units issuable as part of the Distribution will be the volume weighted average of the trading prices of the Common Stock on the New York Stock Exchange for the three-day period June 10, June 11 and June 12, 2009 (with one Distribution Unit being valued for this purpose the same as one share of Common Stock). The Distribution is expected to be paid on June 22, 2009.

If you want to make an election for payment of the Distribution in Common Stock or Distribution Units, follow the instructions under The Election in this prospectus supplement so that your election is received by Macerich **prior to 5:00 P.M., Pacific time, on June 9, 2009**. If Macerich does not receive a valid and properly completed election from you before that time, you will receive the Distribution 10% in cash and 90% in Distribution Units.

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Before making your election, you are urged to carefully read the Risk Factors section of this prospectus supplement beginning on page S-1.

Neither the U.S. Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is May 22, 2009.

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This document consists of two parts. The first part is this prospectus supplement, which describes the terms of the Distribution and any potential redemption of Distribution Units and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into the prospectus. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to the Distribution or any potential redemption of Distribution Units. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or any document incorporated by reference, on the other hand, you should rely on the information in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with information that is different from that contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. The offering of shares of Common Stock may be restricted by law in certain non-U.S. jurisdictions. This prospectus supplement is not an offer to sell nor does it seek an offer to buy any shares of Common Stock in any jurisdiction where the offer or sale is not permitted. Elections made by any person in such a jurisdiction may be deemed invalid.

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RISK FACTORS

In addition to other information contained in this prospectus supplement and the accompanying prospectus, you should carefully consider the risks described below and in the documents incorporated by reference in this prospectus supplement before making an investment decision. These risks are not the only ones facing our Company. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. Our business, financial condition or results of operations could be materially adversely affected by the materialization of any of these risks. The trading price of the Common Stock could decline due to the materialization of any of these risks, and you may lose all or part of your investment. This prospectus supplement, the accompanying prospectus and the documents incorporated herein by reference also contain forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described in the documents incorporated herein by reference, including (i) Macerich's Annual Report on Form 10-K, for the year ended December 31, 2008, (ii) Macerich's Quarterly Report on Form 10-Q for the quarter ended March 31, 2009 and (iii) documents Macerich files with the SEC after the date of this prospectus supplement and which are deemed incorporated by reference in this prospectus supplement.

You should carefully consider the tax consequences of having your Distribution Units redeemed, and of electing to receive shares of Common Stock in lieu of Distribution Units in connection with the Distribution by the Operating Partnership.

The exercise of your right to require the redemption of your Distribution Units may be treated for tax purposes as a sale of Distribution Units. In addition, an election to receive Common Stock in connection with the Distribution (a "stock election") may be treated for tax purposes as an issuance of OP Units by the Operating Partnership followed by a redemption of such OP Units by the unitholder for Common Stock, or could otherwise also be treated as a taxable sale of OP Units. The Operating Partnership intends to treat a distribution of Common Stock in connection with a stock election as if the U.S. Holder received OP Units from the Operating Partnership and exchanged those OP Units for shares of Common Stock in a sale transaction. In addition, in order for certain holders of OP Units to elect to receive Common Stock in the Distribution, such holders will be required to waive any claim to indemnification for taxes resulting from any gain recognized as a result of the stock election that such holder may otherwise have been entitled to make pursuant to any tax indemnification agreement the holder is a party to with the Operating Partnership. If a redemption or a stock election were treated as a sale, this sale will be fully taxable to you, and you will be treated as realizing for tax purposes an amount equal to the sum of (i) the cash and/or the value of Common Stock received in the redemption or stock election plus (ii) the amount of the Operating Partnership liabilities considered allocable to the redeemed OP Units at the time of the redemption or stock election, including the Operating Partnership's share of the liabilities of certain entities in which the Operating Partnership owns an interest. Depending upon your particular circumstances, the amount of gain recognized, or even the tax liability resulting from that gain, could exceed the amount of cash and the value of other property, e.g., the Common Stock, you receive. Accordingly, unitholders may be required to fund the corresponding tax liability associated with the redemption or the stock election from other sources. See "Certain Material U.S. Federal Income Tax Considerations Tax Considerations of Electing to Receive Shares of Common Stock" and "Tax Treatment of Redemption of OP Units" for more information on these tax consequences.

THE ELECTION

You will receive 10% of the Distribution in cash and you may elect to receive the remaining 90% of the Distribution in the form of Common Stock or Distribution Units, valued as described above. You may make your election by choosing one of the election options in the accompanying election form:

- **Common Stock Election.** You elect to receive payment of 90% of the Distribution in the form of shares of Common Stock.

- **Distribution Units Election.** You elect to receive payment of 90% of the Distribution in Distribution Units.

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Your election may be limited by the limitation on ownership of Common Stock, which is described below, and you may not receive Common Stock to the extent this limitation requires that a different allocation be made to you.

If a properly completed election form is not received with respect to your OP Units before the deadline for receipt by Macerich, you will receive the Distribution 10% in cash and 90% in Distribution Units.

As an alternative to making the Distribution in the form of cash and Common Stock or Distribution Units pursuant to unitholder elections as described above, Macerich reserves the right to determine, at any time up to midnight on June 21, 2009, to make the Distribution entirely in cash, notwithstanding any elections Macerich has received and without prior notice to holders of OP Units.

Because the per share value of the Common Stock for purposes of determining the number of shares or units to be paid to unitholders in the Distribution will be based on the volume weighted average of the trading prices of the Common Stock on the New York Stock Exchange for the three-day period June 10, June 11 and June 12, 2009 (the Calculation Value), the market value of shares received on June 22, 2009, or the shares underlying the Distribution Units received on June 22, 2009, may be greater or less than their Calculation Value.

In order to make your election, please complete and sign the accompanying election form and return it to Macerich in the enclosed postage-prepaid, self-addressed envelope as soon as possible. For your election to be effective, your properly completed election form must be received **by Macerich prior to 5:00 P.M., Pacific time, on June 9, 2009**. Delivery of the election form will be deemed made only when actually received by Macerich. In all cases, you should allow sufficient time to ensure delivery before the deadline. The submission of an election form with respect to the Distribution will constitute your representation and warranty that you have full power and authority to make your election.

Elections with respect to the Distribution on each specific OP Unit may be made only by the holder of record of that unit at the close of business on May 11, 2009, which is the record date for the Distribution.

General

All questions as to the validity, form, eligibility (including time of receipt) and acceptance by us of any distribution election form will be resolved by Macerich, in Macerich's sole discretion, and Macerich's determination as to the resolution of any such questions shall be final and binding on all parties. Macerich reserves the absolute right to reject, in Macerich's sole discretion, any and all election forms determined by us not to be in proper form, not timely received, ineligible or otherwise invalid, or if acceptance may, in the opinion of Macerich's counsel, be unlawful. Macerich also reserves the absolute right to waive any defect or irregularity in the election form submitted by any particular unitholder, whether or not Macerich chooses to waive any similar defects or irregularities in the case of other unitholders. No election will be deemed to have been validly made until all defects and irregularities have been cured to Macerich's satisfaction or waived. Neither Macerich nor any other person will be under any duty to give notification of any defects or irregularities in election forms or incur any liability for failure to give any such notification. Macerich's interpretation of the terms and conditions of the Distribution and the terms and conditions of unitholder elections will be final and binding.

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All shares of Common Stock issued in the Distribution will be issued only in book-entry form. This means that we will not issue any certificates representing shares of Common Stock issued in payment of the Distribution. On or about June 22, 2009, Computershare Trust Company N.A., the transfer agent for the Common Stock, will issue and mail to each of Macerich's unitholders that receives shares of Common Stock in the Distribution a statement listing the number of shares credited to that unitholder's book-entry account.

All Distribution Units issued in the Distribution will be issued in book-entry form. This means that we will not issue any certificates representing Distribution Units issued in payment of the Distribution. On or about June 22, 2009, Macerich will issue and mail to each of Macerich's unitholders that receives units in the Distribution a statement listing the number of Distribution Units credited to that unitholder's book-entry account.

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All payments of cash will be made by check or direct deposit for any cash to which such unitholder is entitled (including, if applicable, cash in lieu of fractional shares) in the Distribution.

Properly completed election forms must be delivered to Macerich **prior to 5:00 P.M., Pacific time, on June 9, 2009**, in the enclosed postage-prepaid, self-addressed envelope. If you need to send the election form by overnight courier or hand delivery, please use the following address:

Overnight Courier or Hand Delivery:

The Macerich Company

Attn: Madonna Shannon

401 Wilshire Boulevard, No. 700

Santa Monica, California 90401

If you are an OP Unitholder and need additional information about completing the election form or other matters relating to the Distribution, please contact Madonna Shannon at Macerich at (310) 394-6000.

EFFECT OF OWNERSHIP LIMITATION

To maintain Macerich's qualification as a REIT for federal income tax purposes, not more than 50% in value of our outstanding stock may be owned, directly or indirectly, by or for five or fewer individuals (which for this purpose include private foundations, charitable trusts and certain other entities) at any time during the last half of any taxable year. To maintain this qualification, and to otherwise address concerns about concentrations of ownership of Macerich's stock, Macerich's charter restricts ownership of more than 5% of the lesser of the number or value of our outstanding shares of stock by any single stockholder or a group of stockholders (with limited exceptions). Under Macerich's charter, Macerich's Board of Directors may in its sole discretion (subject to certain limitations) waive or modify the ownership limit for one or more persons. Nonetheless, if you elect to receive Common Stock and your receipt of Common Stock would cause you to exceed the applicable ownership limit, absent a waiver or other satisfactory arrangement, you may receive OP Units to the extent required to bring you within this ownership limit. If you elect to receive Common Stock and it is issued to you in violation of the applicable ownership limit, all of the remedies applicable under the ownership limit will apply to this Common Stock. For a more detailed description of the ownership limit and the remedies applicable thereunder, see "Description of Our Capital Stock" in the accompanying prospectus.

REDEMPTION OF DISTRIBUTION UNITS

Holders of Distribution Units

Subject to the limitations set forth in the Operating Partnership Agreement, if you receive any Distribution Units, you will have the right to redeem those Distribution Units in whole or in part for an equal number of shares of Common Stock, subject to adjustment in the event of certain dilutive or other capital events. We have the right to pay you an amount of cash equal to the value of the Common Stock otherwise issuable to you upon tender of your Distribution Units, as determined in accordance with the Operating Partnership Agreement, instead of issuing Common Stock to you. Macerich has determined that for purposes of any Distribution Unit distributed on June 22, 2009 it will waive the requirement that common units may be tendered for redemption only in amounts of at least 2,000 common units but that any such tender continues to be subject to all other restrictions applicable to redemptions of common units, as set forth in the Operating Partnership Agreement.

Redemption and Conversion Procedures

A holder of Distribution Units may exercise the right to redeem Distribution Units by providing to us an appropriate notice, as described in the Operating Partnership Agreement. A holder may also be required to furnish certain other certificates and forms. The Operating Partnership Agreement establishes certain limitations on the right to redeem Distribution Units.

Once we receive a notice of redemption with respect to Distribution Units, we will determine whether to redeem the tendered Distribution Units for cash or Common Stock.

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When a holder of Distribution Units redeems Distribution Units, the holder's right to receive distributions on the Distribution Units so redeemed will cease for all periods thereafter. No redemption can occur if delivery of Distribution Units on the specified date to the holder seeking redemption would be prohibited under our charter, the Operating Partnership Agreement or applicable federal or state securities laws.

DESCRIPTION OF COMMON UNITS

The material terms of the common units, which include the Distribution Units, including a summary of certain provisions of the Operating Partnership Agreement, as in effect as of the date of this prospectus supplement, are set forth below. The following description does not purport to be complete and is subject to and qualified in its entirety by reference to applicable provisions of Delaware law and the Operating Partnership Agreement. For a comparison of the voting and other rights of holders of Distribution Units and our stockholders, see Comparison of Ownership of Distribution Units and our Shares.

Rank

The common units rank junior to the preferred OP Units issued by the Operating Partnership. Our Company, as general partner, is authorized, in its sole discretion, to cause the Operating Partnership to issue additional common units or other limited partnership interests in the Operating Partnership for any partnership purpose at any time to the limited partners or to other persons on terms established by our Company within the boundaries set forth in the Operating Partnership Agreement. The Operating Partnership may also issue preferred OP Units, having such rights, preferences and other privileges, variations and designations as our Company may determine in its sole and absolute discretion, as provided in the Operating Partnership Agreement. The Operating Partnership Agreement requires our Company to invest, contribute or otherwise transfer the net proceeds of any sale of securities by our Company to the Operating Partnership in exchange for equivalent securities of the Operating Partnership.

Voting

As the general partner of the Operating Partnership, our Company has been granted by the limited partners the right to vote and give consents and approvals on behalf of any absolute majority of all common units and preferred OP Units held by the limited partners as a class with respect to any matters that may require the vote, consent or approval of the limited partners under the Operating Partnership Agreement, with the exception of (i) a merger or sale of substantially all of the Operating Partnership's assets, which would require the consent of 75% of the outstanding units, or (ii) as otherwise provided by the terms of any preferred OP Units.

Dividends

The Operating Partnership Agreement generally provides that all or a portion of the net cash flow of the Operating Partnership will be distributed from time to time (but at least quarterly) as determined by our Company pro rata in accordance with the partner's percentage interest. Distributions to the common units rank junior to all preferred OP Units issued by the Operating Partnership.

Liquidation Preference

The common units rank, with respect to the payment of distributions and the distribution of amounts upon voluntary or involuntary liquidation, dissolution or winding-up of the Operating Partnership, junior to all classes of preferred OP Units issued by the Operating Partnership.

Redemption

Subject to the limitations set forth in the Operating Partnership Agreement, holders of the common units have the right to redeem those common units in whole or in part for an equal number of shares of our common stock, subject to adjustment in the event of certain dilutive or other capital events. We have the right to pay redeeming holders an amount of cash equal to the value of the common stock otherwise issuable to them upon tender of their common units, as determined in accordance with the Operating Partnership Agreement, instead of

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issuing our common stock. Any shares of our common stock we issue will be subject to the ownership restrictions and limitations set forth in Article Eighth of our charter, which is incorporated by reference into the registration statement of which this prospectus supplement is a part. See "Description of our Capital Stock" of the accompanying prospectus.

Transfer Restrictions

The Operating Partnership Agreement provides that, without the consent of our Company, as the general partner, limited partners may not transfer, assign, sell, encumber or otherwise dispose of their interest in the Operating Partnership, other than to affiliates who agree to assume the obligations of the transferor under the Operating Partnership Agreement.

COMPARISON OF OWNERSHIP OF DISTRIBUTION UNITS AND OUR SHARES

The information below highlights a number of the significant differences and similarities between the Operating Partnership and our Company relating to, among other things, form of organization, investment objectives, policies and restrictions, asset diversification, capitalization, management structure, duties, liability, exculpation and indemnification of the general partner and the directors and investor voting and other rights. These comparisons are intended to assist unitholders in understanding how the unitholder's investment will be changed if the unitholder redeems Distribution Units and receives stock in our Company. THE DISCUSSION BELOW IS ONLY A SUMMARY OF THESE MATTERS, AND A UNITHOLDER SHOULD CAREFULLY REVIEW THE BALANCE OF THIS PROSPECTUS FOR ADDITIONAL IMPORTANT INFORMATION.

Form of Organization and Purposes

Operating Partnership

The Operating Partnership is a limited partnership organized under the laws of the State of Delaware. The Operating Partnership primarily owns interests in regional malls and community shopping centers. The Operating Partnership may also invest in other types of assets and in any geographic areas that our Company deems appropriate. Our Company, as general partner of the Operating Partnership, conducts the business of the Operating Partnership in a manner intended to permit our Company to be classified as a REIT under the Internal Revenue Code of 1986, as amended (the "Code").

Our Company

Our Company is a Maryland corporation organized under the Maryland General Corporation law. We are a self-administering and self-managed REIT. Although our Company currently intends to continue to qualify as a REIT under the Code and to operate as a self-administered REIT, our

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Company is not under any contractual obligation to continue to qualify as a REIT, and our Company may discontinue this qualification or mode of operation in the future. Although our Company has no intention of ceasing to qualify as a REIT, some other real estate companies that previously operated as REITs have chosen to cease to qualify as REITs. Except as otherwise permitted in the Operating Partnership Agreement, our Company is obligated to conduct its activities through the Operating Partnership. Our Company is the sole general partner of the Operating Partnership.

Nature of Investment

Operating Partnership

The Distribution Units constitute equity interests entitling each limited partner in the Operating Partnership to his or her proportionate share of cash distributions made to the limited partners in the Operating Partnership, consistent with the class preferences provided for in the Operating Partnership Agreement. See [Description of Common Units](#) for further information about distributions to limited partners. The Distribution Units entitle their holders to participate in the growth and income of the Operating Partnership. The Operating Partnership Agreement grants our Company broad discretion to determine the amount of distributions by the Operating Partnership. Except in limited circumstances, we generally expect the Operating Partnership to retain and reinvest proceeds of any asset

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sales or refinancings, or to use those proceeds to pay down debt or for general partnership purposes, rather than to distribute the proceeds to its partners, including our Company. Thus, limited partners in the Operating Partnership will generally not be able to realize upon their investments through distributions of sale and refinancing proceeds. Instead, limited partners will be able to realize upon their investments primarily by redeeming Distribution Units and, if our Company issues stock upon redemption of the units, by subsequently selling the stock.

Our Company

Our Common Stock constitutes equity interests in our Company. For a more detailed description of our Common Stock, see *Description of Common Stock* and *Description of Capital Stock* in the accompanying prospectus. Our Company is entitled to receive its proportionate share of distributions made by the Operating Partnership with respect to the common units owned by it. The dividends payable to holders of our stock will generally correspond to the distributions received by our Company from the Operating Partnership. However, dividends payable by our Company are only paid if, when and as authorized by the Board of Directors and declared by our Company out of assets legally available to pay dividends. Each holder of Common Stock is entitled to his or her proportionate share of any dividends or distributions paid with respect to the Common Stock held, subject to the preferences on dividends and distributions of any preferred stock issued and outstanding. To qualify as a REIT, our Company must distribute to its stockholders at least 90% of its taxable income excluding capital gains, and corporate income tax will apply to any taxable income including capital gains not distributed.

Length of Investment

Operating Partnership

The Operating Partnership has a stated term expiring on December 31, 2092 or earlier upon the happening of certain events, including our election if certain conditions described in the Operating Partnership Agreement are satisfied, any event which causes us to cease to be the general partner of the Operating Partnership (unless the Operating Partnership is continued in accordance with applicable law), disposition of all of the Operating Partnership's assets, or dissolution of the Operating Partnership by a court of competent jurisdiction. The Operating Partnership has no specific plans for disposition of all of its assets. The Operating Partnership is a vehicle for taking advantage of future investment opportunities that may be available, primarily in the real estate market.

Our Company

Our Company has a perpetual term, and we intend to continue our operations for an indefinite time period. Under our charter, the dissolution of our Company must be approved by the affirmative vote of the holders of not less than a majority of the shares of Common Stock entitled to vote on dissolution. Our Company has an indirect interest in the properties and assets owned by the Operating Partnership. Our stockholders are expected to realize liquidity of their investments by trading their Common Stock on the New York Stock Exchange.

Liquidity

Operating Partnership

The Distribution Units have not been registered as a class under the Securities Act of 1933 (the Securities Act) or any state securities laws and therefore may not be sold, pledged, hypothecated or otherwise transferred unless first registered under the Securities Act and any applicable state securities laws, or unless an exemption from registration is available. Distribution Units also may not be sold or otherwise transferred unless the other transfer restrictions discussed below have been satisfied. Our Company and the Operating Partnership do not intend to register the Distribution Units under the Securities Act or any state securities laws.

The Operating Partnership Agreement provides that, without the consent of our Company, limited partners may not in any way dispose of their interest in the Operating Partnership, other than to affiliates who agree to assume the obligations of the transferor under the Operating Partnership Agreement. Limited partners may be able to redeem their Distribution Units for cash or other securities of our Company.

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Our Company

Any Common Stock issued upon redemption of any outstanding Distribution Units will be registered under the Securities Act and be freely transferable, as long as the stockholder complies with the ownership limits in our charter. The Common Stock is currently listed on the New York Stock Exchange under the ticker symbol MAC. The future breadth and strength of this secondary market for the Common Stock will depend, among other things, upon the amount of Common Stock outstanding, our Company's financial results and prospects, the general interest in our Company's real estate investments and real estate investments in general, and our Company's dividend yield compared to that of other debt and equity securities.

Potential Dilution of Rights

Operating Partnership

Subject to the rights of the preferred OP Units, our Company, as general partner of the Operating Partnership, is authorized, in its sole discretion and without limited partner approval, to cause the Operating Partnership to issue additional limited partnership interests and other ownership interests for any partnership purpose at any time to the limited partners or other persons on terms established by our Company. Our Company can also cause the Operating Partnership to issue additional OP Units to our Company, subject to certain terms and conditions. The interests of the limited partners in any cash available for distribution may be diluted if our Company causes the Operating Partnership to issue additional OP Units or other ownership interests.

Our Company

The Board of Directors of our Company may, in its discretion, authorize the issuance of additional Common Stock and other equity securities of our Company, including one or more classes or series of common or preferred stock, with the voting rights, dividend rates, preferences, subordinations, conversion or redemption prices or rights, maturity dates, distribution, exchange or liquidation rights or other rights that the Board of Directors may specify at the time. The issuance of additional equity securities, conversion of outstanding OP Units and other partnership units, and the exercise of employee stock options and stock appreciation rights will result in the dilution of the interests of the stockholders. As permitted by applicable Maryland law, our charter contains a provision permitting the Board of Directors, without any action by the stockholders of our Company, to authorize the issuance of additional stock. Under our charter, although our stockholders do not have any preemptive rights to subscribe to any securities of our Company, the Board of Directors is authorized to create such rights.

Management Control

Operating Partnership

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The Operating Partnership Agreement provides that a decision to merge the Operating Partnership, sell all or substantially all of its assets or liquidate must be approved by the holders of 75% of the outstanding OP Units. Depending on the percentage of the outstanding OP Units owned by us at the time, the concurrence of at least some of the other holders of OP Units may be required to approve any merger, sale of all or substantially all of the assets, or liquidation of the Operating Partnership. As of the date of this prospectus supplement, we own 87% of the outstanding OP Units. Other than the foregoing, all management powers over the business and affairs of the Operating Partnership are vested in our Company as the general partner of the Operating Partnership, and no limited partner of the Operating Partnership has any right to participate in or exercise control or management power over the business and affairs of the Operating Partnership. Our Company may not be removed as general partner by the limited partners with or without cause.

Our Company

The Board of Directors has exclusive control over the management of our Company's business and affairs, limited only by express restrictions in our charter and bylaws, the Operating Partnership Agreement and applicable law. The Board of Directors is currently divided into three classes of directors with each class constituting one-third of the total number of directors. Prior to our 2009 annual meeting, one class of our directors was elected at each

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annual meeting of stockholders to serve a three-year term. At our 2008 annual meeting, our stockholders approved an amendment to our charter to declassify our Board. As a result of this charter amendment, a declassified Board structure will be phased in as follows: (a) current directors will continue to serve the remainder of their three-year terms, and (b) starting with the 2009 annual meeting, directors will be elected annually, so that by our 2011 annual meeting of stockholders, all directors will be elected annually.

The policies adopted by the Board of Directors may be altered or eliminated without a vote of the stockholders. Stockholders have limited rights to make proposals that will be considered and voted on at stockholder meetings, including the right to nominate directors for election. Stockholder proposals must be approved by the requisite number of stockholder votes and depending on the type of proposal they may not be binding on our Company. Accordingly, except for their vote in the elections of directors and limited rights to make proposals for consideration at stockholder meetings, stockholders have no control over the ordinary business policies of our Company.

Because there are Board of Director elections at our Company's annual meeting and the stockholders have limited rights to make proposals for consideration at stockholder meetings, the stockholders have greater control over the management of our Company than the limited partners have over the Operating Partnership.

Duties of General Partner and Directors

Operating Partnership

Under Delaware law, our Company, as the general partner of the Operating Partnership, is accountable to the Operating Partnership as a fiduciary and, consequently, is required to exercise good faith and integrity in all of its dealings with respect to partnership affairs. However, under the Operating Partnership Agreement, our Company is expressly under no obligation to consider the separate interests of the limited partners in deciding whether to cause the Operating Partnership to take or decline to take any actions, and our Company is not liable for monetary damages for losses sustained, liabilities incurred or benefits not derived by limited partners as a result of our Company's decisions, provided that the general partner has acted in good faith and in accordance with the Operating Partnership Agreement.

Our Company

Under Maryland law, the directors of our Company are required to perform their duties in good faith, in a manner that they reasonably believe to be in the best interests of the corporation and with the care of an ordinarily prudent person in a like position under similar circumstances. The Maryland General Corporation Law presumes that a director's standard of care has been satisfied.

Management Liability and Indemnification

Operating Partnership

As a matter of Delaware law, the general partner has liability for the payment of the obligations and debts of the Operating Partnership unless this liability is limited by the terms of the obligations or debt. Under the Operating Partnership Agreement, the Operating Partnership has agreed to indemnify our Company and any director or officer of our Company from and against all losses, claims, damages, liabilities, costs and expenses (including attorneys' fees and costs), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operation of the Operating Partnership as set forth in the Operating Partnership Agreement in which our Company or any director or officer of our Company may be involved, unless the act or omission was in bad faith or the result of active and deliberate dishonesty and was material to the action; the party seeking indemnification received an improper personal benefit; or in the case of any criminal proceeding, the party seeking indemnification had reasonable cause to believe the act or omission was unlawful. Our Operating Partnership Agreement and charter each provide that these indemnification rights are non-exclusive of any other rights to which those seeking indemnification may be entitled. The Operating Partnership Agreement also provides for indemnification of the limited partners on substantially similar terms.

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The Operating Partnership may advance reasonable expenses incurred by an indemnified party before the final disposition of the proceeding, upon receipt by the Operating Partnership of an affirmation by the indemnified person of the indemnified person's good faith belief that it is entitled to indemnification and an undertaking by the indemnified person to repay the amount if it is ultimately adjudged not to have been entitled to indemnification.

Our Company

Our charter includes provisions that limit the liability of directors and officers to us and to our stockholders for money damages to the fullest extent permitted under Maryland law. Our charter also requires us to indemnify our present and former directors and officers to the maximum extent permitted under Maryland law. These provisions apply to officers and directors acting in their capacity as officers and directors of our Company or of any other entity at the request of our Company. Our charter also requires us to make payments to our officers and directors for expenses they incur in advance of final determination of any claim or dispute for which they are seeking indemnification, in accordance with the procedures and to the full extent permitted by Maryland law. In addition, we have entered into indemnification agreements with some of our officers and directors.

The Maryland General Corporation Law permits a Maryland corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made a party by reason of their service in those or other capacities, unless it is established that the act or omission of the director or officer was material to the matter giving rise to the proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty; the director or officer actually received an improper personal benefit in money, property or services; or in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful.

However, under the Maryland General Corporation Law, a Maryland corporation may not indemnify for an adverse judgment in a suit by or in the right of the corporation or for a judgment of liability on the basis that personal benefit was improperly received, unless in either case a court orders indemnification and then only for expenses. In addition, the Maryland General Corporation Law permits a corporation to advance reasonable expenses to a director or officer upon the corporation's receipt of a written affirmation by the director or officer of his good faith belief that he has met the standard of conduct necessary for indemnification by the corporation, and a written undertaking by him or on his behalf to repay the amount paid or reimbursed by the corporation if it is ultimately determined that the standard of conduct was not met.

Liability of Investors

Operating Partnership

Under the Operating Partnership Agreement and applicable state law, the liability of the limited partners for the Operating Partnership's debts and obligations generally is limited to the amount of their investments in the Operating Partnership, together with their interest in the Operating Partnership's undistributed income, if any. Also, if any limited partner has guaranteed the Operating Partnership's indebtedness, as provided by the Operating Partnership Agreement, the limited partner would be liable to the extent provided in its guaranty.

Our Company

Under the Maryland General Corporation Law, our stockholders are not liable for our Company's debts and obligations. Their risk of loss is limited to the amount of their investments in our Company, together with their interest in our Company's undistributed income, if any. The Common Stock, upon issuance in accordance with this prospectus supplement, will be fully paid and nonassessable. Thus, the limited partners in the Operating Partnership and our stockholders have substantially the same limited personal liability.

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Voting Rights

Operating Partnership

Under the Operating Partnership Agreement, the limited partners have limited voting rights. The limited partners do not have the right to vote on any proposed sale, exchange, transfer or disposal of assets except when all or substantially all of the assets of the Operating Partnership are being transferred, and then only to the extent that our Company does not own at least 75% of the OP Units. In addition, the limited partners do not have the right to propose amendments to the Operating Partnership Agreement, and certain types of amendments can be approved without the vote of the limited partners. However, certain amendments that would change the limited liability of a limited partner or change specified provisions in the Operating Partnership Agreement with respect to distributions and allocations or the right to redeem units must be approved by each limited partner adversely affected by the amendment.

Our Company

The business and affairs of our Company are managed under the direction of the Board of Directors, which currently consists of nine members. Prior to our 2009 annual meeting, one class of our directors was elected at each annual meeting of stockholders to serve a three-year term. At our 2008 annual meeting, our stockholders approved an amendment to our charter to declassify our Board. As a result of this charter amendment, a declassified Board structure will be phased in as follows: (a) current directors will continue to serve the remainder of their three-year terms, and (b) starting with the 2009 annual meeting, directors will be elected annually, so that by our 2011 annual meeting of stockholders, all directors will be elected annually. Each share of Common Stock has one vote. Maryland law requires that certain major corporate transactions, including most amendments to our charter, may be consummated only with the approval of stockholders. Our bylaws and Maryland law permit any action that may be taken at a meeting of stockholders to be taken without a meeting if a written consent to the action is signed by holders of all outstanding shares of capital stock having a right to vote on the action. Maryland law also permits the charter of a Maryland corporation to contain a provision permitting action to be taken by the written or electronic consent of the holders of Common Stock entitled to cast not less than the minimum number of votes that would be necessary to take the action at a stockholders meeting. Our charter does not contain such a provision.

Amendment of the Operating Partnership Agreement or our Charter

Operating Partnership

Our Company generally has the power, without the consent of any limited partners, to amend the Operating Partnership Agreement as may be required to reflect any changes that our Company deems necessary or appropriate in its sole discretion, provided that the amendment does not adversely affect or eliminate any right granted to a limited partner that is protected by special voting provisions. See [Voting Rights](#).

Our Company

Under the Maryland General Corporation Law and our charter, most amendments to our charter will require the affirmative vote of the holders of at least two-thirds of the capital stock entitled to vote on the amendment. However, subject to the rights of any class or series of preferred stock, the Board of Directors may supplement the charter of our Corporation to designate new classes or series of common or preferred stock without stockholder approval.

Issuance of Additional Equity

Operating Partnership

The Operating Partnership is generally authorized to issue OP Units and other partnership interests, including partnership interests of different series or classes, as determined by our Company as the general partner in its sole discretion. The Operating Partnership may issue OP Units and other partnership interests to our Company as the general partner, as long as these interests are issued to all of the partners in proportion to their respective interests in the Operating

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Partnership. The Operating Partnership may also issue OP Units to our Company in connection with a new issuance of securities of our Company, provided that the proceeds of the new issuance of securities of our Company are contributed to the Operating Partnership and the OP Units issued to our Company have terms substantially identical to the new securities being issued by our Company.

Our Company

The Board of Directors may authorize the issuance, in its discretion, of additional Common Stock and other equity securities of our Company, including one or more classes of common or preferred stock, with such preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications and terms and conditions of redemption as the Board of Directors may establish.

The Operating Partnership and our Company both have substantial flexibility to raise equity through the sale of additional OP Units, shares of capital stock or other securities to finance the business and affairs of the Operating Partnership.

Borrowing Policies

Operating Partnership

The Operating Partnership has no restrictions on borrowings, and our Company as general partner has full power and authority to borrow money on behalf of the Operating Partnership.

Our Company

Our Company is not restricted under its charter from borrowing. However, under the Operating Partnership Agreement, our Company, as general partner, may not borrow money, except for the purpose of advancing funds to the Operating Part