AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON NOVEMBER 21, 1996

REGISTRATION NO. 333-11491

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 4

TO

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

SIMON DEBARTOLO GROUP, L.P.

SIMON PROPERTY GROUP, L.P.
(EXACT NAME OF EACH REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	34-1755769
DELAWARE	35-1903854
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(IRS EMPLOYER IDENTIFICATION NO.)

NATIONAL CITY CENTER
115 WEST WASHINGTON STREET
SUITE 15 EAST
INDIANAPOLIS, IN 46204
(317) 636-1600
(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF REGISTRANTS' PRINCIPAL EXECUTIVE OFFICE)

DAVID SIMON
CHIEF EXECUTIVE OFFICER
SIMON DEBARTOLO GROUP, INC.
NATIONAL CITY CENTER
115 WEST WASHINGTON STREET
SUITE 15 EAST
INDIANAPOLIS, IN 46204
(317) 636-1600
(NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF AGENT FOR SERVICE)

COPIES TO:

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NEW YORK, NEW YORK 10019-6064	200 PARK AVENUE
(212) 373-3000	NEW YORK, NEW YORK 10166
	(212) 878-8000

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC:
From time to time or at one time after the effective date of the Registration Statement.

If the only securities being registered on this Form are to be offered pursuant to dividend or interest reinvestment plans, please check the following box. [ ]

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. [X]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. [ ]

THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

EXPLANATORY NOTE

This Registration Statement relates to securities which may be offered from time to time by Simon DeBartolo Group, L.P. (the "Operating Partnership"), as guaranteed by Simon Property Group, L.P. ("SPG, LP"). This Registration Statement contains a form of Base Prospectus which will be used in connection with an offering of securities by the Operating Partnership, as guaranteed by SPG, LP. The specific terms of the securities and of the guarantee thereto to be offered will be set forth in a Prospectus Supplement relating to such securities. Pages S-1 through SF-10 herein set forth a Preliminary Prospectus Supplement, which is not a part of the Base Prospectus, relating to the proposed offering by the Operating Partnership of certain notes of the Operating Partnership, as guaranteed by SPG, LP.

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

SUBJECT TO COMPLETION, DATED NOVEMBER 21, 1996

PROSPECTUS SUPPLEMENT
(TO PROSPECTUS DATED NOVEMBER , 1996) [LOGO]

SIMON DEBARTOLO GROUP, L.P.

$,000,000 % REDEEMABLE NOTES DUE , 200

The % Redeemable Notes due , 200 (the "Notes") offered hereby (the "Offering") are being issued by Simon DeBartolo Group, L.P., a Delaware limited partnership (the "Operating Partnership"), in an aggregate principal amount of $ million. The Notes will mature on , 200 . The Notes are redeemable at any time at the option of the Operating Partnership, in whole or in part, at a redemption price equal to the sum of (i) the principal amount of the Notes being redeemed plus accrued interest to the redemption date and (ii) the Make-Whole Amount (as defined in "Description of the Notes -- Optional Redemption"), if any. Interest on the Notes is payable semi-annually in arrears on each May and November , commencing on May , 1997. The Notes are unsecured obligations of the Operating Partnership and will rank pari passu with each other and all unsecured unsubordinated indebtedness of the Operating Partnership. Simon Property Group, L.P., a Delaware limited partnership and a subsidiary partnership of the Operating Partnership, will guarantee (the "Guarantee") the due and punctual payment of the principal of, premium, if any, interest on, and any other amounts payable with respect to, the Notes, when and as the same shall become due and payable, whether at a maturity date, on redemption, by declaration of acceleration or otherwise. On September 30, 1996, the Operating Partnership had combined unsecured unsubordinated indebtedness aggregating approximately $323 million. See "Description of the Notes."

The Notes constitute a separate series of debt securities which will be represented by a single fully-registered global note in book-entry form, without coupons (the "Global Note"), registered in the name of the nominee of The Depository Trust Company ("DTC"). Beneficial interests in the Global Note will be shown on, and transfers thereof will be effected only through, records maintained by DTC (with respect to beneficial interests of participants) or by participants or persons that hold interests through participants (with respect to beneficial interests of beneficial owners). Owners of beneficial interests in the Global Note will be entitled to physical delivery of Notes in definitive form equal in principal amount to their respective beneficial interest only under the limited circumstances described under "Description of the Notes -- Book Entry System." Settlement for the Notes will be made in immediately available funds. The Notes will trade in DTC's Same-Day Funds Settlement System until maturity or until the Notes are issued in definitive form, and secondary market trading activity in the Notes will therefore settle in immediately available funds. All payments of principal and interest in respect of the Notes will be made by the Operating Partnership in immediately available funds. See "Description of the Notes -- Same Day Settlement and Payment." The Operating Partnership does not intend to apply for listing of the Notes on a national securities exchange.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS TO WHICH IT RELATES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	PRICE TO PUBLIC(1)	UNDERWRITING DISCOUNT(2)	PROCEEDS TO THE OPERATING PARTNERSHIP(3)
Per Note...........................	%	%	%
Total(3)...........................	$	$	$

(1) Plus accrued interest, if any, from , 1996.

(2) The Operating Partnership has agreed to indemnify the several Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended. See Underwriting.

(3) Before deducting expenses payable by the Operating Partnership estimated at $.

The Notes are offered by the several Underwriters, subject to prior sale, when, as and if delivered to and accepted by them, subject to approval of certain legal matters by counsel for the Underwriters. The Underwriters reserve the right to withdraw, cancel or modify such offer and to reject orders in whole or in part. It is expected that delivery of the Notes will be made in New York, New York on or about November , 1996.

MERRILL LYNCH & CO.

J.P. MORGAN & CO.

MORGAN STANLEY & CO. INCORPORATED

SALOMON BROTHERS INC

UBS SECURITIES

The date of this Prospectus Supplement is November   , 1996.

Map depicting the Simon DeBartolo Group's Regional Mall and Community Center Portfolios.

THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE NOTES OFFERED HEREBY AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

PROSPECTUS SUPPLEMENT SUMMARY

The following Summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Prospectus Supplement and the accompanying Prospectus or incorporated herein and therein by reference. Unless indicated otherwise, the information contained in this Prospectus Supplement is presented as of September 30, 1996. All references to the "Operating Partnership" or the "Company" (as defined below) in this Prospectus Supplement and the accompanying Prospectus include the Operating Partnership or the Company, as the case may be, those entities owned or controlled by it (including, in the case of the Operating Partnership, SPG, LP, as defined below) and its predecessors, unless the context indicates otherwise. Except as otherwise noted, statistical property information contained in this Prospectus Supplement and in the accompanying Prospectus is based upon the business and properties of the Operating Partnership on a combined basis, adjusted to give effect to the Merger (as defined below) as though it had occurred prior to the date or period of time to which such information relates.

THE OPERATING PARTNERSHIP

Simon DeBartolo Group, L.P. (the "Operating Partnership") is a subsidiary partnership of Simon DeBartolo Group, Inc. (the "Company"). The Company is a self-administered and self-managed real estate investment trust ("REIT"). Simon Property Group, L.P. ("SPG, LP") is a subsidiary partnership of the Operating Partnership and is also a subsidiary partnership of the Company. The Operating Partnership is engaged primarily in the ownership, development, management, leasing, acquisition and expansion of income producing properties, primarily regional malls and community shopping centers. On August 9, 1996, the Company acquired the national shopping center business of DeBartolo Realty Corporation ("DRC"), The Edward J. DeBartolo Corporation ("EJDC") and their affiliates as the result of the merger of DRC with a subsidiary of the Company. As a result of such merger and related transactions thereto (the "Merger"), the management resources of the merged entities were combined to create one of the most experienced management teams in the shopping center business. Management believes that as a result of the Merger, the Portfolio Properties (as defined below), as measured in gross leasable area ("GLA"), are the largest and most geographically diverse portfolio of any publicly traded REIT in North America. Management also believes that the Company is one of the largest, as measured by market capitalization, of any publicly traded real estate company in North America. Management further believes that the Operating Partnership's relationships with tenants, access to capital markets and opportunities for economies of scale and operating efficiencies will be enhanced as a result of the Operating Partnership's substantially increased portfolio size and market capitalization. In conjunction with the Merger, DRC was renamed SD Property Group, Inc. (the "Managing General Partner") and is the managing general partner of the Operating Partnership. The Company is a general partner of the Operating Partnership and sole general partner of SPG, LP (the Company and the Managing General Partner are sometimes referred to collectively as the "General Partners"). See "The Merger" in the accompanying Prospectus. As of November 14, 1996, 61.5% of the equity interest in the Operating Partnership was owned by the Company and 38.5% was owned by certain limited partners of the Operating Partnership, including the Simons (as defined below), certain members of the DeBartolo family, including certain affiliates and trusts and estates established for their benefit (collectively, the "DeBartolos"), and other limited partners.

In addition, SPG, LP holds substantially all of the economic interest in M.S. Management Associates, Inc. (the "SPG Management Company"). Melvin Simon, Herbert Simon, David Simon and certain of their affiliates, including certain other Simon family members and estates, trusts and other entities established for their benefit (collectively, the "Simons") or their affiliates hold the voting stock of the SPG Management Company. SPG Management Company manages certain regional malls and community shopping centers not wholly owned by the Operating Partnership and certain other properties and also engages in certain property development activities. The Operating Partnership holds substantially all of the economic interest in, and the SPG Management Company holds substantially all of the voting stock of, DeBartolo Properties Management, Inc. (the "DRC Management Company"), which provides architectural, design, construction and other services to substantially all of the Portfolio Properties (as defined below) owned by the Operating Partnership, as well as certain other regional malls and community shopping centers owned by third parties.

The Operating Partnership owns or holds interests in a diversified portfolio of 183 income producing properties (the "Portfolio Properties"), including 112 super-regional and regional malls, 65 community shopping centers, two specialty retail centers and four mixed-use properties located in 33 states. The Portfolio Properties contain an aggregate of approximately 111 million square feet of GLA, of which more than 65 million square feet is GLA owned by the Operating Partnership ("Owned GLA"). More than 3,600 different retailers occupy approximately 12,000 stores in the Portfolio Properties. Total estimated retail sales at the Portfolio Properties approached $16 billion in fiscal year 1995. In addition, the Operating Partnership has interests in seven properties under construction in the United States aggregating approximately six million square feet of GLA, and owns land held for future development. The Operating Partnership, together with the SPG Management Company and its affiliated management companies, manage over 127 million square feet of GLA of retail and mixed-use properties.

SUMMARY OF PORTFOLIO PROPERTIES
(IN THOUSANDS, EXCEPT PERCENTAGES)

The following table summarizes on a combined basis, as of September 30, 1996, certain information with respect to the Portfolio Properties, in total and by type of shopping center and retailer:

TYPE OF PROPERTY(1)	GLA (SQ. FT.)	TOTAL OWNED GLA (SQ. FT.)	% OF OWNED GLA(2)	% OF OWNED GLA WHICH IS LEASED(3)
Regional Malls(4)				
Mall Store	32,706,974	32,688,552	49.8	84.2
Freestanding	1,450,241	621,059	0.9	89.6
Subtotal	34,157,215	33,309,611	50.7	84.3
Anchor	59,947,841	20,026,836	30.5	97.1
Total	94,105,056	53,336,447	81.2	89.1
Community Shopping Centers				
Mall Store	3,823,877	3,742,787	5.7	88.6
Freestanding	803,717	308,078	0.4	98.6
Anchor	10,444,738	6,351,819	9.7	93.8
Total	15,072,332	10,402,684	15.8	92.1
Office Portion of Mixed-Use Properties	1,946,896	1,946,896	3.0	94.3
Total	111,124,284	65,686,027	100.0	89.7

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(1) Here and elsewhere in this Prospectus Supplement, all GLA, Owned GLA, and base rent is reported for each Portfolio Property, even if the Operating Partnership has less than a 100% ownership interest in the Portfolio Property.

(2) Indicates the percentage of total Owned GLA represented by each category of space.

(3) Includes, here and elsewhere in this Prospectus Supplement, space for which a lease has been executed, whether or not the space was then occupied. The table under "Additional Information" in this Prospectus Supplement indicates vacant anchor space as of September 30, 1996.

(4) Includes two specialty retail centers and retail space at four mixed-use properties.

THE OFFERING

All capitalized terms used herein and not defined herein have meanings provided in "Description of the Notes." For a more complete description of the terms of the Notes specified in the following summary, see "Description of the Notes."

Securities Offered.........	$,000,000 aggregate principal amount of % Redeemable Notes due , 200 (the "Notes").
Maturity...................	The Notes will mature on , 200 .
Interest Payment Dates.....	Interest on the Notes is payable semi-annually on each May and November , commencing May , 1997, and at maturity.
Ranking....................	The Notes will rank pari passu with each other and with all other unsecured and unsubordinated indebtedness of the Operating Partnership except that the Notes will be effectively subordinated to (i) the prior claims of each secured mortgage lender to any specific Portfolio Property which secures such lender's mortgage and (ii) any claims of creditors of entities wholly or partly owned, directly or indirectly, by the Operating Partnership. As of September 30, 1996, total consolidated mortgage indebtedness on the Portfolio Properties aggregated approximately $3,232 million (approximately $3,048.8 million on a pro forma basis giving effect to the Offering (as defined herein) and the Preferred Offering (as defined herein)). See "Capitalization."
Guarantee..................	SPG, LP will guarantee the due and punctual payment of the principal of, premium, if any, interest on, and any other amounts payable with respect to, the Notes, when and as the same shall become due and payable, whether at a maturity date, on redemption, by declaration of acceleration or otherwise.
Use of Proceeds............	The net proceeds to the Operating Partnership from the Offering (approximately $198 million) will be used to repay outstanding mortgage indebtedness of approximately $117.6 million and to reduce the amount outstanding under the Operating Partnership's Credit Facility (as defined herein) by approximately $80.4 million.
Limitations on Incurrence of Debt..................	The Notes contain various covenants, including the following: (1) The Operating Partnership will not incur any Debt if, after giving effect thereto, the aggregate principal amount of all outstanding Debt is greater than 60% of the sum of (i) the Operating Partnership's Adjusted Total Assets as of the end of the most recent fiscal quarter and (ii) any increase in Adjusted Total Assets from the end of such quarter, including any pro forma increase resulting from the application of proceeds of such additional Debt. (2) The Operating Partnership will not incur any Secured Debt if, after giving effect thereto, the aggregate principal amount of all outstanding Secured Debt is greater than 55% of the sum of (i) the Operating Partnership's Adjusted Total Assets as of the end of the fiscal quarter prior to the incurrence of such additional Secured Debt and (ii) any increase in Adjusted Total Assets from the end of such quarter, including any pro forma increase resulting from the application of proceeds of such additional Secured Debt.

	(3) The Operating Partnership will not incur any Debt if the ratio of EBITDA After Minority Interest to Interest Expense for the four consecutive fiscal quarters most recently ended prior to the incurrence of such Debt, on a pro forma basis, is less than 1.75 to 1.
	(4) The Operating Partnership is required to maintain Unencumbered Assets of not less than 150% of the aggregate outstanding principal amount of Unsecured Debt.
	For definitions of the capitalized terms used in the foregoing covenants, see "Descriptions of the Notes -- Certain Covenants."
Optional Redemption........	The Notes are redeemable at any time at the option of the Operating Partnership, in whole or in part, at a redemption price equal to the sum of (i) the principal amount of the Notes being redeemed plus accrued interest to the redemption date and (ii) the Make-Whole Amount, if any. See "Description of the Notes -- Optional Redemption."

THE OPERATING PARTNERSHIP

The Operating Partnership is engaged primarily in the ownership, development, management, leasing, acquisition and expansion of income producing properties, primarily regional malls and community shopping centers. On August 9, 1996, the Company acquired the national shopping center business of DRC, EJDC and their affiliates as the result of the Merger, combining the management resources of the merged entities to create one of the most experienced management teams in the shopping center business. Management believes that as a result of the Merger, the Portfolio Properties, as measured in GLA, are the largest and most geographically diverse portfolio of any publicly traded REIT in North America. Management also believes that the Company is one of the largest, as measured by market capitalization, of any publicly traded real estate company in North America. Management further believes that the Operating Partnership's relationships with tenants, access to capital markets and opportunities for economies of scale and operating efficiencies will be enhanced as a result of the Operating Partnership's substantially increased portfolio size and the Company's increased market capitalization. In conjunction with the Merger, DRC was renamed SD Property Group, Inc. and is the managing general partner of the Operating Partnership. The Company is a general partner of the Operating Partnership and sole general partner of SPG, LP. As of November 14, 1996, 61.5% of the equity interest in the Operating Partnership was owned by the Company and 38.5% was owned by certain limited partners of the Operating Partnership, including the Simons, the DeBartolos and other limited partners. As part of the Merger, the Company, as general partner of SPG, LP, and the limited partners of SPG, LP acquired a majority of the partnership interests in the Operating Partnership, and in exchange the Operating Partnership acquired a 49.5% limited partnership interest in, and an additional 49.5% interest in the profits of, SPG, LP. Following certain redemptions of the Company's interest in SPG, LP completed since the Merger, the Company owns a 40.8% partnership interest in the capital of SPG, LP and the Operating Partnership owns a 58.2% special limited partnership in, and an additional 40.8% interest in the profits of, SPG, LP.

In addition, SPG, LP holds substantially all of the economic interest in, and the Simons or their affiliates hold the voting stock of, the SPG Management Company, which manages certain regional malls and community shopping centers not wholly owned by the Operating Partnership and certain other properties and also engages in certain property development activities. The Operating Partnership holds substantially all of the economic interest in, and the SPG Management Company holds substantially all of the voting stock of, the DRC Management Company, which provides architectural, design, construction and other services to substantially all of the Portfolio Properties owned by the Operating Partnership, as well as certain other regional malls and community shopping centers owned by third parties. See also "The Operating Partnership" in the accompanying Prospectus.

The following chart depicts the organizational and ownership structure of the Operating Partnership and certain affiliates:

[ORGANIZATION CHART]

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(1) The Simons own less than 1% of the outstanding shares of common stock of the Company and all of the Class B common stock of the Company.

(2) The DeBartolos own less than 1% of the outstanding common stock of the Company and all of the Class C common stock of the Company.

(3) The Company owns over 99.9% of the common stock of SD Property Group, Inc. and, both directly and indirectly through its ownership of the SD Property Group, Inc., owns at November 14, 1996 a 61.5% interest in the Operating Partnership and, as general partner, owns 1% of the partnership units in SPG, LP and a 40.8% interest in the capital of SPG, LP.

(4) The former limited partners of the Operating Partnership and SPG, LP as a group (including the Simons and the DeBartolos) own a 38.5% beneficial interest in the Operating Partnership, of which the Simons own 21.7% and the DeBartolos own 14.2%.

(5) The Operating Partnership owns at November 14, 1996 a 58.2% special limited partnership interest in, and an additional 40.8% interest in the profits of, SPG, LP. See "The Operating Partnership" in the accompanying Prospectus.

(6) Properties owned by SPG, LP will be held as they were held in the pre-merger structure. Later acquired properties will be held by, and future operations will be conducted through, the Operating Partnership. It is currently expected that subsequent to the first anniversary of the date of the Merger, reorganizational transactions will be effected so that the Operating Partnership will directly own all of the assets and partnership interests now owned by SPG, LP. However, there can be no assurance that such reorganizational transactions will be so effected. See "The Operating Partnership" in the accompanying Prospectus.

(7) SPG, LP will guarantee the due and punctual payment of the principal of, premium, if any, interest on, and any other amounts payable with respect to, the Notes, when and as the same shall become due and payable, whether at a maturity date, on redemption, by declaration of acceleration or otherwise. See "Description of the Notes -- The Guarantee."

DIVERSIFIED PORTFOLIO

Management believes that the Portfolio Properties are the largest, as measured in GLA, of any publicly traded REIT, with more regional malls than any other publicly traded REIT. Management also believes that the geographic diversification of the Portfolio Properties should mitigate the effects of regional economic conditions and local factors, and that the diversified types of properties should reduce the impact of economic factors that may affect the retailers in any particular type of property. In addition, management further believes that the large size of the portfolio should mitigate the effects of any other factors that may affect a limited group of shopping centers.

The Operating Partnership owns or holds interests in a diversified portfolio of 183 income producing Portfolio Properties, including 112 super-regional and regional malls, 65 community shopping centers, two specialty retail centers and owns four mixed-use properties located in 33 states. The Portfolio Properties contain an aggregate of more than 111 million square feet of GLA, of which approximately 65 million square feet is GLA owned by the Operating Partnership. In addition, the Operating Partnership has interests in seven properties under construction in the United States, and owns land held for future development. The Operating Partnership, together with the SPG Management Company and its affiliated management companies, manage over 127 million square feet of GLA of retail and mixed-use properties. As of September 30, 1996, no single Portfolio Property accounted for more than 1.4% of GLA or 3.0% of the Operating Partnership's pro forma gross revenues for the nine months ended September 30, 1996.

The diversity of property type and market also provides the Operating Partnership with a broad spectrum of tenant relationships, ranging from in-line specialty shops to full service department stores; and from value retailers to high-end fashion merchants. More than 3,600 retailers occupy approximately 12,000 stores in the Portfolio Properties. Total estimated retail sales at the Portfolio Properties approached $16 billion in fiscal year 1995. Furthermore, no single retailer leases more than 10.9% of the Owned GLA in the income-producing properties or represents more than 7.9% of the annualized base rent from these properties.

The Portfolio Properties include properties owned 100% by the Operating Partnership (the "Wholly-Owned Properties"), and properties held as joint ventures (the "Joint Venture Properties"). Of the 183 Portfolio Properties, 139 are Wholly-Owned Properties, and 44 are Joint Venture Properties. The Operating Partnership manages the Wholly-Owned Properties and its affiliate, the SPG Management Company, manages all but two of the Joint Venture Properties.

COMPETITIVE POSITION

The Operating Partnership believes that it has a competitive advantage in the retail real estate business as a result of (i) its use of innovative retailing concepts, (ii) the strength of its management and operational expertise, (iii) its extensive experience and relationship with retailers and lenders and (iv) the size and diversity of its portfolio of properties.

The Operating Partnership has employed many creative retailing concepts in the Portfolio Properties, such as the power center, which transformed the community shopping center through its high concentration of anchor stores; the specialty retail center, with many unique merchandising and entertainment attractions located in a distinctive marketplace or location; the selective addition to regional malls of value-oriented tenants; and the combination of traditional retail stores with entertainment and restaurant facilities.

The senior executives of the General Partners have been recognized leaders in the shopping center industry over the past three decades. The predecessors to the Operating Partnership were among the first owners of shopping centers to integrate the full spectrum of services needed to manage, develop and acquire shopping centers, including leasing, development, management, marketing, research, budgeting, accounting, real estate tax management, collection, technical, architectural, construction, engineering, tenant coordination, legal and financial services. The depth and tenure of the management of the General Partners has enabled it to develop a results-driven team that is encouraged to adopt innovative strategies and solutions to the operation of the Operating Partnership's business.

Management believes its experience and relationships with retailers of almost every type make the Operating Partnership one of the few shopping center companies that, on a national scale, can develop, acquire, lease and manage virtually every kind of shopping center in both urban and suburban locations, from the community center to the super-regional mall, and from the high-fashion center to the value-oriented center. Management also believes that such a wide spectrum of retail formats provides the Operating Partnership with a competitive advantage which enables it to respond quickly and effectively to the changing requirements of the market.

Management further believes that the size and diversity of its portfolio and operations enable the Operating Partnership to realize significant economies of scale, provide operating and leasing leverage, and enable the Operating Partnership to stay at the forefront of emerging retail trends.

OPERATING STRATEGY

The Operating Partnership's primary business objectives are to increase cash generated from operations and the value of the Operating Partnership's properties and operations. The Operating Partnership plans to achieve these objectives through a variety of methods discussed below, although no assurance can be made that such objectives will be achieved.

Leasing. The Operating Partnership pursues an active leasing strategy, which includes aggressively marketing available space; increasing occupancy; renewing leases at higher base rents per square foot; retenanting space occupied by underperforming tenants; and continuing to sign leases that provide for percentage rents and/or regular or periodic fixed contractual increases in base rents. Management believes that the Operating Partnership's extensive relationship with national retail tenants provides an advantage in leasing space at the Portfolio Properties.

Management. Drawing upon the expertise gained through management of over 127 million square feet of retail and mixed-use properties, the Operating Partnership seeks to maximize cash flow through a combination of an active merchandising program to maintain its shopping centers as inviting shopping destinations, continuation of its successful efforts to minimize overhead and operating costs, coordinated marketing and promotional activities and systematic planning and monitoring of results.

Expansion and Renovation. The Operating Partnership has a number of expansion or renovation projects under construction or in the final stages of pre-construction development, including several existing Portfolio Properties which have significant expansion opportunities. The contemplated expansions would typically involve the addition of one or more anchor stores and/or additional mall store space. At each site where additional anchor space is contemplated, one or more retailers have expressed interest in occupying an anchor store in the expansion space. The Operating Partnership's current and recently completed expansion and renovation projects are described under "Recent Developments."

Development. The Operating Partnership believes there will continue to be opportunities to develop regional malls and power centers in selected growing metropolitan markets. The Operating Partnership intends to undertake such development on a selected basis, and believes that it will have a competitive advantage in doing so as a result of its extensive development expertise, the breadth and depth of its relationships with retailers and its access to capital. Since the 1960's, the Operating Partnership or its predecessor has been among the most active developers, managers and redevelopers of shopping centers in the U.S. The Operating Partnership's current development activities are described under "Recent Developments."

Acquisitions. The Operating Partnership intends selectively to acquire individual properties and portfolios of properties that meet its investment criteria as opportunities arise. Management believes that consolidation is occurring within the shopping center industry, creating opportunities for the Operating Partnership to acquire selected individual properties and portfolios of shopping centers. Management also believes that its extensive experience in the shopping center business, access to capital markets, familiarity with real estate markets and advanced management systems will allow it to evaluate, execute and integrate acquisitions competitively. Furthermore, management believes that the Operating Partnership will be able to manage and operate acquired properties on a cost effective basis as a result of (i) the scope of the Operating

Partnership's existing portfolio and (ii) the economies of scale of the regional mall business. Additionally, the Operating Partnership may be able to acquire properties on a tax-advantaged basis for the transferors through the issuance of its units of limited partnership ("OP Units"). The Operating Partnership may also be able to acquire properties through public or private debt financings or through equity financings of the Company. The consent of the lenders under certain of the Operating Partnership's long term debt agreements may be required in connection with substantial property acquisitions. See "Recent Developments."

FINANCING STRATEGY

Management seeks to maintain a well-balanced, conservative and flexible capital structure by: (i) targeting a ratio of debt to total market capitalization of approximately 50% or lower; (ii) managing and sequencing the maturity dates of the Operating Partnership's debt; (iii) borrowing primarily at fixed rates, and hedging floating rate indebtedness where appropriate; (iv) decreasing the proportion of borrowings done on a secured basis and increasing the amount of unencumbered cash flow and properties; (v) maintaining conservative debt service and fixed charge coverage ratios; (vi) pursuing liquidity and financial flexibility by maintaining cash reserves and substantial availability under the Operating Partnership's Credit Facility (as defined below); and (vii) as the Operating Partnership's Funds From Operations ("FFO") grows, gradually reducing the payout ratio and retaining more FFO for capital needs. Management believes that these strategies have enabled and should continue to enable the Operating Partnership to access the debt and equity capital markets for their long-term requirements such as debt refinancings and financing for development and acquisitions of additional properties and portfolios of properties. It is the Company's policy that Simon DeBartolo Group, Inc. shall not incur indebtedness other than short-term trade, employee compensation, distributions payable or similar indebtedness that will be paid in the ordinary course of business, and that indebtedness shall instead be incurred by the Operating Partnership to the extent necessary to fund the business activities conducted by the Operating Partnership, its subsidiaries and affiliates.

RECENT DEVELOPMENTS

THE MERGER

On August 9, 1996, pursuant to an Agreement and Plan of Merger, dated as of March 26, 1996, as amended, among the Company, Day Acquisition Corp., an Ohio corporation and a subsidiary of the Company ("Sub"), and DRC, Sub was merged with and into DRC. Such merger and related transactions thereto (the "Merger") were approved by stockholders of the Company and shareholders of DRC at their special meetings held on August 7, 1996 and August 6, 1996, respectively.

In connection with the Merger, outstanding shares of common stock of DRC, par value $.01 per share, were converted into the right to receive 0.68 shares of common stock of the Company, plus cash in lieu of any fractional shares. As a result, shareholders of DRC received approximately 37.9 million shares of common stock of the Company. In addition, all of the limited partners of SPG, LP and the Company, as general partner of SPG, LP, contributed an aggregate 49.5% interest of the outstanding partnership units of SPG, LP and an additional 49.5% interest in the profits of SPG, LP to the Operating Partnership, in exchange for a majority of the partnership interests in the Operating Partnership.

For financial reporting purposes, the completion of the Merger resulted in a reverse acquisition, directly or indirectly, of 100% of the net assets of DeBartolo Realty Partnership, L.P. ("DRP, LP"). See "Accounting Treatment of the Merger", and "The Merger" in the accompanying Prospectus.

ACQUISITIONS, DEVELOPMENTS AND EXPANSIONS

Since December 1994, the Operating Partnership has continued to acquire, develop, expand and renovate its portfolio. Such projects have historically been, and the Operating Partnership expects that in the future they will continue to be, financed principally with existing credit facilities, equity financings by the Company and cash flow from operations.

Completed Acquisitions

The Operating Partnership selectively acquires individual properties and portfolios of properties that meet its investment criteria as opportunities arise. Since December 1994 the Operating Partnership and its predecessors have completed 15 acquisitions resulting in an addition of approximately 4.5 million square feet of GLA to the Portfolio Properties from such acquisitions in properties in which they had no previous ownership interest. The table below gives certain information regarding recently completed acquisitions.

NAME	LOCATION	DATE OF COMPLETION	% INTEREST ACQUIRED	OPERATING PARTNERSHIP'S % INTEREST AS OF SEPTEMBER 30, 1996	TOTAL GLA (SQ. FT.)	PERCENT LEASED(1) AS OF SEPTEMBER 30, 1996
Independence Center	Independence, MO	December, 1994	100%	100%	1,032,023	77.2%
Orange Park Mall	Jacksonville, FL	December, 1994	100%	100%	847,791	88.8%
University Mall	Pensacola, FL	December, 1994	100%	100%	712,010	79.8%
Broadway Square	Tyler, TX	December, 1994	100%	100%	570,646	94.8%
White Oaks Mall	Springfield, IL	February, 1995	50%	77%	903,582	92.0%
Miami International Mall	Miami, FL	July, 1995, March, 1996	23%	60%	972,281	95.4%
University Center	South Bend, IN	July, 1995	10%	60%	150,533	97.8%
University Park Mall	South Bend, IN	July, 1995	10%	60%	908,729	94.4%
Crossroads Mall	Omaha, NE	August, 1995	50%	100%	872,859	92.2%
East Towne Mall	Knoxville, TN	September, 1995	50%	100%	977,227	81.4%
Smith Haven Mall	Lake Grove, NY	December, 1995	25%	25%	1,376,218	85.5%
Biltmore Square	Asheville, NC	January, 1996	33%	67%	495,419	77.0%
Chesapeake Square	Chesapeake, VA	January, 1996	25%	75%	704,711	78.2%
Ross Park Mall	Pittsburgh, PA	April, 1996	39%	89%(2)	1,273,479	92.5%
North East Mall	Hurst, TX	October, 1996	50%	50%(3)	1,141,585	88.0%

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(1) Represents the percentage of Owned GLA leased.

(2) The Operating Partnership receives 100% of the economic ownership interest in the property and has exercised its option to acquire the remaining 11% of the ownership effective January 1997.

(3) In connection with the settlement of certain outstanding litigation, the Operating Partnership acquired on October 4, 1996, for cash, an additional 20% limited partnership interest in North East Mall, the joint venture partnership which owns North East Mall. At the same time, the Operating Partnership exercised its option to acquire the remaining 30% limited partnership interest in North East Mall owned by the Simons in exchange for 472,410 units in the Operating Partnership ("OP Units"), as well as the Simons' 50% general partnership interest which the Operating Partnership acquired for nominal consideration. The Simons had previously contributed to the Operating Partnership, in exchange for OP Units, the right to receive distributions relating to its 50% general partnership interest. Therefore the Operating Partnership as a result of these transactions owns 100% of North East Mall.

Completed Developments and New Developments under Construction

The Operating Partnership continues to develop regional malls, power centers and specialty centers in selected growing metropolitan markets. The Operating Partnership undertakes such development on a selected basis and believes that it has a competitive advantage in doing so as a result of its development expertise, the breadth and depth of its relationships with retailers and its access to capital. The table below gives certain information regarding recently completed developments and new developments under construction.

ACTUAL OR EXPECTED DATE OF COMPLETION	NAME	LOCATION	OPERATING PARTNERSHIP'S % INTEREST	TOTAL GLA (SQ. FT.)	PERCENT LEASED(1) AS OF SEPTEMBER 30, 1996
Completed Developments:					
September, 1995...........	Circle Centre	Indianapolis, IN	15%	797,022	91.5%
September, 1995...........	Seminole Towne Center	Sanford, FL	45%	1,139,071	83.4%
October, 1995....	Lakeline Mall	North Austin, TX	50%	1,102,905	90.0%
July, 1996.......	Cottonwood Mall	Albuquerque, NM	100%	1,026,948	89.6%
November, 1996...	Ontario Mills(2)	Ontario, CA	25%	1,400,000	90.0%(3)
November, 1996...	Indian River Mall(2)	Vero Beach, FL	50%	754,000	84.0%(3)
			Total	6,219,946	
New Developments Under Construction:					
4th Qtr. 1996....	Tower Shops	Las Vegas, NV	50%	60,000	N/A
1st Qtr. 1997....	Indian River Commons	Vero Beach, FL	50%	265,000	N/A
3rd Qtr. 1997....	The Source	Long Island, NY	50%	730,000	N/A
4th Qtr. 1997....	Arizona Mills	Tempe, AZ	25%	1,225,000	N/A
4th Qtr. 1997....	Grapevine Mills	Grapevine, TX	38%	1,450,000	N/A
			Total	3,730,000	

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(1) Represents the percentage of Owned GLA leased.
(2) These properties were under construction as of September 30, 1996, but have since been completed.
(3) Represents space leased and committed as of November 14, 1996.

Expansions and Renovations

The Operating Partnership has recently completed several expansions or renovations of Portfolio Properties and has a number of projects under construction or in the final stages of pre-construction development, including several existing Portfolio Properties which have significant expansion opportunities. Such projects typically involve the addition of one of more anchor stores and/or additional mall space. The table below gives certain information regarding recently completed expansions or renovations and expansion or renovation projects currently under construction.

ACTUAL OR EXPECTED DATE OF COMPLETION	NAME	LOCATION	PERCENT LEASED(1) AS OF SEPTEMBER 30, 1996
Completed Expansions and/or Renovations:			
August, 1995..................	Biltmore Square	Asheville, NC	77.0%
November, 1995................	Tippecanoe Mall	Lafayette, IN	78.5%
November, 1995................	Ingram Park Mall	San Antonio, TX	89.7%
November, 1995................	Barton Creek Square	Austin, TX	90.9%
November, 1995................	Cheltenham Square	Philadelphia, PA	94.9%
November, 1995................	Bay Park Square	Green Bay, WI	89.5%
November, 1995................	Coral Square	Coral Springs, FL	86.1%
November, 1995................	Lima Mall	Lima, OH	92.7%
November, 1995................	Glen Burnie Mall	Glen Burnie, MD	91.8%
October, 1996.................	University Park Mall	South Bend, IN	94.4%
November, 1996(2)............	Summit Mall	Akron, OH	84.8%
November, 1996(2)............	Greenwood Plus	Greenwood, IN	100.0%
Expansions and/or Renovations Currently Under Construction:			
November, 1996................	College Mall	Bloomington, IN	84.8%
April, 1997...................	Lafayette Square	Indianapolis, IN	81.6%
May, 1997.....................	Century III Mall	Pittsburgh, PA	87.9%
May, 1997.....................	Chautauqua Mall	Lakewood, NY	64.7%
May, 1997.....................	Tippecanoe Plaza	Lafayette, IN	100.0%
September, 1997..............	Muncie Mall	Muncie, IN	85.6%
September, 1997..............	Forum Shops at Caesars	Las Vegas, NV	95.9%
September, 1997..............	Aventura Mall	Miami, FL	94.4%
September, 1997..............	Southern Park Mall	Youngstown, OK	91.7%
3rd Quarter, 1998............	Florida Mall	Orlando, FL	95.6%

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(1) Represents the percentage of Owned GLA leased.
(2) These properties were under expansion and/or renovation as of September 30, 1996, but have since been completed.

Pre-construction development continues on a number of project expansions, renovations and anchor additions at over 50 properties, including significant activity at properties such as Irving Mall in Irving, Texas; La Plaza in McAllen, Texas; North East Mall in Hurst, Texas; Prien Lake Mall in Lake Charles, Louisiana; Southern Park Mall in Youngstown, Ohio; University Mall in Pensacola, Florida; Mission Viejo Mall in Mission Viejo, California; and Northgate Mall in Seattle, Washington. The Operating Partnership expects to commence construction on many of these projects in the next 12 to 24 months.

FINANCINGS AND INDEBTEDNESS

On April 19, 1995, the Company completed an offering of 6,000,000 shares of common stock, and on May 10, 1995 the underwriters exercised a portion of the over-allotment option granted them in connection with that offering aggregating 241,845 shares generating net proceeds of $142 million. These proceeds were contributed to SPG, LP in exchange for partnership units and subsequently used to repay a term loan and pay down amounts outstanding on an unsecured revolving credit facility.

On October 27, 1995, the Company completed a $100 million private equity placement of 4,000,000 shares of Series A convertible preferred stock (the "Series A Preferred Shares") with Algemeen Burgerlijk Pensioenfonds ("ABP"). The holder of the Series A Preferred Shares votes with the holders of the Company's common stock on all matters. The Company contributed the proceeds of this private equity placement to SPG, LP, in exchange for preferred units in SPG, LP which are entitled to preferential distributions equal to the dividends paid on the Series A Preferred Shares held by ABP.

On September 10, 1996, the Operating Partnership retired the DRC secured line of credit, which bore interest at LIBOR plus 175 basis points, with proceeds from SPG, LP's two unsecured credit facilities, which bore interest at LIBOR plus 132.5 basis points.

On September 20, 1996, the Securities and Exchange Commission declared effective a shelf registration statement filed by the Company to provide for the offering, from time to time, of up to $750 million aggregate public offering price of common stock, preferred stock, depositary shares and/or warrants of the Company. On September 27, 1996, pursuant to such shelf registration statement, the Company completed a $200 million public offering (the "Preferred Offering") of 8,000,000 shares of 8 3/4% Series B Cumulative Redeemable Preferred Stock (the "Series B Preferred Shares"), generating net proceeds of approximately $193 million. The Company contributed the proceeds of such offering to the Operating Partnership in exchange for preferred units in the Operating Partnership, the terms of which are substantially identical to those applicable to the Series B Preferred Shares. The Operating Partnership ultimately used the net proceeds to repay $142.8 million of outstanding mortgage indebtedness, $34.4 million under SPG, LP's two unsecured credit facilities, $12.5 million to acquire additional partnership interests in North East Mall, Hurst, Texas and the remainder for working capital.

On September 27, 1996, the Operating Partnership obtained a $750 million, unsecured, three-year credit facility (the "Credit Facility"), which initially bears interest at LIBOR plus 90 basis points, and retired the outstanding borrowing of SPG, LP in the aggregate principal amount of $323 million under SPG, LP's two unsecured credit facilities, which bore interest at LIBOR plus 132.5 basis points. The Credit Facility increases the Operating Partnership's available capital by $150 million.

Both the Operating Partnership and the Company anticipate in the future issuing additional debt or equity securities on a public or private basis. The Operating Partnership is currently contemplating an issuance of unsecured debt in the near future in an amount currently expected not to exceed $100 million.

On November 5, 1996, the Company entered into a forward treasury lock agreement (the "Agreement") with J.P. Morgan Securities Inc. (the "Counterparty"). Pursuant to the Agreement, the Company and the Counterparty have agreed to exchange payments with respect to a notional principal amount of $100 million based on how a specified interest rate on U.S. Treasuries will have varied from a base rate of 6.307% (which rate includes an embedded premium of approximately 0.013% to reflect the term of the Agreement) on November 22, 1996. The Company will either receive or make a payment, depending on whether such specified interest rate is above or below 6.307%. On average, a movement of 0.01% above 6.307% would require the Counterparty to make a payment of approximately $73,000 to the Company, and a movement of 0.01% below 6.307% would require the Company to make a payment of approximately $73,000 to the Counterparty. On November 20, 1996, such specified interest rate was 6.13%, which, if it were to be the specified interest rate on November 22, 1996, would require the Company to make a payment of approximately $1,312,500 to the Counterparty.

Neither the Company nor the Operating Partnership has previously entered into an agreement such as the Agreement in connection with a contemplated debt offering for the purpose of hedging against interest rate exposure in connection with a prospective offering, although the Operating Partnership has entered into other types of interest rate protection agreements for the purpose of hedging against interest rate exposure under existing indebtedness. Neither the Company nor the Operating Partnership currently contemplates entering into another agreement similar to that of the Agreement. After the registration statement of which this Prospectus forms a part has become effective, in connection with future offerings under this registration statement, the Operating Partnership may enter into interest rate protection agreements which hedge the interest rate exposure associated with any such future debt offerings.

As of September 30, 1996, the Operating Partnership had consolidated debt on a pro forma basis giving effect to the Offering (as defined below) and the Preferred Offering of $3,557.1 million (including $97.0 million applicable to minority interests) and the Operating Partnership's allocable share of unconsolidated debt of the Joint Venture Properties on a pro forma basis as of September 30, 1996 giving effect to the Offering and the Preferred Offering was $431.2 million. Scheduled maturities of this debt for periods reflected are as follows:

YEAR OF MATURITY	CONSOLIDATED DEBT(1)	ALLOCABLE SHARE OF JOINT VENTURE DEBT	TOTAL DEBT
		(IN THOUSANDS)	
1996 (10/1 to 12/31)	$ 63,079(2)	$ 1,153	$ 64,232
1997	30,000	3,498	33,498
1998	288,379	70,833	359,212
1999	537,935(3)	68,929	606,864
2000	334,176	62,552	396,728
2001	651,589	24,206	675,795
2002	461,865	26,187	488,052
2003	348,288	74,452	422,740
2004	187,848	0	187,848
2005	40,312	61,636	101,948
2006	254,745	37,735	292,480
2007	220,769	0	220,769
Thereafter	126,290	0	126,290
Subtotal	3,545,275	431,181	3,976,456
Other(4)	11,848	--	11,848
Total	$3,557,123	$ 431,181	$3,988,304

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(1) This table reflects the net proceeds of the Offering which are expected to retire $62,000 maturing in 1997 and $136,000 maturing in 1999. See "Use of Proceeds."

(2) The Operating Partnership has received a commitment to extend the maturity of this indebtedness for up to three years.

(3) Includes $308,600 outstanding on the Credit Facility on a pro forma basis. See "Capitalization."

(4) Amount reflects the adjustment of DRC's indebtedness to fair market value.

OTHER RECENT DEVELOPMENTS

On October 16, 1996, a complaint was filed in the Court of Common Pleas of Mahoning County, Ohio, captioned Carlo Angostinelli et al. v. DeBartolo Realty Corp. et al. The named defendants are the Managing General Partner and DeBartolo Properties Management, Inc., and the plaintiffs are 24 former employees of the defendants. In the complaint, plaintiffs allege that they were recipients of deferred stock grants under the DRC 1994 Stock Incentive Plan (the "Plan") and that these grants immediately vested under the Plan's "change in control" provision as a result of the Merger. Plaintiffs assert that the defendants' refusal to issue them approximately 579,000 shares of DRC common stock, which is equivalent to approximately 394,000 shares of common stock of the Company computed at the .68 exchange ratio used in the Merger, constitutes a breach of contract and a breach of the implied covenant of good faith and fair dealing under Ohio law. Plaintiffs seek damages equal to such number of shares of DRC common stock, or cash in lieu thereof, equal to all deferred stock ever granted to them under the Plan, dividends on such stock from the time of the grants, compensatory damages for breach of the implied covenant of good faith and fair dealing, and punitive damages.

The complaint was served on the defendants on October 28, 1996, and pre-trial proceedings have not yet commenced. The Company is of the opinion that it has meritorious defenses and accordingly intends to defend this action vigorously. While it is difficult to predict the outcome of this litigation at this stage, based on the information known to the Company to date, the Company does not expect this action will have a material adverse effect on the Company.

USE OF PROCEEDS

The net proceeds to the Operating Partnership from the sale of the Notes offered hereby (the "Offering"), after deducting total expenses estimated to be approximately $2 million, are estimated to be approximately $198 million. The Operating Partnership intends to use substantially all of the proceeds of the Offering to repay existing mortgage indebtedness of approximately $117.6 million, and to reduce the amount outstanding under the Credit Facility by approximately $80.4 million. Morgan Guaranty Trust Company of New York, an affiliate of J.P. Morgan Securities Inc. and Union Bank of Switzerland, New York Branch, an affiliate of UBS Securities LLC are lead agents under the Credit Facility, and as such are receiving a portion of the net proceeds of the Offering in connection with amounts being repaid with respect thereto. Pending such use, the net proceeds may be invested in short-term income producing investments such as commercial paper, government securities or money market funds that invest in government securities. On November 14, 1996, the weighted average interest rate on the interim indebtedness expected to be repaid with the aggregate net proceeds of the Offering and the weighted average maturity of such indebtedness, were 7.36% and 1.48 years, respectively.

ACCOUNTING TREATMENT OF THE MERGER

For financial reporting purposes, the completion of the Merger resulted in a reverse acquisition by the Company using the purchase method of accounting, directly or indirectly, of 100% of the net assets of DeBartolo Realty Partnership, L.P. ("DRP, LP"). Although the Company was the accounting acquirer, DRP, LP (which is now known as Simon DeBartolo Group, L.P. ("SDG, LP")) became the primary operating partnership through which the future business of the Company will be conducted. As a result of the Merger, the Company's initial operating partnership, SPG, LP, became a subsidiary of SDG, LP. However, because the Company was the accounting acquirer and, upon completion of the Merger, acquired majority control of DRP, LP, SPG, LP is the predecessor to SDG, LP for financial reporting purposes. Accordingly, the financial statements and ratios disclosed by SDG, LP for post-merger periods will reflect the reverse acquisition of DRP, LP by the Company using the purchase method of accounting and for all pre-merger comparative periods, the financial statements and ratios disclosed by SDG, LP will reflect the financial statements and ratios of SPG, LP as the predecessor to SDG, LP for financial reporting purposes. See "The Merger" in the accompanying Prospectus.

CAPITALIZATION

The following table sets forth the historical capitalization of SDG, LP as of September 30, 1996, and the pro forma capitalization of SDG, LP as of September 30, 1996, as adjusted to give effect to the Offering, the Preferred Offering and the reclassification of limited partners' equity interest in SDG, LP:

	AS OF SEPTEMBER 30, 1996	
	HISTORICAL	PRO FORMA
	(IN MILLIONS)	
Debt		
Mortgage Debt	$ 3,232	$ 3,049(1)
Credit Facility	323	308(1)
The Notes	--	200
Total Debt	3,555	3,557
Limited Partners' equity interest at redemption value(2)	1,543	--
Partners' Equity		
Series A Preferred Units, 4,000,000 units authorized, issued and outstanding(3)	100	100
Series B Preferred Units, 9,200,000 units authorized, 8,000,000 units issued and outstanding(3)	193	193
General Partners(4)	1,030	1,030
Limited Partners(4)	--	646
Adjustment to exclude Limited Partners' equity interest at redemption value	(897)	--
Unamortized Restricted Stock Award	(6)	(6)
Total Partners' Equity	420	1,963
Total Capitalization	$ 5,518	$ 5,520

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(1) A portion of the proceeds ($65.6) from the Preferred Offering were used on an interim basis in September 1996 to reduce amounts outstanding under the Credit Facility. In October 1996 this amount was borrowed under the Credit Facility to repay mortgage indebtedness.

(2) On November 13, 1996, an agreement was reached between the Company and the Operating Partnership which restricts the Company's ability to cause the Operating Partnership to redeem for cash the limited partners' units without contributing cash to the Operating Partnership as partners' equity sufficient to effect the redemption. If sufficient cash is not contributed, the Company will be deemed to have elected to acquire the limited partners' units for shares of the Company's common stock. Accordingly, prospectively the limited partners' interest in SDG, LP will be reflected in the consolidated balance sheet of SDG, LP as partners' equity at historical carrying value. The impact of the arrangement has been reflected as a pro forma adjustment. See "Pro Forma Combined Condensed Financial Information."

(3) The Company is entitled to preferred distributions from SPG, LP and the Operating Partnership equal to the dividends paid by the Company on the Series A Preferred Shares and the Series B Preferred Shares, respectively.

(4) Units issued and outstanding of SDG, LP at September 30, 1996 were as follows:

	ACTUAL AT SEPTEMBER 30, 1996
General Partners	96,507,387
Limited Partners	60,501,640

SELECTED FINANCIAL AND OPERATING DATA

The following tables set forth certain selected financial and operating data on a historical basis for SDG, LP and for SPG, LP, the Predecessor of SDG, LP for financial reporting purposes, and pro forma historical financial data of SDG, LP for the respective periods presented. The financial statements of SDG, LP for the post-merger periods will reflect the reverse acquisition of DRP, LP by the Company using the purchase method of accounting and for all pre-merger comparative periods the financial statements disclosed by SDG, LP will reflect the financial statements of its Predecessor for financial reporting purposes, SPG, LP. See "Accounting Treatment of the Merger", and "The Merger" in the accompanying Prospectus. The historical financial information should be read in conjunction with the financial statements and notes thereto of SDG, LP, SPG, LP and DRP, LP, respectively, included in the accompanying Prospectus. The pro forma combined balance sheet data as of September 30, 1996 is presented as if the Offering, the Preferred Offering and the reclassification of limited partners' equity interest in SDG, LP had occurred on September 30, 1996. The unaudited pro forma combined operating data for the nine month period ended September 30, 1996 and the year ended December 31, 1995 are presented as if the Offering, the Preferred Offering and the Merger had occurred as of January 1, 1995 and were carried forward through September 30, 1996. The pro forma financial information does not purport to represent what the actual financial position or results of operation would have been as of the period or for the periods indicated, nor does it purport to represent any future financial position or results of operations for any future period. The pro forma financial information should be read in conjunction with the financial statements and notes thereto of SDG, LP, SPG, LP and DRP, LP, respectively, included in the accompanying Prospectus.

	SIMON DEBARTOLO GROUP, L.P. (SDG, LP)		
	PRO FORMA FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996	PRO FORMA FOR THE YEAR ENDED DECEMBER 31, 1995	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996
	(IN THOUSANDS EXCEPT PER UNIT DATA, PORTFOLIO PROPERTY DATA AND RATIOS)		
OPERATING DATA(1):			
Total Revenue	$ 694,343	$889,714	$ 485,640
Expenses:			
Operating Expenses	256,671	308,280	189,888
Depreciation and Amortization	134,442	162,560	88,913
Interest Expense(2)	196,714	243,559	135,346
Income (Loss) before Extraordinary Items	119,556	191,262	76,639
Net Income (Loss)	$ 119,556	$191,262	$ 73,844
Preferred Unit Distributions	19,219	18,990	6,286
Net Income (Loss) available to unit holders	100,337	172,272	67,558
Net Income per unit before extraordinary items	$ 0.64	$ 1.12	$ 0.65
Net Income per unit(3)	$ 0.64	$ 1.12	$ 0.63
Distributions per unit	$ 1.14	$ 1.97	$ 1.14
Weighted average units outstanding	156,926	153,809	107,607
BALANCE SHEET DATA (as of end of period):			
Investment in Real Estate, net	$4,989,949	N/A	$ 4,989,949
Cash and cash equivalents	92,575	N/A	92,575
Total Assets	5,800,196	N/A	5,798,176
Total Debt	3,557,123(4)	N/A	3,555,123
Limited Partners' Equity Interest	--	N/A	1,542,792
Owner's Equity (Deficit)	$1,962,765	N/A	$ 419,973
OTHER DATA(1):			
Cash flow provided by (used in):			
Operating activities	$ 245,189	$303,236	$ 140,736
Investing activities	(91,090)	(306,421)	(57,971)
Financing activities	(93,409)	(88,481)	52,911
Restated Funds from Operations (FFO) (5)	$ 248,541	$346,971	$ 173,481
RATIO OF EARNINGS TO FIXED CHARGES OR COVERAGE DEFICIT(6)	1.61x	1.82	1.50x

SIMON PROPERTY GROUP, L.P. (SPG, LP, THE PREDECESSOR OF SDG, LP)			
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1995	FOR THE YEAR ENDED DECEMBER 31, 1995	FOR THE YEAR ENDED DECEMBER 31, 1994	FOR THE PERIOD FROM DECEMBER 20 TO DECEMBER 31, 1993
(IN THOUSANDS EXCEPT PER UNIT DATA, PORTFOLIO PROPERTY DATA AND RATIOS)			

OPERATING DATA(1):				
Total Revenue	$ 398,297	$ 553,657	$ 473,676	$ 18,424
Expenses:				
Operating Expenses	151,914	209,782	183,433	4,095
Depreciation and Amortization	65,212	92,739	75,945	2,051
Interest Expense(2)	112,125	150,224	150,164	3,548
Income (Loss) before Extraordinary Items	72,681	101,505	60,308	8,707
Net Income (Loss)	$ 69,797	$ 98,220	$ 42,328	$ (21,774)
Preferred Unit Distributions	--	1,490	--	--
Net Income (Loss) available to unit holders	69,797	96,730	42,328	(21,774)
Net Income per unit before extraordinary items	$ 0.79	1.08	$ 0.71	$ 0.11
Net Income per unit(3)	$ 0.76	1.04	$ 0.50	$ (0.28
Distributions per unit	$ 1.48	1.97	$ 1.90	--
Weighted average units outstanding	91,663	92,666	84,510	78,447
BALANCE SHEET DATA (as of end of period):				
Investment in Real Estate, net	$ 1,985,841	2,009,344	$1,829,111	$1,350,360
Cash and cash equivalents	72,983	62,721	105,139	110,625
Total Assets	2,407,499	2,556,436	2,316,860	1,793,654
Total Debt	1,986,072	1,980,759	1,938,091	1,455,884
Limited Partners' Interest	949,126	908,764	909,306	848,373
Owner's Equity (Deficit)	$ (709,583)	(589,126)	$ (807,613)	$ (791,820)
OTHER DATA(1):				
Cash flow provided by (used in):				
Operating activities	$ 129,544	194,336	$ 128,023	N/A
Investing activities	(101,191)	(222,679)	(266,772)	N/A
Financing activities	(60,509)	(14,075)	133,263	N/A
Restated Funds from Operations (FFO) (5)	$ 137,287	197,909	$ 167,761	N/A
RATIO OF EARNINGS TO FIXED CHARGES OR COVERAGE DEFICIT(6)	1.64x	1.67x	1.43x	3.36x

	SIMON PROPERTY GROUP (THE PREDECESSOR OF SPG, LP)		
	FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 19, 1993	FOR THE YEAR ENDED DECEMBER 31, 1992	FOR THE YEAR ENDED DECEMBER 31, 1991
	(IN THOUSANDS EXCEPT PER UNIT DATA, PORTFOLIO PROPERTY DATA AND RATIOS)		
OPERATING DATA(1):			
Total Revenue	$ 405,869	$ 400,852	$ 378,029
Expenses:			
Operating Expenses	175,801	176,682	173,923
Depreciation and Amortization	60,243	58,104	56,033
Interest Expense(2)	156,909	178,075	159,798
Income (Loss) before Extraordinary Items	6,912	(11,692)	(15,865)
Net Income (Loss)	$ 33,101	$ (11,692)	$ (15,865)
Preferred Unit Distributions	--	--	--
Net Income (Loss) available to unit holders		(11,692)	(15,865)
Net Income per unit before extraordinary items	33,101	N/A	N/A
Net Income per unit(3)	N/A	N/A	N/A
Distributions per unit	N/A	N/A	N/A
Weighted average units outstanding	N/A	N/A	N/A
BALANCE SHEET DATA (as of end of period):			
Investment in Real Estate, net	N/A	$1,156,009	$1,143,050
Cash and cash equivalents	N/A	42,682	31,840
Total Assets	N/A	1,494,289	1,432,028
Total Debt	N/A	1,711,778	1,548,292
Limited Partners' Interest	N/A	N/A	N/A
Owner's Equity (Deficit)	N/A	$ (565,566)	$ (418,697)
OTHER DATA(1):			
Cash flow provided by (used in):			
Operating activities	N/A	N/A	N/A
Investing activities	N/A	N/A	N/A
Financing activities	N/A	N/A	N/A
Restated Funds from Operations (FFO) (5)	N/A	N/A	N/A
RATIO OF EARNINGS TO FIXED CHARGES OR COVERAGE DEFICIT(6)	1.11x	$ (12,821)	$ (18,719)

	SIMON DEBARTOLO GROUP, L.P. (SDG, LP)		
	PRO FORMA FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996	PRO FORMA FOR THE YEAR ENDED DECEMBER 31, 1995	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996
	(IN THOUSANDS EXCEPT PER UNIT DATA, PORTFOLIO PROPERTY DATA AND RATIOS)		
OTHER RATIOS(1):			
Ratio of EBITDA After Minority Interest to Fixed Charges and Preferred Unit Distributions(7)(8)	1.98x	2.13x	2.10x
Ratio of Debt to Adjusted Total Assets(9)	48.53%	46.06%	48.52%
Ratio of Secured Debt to Adjusted Total Assets(10)	43.01%	41.63%	44.49%
Ratio of Unencumbered Assets to Unsecured Debt(11)	3.99x	4.94x	5.80x
Ratio of EBITDA After Minority Interest to Interest Expense (7)(12)	2.31x	2.46x	2.37x
PORTFOLIO DATA:			
Total EBITDA(7)	$576,850	$760,880	$ 390,156
EBITDA After Minority Interest(7)	464,239	650,307	313,201
Number of Portfolio Properties	183	183	183
Total GLA (thousands of square feet)	111,124	109,791	111,124

	SIMON PROPERTY GROUP, L.P. (SPG, LP, THE PREDECESSOR OF SDG, LP)			
	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1995	FOR THE YEAR ENDED DECEMBER 31, 1995	FOR THE YEAR ENDED DECEMBER 31, 1994	FOR THE PERIOD FROM DECEMBER 20 TO DECEMBER 31, 1993
	(IN THOUSANDS EXCEPT PER UNIT DATA, PORTFOLIO PROPERTY DATA AND RATIOS)			
OTHER RATIOS(1):				
Ratio of EBITDA After Minority Interest to Fixed Charges and Preferred Unit Distributions(7)(8)	2.14X	2.18X	2.18X	N/A
Ratio of Debt to Adjusted Total Assets(9)	47.63%	46.51%	50.64%	N/A
Ratio of Secured Debt to Adjusted Total Assets(10)	42.84%	42.18%	45.74%	N/A
Ratio of Unencumbered Assets to Unsecured Debt(11)	5.49X	5.49x	3.84x	N/A
Ratio of EBITDA After Minority Interest to Interest Expense (7)(12)	2.34X	2.39X	2.36X	N/A
PORTFOLIO DATA:				
Total EBITDA(7)	$315,276	$437,548	$386,835	$346,679(13)
EBITDA After Minority Interest(7)	257,123	357,158	307,372	256,169(13)
Number of Portfolio Properties	120	122	119	114
Total GLA (thousands of square feet)	59,644	62,232	58,200	54,042

	SIMON PROPERTY GROUP (THE PREDECESSOR OF SPG, LP)		
	FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 19,1993	FOR THE YEAR ENDED DECEMBER 31, 1992	FOR THE YEAR ENDED DECEMBER 31, 1991
	(IN THOUSANDS EXCEPT PER UNIT DATA, PORTFOLIO PROPERTY DATA AND RATIOS)		
OTHER RATIOS(1):			
Ratio of EBITDA After Minority Interest to Fixed Charges and Preferred Unit Distributions(7)(8)	N/A	N/A	N/A
Ratio of Debt to Adjusted Total Assets(9)	N/A	N/A	N/A
Ratio of Secured Debt to Adjusted Total Assets(10)	N/A	N/A	N/A
Ratio of Unencumbered Assets to Unsecured Debt(11)	N/A	N/A	N/A
Ratio of EBITDA After Minority Interest to Interest Expense (7)(12)	N/A	N/A	N/A
PORTFOLIO DATA:			
Total EBITDA(7)	N/A	$ 316,535	$ 282,326
EBITDA After Minority Interest(7)	N/A	227,931	210,634
Number of Portfolio Properties	N/A	110	108
Total GLA (thousands of square feet)	N/A	52,404	51,375

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

(2) Interest expense for the year ended December 31, 1994 includes $27.2 million of additional non-recurring contingent interest paid in connection with the refinancing of a Portfolio Property. The property lender was entitled to participate in the appreciated market value of the Portfolio Property upon refinancing. Management does not presently expect to enter into financing arrangements with similar participation features in the future. Accordingly, management considers the payment made to the lender unusual in nature. As explained in footnote (5) below, unusual or extraordinary items are excluded for purposes of computing FFO. Accordingly, this item has been excluded from FFO in this table and elsewhere in this Prospectus Supplement.

(3) Per unit data are reflected only for the periods from December 20, 1993 through September 30, 1996. Per unit data are not relevant for the historical combined financial statements of Simon Property Group, the Predecessor to SPG, LP, since such financial statements are a combined presentation of partnerships and corporations.

(4) Pro forma debt of the Operating Partnership as of September 30, 1996 includes $3,049 million, $308 million and $200 million of mortgage indebtedness outstanding indebtedness under the Credit Facility and Notes outstanding, respectively. See "Capitalization."

(5) Funds from Operations ("FFO"), as defined by the National Association of Real Estate Investment Trusts ("NAREIT"), means combined net income of the Operating Partnership without giving effect to depreciation and amortization, gains or losses from extraordinary items, gains or losses on sales of real estate, gains or losses on investments in marketable securities and any provision/benefit for income taxes for such period, plus the allocable portion, based on the Operating Partnership's ownership interest, of FFO of unconsolidated joint ventures, all determined on a consistent basis in accordance with generally accepted accounting principles. Management believes that FFO is an important and widely used measure of the operating performance of REITs which provides a relevant basis for comparison among REITs. FFO is presented to assist investors in analyzing the performance of the Operating Partnership. The Operating Partnership's method of calculating FFO may be different from the methods used by other REITs. FFO (i) does not represent cash flows from operations as defined by generally accepted accounting principles, (ii) should not be considered as an alternative to net income as a measure of operating performance or to cash flows from operating, investing and financing activities and (iii) is not an alternative to cash flows as a measure of liquidity. In March 1995, NAREIT modified its definition of FFO. The modified definition provides that amortization of deferred financing costs and depreciation of nonrental real estate assets are no longer to be added back to net income in arriving at FFO. The modified definition was adopted by the Operating Partnership beginning in 1996. Additionally the FFO for prior periods have been restated to reflect the new definition in order to make the amounts comparative.

The following table reconciles pro forma combined net income of the Operating Partnership to pro forma FFO for the nine months ended September 30, 1996 and for the year ended December 31, 1995:

	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996	FOR THE YEAR ENDED DECEMBER 31, 1995
	(IN THOUSANDS)	
Pro forma combined net income of the Operating Partnership	$119,556	$ 191,262
Plus:		
Depreciation and amortization less minority interests for consolidated properties plus the Operating Partnership's share from unconsolidated joint ventures	148,204	176,445
Less:		
Operating Partnership's share of gains on sales of assets	(88)	(1,746)
Preferred Unit Distributions	(19,218)	(18,990)
Pro forma FFO of the Operating Partnership	$248,541	$ 346,971
Pro forma FFO allocable to the General Partners	$152,604	$ 210,264
Pro forma FFO allocable to the Limited Partners	$ 95,937	$ 136,707

(6) For purposes of computing the Ratio of Earnings to Fixed Charges, earnings have been calculated by adding Fixed Charges, excluding capitalized interest, to income (loss) from continuing operations including income from minority interests which have fixed charges, and including distributed operating income from unconsolidated joint ventures instead of income from unconsolidated joint ventures. Fixed Charges consist of interest costs, whether expensed or capitalized, the interest component of rental expense and amortization of debt issuance costs.

(7) Total EBITDA represents earnings before interest, taxes, depreciation and amortization for all properties. EBITDA After Minority Interest represents earnings before interest, taxes, depreciation and amortization for all properties after distribution to the third-party joint venture partners. EBITDA (i) does not represent cash flow from operations as defined by generally accepted accounting principles, (ii) should not be considered as an alternative to net income as a measure of operating performance or to cash flows from operating, investing and financing activities; and (iii) is not an alternative to cash flows as a measure of liquidity. Management believes that in addition to cash flows and net income, EBITDA is a useful financial performance measurement for assessing the operating performance of an equity REIT because, together with net income and cash flows, EBITDA provides investors with an additional basis to evaluate the ability of a REIT to incur and service debt and to fund acquisitions and other capital expenditures. To evaluate EBITDA and the trends it depicts, the components of EBITDA, such as revenues and operating expenses, should be considered. The Operating Partnership's method of calculating EBITDA may be different from the methods used by other REITs. The Company's weighted average ownership interest in the operating results for the nine months ended September 30, 1996 and 1995 was 61.2% and 60.8%, respectively, and was 60.3%, 55.2% and 52.2% in 1995, 1994 and 1993, respectively. The Company's ownership interest in the Operating Partnership was 61.5% and 60.9% at September 30, 1996 and 1995, respectively, and was 61.0% and 56.4% at December 31, 1995 and 1994, respectively.

(8) For purposes of computing the ratio of EBITDA After Minority Interest to Fixed Charges and Preferred Unit Distributions, Fixed Charges and Preferred Unit Distributions consist of interest costs, whether expensed or capitalized and including the Operating Partnership's pro rata share of joint venture interest expense, the interest component of rental expense and amortization of debt issuance costs, plus any distributions on outstanding preferred units.

(9) As specified in the Indenture, Debt consists of indebtedness of the Operating Partnership and its consolidated subsidiaries, less any portion attributable to minority interests, plus the Operating Partnership's allocable portion of indebtedness of unconsolidated joint ventures from borrowed money, secured indebtedness, reimbursement obligations in connection with letters of credit and capitalized leases. "Adjusted Total Assets" as of any date means the sum of (i) the amount determined by multiplying the sum of the shares of common stock of the Company issued in the initial public offering of the Company ("IPO") and the units of the Operating Partnership not held by the Company outstanding on the date of the IPO, by $22.25 (the "IPO Price"), (ii) the principal amount of the outstanding consolidated debt of the Company on the date of the IPO, less any portion applicable to minority interests, (iii) the Operating Partnership's allocable portion, based on its ownership interest, of outstanding indebtedness of unconsolidated joint ventures on the date of the IPO, (iv) the purchase price or cost of any real estate assets acquired (including the value, at the time of such acquisition, of any units of the Operating Partnership or shares of common stock of the Company issued in connection therewith) or developed after the IPO by the Operating Partnership or any Subsidiary, less any portion attributable to minority interests, plus the Operating Partnership's allocable portion, based on its ownership interest, of the purchase price or cost of any real estate assets acquired or developed after the IPO by any unconsolidated joint venture, (v) the value of the Merger compiled as the sum of (a) the purchase price

including all related closing costs and (b) the value of all outstanding indebtedness less any portion attributable to minority interests, including the Operating Partnership's allocable share, based on its ownership interest, of outstanding indebtedness of unconsolidated joint ventures at the Merger date, and (vi) working capital of the Operating Partnership; subject, however, to reduction by the amount of the proceeds of any real estate assets disposed of after the IPO by the Operating Partnership or any Subsidiary, less any portion applicable to minority interests, and by the Operating Partnership's allocable portion, based on its ownership interest, of the proceeds of any real estate assets disposed of after the IPO by unconsolidated joint ventures. On a pro forma basis as of September 30, 1996, the Operating Partnership's Adjusted Total Assets were $8.02 billion. See "Description of the Notes -- Certain Covenants."

(10) As specified in the Indenture, Secured Debt consists of Debt secured by a mortgage or other encumbrance on any property of the Operating Partnership or any Subsidiary. See "Description of the Notes -- Certain Covenants."

(11) As specified in the Indenture, Unencumbered Assets is equal to Adjusted Total Assets multiplied by a fraction, the numerator of which is Unencumbered Annualized EBITDA After Minority Interest and the denominator of which is Annualized EBITDA After Minority Interest. Unencumbered Annualized EBITDA means Annualized EBITDA less any portion attributable to assets serving as collateral for Secured Debt. As specified in the Indenture, Annualized EBITDA means earnings before interest, taxes, depreciation and amortization for all Portfolio Properties with other adjustments as are necessary to exclude the effect of items classified as extraordinary items in accordance with generally accepted accounting principles, adjusted to reflect the assumption that (i) any income earned as a result of any assets having been placed in service since the end of such period had been earned on an annualized basis, during such period, and (ii) in the case of an acquisition or disposition by the Operating Partnership, any Subsidiary or any unconsolidated joint venture in which the Operating Partnership or any Subsidiary owns an interest, of any assets since the first day of such period, such acquisition or disposition and any related repayment of Debt had occurred as of the first day of such period with the appropriate adjustments with respect to such acquisition or disposition. Annualized EBITDA After Minority Interest means Annualized EBITDA after distributions to third party joint venture partners. Unsecured Debt means Debt not secured by a mortgage or other encumbrance on any property of the Operating Partnership or any subsidiary. See "Description of the Notes -- Certain Covenants."

(12) For purposes of computing the ratio of EBITDA After Minority Interest to Interest Expense, Interest Expense includes the Operating Partnership's pro rata share, based on ownership interest, of joint venture interest expense and is reduced by amortization of debt issuance costs.

(13) Represents the combined EBITDA and EBITDA After Minority Interest of the properties for the full year ended December 31, 1993.

BUSINESS AND PROPERTIES

THE PORTFOLIO PROPERTIES

Management believes that the Portfolio Properties comprise the largest (measured by GLA) and most geographically diverse portfolio of any publicly traded REIT and that the Company has interests in more regional malls than any other publicly traded REIT. Management also expects that geographic diversification should mitigate the effects of regional economic conditions and local factors, and that diversified types of Portfolio Properties will reduce the impact of economic factors that may affect the retailers in any particular type of Portfolio Property. In addition, management believes that the large size of the portfolio should mitigate the effects of any other factors that may affect a limited group of shopping centers.

No single income-producing Portfolio Property accounted for more than 1.4% of GLA as of September 30, 1996 or for more than 3.0% of the Operating Partnership's pro forma gross revenues for the nine months ended September 30, 1996. No single retailer leased more than 10.9% of Owned GLA in the Portfolio Properties or represented more than 7.9% of the annualized base rent from these properties.

The following table summarizes on a combined basis, as of September 30, 1996, certain information with respect to the Portfolio Properties, in total and by type of shopping center and retailer:

TYPE OF PROPERTY(1)	GLA (SQ. FT.)	TOTAL OWNED GLA (SQ. FT.)	% OF OWNED GLA(2)	% OF OWNED GLA WHICH IS LEASED(3)
Regional Malls(4)				
Mall Store	32,706,974	32,688,552	49.8	84.2
Freestanding	1,450,241	621,059	0.9	89.6
Subtotal	34,157,215	33,309,611	50.7	84.3
Anchor	59,947,841	20,026,836	30.5	97.1
Total	94,105,056	53,336,447	81.2	89.1
Community Shopping Centers				
Mall Store	3,823,877	3,742,787	5.7	88.6
Freestanding	803,717	308,078	0.4	98.6
Anchor	10,444,738	6,351,819	9.7	93.8
Total	15,072,332	10,402,684	15.8	92.1
Office Portion of Mixed-Use Properties	1,946,896	1,946,896	3.0	94.3
Total	111,124,284	65,686,027	100.0	89.7

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(1) Here and elsewhere in this Prospectus Supplement, all of the GLA, Owned GLA, and base rent is reported for each Portfolio Property, even if the Operating Partnership has less than a 100% ownership interest in the Portfolio Property.

(2) Indicates the percentage of total Owned GLA represented by each category of space.

(3) Includes, here and elsewhere in this Prospectus Supplement, space for which a lease has been executed, whether or not the space was then occupied. The table under "Additional Information" in this Prospectus Supplement indicates vacant anchor space as of September 30, 1996.

(4) Includes two specialty retail centers and retail space at four mixed-use properties.

Regional Malls

Regional malls, specialty retail centers and the retail space at the mixed-use properties represented 85% of the Portfolio Properties' GLA, 81% of total Owned GLA and 86% of their total annualized base rent as of September 30, 1996. They range in size from 210,667 to 1.5 million square feet of GLA, with 113 having more than 400,000 square feet. Overall, the malls contain over 10,600 occupied stores, including approximately 450 anchors. As of September 30, 1996, 84.3% of the total mall and freestanding stores Owned GLA at the regional malls was leased, at an average annualized base rent of $20.18 per square foot. (Data for specialty retail centers and the retail space at mixed-use properties are also included, without further reference, in all data in this section concerning regional malls. This additional retail space represents approximately 2% of the GLA in the regional malls.)

The following table sets forth selected data for the mall and freestanding stores at regional malls:

DATE	NUMBER OF PROPERTIES	TOTAL MALL AND FREESTANDING OWNED GLA(1)	PERCENT OF OWNED GLA LEASED(2)	AVERAGE BASE RENT PER LEASED SQUARE FOOT(3)
September 30, 1996..........	118...	33,310	84.3%	$ 20.18
September 30, 1995..........	116...	32,498	84.3	19.08
December 31, 1995...........	118...	33,208	85.5	19.18
December 31, 1994...........	115...	31,570	85.6	18.37
December 31, 1993...........	110...	29,905	85.9	17.70
December 31, 1992...........	109...	29,642	85.9	16.85

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(1) In thousands of square feet.

(2) Occupancies for regional malls are generally lower in the initial part of the calendar year and higher in the latter part of the calendar year.

(3) Base rent does not include the effects of percentage rent or common area maintenance charges reimbursed by the tenants, nor does it consider the costs required to obtain new tenants.

Lease Expirations

The following table sets forth scheduled expirations during the given periods set forth below of leases for mall stores and freestanding stores at the Operating Partnership's regional malls, assuming that none of the tenants exercises available renewal options:

YEAR ENDING DECEMBER 31,	NO. OF LEASES EXPIRING	APPROX. LEASED AREA IN SQ. FT.	AVG. BASE RENT PER SQ. FT. UNDER EXPIRING LEASES(1)	% OF TOTAL LEASED GLA REPRESENTED BY EXPIRING LEASES(2)
1996 (10/1-12/31).......	138	231,099	$22.33	0.8%
1997....................	1,098	2,368,721	19.56	8.6
1998....................	1,126	2,053,785	22.54	7.4
1999....................	1,019	2,264,340	21.55	8.2
2000....................	1,015	2,313,576	22.26	8.4
2001....................	947	2,379,757	20.46	8.6
2002....................	657	2,053,229	19.74	7.4
2003....................	697	1,966,026	22.26	7.1
2004....................	670	2,149,484	21.55	7.8
2005....................	638	2,265,477	20.00	8.2
2006....................	769	2,379,927	22.76	8.6
Total..............	8,774	22,425,421	$21.28	81.0

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(1) Represents the average base rent in effect on September 30, 1996 for those leases expiring for tenants paying base rent.

(2) Percentage of total leased Owned GLA of mall and freestanding stores in the regional malls as of September 30, 1996.

Sales

The following table sets forth the total retail sales (in millions) at regional malls, during the given year or period for those malls and freestanding tenants who are required to report sales:

YEAR	TOTAL TENANT SALES	ANNUAL PERCENTAGE INCREASE
1/1/96 to 9/30/96	$4,313	7.7%
1/1/95 to 9/30/95	4,005	N/A
1995	6,098	0.7
1994	6,053	3.9
1993	5,827	N/A

Anchors

As of September 30, 1996, almost all of the approximately 450 anchors in the Operating Partnership's regional malls are department stores and most are national retailers. Anchors space represents 64% of the GLA in the Operating Partnership's regional malls, and a majority own their stores, either in fee or subject to ground leases with the Operating Partnership. All but eight anchor stores in the regional malls were occupied as of September 30, 1996.

The following table sets forth, as of September 30, 1996, certain information with respect to the anchors whose stores in the aggregate occupied in excess of 600,000 square feet of GLA in the regional malls:

ANCHOR	NUMBER OF STORES	ANCHOR-LEASED GLA	ANCHOR-OWNED OR LAND-LEASED GLA	TOTAL OWNED GLA OCCUPIED BY ANCHOR
JC Penney Co., Inc.	88	7,185,385	5,375,396	12,560,781
Sears, Roebuck & Co.	80	2,531,747	9,178,545	11,710,292
Dillard Department Stores, Inc.	58	545,124	7,655,602	8,200,726
Federated Department Stores, Inc.	40	2,657,585	4,072,995	6,730,880
The May Department Stores Co.	34	1,045,065	3,966,919	5,011,984
Montgomery Ward & Co., Inc.	34	1,131,838	3,528,951	4,660,789
Dayton Hudson Corp.	18	360,226	1,395,155	1,755,381
Nordstrom Inc.	4	206,000	473,235	679,235

Mall Stores and Freestanding Stores

There are nearly 10,600 mall and freestanding stores in the regional malls. Substantially all of these stores lease space from the Operating Partnership. Mall and freestanding stores represent approximately 33.3 million of the almost 53.3 million square feet of total Owned GLA of these properties, with no single mall or freestanding store or chain occupying more than 4.9% of the total Owned GLA in all Portfolio Properties or accounting for more than 7.9% of the total annualized base rent from the Portfolio Properties.

The following table sets forth, as of September 30, 1996, certain information with respect to the mall and freestanding store tenants occupying in excess of 400,000 square feet of Owned GLA in the regional malls:

TENANT	NUMBER OF STORES LEASED	TOTAL GLA (SQUARE FEET)	% OF TOTAL OWNED GLA LEASED BY TENANT
The Limited, Inc.	491	3,300,169	5.0%
F.W. Woolworth Co.	427	1,423,390	2.2
Melville Corp.	229	806,777	1.2
United States Shoe Corp.	154	574,143	0.9
The Gap, Inc.	75	441,918	0.7
Edison Brothers Stores, Inc.(1)	191	403,895	0.6
United Artists Theatre Circuit, Inc.	18	479,588	0.7
Total	1,585	7,429,880	11.3%

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(1) Tenant is currently operating under protection of Chapter 11 of the Bankruptcy Code.

Community Shopping Centers

The Operating Partnership has interests in 65 income-producing community shopping centers, with an aggregate of over 15 million square feet of GLA. Community shopping centers represented 14% of the Portfolio Properties' GLA, 16% of the total Owned GLA and 10% of the total annualized base rent as of September 30, 1996. With the exception of four centers, the community shopping centers range in size from 88,000 to 651,000 square feet of GLA. Overall, they contain over 1,100 tenants, including over 190 anchors. As of September 30, 1996, 92.1% of the total Owned GLA in community shopping centers was leased at an average annualized base rent of $7.49 per square foot.

The following table sets forth selected data for the community shopping centers:

DATE	NUMBER OF PROPERTIES	TOTAL OWNED GLA(1) (SQUARE FEET)	PERCENT OF OWNED GLA LEASED	AVERAGE BASE RENT PER LEASED SQUARE FOOT(2)
September 30, 1996	65	10,403	92.1%	$7.49
September 30, 1995	66	10,529	94.0	7.26
December 31, 1995	66	10,525	93.6	7.29
December 31, 1994	66	10,530	93.9	7.12

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(1) In thousands of square feet.

(2) Base rent does not include the effects of percentage rent or common area maintenance charges reimbursed by tenants, nor does it consider the costs required to obtain new tenants.

Lease Expirations

The following table sets forth scheduled expirations during the given periods set forth below of leases for all types of tenants at the Operating Partnership's community shopping centers, assuming that none of the tenants exercises available renewal options:

YEAR ENDING DECEMBER 31,	NO. OF LEASES EXPIRING	APPROX. LEASED AREA IN SQ. FT.	AVG. BASE RENT PER SQ. FT. UNDER EXPIRING LEASES(1)	% OF TOTAL LEASED GLA REPRESENTED BY EXPIRING LEASES(2)
1996 (10/1-12/31).....	15	101,073	$ 6.79	1.0%
1997..................	163	766,761	8.31	7.9
1998..................	166	557,281	9.75	5.8
1999..................	157	842,570	8.00	8.7
2000..................	140	790,426	7.99	8.2
2001..................	107	794,727	6.51	8.2
2002..................	40	378,710	7.84	3.9
2003..................	34	443,138	7.85	4.6
2004..................	29	300,671	8.20	3.1
2005..................	39	819,662	6.51	8.5
2006..................	24	702,294	6.37	7.3
Total.......	914	6,497,313	$7.61	67.4%

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(1) Represents the average base rent in effect on September 30, 1996 for those leases expiring for the tenants paying base rent.

(2) Percentage of total leased Owned GLA at community shopping centers as of September 30, 1996.

Sales

The following table sets forth the total retail sales (in millions) at community shopping centers during the given year or period for those tenants who are required to report such sales:

YEAR	TOTAL PROPERTY SALES	ANNUAL PERCENTAGE INCREASE (DECREASE)
1/1/96 to 9/30/96.........................	$1,018	(7.5%)
1/1/95 to 9/30/95.........................	1,100	N/A
1995......................................	1,551	(0.4)
1994......................................	1,558	8.1
1993......................................	1,441	N/A

Tenants

There are over 190 anchors in the community shopping centers, most of which occupy at least 15,000 square feet of space. Anchor space represents over 69% of the GLA in these properties, and unlike in regional malls, most anchors lease their space from the Operating Partnership. All but nine of the anchor spaces in the community shopping centers are occupied as of September 30, 1996. No single anchor leases stores that in the aggregate constitute more than 12.5% of the total Owned GLA in the community shopping center portfolio and no anchor accounts for more than 8.3% of the total annualized base rent from these properties.

There are nearly 1,100 mall and freestanding tenants in the community shopping centers. Substantially all of these stores lease space from the Operating Partnership. Mall and freestanding store space represents approximately 4.1 million of the 10.4 million square feet of Owned GLA of these properties. No single mall and freestanding store or chain occupies more than 0.17% of the total Owned GLA of all Portfolio Properties or accounts for more than 1.2% of the total annualized base rent from the community shopping centers.

The following table sets forth, as of September 30, 1996, certain information relating to the tenants whose stores in the aggregate occupy in excess of 250,000 square feet of GLA in the community shopping centers:

TENANT	NUMBER OF STORES	TENANT LEASED GLA	TOTAL GLA OCCUPIED BY TENANT
Kmart Corporation	21	1,038,043	1,343,464
Wal-Mart Stores, Inc	12	82,398	1,280,837
Service Merchandise Company	21	194,785	1,065,828
Dayton Hudson Corp. (Target)	5	88,028	483,758
TJX Companies	9	398,393	373,692
Dominick's Finer Foods, Inc	5	180,820	443,909
Montgomery Ward & Co., Inc	7	363,131	379,646
Kohl's Department Stores, Inc	5	378,747	378,747
Burlington Coat Factory Warehouse, Inc	5	235,317	273,516
Tru Properties, Inc	8	21,500	285,702

Specialty Retail Centers and Mixed-Use Properties

The income-producing Portfolio Properties include two specialty retail centers and four mixed-use properties. The two specialty retail centers, The Forum Shops at Caesars in Las Vegas, Nevada and Trolley Square in Salt Lake City, Utah, contain an aggregate of approximately 500,000 square feet of GLA. As of September 30, 1996, The Forum Shops' average base rent per leased square foot of mall store GLA was over $60, while the rate at Trolley Square was over $17 per leased square foot. Mall store sales per square foot for the 12 months ended September 30, 1996 at The Forum Shops were $1,210, and at Trolley Square were $274. As of September 30, 1996, 95.9% of Owned GLA at The Forum Shops and 79.0% of the retail space Owned GLA at Trolley Square was leased or committed for lease.

The mixed-use properties consist of Fashion Center at Pentagon City in Arlington, Virginia, at which the Operating Partnership has an interest only in the retail and office portions of the complex; New Orleans Centre and CNG Tower in New Orleans, Louisiana; and two properties with almost exclusively office space, O'Hare International Center and Riverway in Rosemont, Illinois. These four properties contain an aggregate of more than 1.9 million square feet of office space and approximately 1.4 million square feet of retail space. The mall store space at Fashion Center was 98.5% leased as of September 30, 1996, and mall store sales were $634 per leased square foot. The average base rent per leased square foot at Fashion Center was $42.31 at September 30, 1996. The office space at the mixed-use properties, including Riverway and O'Hare International Center, was 94.3% leased as of September 30, 1996 and had an average rent of $10.18 per leased square foot.

ADDITIONAL INFORMATION

The following table sets forth certain information, as of September 30, 1996, regarding the Portfolio Properties:

NAME/LOCATION	OWNERSHIP INTEREST EXPIRATION IF GROUND LEASE(1)	PARTNERSHIPS' PERCENTAGE INTEREST(2)	YEAR BUILT OR ACQUIRED	TOTAL GLA	PERCENT OF GLA LEASED(3)	ANCHORS
REGIONAL MALLS						
1. Alton Square, Alton, IL	Fee	100.0%	Acquired 1993	545,656	62.3%	Famous Barr, JC Penney
2. Amigoland Mall, Brownsville, TX	Fee	100.0	Built 1974	560,297	73.5	Dillard's, JC Penney, Montgomery Ward
3. Anderson Mall, Anderson, SC	Fee	100.0	Built 1972	636,551	81.4	Gallant Belk, JC Penney, Sears, Uptons
4. Aventura Mall(4), Miami, FL	Fee	33.3	Built 1983	976,574	94.4	Lord & Taylor, Macy's, JC Penney, Sears
5. Avenues, The, Jacksonville, FL	Fee	25.0	Built 1990	1,112,951	89.3	Dillard's, Gayfers, Sears, Parisian, JC Penney
6. Barton Creek Square, Austin, TX	Fee	100.0	Built 1981	1,380,291	90.9	Dillard's(5), Foley's, JC Penney, Montgomery Ward, Sears
7. Battlefield Mall, Springfield, MO	Fee and Ground Lease(2056)	100.0	Built 1970	1,127,432	86.3	Dillard's, JC Penney, Famous Barr, Sears, Montgomery Ward
8. Bay Park Square, Green Bay, WI	Fee	100.0	Built 1980	644,465	89.5	Kohl's, Montgomery Ward, Shopko, Elder-Beerman
9. Bergen Mall, Paramus, NJ	Fee and Ground Lease(6)(2061)	100.0	Acquired 1987	1,024,686	78.8	Value City, Stern's
10. Biltmore Square, Asheville, NC	Fee	66.7(7)	Built 1989	495,419	77.0	Belk's, Dillard's, Profitt's, Goody's
11. Boynton Beach Mall, Boynton Beach, FL	Fee	100.0	Built 1985	1,065,713	92.1	Burdines, Macy's, Mervyn's, JC Penney, Sears
12. Broadway Square, Tyler, TX	Fee	100.0	Acquired 1994	570,646	94.8	Dillard's, JC Penney, Sears
13. Brunswick Square, East Brunswick, NJ	Fee	100.0	Built 1973	736,752	90.3	Macy's, JC Penney
14. Castleton Square, Indianapolis, IN	Fee	100.0	Built 1972	1,351,091	98.2	LS Ayres, Kohl's, Lazarus, Montgomery Ward, JC Penney, Sears
15. Century III Mall, Pittsburgh, PA	Fee	50.0	Built 1979	1,288,463	87.9	Lazarus, Kaufman's, JC Penney, Sears
16. Century Consumer Mall, Merrillville, IN	Fee	100.0	Acquired 1982	410,431	51.3	Burlington Coat Factory(5), Montgomery Ward
17. Charles Towne Square, Charleston, SC	Fee	100.0	Built 1976	463,303	39.9	Montgomery Ward, Service Merchandise, (8)
18. Chautauqua Mall, Lakewood, NY	Fee	100.0	Built 1971	425,644	64.7	Sears, (8)
19. Cheltenham Square, Philadelphia, PA	Fee	100.0	Built 1981	638,557	94.9	Value City, Home Depot, (8)
20. Chesapeake Square, Chesapeake, VA	Fee and Ground Lease(2062)	75.0(7)	Built 1989	704,711	78.2	Profitt's, Leggett, JC Penney, Sears, Montgomery Ward
21. Cielo Vista Mall, El Paso, TX	Fee and Ground Lease(9)(2027)	100.0	Built 1974	1,194,468	91.9	Dillard's(5), JC Penney, Montgomery Ward, Sears
22. Circle Centre, Indianapolis, IN	Property Lease (2097)	14.7	Built 1995	797,022	91.5	Nordstrom, Parisian

NAME/LOCATION	OWNERSHIP INTEREST EXPIRATION IF GROUND LEASE(1)	PARTNERSHIPS' PERCENTAGE INTEREST(2)	YEAR BUILT OR ACQUIRED	TOTAL GLA	PERCENT OF GLA LEASED(3)	ANCHORS
23. College Mall, Bloomington, IN	Fee and Ground Lease(10)(2048)	100.0	Built 1965	709,100	84.8	JC Penney, Lazarus, L.S. Ayres, Sears, Target
24. Columbia Center, Kennewick, WA	Fee	100.0	Acquired 1987	717,205	91.6	The Bon Marche, Lamonts, JC Penney, Sears
25. Coral Square, Coral Springs, FL	Fee	50.0	Built 1984	941,294	86.1	Burdines(5), Mervyn's, JC Penney, Sears
26. Cottonwood Mall, Albuquerque, NM	Fee	100.0	1996(27)	1,026,948	89.6	Dillard's, Foley's, JC Penney, Mervyn's, Montgomery Ward
27. Crossroads Mall, Omaha, NE	Fee	100.0	Acquired 1994	872,859	92.2	Dillard's, Sears, Younkers
28. Crystal River Mall, Crystal River, FL	Fee	100.0	Built 1990	423,944	86.1	Belk Lindsey, Kmart, JC Penney, Sears
29. Desoto Square, Bradenton, FL	Fee	100.0	Built 1973	707,884	79.9	Burdines, JC Penney, Sears, Dillard's
30. East Towne Mall, Knoxville, TN	Fee	100.0	Built 1984	977,227	81.4	Dillard's, JC Penney, Proffitt's, Sears, Service Merchandise
31. Eastern Hills Mall, Buffalo, NY	Fee	100.0	Built 1971	990,851	85.0	Sears, Bon Ton, JC Penney, Kaufman's
32. Eastgate Consumer Mall, Indianapolis, IN	Fee	100.0	Acquired 1981	462,968	83.1	Burlington Coat Factory, (8)
33. Eastland Mall, Tulsa, OK	Fee	100.0	Built 1986	703,904	84.0	Dillard's, JC Penney, Mervyn's, Service Merchandise
34. Florida Mall, The, Orlando, FL	Fee	50.0	Built 1986	1,120,293	95.6	Saks Fifth Avenue, Dillard's(5), Gayfers, JC Penney, Sears
35. Forest Mall, Fond Du Lac, WI	Fee	100.0	Built 1973	482,224	87.5	JC Penney, Kohl's, Younkers, Prange Way
36. Forest Village Park Mall, Forestville, MD	Fee	100.0	Built 1980	417,206	81.6	JC Penney, Kmart
37. Fremont Mall, Fremont, NE	Fee	100.0	Built 1966	210,667	93.4	1/2 Price Store, JC Penney
38. Glen Burnie Mall, Glen Burnie, MD	Fee	100.0	Built 1963	455,618	91.8	Montgomery Ward
39. Golden Ring Mall, Baltimo re, MD	Fee	100.0	Built 1974	717,940	89.7	Caldor, Montgomery Ward, The Hecht Company
40. Great Lakes Mall, Cleveland, OH	Fee	100.0	Built 1961	1,295,143	95.4	Dillard's(5), Kaufman's, JC Penney, Sears
41. Greenwood Park Mall, Greenwood, IN	Fee	100.0	Acquired 1979	1,274,300	93.0	JC Penney, Lazarus, L.S. Ayres, Montgomery Ward, Sears, Service Merchandise
42. Gulf View Square, Port Richey, FL	Fee	100.0	Built 1980	811,429	84.6	Burdines, Dillard's, Montgomery Ward, JC Penney, Sears
43. Heritage Park Mall, Midwest City, OK	Fee	100.0	Built 1978	636,675	82.3	Dillard's, Montgomery Ward, Sears
44. Hutchinson Mall, Hutchinson, KS	Fee	100.0	Built 1985	525,942	71.4	Dillard's, JC Penney, Sears, Service Merchandise, Wal-Mart
45. Independence Center, Independence, MO	Fee	100.0	Acquired 1994	1,032,023	77.2	Dillard's, The Jones Store Co., Sears, (8)

NAME/LOCATION	OWNERSHIP INTEREST EXPIRATION IF GROUND LEASE)(1)	PARTNERSHIPS' PERCENTAGE INTEREST(2)	YEAR BUILT OR ACQUIRED	TOTAL GLA	PERCENT OF GLA LEASED(3)	ANCHORS
46. Ingram Park Mall, San Antonio, TX	Fee	100.0	Built 1979	1,134,424	89.7	Dillard's(5), Foley's, JC Penney, Sears
47. Irving Mall, Irving, TX	Fee	100.0	Built 1971	1,128,805	82.3	Dillard's, Foley's, JC Penney, Mervyn's, Sears
48. Jefferson Valley Mall, Yorktown Heights, NY	Fee	100.0	Built 1983	589,600	94.2	Macy's, Sears, Service Merchandise
49. La Plaza, McAllen, TX	Fee and Ground Lease(6)(2040)	100.0	Built 1976	841,573	97.4	Dillard's, JC Penney, Jones & Jones, Sears, Service Merchandise
50. Lafayette Square, Indianapolis, IN	Fee	100.0	Built 1968	1,236,809	81.6	JC Penney, LS Ayres, Lazarus, Sears, Montgomery Ward
51. Lakeland Square, Lakeland, FL	Fee	49.9	Built 1988	901,818	86.0	Belk Lindsey, Burdines, Dillard's, Mervyn's, JC Penney, Sears
52. Lakeline Mall, N. Austin, TX	Fee	50.0	Built 1995	1,102,905	90.0	Dillard's, Foley's, JC Penney, Mervyn's, Sears
53. Lima Mall, Lima, OH	Fee	100.0	Built 1965	752,339	92.7	Elder-Beerman, Lazarus, JC Penney, Sears
54. Lincolnwood Town Center, Lincolnwood, IL	Fee	100.0	Built 1990	441,169	94.9	Carson Pirie Scott, JC Penney
55. Longview Mall, Longview, TX	Fee	100.0	Built 1978	617,002	84.1	Dillard's(5), JC Penney, Sears, Wilson's
56. Machesney Park Mall, Rockford, IL	Fee	100.0	Built 1979	556,023	80.1	Kohl's, JC Penney, Younkers, (8)
57. Mall of the Mainland, Galveston, TX	Fee	65.0(7)	Built 1991	779,014	56.2	Dillard's, JC Penney, Sears, Foley's
58. Markland Mall, Kokomo, IN	Ground Lease (2041)	100.0	Built 1968	391,231	86.7	Lazarus, Sears, Target
59. McCain Mall, N. Little Rock, AR	Ground Lease (11)(2032)	100.0	Built 1973	776,410	94.9	Dillard's, JC Penney, M.M. Cohn, Sears
60. Melbourne Square, Melbourne, FL	Fee	100.0	Built 1982	733,842	80.7	Belk Lindsey, Burdines, Dillard's, Mervyn's, JC Penney
61. Memorial Mall, Sheboygan, WI	Fee	100.0	Built 1969	416,273	89.7	JC Penney, Kohl's, Sears
62. Miami International Mall, Miami, FL	Fee	60.0	Built 1982	972,281	95.4	Burdines(5), JC Penney, Mervyn's, Sears
63. Midland Park Mall, Midland, TX	Fee	100.0	Built 1980	619,456	76.6	Dillard's(5), JC Penney, Sears
64. Miller Hill Mall, Duluth, MN	Fee	100.0	Built 1973	802,135	91.3	Glass Block, JC Penney, Montgomery Ward, Sears
65. Mission Viejo Mall, Mission Viejo, CA	Fee	100.0	Built 1979	810,259	70.5	Bullock's, Montgomery Ward, Robinson-May(5)
66. Mounds Mall, Anderson, IN	Ground Lease (2033)	100.0	Built 1965	409,597	75.0	Elder-Beerman, JC Penney, Sears
67. Muncie Mall, Muncie, IN	Fee	100.0	Built 1970	499,689	85.6	JC Penney, L. S. Ayres, Sears
68. North East Mall, Hurst, TX	Fee	50.0(12)	Built 1971	1,141,585	88.0	Dillard's(5), JC Penney, Montgomery Ward, Sears
69. North Towne Square, Toledo, OH	Fee	100.0	Built 1980	750,886	77.5	Elder-Beerman, Lion, Montgomery Ward
70. Northfield Square, Bradley, IL	Fee	31.6(7)	Built 1990	533,162	71.5	Sears, Carson Pirie Scott, JC Penney, Venture
71. Northgate Mall, Seattle, WA	Fee	100.0	Acquired 1987	1,070,256	89.7	The Bon Marche, Lamonts, Nordstrom, JC Penney
72. Northwoods Mall, Peoria, IL	Fee	100.0	Acquired 1983	666,748	92.8	Famous Barr, JC Penney, Montgomery Ward

NAME/LOCATION	OWNERSHIP INTEREST EXPIRATION IF GROUND LEASE)(1)	PARTNERSHIPS' PERCENTAGE INTEREST(2)	YEAR BUILT OR ACQUIRED	TOTAL GLA	PERCENT OF GLA LEASED(3)	ANCHORS
73. Orange Park Mall, Jacksonville, FL	Fee	100.0	Acquired 1994	847,791	88.8	Dillard's, Gayfer's, JC Penney, Sears
74. Paddock Mall, Ocala, FL	Fee	100.0	Built 1980	568,082	89.7	Bell Lindsey, Burdines, JC Penney, Sears
75. Palm Beach Mall, West Palm Beach, FL	Fee	50.0	Built 1967	1,200,636	84.9	JC Penney, Lord & Taylor, Mervyn's, Burdines, Sears
76. Port Charlotte Town Center, Port Char-lotte, NC	Fee	80.0(7)	Built 1989	720,988	71.8	Burdines, Dillard's, Montgomery Ward, JC Penney, Sears
77. Prien Lake Mall, Lake Charles, LA	Fee and Ground Lease(6)(2025)	100.0	Built 1972	467,520	94.1	JC Penney, Montgomery Ward, The White House
78. Raleigh Springs Mall, Memphis, TN	Fee and Ground Lease(6)(2018)	100.0	Built 1971	887,636	86.4	Dillard's, Goldsmith's, JC Penney, Sears
79. Randall Park Mall, Cleveland, OH	Fee	100.0	Built 1976	1,531,484	66.7	Dillard's, Kaufman's, JC Penney, Sears, Burlington Coat Factory
80. Richardson Square, Dallas, TX	Fee	100.0	Built 1977	861,544	56.7	Dillard's(5), Sears, Montgomery Ward
81. Richmond Mall, Cleveland, OH	Fee	100.0	Built 1966	873,227	69.7	JC Penney, Sears
82. Richmond Square, Richmond, IN	Fee	100.0	Built 1966	310,975	56.7	JC Penney, Sears
83. Rolling Oaks Mall, North San Antonio, TX	Fee	49.9	Built 1988	757,774	67.6	Dillard's, Foley's, Sears
84. Ross Park Mall, Pittsburgh, PA	Fee	89.0(7)	Built 1986	1,273,479	92.5	Lazarus, JC Penney, Kaufmann's, Sears, Service Merchandise
85. Seminole Towne Center, Sanford, FL	Fee	45.0	Built 1995	1,139,071	83.4	Burdines, Dillard's, JC Penney, Parisian, Sears
86. Smith Haven Mall, Lake Grove, NY	Fee	25.0	Acquired 1995	1,376,218	85.5	Sterns, Macy's, Sears
87. South Park Mall, Shreveport, LA	Fee	100.0	Built 1975	856,686	78.4	Burlington Coat Factory, Dillard's, JC Penney, Montgomery Ward, Stage
88. Southern Park Mall, Youngstown, OH	Fee	100.0	Built 1970	1,165,950	91.7	Dillard's, Kaufman's, JC Penney, Sears
89. Southgate Mall, Yuma, AZ	Fee	100.0	Acquired 1988	321,177	78.0	Albertson's, Dillard's, JC Penney, Sears
90. Southtown Mall, Ft. Wayne, IN	Fee	100.0	Built 1969	858,196	34.3	Kohl's, JC Penney, L.S. Ayres, Sears, Service Merchandise
91. St. Charles Towne Center, Waldorf, MD	Fee	100.0	Built 1990	961,549	85.7	Hecht's, JC Penney, Montgomery Ward, Sears
92. Summit Mall, Akron, OH	Fee	100.0	Built 1965	722,533	84.8	Kaufmann's, Dillard's, (8)
93. Sunland Park Mall, El Paso, TX	Fee	100.0	Built 1988	921,357	78.7	Dillard's, JC Penney, Mervyn's, Montgomery Ward, The Popular
94. Tacoma Mall, Tacoma, WA	Fee	100.0	Acquired 1987	1,285,721	83.3	The Bon Marche, Mervyn's, Nordstrom, JC Penney, Sears
95. Tippecanoe Mall, Lafayette, IN	Fee	100.0	Built 1973	868,429	78.5	JC Penney, Kohl's, L.S. Ayres, Lazarus, Sears
96. Towne East Square, Wichita, KS	Fee	100.0	Built 1975	1,150,875	74.1	Dillard's, JC Penney, Sears

NAME/LOCATION	OWNERSHIP INTEREST EXPIRATION IF GROUND LEASE)(1)	PARTNERSHIPS' PERCENTAGE INTEREST(2)	YEAR BUILT OR ACQUIRED	TOTAL GLA	PERCENT OF GLA LEASED(3)	ANCHORS
97. Towne West Square, Wichita, KS	Fee	100.0	Built 1980	942,178	85.5	Dillard's, JC Penney, Montgomery Ward, Office Depot, Sears, Service Merchandise
98. Treasure Coast Square, Stuart, FL	Fee	100.0	Built 1987	884,630	83.7	Burdines, Dillard's, Mervyn's, JC Penney, Sears
99. Tyrone Square, St. Petersburg, FL	Fee	100.0	Built 1972	1,092,449	95.3	Burdines, Dillard's, JC Penney, Sears
100. University Mall, Little Rock, AR	Ground Lease(13)(2026)	100.0	Built 1967	565,876	85.0	JC Penney, Montgomery Ward, M.M. Cohn
101. University Mall, Pensacola,	Fee	100.0	Acquired 1994	712,010	79.8	McRae's, JC Penney, Sears
102. University Park Mall, South Bend, IN	Fee	60.0	Built 1979	908,729	94.4	LS Ayres, Hudson's, JC Penney, Sears
103. Upper Valley Mall, Springfield, OH	Fee	100.0	Built 1971	751,216	87.8	Lazarus, JC Penney, Sears, Elder-Beerman
104. Valle Vista Mall, Harlingen, TX	Fee	100.0	Built 1983	647,078	87.3	Dillard's, JC Penney, Marshalls, Mervyn's, Sears
105. Virginia Center Commons(4), Richmond, VA	Fee	70.0(7)	Built 1991	784,981	78.1	Profitt's, Hoecht's, Leggett, JC Penney, Sears
106. Washington Square, Indianapolis, IN	Fee	100.0	Built 1974	1,178,409	63.8	L.S. Ayres, Lazarus, Montgomery Ward, JC Penney, Sears
107. West Ridge Mall, Topeka, KS(14)	Fee	100.0	Built 1988	1,041,611	76.0	Dillard's, JC Penney, Jones, Montgomery Wards, Sears
108. West Town Mall, Knoxville, TN	Ground Lease(6)(2042)	2.0	Acquired 1991	1,259,843	88.4	JC Penney, Sears, Profitt's, Dillard's Parisian
109. White Oaks Mall, Springfield, IL	Fee	77.0	Built 1977	903,582	92.0	Bergner's, Famous Barr, Montgomery Ward, Sears
110. Wichita Mall, Wichita, KS	Ground Lease (2022)	100.0	Built 1969	379,461	47.9	Office Max, Montgomery Ward
111. Windsor Park Mall, San Antonio, TX	Fee	100.0	Built 1976	1,095,053	72.6	Dillard's(5), JC Penney, Mervyn's, Montgomery Ward
112. Woodville Mall, Toledo, OH	Fee	100.0	Built 1969	795,027	59.2	Andersons, Elder-Beerman, Sears, (8)
SPECIALTY RETAIL CENTERS						
1. The Forum Shops at Caesars, Las Vegas, NV	Ground Lease (2067)	60.0	Built 1992	242,031	95.9	--
2. Trolley Square, Salt Lake City, UT	Fee and Ground Lease(15)	90.0	Acquired 1986	225,813(16)	79.0	--
MIXED-USE PROPERTIES						
1. Fashion Centre at Pentagon City, The, Arlington, VA	Fee	21.0	Built 1989	988,524(17)	98.5	8) Macy's, Nordstrom
2. New Orleans Centre/CNG Tower, New Orleans, LA	Fee and Ground Lease(2084)	100.0	Built 1988	1,024,932(19)	85.7	8) Macy's, Lord & Taylor
3. O'Hare International Center, Rosemont, IL	Fee	100.0	Built 1988	504,521(20)	90.4	8) --
4. Riverway, Rosemont, IL	Fee	100.0	Built 1988	820,204(2)	94.4	8) --

NAME/LOCATION	OWNERSHIP INTEREST EXPIRATION IF GROUND LEASE)(1)	PARTNERSHIPS' PERCENTAGE INTEREST(2)	YEAR BUILT OR ACQUIRED	TOTAL GLA	PERCENT OF GLA LEASED(3)	ANCHORS
COMMUNITY SHOPPING CENTERS						
1. Arvada Plaza, Arvada, CO	Ground Lease(2058)	100.0	Built 1966	98,242	100.0	King Soopers
2. Aurora Plaza, Aurora, CO	Ground Lease(2058)	100.0	Built 1965	148,666	85.2	King Soopers, MacFrugel's Bargains, Super Saver Cinema
3. Bloomingdale Court, Bloomingdale, IL	Fee	100.0	Built 1987	598,570	89.3	Builders Square, Cineplex Odeon, Frank's Nursery, Marshalls, Office Max, Service Merchandise, T.J. Maxx, Wal-Mart, (8)
4. Boardman Plaza, Youngstown, OH	Fee	100.0	Built 1951	651,257	89.8	Burlington Coat Factory, Giant Eagle, Hills, Reyers Outlet, T.J. Maxx, (8)
5. Bridgeview Court, Bridgeview, IL	Fee	100.0	Built 1988	280,299	62.9	Omni, Venture
6. Brightwood Plaza, Indianapolis, IN	Fee	100.0	Built 1965	41,893	100.0	--
7. Bristol Plaza, Bristol, VA	Ground Lease(2029)	100.0	Built 1965	116,754	38.9	(8)
8. Buffalo Grove Towne Center, Buffalo Grove, IL	Fee	92.5	Built 1988	134,131	76.2	Buffalo Grove Theatres
9. Celina Plaza, El Paso, TX	Fee and Ground Lease(22)(2027)	100.0	Built 1978	32,622	100.0	--
10. Chesapeake Center, Chesapeake, VA	Fee	100.0	Built 1989	305,904	97.7	Kmart, Phar Mor, Service Merchandise, Cinemark Theatre
11. Cobblestone Court, Victor, NY	Fee and Ground Lease(10)(2038)	35.0	Built 1993	261,201	97.3	Dick's Sporting Goods, Kmart, Office Max (5)
12. Cohoes Commons, Rochester, NY	Fee and Ground Lease(6)(2032)	100.0	Built 1984	262,964	93.6	Bryant & Stratton Business Institute, Lechmere's, Xerox
13. Countryside Plaza, Countryside, IL	Fee and Ground Lease(10)(2058)	100.0	Built 1977	435,543	81.6	Best Buy, Builders Square, Old Country Buffet, Venture, (8)
14. Crystal Court, Crystal Lake, IL	Fee	35.0	Built 1989	284,741	60.5	Cub, Service Merchandise, Wal-Mart, (8)
15. East Towne Commons, Knoxville, TN	Fee	100.0	Built 1987	180,355	100.0	Electric Avenue & More
16. Eastland Plaza, Tulsa, OK	Fee	100.0	Built 1986	190,261	75.6	Marshalls, Target, Toys 'R' Us
17. Fairfax Court, Fairfax, VA	Ground Lease(2052)	26.3	Built 1992	249,285	92.4	Circuit City, Superstore, Montgomery Ward, Today's Man
18. Forest Plaza, Rockford, IL	Fee	100.0	Built 1985	421,516	99.7	Builders Square, Kohl's, Marshalls, Michaels, Of-fice Max, T.J. Maxx
19. Fox River Plaza, Elgin, IL	Fee	100.0	Built 1985	324,786	80.1	Builders Square, Michaels, Service Merchandise, Venture, (8)
20. Gaitway Plaza, Ocala, FL	Fee	23.3	Built 1989	289,909	98.0	Books-A-Million, Montgomery Ward, Office Depot, T.J. Maxx
21. Great Lakes Plaza, Cleveland, OH	Fee	100.0	Built 1977	163,920	82.7	Handy Andy, Circuit City
22. Great Northeast Plaza, Philadelphia, PA	Fee	50.0	Acquired 1989	298,242	97.3	Sears, Phar Mor
23. Greenwood Plus, Greenwood, IN	Fee	100.0	Built 1979	157,066	100.0	Best Buy, Kohl's
24. Griffith Park Plaza, Griffith, IN	Ground Lease (2060)	100.0	Built 1979	274,230	99.2	General Cinema, Venture
25. Grove at Lakeland Square, The, Lakeland, FL	Fee	100.0	Built 1988	215,591	92.7	Cobb Theatres, Sports Authority, Wal-Mart
26. Hammond Square, Sandy Springs, GA	Space Lease(2011)	100.0	Built 1974	87,705	100.0	--

NAME/LOCATION	OWNERSHIP INTEREST EXPIRATION IF GROUND LEASE)(1)	PARTNERSHIPS' PERCENTAGE INTEREST(2)	YEAR BUILT OR ACQUIRED	TOTAL GLA	PERCENT OF GLA LEASED(3)	ANCHORS
27. Highland Lakes Center, Orlando, FL	Fee	100.0	Built 1991	477,324	83.4	Goodings, Dress for Less, Marshalls, Cinemark Theaters, Office Max, Service Merchandise, Target, (8)
28. Ingram Plaza, San Antonio, TX	Fee	100.0	Built 1980	111,518	100.0	--
29. Lake Plaza, Waukegan, IL	Fee	100.0	Built 1986	218,208	100.0	Builders Square, Venture
30. Lake View Plaza, Orland Park, IL	Fee	100.0	Built 1986	388,126	96.9	Best Buy(24), L. Fish Furniture, Linens-N-Things(24), Marshalls, Michaels, Omni, Pet Care Plus(24), Service Merchandise, Ultra 3(24)
31. Lima Plaza, Lima, OH	Fee	100.0	Built 1976	193,279	90.5	Hills, Service Merchandise
32. Lincoln Crossing, O'Fallon, IL	Fee	100.0	Built 1990	161,337	80.5	PetsMart, Wal-Mart
33. Mainland Crossing, Galveston, TX	Fee	80.0(7)	Built 1991	390,986	39.5	Sam's Club, Wal-Mart, (8)
34. Maplewood Square, Omaha, NE	Fee	100.0	Built 1970	130,780	96.3	Bag 'N Save
35. Markland Plaza, Kokomo, IN	Fee	100.0	Built 1974	108,296	98.1	Service Merchandise
36. Martinsville Plaza, Martinsville, VA	Space Lease(2036)	100.0	Built 1967	102,162	97.1	Rose's
37. Marwood Plaza, Indianapolis, IN	Fee	100.0	Built 1962	105,066	100.0	Kroger
38. Matteson Plaza, Matteson, IL	Fee	100.0	Built 1988	275,455	84.7	Dominick's, Kmart, Michael's, Service Merchandise
39. Memorial Plaza, Sheboygan, WI	Fee	100.0	Built 1966	129,202	24.0	Marcus Theatre, (8)
40. Mounds Mall Cinema, Anderson, IN	Fee	100.0	Built 1974	7,500	100.0	Cinema I & II
41. New Castle Plaza, New Castle, IN	Fee	100.0	Built 1966	91,648	100.0	Goody's
42. North Ridge Plaza, Joliet, IL	Fee	100.0	Built 1985	323,672	100.0	Builders Square, Office Max, Service Merchandise
43. North Riverside Park Plaza, North Riverside, IL	Fee	100.0	Built 1977	119,608	95.5	--
44. Northland Plaza, Columbus, OH	Fee and Ground Lease(6)(2085)	100.0	Built 1988	205,688	92.1	Marshalls, Phar-Mor, Service Merchandise
45. Northwood Plaza, Fort Wayne, IN	Fee	100.0	Built 1974	211,840	100.0	Regal Cinema, Target
46. Park Plaza, Hopkinsville, KY	Fee and Ground Lease(6)(2039)	100.0	Built 1968	114,042	100.0	Wal-Mart
47. Plaza at Buckland Hills, The, East Hartford, CT	Fee	26.3	Built 1993	336,534	94.9	Toys 'R' Us, Kids 'R' Us, Service Merchandise, Lechmere, Linens-N-Things, Filene's Basement, Comp USA
48. Regency Plaza, St. Charles, MO	Fee	100.0	Built 1988	277,521	96.3	Sam's Wholesale, Wal-Mart
49. Ridgewood Court, Jackson, MS	Fee	35.0	Built 1993	240,843	99.3	Campo Electronics, Home Quarters, Service Merchandise, T.J. Maxx
50. Royal Eagle Plaza, Coral Springs, FL	Fee	35.0	Built 1989	203,140	97.1	Kmart, Luxury Linens
51. St. Charles Towne Plaza, Waldorf, MD	Fee	100.0	Built 1987	435,162	95.9	Ames, Hechinger, Jo Ann Fabrics, People's, Service Merchandise, Shoppers Food Warehouse, T.J. Maxx
52. Teal Plaza, Lafayette, IN	Fee and Ground Lease(2007)(6)	100.0	Built 1962	110,751	100.0	Kmart

NAME/LOCATION	OWNERSHIP INTEREST EXPIRATION IF GROUND LEASE)(1)	PARTNERSHIPS' PERCENTAGE INTEREST(2)	YEAR BUILT OR ACQUIRED	TOTAL GLA	PERCENT OF GLA LEASED(3)	ANCHORS
53. Terrace at The Florida Mall, Orlando, FL	Fee	100.0	Built 1989	332,980	96.7	Target, J. Byrons, Waccamaw, Service Merchandise, Marshalls
54. Tippecanoe Plaza, Lafayette, IN	Fee	100.0	Built 1974	94,125	100.0	Barnes & Noble Bookseller, Service Merchandise
55. University Center, South Bend, IN	Fee	60.0	Built 1980	150,533	97.8	Best Buy, Michaels, Service Merchandise
56. Village Park Plaza, Westfield, IN	Fee	35.0	Built 1990	503,002	97.5	Frank's Nursery, Galyans, Jo-Ann Fabrics, Kohl's Marsh, Regal Cinemas, Wal-Mart
57. Wabash Village, West Lafayette, IN	Ground Lease(2063)	100.0	Built 1970	124,748	96.2	Kmart
58. Washington Plaza, Indianapolis, IN	Fee	85.0	(7) Built 1978	50,302	91.2	Kids 'R' Us
59. West Ridge Plaza, Topeka, KS	Fee	100.0	Built 1988	237,650	100.0	Magic Forest, Target, TJ Maxx, Toys 'R' Us
60. West Town Corners, Altamonte Springs, FL	Fee	23.3	Built 1989	384,812	99.0	PetsMart, Service Merchandise, Sports Authority, Wal-Mart, Xtra
61. Westland Park Plaza, Orange Park, FL	Fee	23.3	Built 1989	163,154	96.6	Burlington Coat Factory, PetsMart, Sports Authority
62. White Oaks Plaza, Springfield, IL	Fee	100.0	Built 1986	389,063	98.9	Cub Foods, Kids 'R' Us, Kohl's, Office Max, T.J. Maxx, Toys 'R' Us
63. Willow Knolls Court, Peoria, IL	Fee	35.0	Built 1990	364,735	93.5	Kohl's, Phar-Mor, Sam's Wholesale Club, Willow Knolls Theaters 14
64. Wood Plaza, Fort Dodge, IA	Ground Lease(2045)	100.0	Built 1968	88,595	98.9	Country General
65. Yards Plaza, The, Chicago, IL	Fee	35.0	Built 1990	273,292	95.2	Burlington Coat Factory, Omni Superstore, Montgomery Ward
PROPERTIES UNDER CONSTRUCTION						
1. Arizona Mills, Tempe, AZ	(25)	25.0	(26)	1,225,000	N/A	Burlington Coat Factory, Ross Dress for Less, Oshman's Supersport, Off 5th-Saks Fifth Avenue Outlet
2. Grapevine Mills, Dallas/Ft. Worth, TX	Fee	37.5	(28)	1,450,000	N/A	Books-A-Million, Burlington Coat Factory, Group USA, Off 5th-Saks Fifth Avenue Outlet, Rainforest Cafe
3. Indian River Commons, Vero Beach, FL	Fee	50.0	(26)	265,000	N/A	HomePlace, Lowe's, Office Max, Service Merchandise
4. Indian River Mall, Vero Beach, FL(29)	Fee	50.0	(28)	754,000	N/A	AMC Theatres, Burdines, Dillard's, JC Penney, Sears
5. Ontario Mills, Ontario, CA(29)	Fee	25.0	(28)	1,400,000	N/A	AMC Theatres, American Wilderness Experience, Bed, Bath & Beyond, Bernini -- Off Rodeo, Burlington Coat Factory, Dave & Busters, Group USA, IWERKS, JC Penney, Marshall's, Mikasa, Off 5th-Saks Fifth Avenue, Outlet, Sports Authority, TJ Maxx, Totally for Kids, Virgin Records
6. The Source, Long Island, NY	Fee	50.0	(26)	730,000	N/A	Fortunoff, Nordstrom Rack, Off 5th-Saks Fifth Avenue Outlet, Cheesecake Factory, Rainforest Cafe, Just For Feet, Bertolini's
7. Tower Shops, Las Vegas, NV	Space Lease(2051)	50.0	(28)	60,000	N/A	Rainforest Cafe

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

(2) The Operating Partnership's interests in some Joint Venture Properties are subject to preferences on distributions in favor of other partners.

(3) Represents the percentage of Owned GLA leased by tenants.

(4) This property is managed by a third party.

(5) This retailer operates two stores at this property.

(6) Indicates ground lease covers less than 15% of the acreage of this property.

(7) The Operating Partnership receives substantially all of the economic benefit of these properties.

(8) Includes an anchor space currently vacant.

(9) Indicates two ground leases which taken together, cover less than 50% of the acreage of the property.

(10) Indicates ground lease covers less than 50% of the acreage of the property.

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

(12) In connection with the settlement of certain outstanding litigation, the Operating Partnership acquired on October 4, 1996 for cash an additional 20% limited partnership interest in North East Mall, the joint venture partnership which owns North East Mall. At the same time, the Operating Partnership exercised its option to acquire the remaining 30% limited partnership interest in North East Mall owned by the Simons in exchange for 472,410 OP Units, as well as the Simons' 50% general partnership interest which the Operating Partnership acquired for nominal consideration. The Simons had previously contributed to the Operating Partnership, in exchange for OP Units, the right to receive distributions relating to its 50% general partnership interest. Therefore the Operating Partnership as a result of these transactions owns 100% of North East Mall.

(13) Indicates one ground lease covers substantially all of the property and a second ground lease covers the remainder.

(14) Includes outlets in which the Operating Partnership has an 85% interest and which represents less than 3% of the GLA and total annualized base rent for the property.

(15) Indicates a ground lease covers a pedestrian walkway and steps at this property. The Operating Partnership, as ground lessee, has the right to successive five-year renewal options, except if the lessor, a public agency, determines that public right-of-way needs necessitate the locality's use of the ground lease property.

(16) Primarily retail space with approximately 1,500 square feet of office space.

(17) Primarily retail space with approximately 167,000 square feet of office space.

(18) Indicates combined occupancy of office and retail space.

(19) Primarily retail space with approximately 488,058 square feet of office space.

(20) Primarily office space with approximately 12,800 square feet of retail space.

(21) Primarily office space with approximately 24,300 square feet of retail space.

(22) Indicates ground lease covers outparcel.

(23) This property was sold on August 1, 1996.

(24) Subleased from TJX Companies.

(25) The joint venture purchased this property on October 29, 1996.

(26) Scheduled to open during 1997.

(27) This property opened on July 31, 1996.

(28) Scheduled to open during November of 1996.

(29) Property under construction as of September 30, 1996, but was opened in November 1996.

DESCRIPTION OF THE NOTES

GENERAL

The following description of the specific terms of the Notes supplements the description of the general terms and provisions of Debt Securities set forth in the accompanying Prospectus under the caption "Description of Debt Securities."

The Notes constitute a separate series of debt securities (which are more fully described in the accompanying Prospectus) to be issued pursuant to an indenture dated as of November , 1996, among the Operating Partnership, SPG, LP, as guarantor, and The Chase Manhattan Bank, as trustee (the "Trustee"), as supplemented by a First Supplemental Indenture, dated November , 1996 between the Operating Partnership and the Trustee (together, the "Indenture"). The terms of the Notes include those provisions contained in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). The Notes are subject to all such terms, and holders of Notes are referred to the Indenture and the Trust Indenture Act for a statement thereof. SPG, LP will guarantee the due and punctual payment of the principal of, premium, if any, interest on, and any other amounts payable with respect to, the Notes, when and as the same shall become due and payable, whether at a maturity date, on redemption, by declaration of acceleration or otherwise. See "-- The Guarantee." The following summary of certain provisions of the Indenture does not purport to be complete and is subject to and qualified in its entirety by reference to the Indenture, including the definitions therein of certain terms used below.

The Notes will be direct, unsecured obligations of the Operating Partnership and will rank pari passu with each other and with all other unsecured and unsubordinated indebtedness of the Operating Partnership from time to time outstanding. The Notes will be effectively subordinated to (i) the prior claims of each secured mortgage lender to any specific Portfolio Property which secures such lender's mortgage and (ii) any claims of creditors of entities wholly or partly owned, directly or indirectly, by the Operating Partnership. Subject to certain limitations set forth in the Indenture, and as described under "-- Certain Covenants -- Limitations on Incurrence of Debt" below, the Indenture will permit the Operating Partnership to incur additional secured and unsecured indebtedness. At September 30, 1996, the Operating Partnership had combined unsecured unsubordinated indebtedness aggregating approximately $323 million.

The Notes will mature on , 200 (the "Maturity Date"). The Notes are not subject to any sinking fund provisions. The Notes will be issued only in fully registered, book-entry form without coupons, in denominations of $1,000 and integral multiples, thereof, except under the limited circumstances described below under "Book-Entry System."

Except as described under "-- Certain Covenants -- Limitations on Incurrence of Debt" below and under "Description of Debt Securities -- Merger, Consolidation or Sale" in the accompanying Prospectus, the Indenture does not contain any provisions that would limit the ability of the Operating Partnership to incur indebtedness or that would afford holders of the Notes protection in the event of (i) a highly leveraged or similar transaction involving the Operating Partnership, the Company or the General Partners of the Operating Partnership, or any affiliate of any such party, (ii) a change of control, or (iii) a reorganization, restructuring, merger or similar transaction involving the Operating Partnership that may adversely affect the holders of the Notes. In addition, subject to the limitations set forth under "Description of Debt Securities -- Merger, Consolidation or Sale" in the accompanying Prospectus, the Operating Partnership may, in the future, enter into certain transactions such as the sale of all or substantially all of its assets or the merger or consolidation of the Operating Partnership that would increase the amount of the Operating Partnership's indebtedness or substantially reduce or eliminate the Operating Partnership's assets, which may have an adverse effect on the Operating Partnership's ability to service its indebtedness, including the Notes. It is currently expected that subsequent to the first anniversary of the date of the Merger, reorganizational transactions will be effected so that the Operating Partnership will directly own all of the assets and partnership interests now owned by SPG, LP. However, there can be no assurance that such reorganizational transactions will be so effected. See "The Operating Partnership" in the accompanying Prospectus.

PRINCIPAL AND INTEREST

The Notes will bear interest at   % per annum, payable semi-annually in arrears on each May   and November   , commencing May   , 1997 (each, an "Interest Payment Date"), and on the Maturity Date, to the persons (the "Holders") in whose names the applicable Notes are registered in the security register applicable to the Notes at the close of business 15 calendar days prior to such payment date regardless of whether such day is a Business Day, as defined below (each, a "Regular Record Date"). Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months.

The principal of each Note payable on the Maturity Date will be paid against presentation and surrender of such Note at the corporate trust office of the Trustee, located initially at 450 West 33rd Street, 15th Floor, New York, New York 10001, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

If any Interest Payment Date or the Maturity Date falls on a day that is not a Business Day, the required payment shall be made on the next Business Day as if it were made on the date such payment was due and no interest shall accrue on the amount so payable for the period from and after such Interest Payment Date or the Maturity Date, as the case may be. "Business Day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions in the City of New York are authorized or required by law, regulation or executive order to close.

CERTAIN COVENANTS

Limitations on Incurrence of Debt. The Operating Partnership will not, and will not permit any Subsidiary (as defined below) to, incur any Debt (as defined below), other than intercompany debt (representing Debt to which the only parties are the Company, the Operating Partnership and any of their Subsidiaries (but only so long as such Debt is held solely by any of the Company, the Operating Partnership and any Subsidiary) that is subordinate in right of payment to the Notes), if, immediately after giving effect to the incurrence of such additional Debt, the aggregate principal amount of all outstanding Debt would be greater than 60% of the sum of (i) the Operating Partnership's Adjusted Total Assets (as defined below) as of the end of the fiscal quarter prior to the incurrence of such additional Debt and (ii) any increase in Adjusted Total Assets from the end of such quarter including, without limitation, any pro forma increase from the application of the proceeds of such additional Debt.

In addition to the foregoing limitation on the incurrence of Debt, the Operating Partnership will not, and will not permit any Subsidiary to, incur any Debt secured by any mortgage, lien, pledge, encumbrance or security interest of any kind upon any of the property of the Operating Partnership or any Subsidiary ("Secured Debt"), whether owned at the date of the Indenture or thereafter acquired, if, immediately after giving effect to the incurrence of such additional Secured Debt, the aggregate principal amount of all outstanding Secured Debt is greater than 55% of the sum of (i) the Operating Partnership's Adjusted Total Assets as of the end of the fiscal quarter prior to the incurrence of such additional Secured Debt and (ii) any increase in Adjusted Total Assets from the end of such quarter including, without limitation, any pro forma increase from the application of the proceeds of such additional Secured Debt.

In addition to the foregoing limitations on the incurrence of Debt, the Operating Partnership will not, and will not permit any Subsidiary to, incur any Debt if the ratio of Annualized EBITDA After Minority Interest to Interest Expense (in each case as defined below) for the period consisting of the four consecutive fiscal quarters most recently ended prior to the date on which such additional Debt is to be incurred shall have been less than 1.75 to 1 on a pro forma basis after giving effect to the incurrence of such Debt and to the application of the proceeds therefrom, and calculated on the assumption that (i) such Debt and any other Debt incurred since the first day of such four-quarter period had been incurred, and the proceeds therefrom had been applied (to whatever purposes such proceeds had been applied as of the date of calculation of such ratio), at the beginning of such period, (ii) any other Debt that has been repaid or retired since the first day of such four-quarter period had been repaid or retired at the beginning of such period (except that, in making such computation, the amount of Debt under any revolving credit facility shall be computed based upon the average daily balance of such Debt during such period), (iii) any income earned as a result of any assets having been placed in service since the end of such four-quarter period had been earned, on an annualized basis, during such period, and (iv) in the case of any acquisition or disposition by the Operating Partnership, any Subsidiary or any unconsolidated joint venture in which the Operating Partnership or any Subsidiary owns an interest, of any assets since the first day of such four-quarter period, including, without limitation, by merger, stock purchase or sale, or asset purchase or sale, such acquisition or disposition and any related repayment of Debt had occurred as of the first day of such period with the appropriate adjustments with respect to such acquisition or disposition being included in such pro forma calculation.

For purposes of the foregoing provisions regarding the limitation on the incurrence of Debt, Debt shall be deemed to be "incurred" by the Operating Partnership, its Subsidiaries and by any unconsolidated joint venture, whenever the Operating Partnership, any Subsidiary, or any unconsolidated joint venture, as the case may be, shall create, assume, guarantee or otherwise become liable in respect thereof.

Maintenance of Unencumbered Assets. The Operating Partnership is required to maintain Unencumbered Assets (as defined below) of not less than 150% of the aggregate outstanding principal amount of the Unsecured Debt (as defined below) of the Operating Partnership.

As used herein:

"Adjusted Total Assets" as of any date means the sum of (i) the amount determined by multiplying the sum of the shares of common stock of the Company issued in the initial public offering of the Company ("IPO") and the units of the Operating Partnership not held by the Company outstanding on the date of the IPO, by $22.25 (the "IPO Price"), (ii) the principal amount of the outstanding consolidated debt of the Company on the date of the IPO, less any portion applicable to minority interests, (iii) the Operating Partnership's allocable portion, based on its ownership interest, of outstanding indebtedness of unconsolidated joint ventures on the date of the IPO, (iv) the purchase price or cost of any real estate assets acquired (including the value, at the time of such acquisition, of any units of the Operating Partnership or shares of common stock of the Company issued in connection therewith) or developed after the IPO by the Operating Partnership or any Subsidiary, less any portion attributable to minority interests, plus the Operating Partnership's allocable portion, based on its ownership interest, of the purchase price or cost of any real estate assets acquired or developed after the IPO by any unconsolidated joint venture, (v) the value of the Merger compiled as the sum of (a) the purchase price including all related closing costs and (b) the value of all outstanding indebtedness less any portion attributable to minority interests, including the Operating Partnership's allocable share, based on its ownership interest, of outstanding indebtedness of unconsolidated joint ventures at the Merger date, and (vi) working capital of the Operating Partnership; subject, however, to reduction by the amount of the proceeds of any real estate assets disposed of after the IPO by the Operating Partnership or any Subsidiary, less any portion applicable to minority interests, and by the Operating Partnership's allocable portion, based on its ownership interest, of the proceeds of any real estate assets disposed of after the IPO by unconsolidated joint ventures. On a pro forma basis as of September 30, 1996, the Operating Partnership's Adjusted Total Assets were $8.02 billion.

"Annualized EBITDA" means earnings before interest, taxes, depreciation and amortization for all properties with other adjustments as are necessary to exclude the effect of items classified as extraordinary items in accordance with generally accepted accounting principles, adjusted to reflect the assumption that (i) any income earned as a result of any assets having been placed in service since the end of such period had been earned, on an annualized basis, during such period, and (ii) in the case of any acquisition or disposition by the Operating Partnership, any Subsidiary or any unconsolidated joint venture in which the Operating Partnership or any Subsidiary owns an interest, of any assets since the first day of such period, such acquisition or disposition and any related repayment of Debt had occurred as of the first day of such period with the appropriate adjustments with respect to such acquisition or disposition.

"Annualized EBITDA After Minority Interest" means Annualized EBITDA after distributions to third party joint venture partners.

"Debt" means any indebtedness of the Operating Partnership and its Subsidiaries on a consolidated basis, less any portion attributable to minority interests, plus the Operating Partnership's allocable portion, based on its ownership interest, of indebtedness of unconsolidated joint ventures, in respect of (i) borrowed money evidenced by bonds, notes, debentures or similar instruments, as determined in accordance with generally accepted accounting principles, (ii) indebtedness secured by any mortgage, pledge, lien, charge, encumbrance or any security interest existing on property owned by the Operating Partnership or any Subsidiary directly, or indirectly through unconsolidated joint ventures, as determined in accordance with generally accepted accounting principles, (iii) reimbursement obligations, contingent or otherwise, in connection with any letters of credit actually issued or amounts representing the balance deferred and unpaid of the purchase price of any property, except any such balance that constitutes an accrued expense or trade payable, and (iv) any lease of property by the Operating Partnership or any Subsidiary as lessee which is reflected in the Operating Partnership's consolidated balance sheet as a capitalized lease or any lease of property by an unconsolidated joint venture as lessee which is reflected in such joint venture's balance sheet as a capitalized lease, in each case, in accordance with generally accepted accounting principles; provided, that Debt also includes, to the extent not otherwise included, any obligation by the Operating Partnership or any Subsidiary to be liable for, or to pay, as obligor, guarantor or otherwise, items of indebtedness of another person (other than the Operating Partnership or any Subsidiary) described in clauses (i) through (iv) above (or, in the case of any such obligation made jointly with another person, the Operating Partnership's or Subsidiary's allocable portion of such obligation based on its ownership interest in the related real estate assets).

"Fixed Charges and Preferred Unit Distributions" consist of interest costs, whether expensed or capitalized, the interest component of rental expense and amortization of debt issuance costs, including the Operating Partnership's pro rata share based on its ownership interest of joint venture interest costs, whether expensed or capitalized and the interest component of rental expense and amortization of debt issuance costs, plus any distributions on outstanding preferred units.

"Interest Expense" includes the Operating Partnership's pro rata share of joint venture interest expense and is reduced by amortization of debt issuance costs.

"Subsidiary" means a corporation, partnership, joint venture, limited liability company or other entity, a majority of the outstanding voting stock, partnership interests or membership interests, as the case may be, of which is owned or controlled, directly or indirectly, by the Operating Partnership or by one or more other Subsidiaries of the Operating Partnership and, for purposes of this definition, shall include SPG, LP. For the purposes of this definition, "voting stock" means stock having voting power for the election of directors, or trustees, as the case may be, whether at all times or only so long as no senior class of stock has such voting power by reason of any contingency.

"Unencumbered Annualized EBITDA After Minority Interest" means EBITDA after minority interest less any portion thereof attributable to assets serving as collateral for Secured Debt.

"Unencumbered Assets" as of any date shall be equal to Adjusted Total Assets as of such date multiplied by a fraction, the numerator of which is Unencumbered Annualized EBITDA After Minority Interest and the denominator of which is Annualized EBITDA After Minority Interest. On a pro forma basis as of September 30, 1996, the Operating Partnership's Unencumbered Assets were $1.76 billion.

"Unsecured Debt" means Debt which is not secured by any mortgage, lien, pledge, encumbrance or security interest of any kind.

Reference is made to the section entitled "Description of Debt Securities -- Certain Covenants" in the accompanying Prospectus for a description of additional covenants applicable to the Notes. Compliance with the covenants described herein and such additional covenants with respect to the Notes generally may not be waived by the Board of Directors of the General Partners, as general partners of the Operating Partnership, or by the Trustee unless the Holders of at least a majority in principal amount of all outstanding Notes consent to such waiver; provided, however, that the defeasance and covenant defeasance provisions of the Indenture described under "Description of Debt Securities -- Discharge" and " -- Defeasance and Covenant Defeasance" in the accompanying Prospectus will apply to the Notes, including with respect to the covenants described in this Prospectus Supplement.

OPTIONAL REDEMPTION

The Notes may be redeemed at any time at the option of the Operating Partnership, in whole or from time to time in part, at a redemption price equal to the sum of (i) the principal amount of the Notes being redeemed plus accrued interest thereon to the redemption date and (ii) the Make-Whole Amount (as defined below), if any, with respect to such Notes (the "Redemption Price").

If notice of redemption has been given as provided in the Indenture and funds for the redemption of any Notes called for redemption shall have been made available on the redemption date referred to in such notice, such Notes will cease to bear interest on the date fixed for such redemption specified in such notice and the only right of the Holders of the Notes from and after the redemption date will be to receive payment of the Redemption Price upon surrender of such Notes in accordance with such notice.

Notice of any optional redemption of any Notes will be given to Holders at their addresses, as shown in the security register for the Notes, not more than 60 nor less than 30 days prior to the date fixed for redemption. The notice of redemption will specify, among other items, the Redemption Price and the principal amount of the Notes held by such Holder to be redeemed.

If less than all the Notes are to be redeemed at the option of the Operating Partnership, the Operating Partnership will notify the Trustee at least 45 days prior to giving notice of redemption (or such shorter period as may be satisfactory to the Trustee) of the aggregate principal amount of Notes to be redeemed and their redemption date. The Trustee shall select, in such manner as it shall deem fair and appropriate, Notes to be redeemed in whole or in part.

As used herein:

"Make-Whole Amount" means, in connection with any optional redemption or accelerated payment of any Notes, the excess, if any, of (i) the aggregate present value as of the date of such redemption or accelerated payment of each dollar of principal being redeemed or paid and the amount of interest (exclusive of interest accrued to the date of redemption or accelerated payment) that would have been payable in respect of each such dollar if such redemption or accelerated payment had not been made, determined by discounting, on a semi-annual basis, such principal and interest at the Reinvestment Rate (determined on the third Business Day preceding the date notice of such redemption is given or declaration of acceleration is made) from the respective dates on which such principal and interest would have been payable if such redemption or accelerated payment had not been made, to the date of redemption or accelerated payment, over (ii) the aggregate principal amount of the Notes being redeemed or accelerated.

"Reinvestment Rate" means the yield on treasury securities at a constant maturity corresponding to the remaining life (as of the date of redemption, and rounded to the nearest month) to Stated Maturity of the principal being redeemed (the "Treasury Yield"), plus .25%. For purposes hereof, the Treasury Yield shall be equal to the arithmetic mean of the yields published in the Statistical Release under the heading "Week Ending" for "U.S. Government Securities -- Treasury Constant Maturities" with a maturity equal to such remaining life; provided, that if no published maturity exactly corresponds to such remaining life, then the Treasury Yield shall be interpolated or extrapolated on a straight-line basis from the arithmetic means of the yields for the next shortest and next longest published maturities, rounding each of such relevant periods to the nearest month. For purposes of calculating the Reinvestment Rate, the most recent Statistical Release published prior to the date of determination of the Make-Whole amount shall be used. If the format or content of the Statistical Release changes in a manner that precludes determination of the Treasury Yield in the above manner, then the Treasury Yield shall be determined in the manner that most closely approximates the above manner, as reasonably determined by the Operating Partnership.

"Statistical Release" means the statistical release designated "H.15(519)" or any successor publication which is published weekly by the Federal Reserve System and which reports yields on actively traded United States government securities adjusted to constant maturities, or, if such statistical release is not published at the time of any determination under the Indenture, then such other reasonably comparable index which shall be designated by the Operating Partnership.

THE GUARANTEE

SPG, LP will guarantee (the "Guarantee") the due and punctual payment of principal of, premium, if any, interest on, and any other amounts payable with respect to, the Notes, when and as the same shall become due and payable, whether at a maturity date, on redemption, by declaration of acceleration, or otherwise, in accordance with the terms of the Notes and the Indenture. Pursuant to the Indenture, (i) the Trustee may exercise its rights thereunder on behalf of the Holders and (ii) SPG, LP shall covenant that it shall take no action which would cause the Operating Partnership to violate any covenant under the Indenture agreement or any other condition. The Guarantee will terminate upon the consummation of the reorganizational transactions pursuant to which the Operating Partnership is expected to own directly all of the assets and partnership interests then owned by SPG, LP. However, there can be no assurance that such reorganizational transactions will be so effected. See "The Operating Partnership" in the accompanying Prospectus. No partner (whether limited or general) of SPG, LP will have any obligation for any obligations of SPG, LP under the Guarantee.

In the absence of the Guarantee, Holders of the Notes will have no claims, with respect to any payments in connection with the Notes, against the assets of SPG, LP or the assets of any other Subsidiary of the Operating Partnership. Any such claim that such Holders may make will have to be made indirectly through the equity interest that the Operating Partnership has in SPG, LP (or other Subsidiaries), and will thus be structurally subordinated to the claims of creditors of SPG, LP (or other Subsidiaries). As a result of the Guarantee, Holders of the Notes, upon exercising their rights with respect to the Guarantee against SPG, LP, will be considered creditors of SPG, LP and their claims will rank pari passu with those of unsecured and unsubordinated creditors of SPG, LP and will not be structurally subordinated to such creditors.

BOOK-ENTRY SYSTEM

The following are summaries of certain rules and operating procedures of DTC that affect the payment of principal and interest and transfers in the Global Note. Upon issuance, the Notes will only be issued in the form of a Global Note which will be deposited with, or on behalf of, DTC and registered in the name of Cede & Co., as nominee of DTC. Unless and until it is exchanged in whole or in part for Notes in definitive form under the limited circumstances described below, a Global Note may not be transferred except as a whole (i) by DTC to a nominee of DTC, (ii) by a nominee of DTC to DTC or another nominee of DTC or (iii) by DTC or any such nominee to a successor of DTC or a nominee of such successor.

Ownership of beneficial interests in a Global Note will be limited to persons that have accounts with DTC for such Global Note ("participants") or persons that may hold interests through participants. Upon the issuance of a Global Note, DTC will credit, on its book-entry registration and transfer system, the participants' accounts with the respective principal amounts of the Notes represented by such Global Note beneficially owned by such participants. Ownership of beneficial interests in such Global Notes will be shown on, and the transfer of such ownership interests will be effected only through, records maintained by DTC (with respect to interests of participants) and on the records of participants (with respect to interests of persons holding through participants). The laws of some states may require that certain purchasers of securities take physical delivery of such securities in definitive form. Such laws may limit or impair the ability to own, transfer or pledge beneficial interests in the Global Notes.

So long as DTC or its nominee is the registered owner of a Global Note, DTC or its nominee, as the case may be, will be considered the sole owner or Holder of the Notes represented by such Global Note for all purposes under the Indenture. Except as set forth below, owners of beneficial interests in a Global Note will not be entitled to have Notes represented by such Global Note registered in their names, will not receive or be entitled to receive physical delivery of such Notes in certificated form and will not be considered the registered owners or Holders thereof under the Indenture. Accordingly, each person owning a beneficial interest in a Global Note must rely on the procedures of DTC and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a Holder under the Indenture. The Operating Partnership understands that under existing industry practices, if the Operating Partnership requests any action of Holders or if an owner of a beneficial interest in a Global Note desires to give or take any action that a Holder is entitled to give or take under the Indenture, DTC would authorize the participants holding the relevant beneficial interests to give or take such action, and such participants would authorize beneficial owners owning through such participants to give or take such action or would otherwise act upon the instructions of beneficial owners holding through them.

Principal and interest payments on interests represented by a Global Note will be made to DTC or its nominee, as the case may be, as the registered owner of such Global Note. None of the Operating Partnership, the Trustee or any agent of the Operating Partnership or agent of the Trustee will have any responsibility or liability for any aspect of the records relating to or payment made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The Operating Partnership expects that DTC, upon receipt of any payment of principal or interest in respect of a Global Note, will immediately credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in such Global Note as shown on the records of DTC. The Operating Partnership also expects that payments by participants to owners of beneficial interests in the Global Notes held through such participants will be governed by standing customer instructions and customary practice, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such participants.

If DTC is at any time unwilling or unable to continue as depository for the Notes and the Operating Partnership fails to appoint a successor depository registered as a clearing agency under the Securities Exchange Act of 1934, as amended (the "Exchange Act), within 90 days, the Operating Partnership will issue the Notes in definitive form in exchange for the Global Notes. Any Notes issued in definitive form in exchange for the Global Notes will be registered in such name or names, and will be issued in denominations of $1,000 and such integral multiples thereof, as DTC shall instruct the Trustee. It is expected that such instructions will be based upon directions received by DTC from participants with respect to ownership of beneficial interests in the Global Notes.

DTC has advised the Operating Partnership of the following information regarding DTC. DTC is a limited-purpose trust company organized under the Banking Law of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. was created to hold securities of its participants and to facilitate the clearance and settlement of transactions among its participants in such securities through electronic book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. DTC's participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, some of which (or their representatives) own DTC. Access to the DTC book-entry system is also available to others, such as banks, brokers and dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

SAME-DAY SETTLEMENT AND PAYMENT

Settlement for the Notes will be made by the Underwriters (as defined herein) in immediately available funds. All payments of principal and interest in respect of the Notes will be made by the Operating Partnership in immediately available funds.

Secondary trading in long-term notes and debentures of corporate issuers is generally settled in clearing house or next-day funds. In contrast, the Notes will trade in DTC's Same-Day Funds Settlement System until maturity or until the Notes are issued in certificated form, and secondary market trading activity in the Notes will therefore be required by DTC to settle in immediately available funds. No assurance can be given as to the effect, if any, of settlement in immediately available funds on trading activity in the Notes.

MANAGEMENT

BOARD OF DIRECTORS OF THE GENERAL PARTNERS

The following table sets forth the composition of the Board of Directors of the Managing General Partner, which is identical to that of the Company.

NAME	AGE
Melvin Simon	70
Herbert Simon	62
David Simon	35
Richard S. Sokolov	46
Edward J. DeBartolo, Jr.	50
M. Denise DeBartolo York	45
Birch Bayh	68
William T. Dillard, II	51
G. William Miller	71
Frederick W. Petri	49
Terry S. Prindiville	60
J. Albert Smith, Jr.	55
Philip J. Ward	48

Set forth below is a summary of the business experience of the directors of the General Partners.

Melvin Simon is the Co-Chairman of the Board of Directors. In addition, he is the Chairman of the Board of Directors of Melvin Simon & Associates, Inc. ("MSA, Inc."), a company he founded in 1960 with his brother, Herbert Simon.

Herbert Simon is the Co-Chairman of the Board of Directors. Mr. Simon served as Chief Executive Officer from the Company's incorporation through January 2, 1995, when he was appointed Co-Chairman of the Board. In addition, Mr. Simon is the Chief Executive Officer and President of MSA, Inc., positions he has held since its founding. Mr. Simon is also a director of Kohl's Corporation, a specialty retailer.

David Simon is the Chief Executive Officer of the Company. Mr. Simon served as President from the Company's incorporation until the Merger and was appointed Chief Executive Officer on January 3, 1995. In addition, he has been Executive Vice President, Chief Operating Officer and Chief Financial Officer of MSA, Inc. since 1990. From 1988 to 1990, Mr. Simon was Vice President of Wasserstein Perella & Company, a firm specializing in mergers and acquisitions. He is the son of Melvin Simon, the nephew of Herbert Simon and a director of Healthcare Compare Corp. Mr. Simon served as President from the Company's incorporation until the Merger.

Richard S. Sokolov has been the President, Chief Operating Officer and a director of the Company since the Merger. He was the President, Chief Executive Officer and a director of the DRC from its incorporation until the Merger. Prior to that he had served as Senior Vice President, Development of EJDC since 1986 and as Vice President and General Counsel since 1982. In addition, Mr. Sokolov is a trustee and a member of the Executive Committee of the International Council of Shopping Centers.

Edward J. DeBartolo, Jr. was the Chairman of the DRC Board of Directors from its incorporation until the Merger. Mr. DeBartolo has been President and Chief Executive Officer of EJDC since 1994 and a director of EJDC since 1973. He previously served as President and Chief Administrative Officer of EJDC since 1979. He has been associated with EJDC in an executive capacity since 1973. Mr. DeBartolo is Chairman of the San Francisco 49ers professional football team and is also Chairman and Chief Executive Officer of DeBartolo Entertainment, Inc. EJDC owns a majority of the interests in the San Francisco 49ers. Mr. DeBartolo, Jr. is the son of the late Edward J. DeBartolo and the brother of M. Denise DeBartolo York.

M. Denise DeBartolo York was a director of DRC from February 1995 until the Merger. She serves as Chairman of the Board of EJDC and DeBartolo, Inc. Ms. York previously served EJDC as Executive Vice President of Personnel/Communications and has been associated with EJDC in an executive capacity since 1975. She is the daughter of the late Edward J. DeBartolo and the sister of Edward J. DeBartolo, Jr.

Birch Bayh, a director of the Company since the Company's initial public offering (the "IPO"), is the senior partner in the Washington, D.C. law firm of Bayh, Connaughton & Malone, P.C. He served as a United States Senator from Indiana from 1963 to 1981. Mr. Bayh also serves as a director of ICN Pharmaceuticals and Acordia, Inc.

William T. Dillard, II, a director of the Company since the IPO, is President and Chief Operating Officer of Dillard Department Stores Inc., a retailing chain, a position he has held since 1977. Mr. Dillard also serves as a director of Dillard Department Stores Inc., Frederick Atkins, Inc., Texas Commerce Bancshares, Inc., Acxiom Corporation and Barnes & Noble, Inc.

G. William Miller was a director of DRC from DRC's initial public offering (the "DRC IPO") until the Merger. He has been Chairman of the Board and Chief Executive Officer of G. William Miller & Co. Inc., a merchant banking firm, since 1983. He is a former Secretary of the U.S. Treasury and a former Chairman of the Federal Reserve Board. From January 1990 until February 1992, he was Chairman and Chief Executive Officer of Federated Stores, Inc., the parent company of predecessors to Federated Department Stores, Inc. Mr. Miller is Chairman of the Board and a director of Waccamaw Corporation. He is also a director of GS Industries, Inc., Kleinwort Benson Australian Income Fund, Inc. and Repligen Corporation.

Frederick W. Petri was a director of DRC from the DRC IPO until the Merger. He is a partner of Petrone, Petri & Company, a real estate investment firm he founded in 1993, and an officer of Housing Capital Company since its formation in 1994. Prior thereto, he was an Executive Vice President of Wells Fargo Bank, where for over 18 years he held various real estate positions. Mr. Petri is currently a trustee of the Urban Land Institute and a director of Storage Trust Realty. He previously was a member of the Board of Governors and a Vice President of the National Association of Real Estate Investment Trusts and a director of the National Association of Industrial and Office Park Development. He is a director of the University of Wisconsin's Real Estate Center.

Terry S. Prindiville, a director of the Company since the IPO, served as Executive Vice President and Director of Support Services of J.C. Penney Company, Inc. a retailing chain from 1988 until 1995. He is also the Chairman of the Board of Directors of JCP Realty, Inc., a wholly-owned subsidiary of J.C. Penney Company, Inc.

J. Albert Smith, Jr., a director of the Company since the IPO, is the President of Bank One, Indianapolis, NA, a commercial bank, a position he has held since September 30, 1994. Prior to his current position, he was the President of Bank One Mortgage Corporation, a mortgage banking firm, a position he held since 1975.

Philip J. Ward was a director of DRC from the DRC IPO until the Merger. He is Senior Managing Director, Head of Real Estate Investments, for CIGNA Investments, Inc., a wholly-owned subsidiary of CIGNA Corporation. He is a member of the International Council of Shopping Centers, the Urban Land Institute, the National Association of Industrial and Office Parks and the Society of Industrial and Office Realtors. He is a director of the Connecticut Housing Investment Fund.

SENIOR MANAGEMENT OF THE GENERAL PARTNERS

The following table sets forth certain information with respect to the executive officers of the Managing General Partner, which officers also hold the same positions in the Company.

NAME	AGE	POSITION
Melvin Simon(1)...............	70	Co-Chairman
Herbert Simon(1)..............	62	Co-Chairman
David Simon(1)................	35	Chief Executive Officer
Richard S. Sokolov............	46	President and Chief Operating Officer
Randolph L. Foxworthy.........	52	Executive Vice President -- Corporate Development
William J. Garvey.............	57	Executive Vice President -- Property Development
James A. Napoli...............	50	Executive Vice President -- Leasing
John R. Neutzling.............	44	Executive Vice President -- Property Management
James M. Barkley..............	44	General Counsel; Secretary
Stephen E. Sterrett...........	41	Treasurer

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

Set forth below is a summary of the business experience of the executive officers whose business experience is not summarized above.

Mr. Foxworthy is the Executive Vice President -- Corporate Development. He served as a Director of the Company from the IPO until the Merger. Mr. Foxworthy joined MSA, Inc. in 1980 and has been an Executive Vice President of MSA, Inc. since 1986 in charge of Corporate Development and has held the same position with the Company since the IPO. Prior to assuming the position of Executive Vice President, Mr. Foxworthy served as General Counsel, in which capacity he supervised all legal operations of MSA, Inc.

Mr. Garvey is the Executive Vice President -- Property Development. Mr. Garvey, who was Executive Vice President and Director of Development at MSA, Inc., joined MSA, Inc. in 1979 and has held various positions with MSA, Inc. since that date and has held his current position with the Company since the IPO.

Mr. Napoli is the Executive Vice President -- Leasing of the Company. Mr. Napoli also served as Executive Vice President and Director of Leasing of MSA, Inc. and has held his current position with the Company since the IPO. Mr. Napoli was Executive Vice President and Director of Leasing for May Centers, Inc. before he joined MSA, Inc. in 1989.

Mr. Neutzling is the Executive Vice President -- Property Management, and as such oversees all property and asset management functions of the Company. He has held his current position with the Company since the IPO. Mr. Neutzling joined MSA, Inc. in 1974 and has held various positions with MSA, Inc. since that date.

Mr. Barkley serves as General Counsel and Secretary. Mr. Barkley holds the same position for MSA, Inc. and has held his current position with the Company since the IPO. He joined MSA, Inc. in 1978 as Assistant General Counsel for Development Activity.

Mr. Sterrett serves as Treasurer and has held his current position with the Company since the IPO. He joined MSA, Inc. in 1989 and has held various positions with MSA, Inc. since that date. Prior to that, he was a Senior Manager at Price Waterhouse.

UNDERWRITING

Subject to the terms and conditions contained in the terms agreement and the related underwriting agreement (the "Underwriting Agreement"), the Operating Partnership has agreed to sell to each of the Underwriters named below (the "Underwriters"), and each of the Underwriters has severally agreed to purchase, the respective principal amount of the Notes set forth below opposite their respective names. The Underwriting Agreement provides that the obligations of the Underwriters are subject to certain conditions precedent and that the Underwriters will be obligated to purchase all of the Notes if any are purchased.

UNDERWRITER	PRINCIPAL AMOUNT
Merrill Lynch, Pierce, Fenner & Smith Incorporated	$
J.P. Morgan Securities Inc.	
Morgan Stanley & Co. Incorporated	
Salomon Brothers Inc	
UBS Securities LLC	
Total	$

The Underwriters have advised the Operating Partnership that they propose initially to offer the Notes to the public at the public offering price set forth on the cover page of this Prospectus Supplement, and to certain dealers at such price less a concession not in excess of % of the principal amount thereof. The Underwriters may allow, and such dealers may reallow, a discount not in excess of % of the principal amount thereof to certain other dealers. After the initial public offering, the public offering price, concession and discount may be changed.

The Notes are a new issue of securities with no established trading market. The Operating Partnership does not intend to apply for listing of the Notes on a national securities exchange. The Operating Partnership has been advised by the Underwriters that the Underwriters intend to make a market in the Notes as permitted by applicable laws and regulations, but the Underwriters are not obligated to do so and may discontinue market-making at any time without notice. No assurance can be given as to the liquidity of the trading market for the Notes.

The Operating Partnership and the Company have agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended, or to contribute to payments the Underwriters may be required to make in respect thereof.

Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") and certain of the Underwriters have from time to time provided, and may continue to provide in the future, various investment banking, commercial banking and/or financial advisory services (including in the case of J.P. Morgan Securities Inc., the Agreement as more fully described in "Recent Developments -- Financings and Indebtedness") to the Company, the Operating Partnership and SPG, LP, for which customary compensation has been, and will be, received. In connection with the Merger, the Company has agreed to pay Merrill Lynch a fee of approximately $4 million for financial advisory services provided by Merrill Lynch to the Company and Morgan Stanley & Co. Incorporated ("Morgan Stanley") was paid a fee of approximately $3.875 million by DRC for financial advisory services provided to DRC by Morgan Stanley. Morgan Guaranty Trust Company of New York, an affiliate of J.P. Morgan Securities Inc. and Union Bank of Switzerland, New York Branch, an affiliate of UBS Securities LLC are lead agents under the Credit Facility, and as such are receiving a portion of the net proceeds of the Offering in connection with amounts being repaid with respect thereto.

PRO FORMA COMBINED CONDENSED FINANCIAL INFORMATION

(UNAUDITED)

The accompanying financial statements present the unaudited pro forma combined condensed balance sheet of the Operating Partnership as of September 30, 1996 and the unaudited pro forma combined condensed statements of operations of the Operating Partnership for the nine-month period ended September 30, 1996 and for the year ended December 31, 1995.

The unaudited pro forma combined condensed balance sheet as of September 30, 1996 is presented as if the issuance of $200 million of Notes (the "Offering") and the issuance of $200 million of Series B Cumulative Redeemable Preferred Stock (the "Preferred Offering") had occurred on September 30, 1996 and retroactively reflect at September 30, 1996 the limited partners' interest in the Operating Partnership as partners' equity. The unaudited pro forma combined condensed statements of operations for the nine month period ended September 30, 1996 and for the year ended December 31, 1995 are presented as if the Offering, the Preferred Offering and the Merger had occurred as of January 1, 1995 and were carried forward through September 30, 1996.

Preparation of the pro forma financial information was based on assumptions deemed appropriate by the management of the General Partners. The assumptions give effect to the Offering, the Preferred Offering and the Merger, under the purchase method of accounting, in accordance with generally accepted accounting principles and to the arrangement which results in the change in accounting for the limited partners' interest in the Operating Partnership as partners' equity. The pro forma financial information is unaudited and is not necessarily indicative of the results which actually would have occurred if the transactions had been consummated at the beginning of the periods presented, nor does it purport to represent the future financial position and results of operations for future periods. The pro forma information should be read in conjunction with the historical financial statements of Simon DeBartolo Group, L.P. ("SDG, LP"), Simon Property Group, L.P. ("SPG, LP") and DeBartolo Realty Partnership L.P. ("DRP, LP"), each included in the accompanying Prospectus.

The pro forma adjustments included in the unaudited pro forma combined condensed financial statements are based upon currently available information and upon certain assumptions that management of the General Partners believes are reasonable. There can be no assurance that the actual adjustments will not differ significantly from the pro forma adjustments reflected in the pro forma financial information.

SIMON DEBARTOLO GROUP, L.P.

PRO FORMA COMBINED CONDENSED BALANCE SHEET

AS OF SEPTEMBER 30, 1996
(IN THOUSANDS)
(UNAUDITED)

	SDG, LP (HISTORICAL)	PRO FORMA ADJUSTMENTS	TOTAL PRO FORMA
ASSETS:			
Investment properties, net	$ 4,989,949	$ --	$ 4,989,949
Cash, cash equivalents and short-term investments	92,575	--	92,575
Receivables	150,954	--	150,954
Note receivable from the Management Companies	54,128	--	54,128
Investment in partnerships and joint ventures, at equity	368,225	--	368,225
Other assets	142,499	2,000(A)	144,499
Total assets	$ 5,798,196	$ 2,000	$ 5,800,196
LIABILITIES AND PARTNERS' EQUITY:			
LIABILITIES:			
Mortgages and other notes payable	$ 3,555,123	$ 2,000(B)	$ 3,557,123(D)
Accounts payable, accrued expenses and other liabilities	250,097	--	250,097
Cash distributions and losses in partnerships and joint ventures, at equity	16,796	--	16,796
Investment in the Management Companies	13,415	--	13,415
Total liabilities	3,835,431	2,000	3,837,431
LIMITED PARTNERS' EQUITY INTEREST, at redemption value	1,542,792	(1,542,792)(C)	--
PARTNERS' EQUITY:			
Series A Preferred Units	99,923	--	99,923
Series B Preferred Units	193,471	--	193,471
General Partners	1,029,774	--	1,029,774
Limited Partners	--	645,472(C)	645,472
Adjustment to exclude limited partners' equity interest, at redemption value	(897,320)	897,320(C)	--
Unamortized restricted stock award	(5,875)	--	(5,875)
Total partners' equity	419,973	1,542,792	1,962,765
Total liabilities, limited partners' equity interest and partners' equity	$ 5,798,196	$ 2,000	$ 5,800,196

The accompanying notes and management's assumptions are an integral part of these statements.

SIMON DEBARTOLO GROUP, L.P.

PRO FORMA COMBINED CONDENSED STATEMENT OF OPERATIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996
(IN THOUSANDS, EXCEPT UNIT AND PER UNIT AMOUNTS)
(UNAUDITED)

			SDG, LP (NOTE 1)			
	SDG, LP (HISTORICAL) (NOTE 1)	DRP, LP (HISTORICAL) FOR THE PERIOD JANUARY 1, 1996 TO AUGUST 9, 1996	MERGER PRO FORMA ADJUSTMENTS	PRO FORMA COMBINED CONDENSED	OFFERING AND PREFERRED OFFERING PRO FORMA ADJUSTMENTS	TOTAL PRO FORMA
REVENUE						
Minimum rent	$ 277,313	$ 136,594	$ 2,068(A)	$415,975	$ --	$ 415,975
Overage rent	17,738	6,188	--	23,926	--	23,926
Tenant reimbursements	157,738	52,398	--	210,136	--	210,136
Other income	32,851	11,455	--	44,306	--	44,306
Total revenue	485,640	206,635	2,068	694,343	--	694,343
EXPENSES						
Property and other operating expenses	182,652	86,183	(12,164)(B)	256,671	--	256,671
Depreciation and amortization	88,913	38,706	6,823(C)	134,442	--	134,442
Write off of minority interest	--	13,854	(13,854)(D)	--	--	--
Merger expenses	7,236	13,512	(20,748)(E)	--	--	--
Total expenses	278,801	152,255	(39,943)	391,113	--	391,113
OPERATING INCOME	206,839	54,380	42,011	303,230	--	303,230
INTEREST EXPENSE	135,346	74,714	(7,459)(F)	202,601	(5,887)(I)	196,714
INCOME BEFORE MINORITY INTEREST	71,493	(20,334)	49,470	100,629	5,887	106,516
MINORITY PARTNERS' INTEREST	(2,394)	(528)	--	(2,922)	--	(2,922)
GAIN ON SALE OF ASSETS	88	--	--	88	--	88
INCOME BEFORE UNCONSOLIDATED ENTITIES	69,187	(20,862)	49,470	97,795	5,887	103,682
INCOME FROM UNCONSOLIDATED ENTITIES	7,452	8,422	--	15,874	--	15,874
NET INCOME FROM CONTINUING OPERATIONS	76,639	(12,440)	49,470	113,669	5,887	119,556
GENERAL PARTNERS PREFERRED UNIT REQUIREMENT	6,286	--	--	6,286	12,933(J)	19,219
NET INCOME FROM CONTINUING OPERATIONS AVAILABLE TO UNITHOLDERS	$ 70,353	$ (12,440)	$ 49,470	$107,383	$ (7,046)	$ 100,337
NET INCOME AVAILABLE TO UNITHOLDERS ATTRIBUTED TO:						
GENERAL PARTNERS	$ 43,061	$ (7,697)	$ 30,569	$ 65,933	$ (4,326)	$ 61,607
LIMITED PARTNERS	27,292	(4,743)	18,901(G)	41,450	(2,720)(K)	38,730
	$ 70,353	$ (12,440)	$ 49,970	$107,383	$ (7,046)	$ 100,337
NET INCOME PER UNIT	$ 0.65					$ 0.64
WEIGHTED AVERAGE UNITS OUTSTANDING	107,607,202					156,925,688(H)

The accompanying notes and management's assumptions are an integral part of these statements.

SIMON DEBARTOLO GROUP, L.P.

PRO FORMA COMBINED CONDENSED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 1995
(IN THOUSANDS, EXCEPT UNIT AND PER UNIT AMOUNTS)
(UNAUDITED)

			SDG, LP (NOTE 1)			
	SPG, LP (HISTORICAL) (THE PREDECESSOR TO SDG, LP)	DRP, LP (HISTORICAL)	MERGER PRO FORMA ADJUSTMENTS	PRO FORMA COMBINED CONDENSED	OFFERING AND PREFERRED OFFERING PRO FORMA ADJUSTMENTS	TOTAL PRO FORMA
REVENUE						
Minimum rent..................	$ 307,849	$ 205,056	$ 3,400(A)	$516,305	$ --	$ 516,305
Overage rent..................	23,278	12,924	--	36,202	--	36,202
Tenant reimbursements.........	191,535	82,147	--	273,682	--	273,682
Other income..................	30,995	32,530	--	63,525	--	63,525
Total revenue..........	553,657	332,657	3,400	889,714	--	889,714
EXPENSES						
Property and other operating expenses....................	209,782	118,498	(20,000)(B)	308,280	--	308,280
Depreciation and amortization................	92,739	58,603	11,218(C)	162,560	--	162,560
Total expenses.........	302,521	177,101	8,782	470,840	--	470,840
OPERATING INCOME................	251,136	155,556	12,182	418,874	--	418,874
INTEREST EXPENSE................	150,224	124,567	(21,035)(F)	253,756	(10,197)(I)	243,559
INCOME BEFORE MINORITY INTEREST......................	100,912	30,989	33,217	165,118	10,197	175,315
MINORITY PARTNERS' INTEREST.....	(2,681)	1,029	--	(1,652)	--	(1,652)
GAIN ON SALE OF ASSETS..........	1,871	5,460	--	7,331	--	7,331
INCOME BEFORE UNCONSOLIDATED ENTITIES......................	100,102	37,478	33,217	170,797	10,197	180,994
INCOME FROM UNCONSOLIDATED ENTITIES......................	1,403	8,865	--	10,268	--	10,268
NET INCOME FROM CONTINUING OPERATIONS....................	101,505	46,343	33,217	181,065	10,197	191,262
GENERAL PARTNERS PREFERRED UNIT REQUIREMENT...................	1,490	--	--	1,490	17,500(J)	18,990
NET INCOME FROM CONTINUING OPERATIONS AVAILABLE TO UNITHOLDERS...................	$ 100,015	$ 46,343	$ 33,217	$179,575	$ (7,303)	$ 172,272
NET INCOME AVAILABLE TO UNITHOLDERS ATTRIBUTABLE TO:						
GENERAL PARTNERS..............	$ 59,718	$ 27,628	$ 22,913	$110,259	$ (4,425)	$ 105,775
LIMITED PARTNERS..............	40,297	18,715	10,304(G)	69,316	(2,878)(K)	66,497
	$ 100,015	$ 46,343	$ 33,217	$179,575	$ (7,303)	$ 172,272
NET INCOME PER UNIT.............	$ 1.08					$ 1.12
WEIGHTED AVERAGE UNITS OUTSTANDING...................	92,666,469					153,809,452(H)

The accompanying notes and management's assumptions are an integral part of these statements.

SIMON DEBARTOLO GROUP, L.P.

NOTES AND MANAGEMENT ASSUMPTIONS TO
PRO FORMA FINANCIAL INFORMATION
(UNAUDITED, IN THOUSANDS, EXCEPT FOR UNIT AND PER UNIT AMOUNTS)

1. BASIS OF PRESENTATION

Simon Property Group, L.P. ("SPG, LP"), the predecessor to Simon DeBartolo Group, LP for financial reporting purposes, was formed as a Delaware limited partnership in 1993 in connection with Simon Property Group, Inc.'s ("SPG") initial public offering (the "IPO"). SPG, as general partner of SPG, LP, has full, exclusive and complete responsibility and discretion in the management and control of SPG, LP. Immediately prior to the Merger (see below), SPG owned 61.1% of SPG, LP. SPG, LP is engaged primarily in the ownership, operation, management, leasing, acquisition, expansion and development of real estate properties, primarily regional malls and community shopping centers. As of September 30, 1996, SPG, LP owned or held an interest in 122 income-producing properties, which consist of 62 regional malls, 55 community shopping centers, two specialty retail centers and three mixed-use properties. SPG, LP also owned interests in two regional malls and one specialty retail center under construction and seven parcels of land held for future development.

On August 9, 1996, the merger and other related transactions, pursuant to the agreement and plan of merger between SPG, an acquisition subsidiary of SPG and DeBartolo Realty Corporation ("DRC"), were consummated (the "Merger"). Pursuant to the Merger, SPG acquired all the outstanding shares of common stock of DRC (55,712,529 shares), through the acquisition subsidiary, at an exchange ratio of 0.68 share of SPG common stock for each share of DRC common stock (the "Exchange Ratio"). DRC and the acquisition subsidiary merged, with DRC the surviving entity, becoming a 99.9% subsidiary of SPG. This portion of the transaction was valued at approximately $923.4 million and resulted in SPG obtaining an indirect 61.9% general partnership interest in DRC's operating partnership, DeBartolo Realty Partnership, L.P. ("DRP, LP"). The value of the acquisition of DRC was based upon the number of shares (55,712,529 shares) of DRC common stock acquired, the Exchange Ratio and the last reported sales price per share of SPG's common stock on August 9, 1996 ($24.375).

SDG, LP, like SPG, LP, is engaged primarily in the ownership, operation, management, leasing, acquisition, expansion and development of real estate properties, primarily regional malls and community shopping centers. As of September 30, 1996, SDG, LP owned or held an interest in 50 regional malls, 11 community shopping centers and land held for future development.

In connection with the Merger, SPG changed its name to Simon DeBartolo Group, Inc. ("SDG" or the "Company"). In addition, simultaneous with the Merger, the general and limited partners of SPG, LP contributed 99% of their interests (49.5% partnership interest and an additional 49.5% interest in the profits of SPG, LP) to DRP, LP in exchange for units of partnership interest in DRP, LP, whose name had since changed to Simon DeBartolo Group, LP ("SDG, LP"). The limited partners of DRP, LP approved the contribution made by the partners of SPG, LP and simultaneously exchanged their 38.1% partnership interest in DRP, LP, adjusted for the Exchange Ratio, for a smaller partnership interest in SDG, LP. The exchange of the limited partners' interest in DRP, LP for units of partnership interest in SDG, LP has been accounted for as an acquisition of minority interest and is valued based on the estimated fair value of the consideration issued (approximately $566.9 million). The limited partnership units of SDG, LP may under certain circumstances be exchangeable for common stock of SDG on a one-for-one basis. Therefore, the value of the acquisition of the limited partners' interest acquired was based upon the number of units of partnership interest (34,203,623 units) in DRP, LP exchanged, the Exchange Ratio and the last reported sales price per share of SPG's common stock on August 9, 1996 ($24.375). The limited partners of SPG, LP received a 23.8% partnership interest in SDG, LP for contributing their 38.9% partnership interest in SPG, LP to SDG, LP. The interests transferred by the partners of SPG, LP to DRP, LP have been appropriately reflected at historical costs. Upon completion of the Merger, the Company directly and indirectly owned a controlling 61.2% partnership interest in SDG, LP.

SIMON DEBARTOLO GROUP, L.P.

NOTES AND MANAGEMENT ASSUMPTIONS TO
PRO FORMA FINANCIAL INFORMATION -- (CONTINUED)

For financial reporting purposes, the completion of the Merger resulted in a reverse acquisition by the Company using the purchase method of accounting, directly or indirectly, of 100% of the net assets of DRP, LP for consideration valued at $1,518,102, including related transaction costs. The purchase price has been allocated to the fair value of the assets and liabilities of DRP, LP. At September 30, 1996, certain assumptions were made which management of the General Partners believes are reasonable. Management expects to finalize the purchase price during the fourth quarter of 1996. The final allocation is not expected to differ materially from the allocation made at September 30, 1996.

Although the Company was the accounting acquirer, DRP, LP (which is now known as SDG, LP ("SDG, LP")) became the primary operating partnership through which the future business of the Company will be conducted. As a result of the Merger, SPG's initial operating partnership, SPG, LP, became a subsidiary of SDG, LP, with 99% of the profits allocable to SDG, LP and 1% of the profits allocable to the Company. Cash flow allocable to the Company's 1% profit interest in SPG, LP will be absorbed by public company costs and related expenses incurred by the Company. Because the Company was the accounting acquirer and, upon completion of the Merger, acquired majority control of DRP, LP, SPG, LP is the predecessor to SDG, LP for financial reporting purposes. Accordingly, the financial statements and ratios disclosed by SDG, LP for post-merger periods will reflect the reverse acquisition of DRP, LP by the Company using the purchase method of accounting and for all pre-merger comparative periods, the financial statements and ratios disclosed by SDG, LP will reflect the financial statements and ratios of SPG, LP as the predecessor to SDG, LP for financial reporting purposes.

The accompanying financial statements present the unaudited pro forma combined condensed balance sheet of the Operating Partnership as of September 30, 1996 and the unaudited pro forma combined condensed statements of operations of the Operating Partnership for the nine-month period ended September 30, 1996 and for the year ended December 31, 1995.

The unaudited pro forma combined condensed balance sheet as of September 30, 1996 is presented as if the Offering had occurred on September 30, 1996 and retroactively reflects the limited partners' interest in the Operating Partnership as partners' equity. The unaudited pro forma combined condensed statements of operations for the nine month period ended September 30, 1996 and for the year ended December 31, 1995 are presented as if the Offering, the Preferred Offering and the Merger, which resulted in a reverse acquisition at the operating partnership level, had occurred as of January 1, 1995 and were carried forward through September 30, 1996.

Preparation of the pro forma financial information was based on assumptions deemed appropriate by the management of the General Partners. The assumptions give effect to the Offering, the Preferred Offering, the Merger, which resulted in a reverse acquisition at the operating partnership level, under the purchase method of accounting in accordance with generally accepted accounting principles and the arrangement which results in the change in accounting for the limited partners' interest in the Operating Partnership as partners' equity. The pro forma financial information is unaudited and is not necessarily indicative of the results which actually would have occurred if the transactions had been consummated at the beginning of the periods presented, nor does it purport to represent the future financial position and results of operations for future periods. The pro forma information should be read in conjunction with the historical financial statements of SPG, LP and DRP, LP included in the accompanying Prospectus.

The pro forma adjustments included in the unaudited pro forma combined financial statements are based upon currently available information and upon certain assumptions that management of the General Partners believes are reasonable. There can be no assurance that the actual adjustments will not differ significantly from the pro forma adjustments reflected in the pro forma financial information.

SIMON DEBARTOLO GROUP, L.P.

NOTES AND MANAGEMENT ASSUMPTIONS TO
PRO FORMA FINANCIAL INFORMATION -- (CONTINUED)

2. LIMITED PARTNERS' INTEREST

Because the Operating Partnership does not control whether cash will be used to settle the limited partners' exchange rights, the limited partners' equity have not been included in partners' equity. The consolidated condensed balance sheets reflect the limited partners' interest in the Operating Partnership, measured at redemption value.

On November 13, 1996, an agreement was reached between the Company and the Operating Partnership which restricts the Company's ability to cause the Operating Partnership to redeem for cash the limited partners' units without contributing cash to the Operating Partnership as partners' equity sufficient to effect the redemption. If sufficient cash is not contributed, the Company will be deemed to have elected to acquire the limited partners' units for shares of the Company's common stock. Accordingly, prospectively the limited partners' interest in SDG, LP will be reflected in the consolidated balance sheet of SDG LP as partners' equity at historical carrying value.

3. ADJUSTMENTS TO PRO FORMA COMBINED CONDENSED BALANCE SHEET

(A)	To record deferred debt issuance costs related to the Offering......	$ 2,000
		==========
(B)	To reflect the issuance of $200,000 in Notes from the Offering ($2,000 used to pay debt issuance costs) with an average interest rate of 7.50% and to reflect the use of $198,000 in net proceeds from the Offering to repay existing mortgage indebtedness of $117,645 with an average interest rate of 7.75% and to reduce the amount outstanding under the revolving credit facility of $80,355 with an interest rate of 6.71%....................................	2,000
		==========
(C)	To reflect the limited partners' interest as partners' equity at historical carrying value:	
	Limited partners interest at historical carrying value.............	$ 645,472
	Adjustment to exclude the limited partners' interest at redemption value...	897,320
	Limited partners' equity interest, at redemption value.............	$(1,542,792)
		==========
(D)	A portion of the proceeds ($65,600) from the Preferred Offering were used on an interim basis in September 1996 to reduce amounts outstanding under the Credit Facility. In October 1996 this amount was borrowed under the Credit Facility to repay mortgage indebtedness. The ultimate use of the proceeds have been reflected in the accompanying Pro Forma Combined Condensed Balance Sheet.	
	Mortgage Indebtedness..	$ (65,600)
	Credit Facility..	65,600

	Mortgage & Other Notes Payable.....................................	$ --
		==========

SIMON DEBARTOLO GROUP, L.P.

NOTES AND MANAGEMENT ASSUMPTIONS TO
PRO FORMA FINANCIAL INFORMATION -- (CONTINUED)

4. ADJUSTMENTS TO PRO FORMA COMBINED CONDENSED STATEMENTS OF OPERATIONS

DRP, LP incurred $13,512 of expenses in connection with the Merger and these expenses have been excluded from the Pro Forma Combined Condensed Statements of Operations (see (D) below).

		FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996	FOR THE YEAR ENDED DECEMBER 31, 1995
(A)	To recognize revenue from straightlining rent related to leases which have been reset in connection with the Merger.......	$ 2,068	$ 3,400
(B)	To reflect cost savings to eliminate duplicative public company costs and other identified redundancies which have been estimated based upon historical costs for those items as a result of the Merger.....	$ (12,164)	$ (20,000)
(C)	To reflect the increase in depreciation as a result of recording the investment properties of DRP, LP at acquisition value versus historical cost and utilizing an estimated useful life of 35 years offset by the decrease in amortization expense as a result of the elimination of deferred leasing costs............................	$ 6,823	$ 11,218
(D)	To eliminate the adjustment to write-off minority interest recorded in connection with the Merger...........................	$ (13,854)	$ --
(E)	To reflect the elimination of Merger related costs expensed during the nine month period ended September 30, 1996.....	$ (20,748)	$ --
(F)	To reflect the following adjustments to interest expense as a result of the Merger:		
	1. To reflect the elimination of amortization of deferred mortgage costs, related to DRP, LP, written-off in connection with the Merger............	$ (6,175)	$ (18,929)
	2. To reflect the amortization of the premium required to adjust mortgages and other notes payable to fair value......	(1,284)	(2,106)
		$ (7,459)	$ (21,035)

SIMON DEBARTOLO GROUP, L.P.

NOTES AND MANAGEMENT ASSUMPTIONS TO
PRO FORMA FINANCIAL INFORMATION -- (CONTINUED)

		FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996	FOR THE YEAR ENDED DECEMBER 31, 1995
(G)	To adjust the allocation of the Limited Partners' interest after giving effect to the Merger in the net income of the Operating Partnership, taking into consideration the preferred unit distribution. The Limited Partners' pro forma weighted average ownership interest for the nine months ended September 30, 1996 and for the year ended December 31, 1995 was 38.5% and 39.4%, respectively....	$ 18,901	$ 10,304
		==========	==========
(H)	The pro forma weighted average units outstanding is computed as follows:		
	SPG, LP Historical Weighted Average Units Outstanding..............................	107,607,202	92,666,469
	Issuance of units in connection with the Merger (assuming that there are 89,916,152 units of DRP, LP outstanding immediately prior to the Merger)......................	49,318,486	61,142,983
		----------	----------
		156,925,688	153,809,452
		==========	==========
(I)	To reflect the following adjustments to interest expense:		
	1. To record the reduction in interest expense as a result of the use of $177,200 of the net proceeds of $193,000 from the Preferred Offering to reduce mortgages, other notes payable and the Credit Facility.......................	$ (9,523)	$ (12,996)
	2. To record the net increase in interest expense and deferred debt issuance cost amortization as a result of the Offering..............................	3,636	2,799
		----------	----------
		$ (5,887)	$ (10,197)
		==========	==========
(J)	To reflect preferred unit distributions related to the Preferred Offering.........	$ 12,933	$ 17,500
		==========	==========

SIMON DEBARTOLO GROUP, L.P.

NOTES AND MANAGEMENT ASSUMPTIONS TO
PRO FORMA FINANCIAL INFORMATION -- (CONTINUED)

	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996	FOR THE YEAR ENDED DECEMBER 31, 1995
(K) To adjust the allocation of the Limited Partners' interest after giving effect to the Offering, the Preferred Offering and the Merger in the net income of the Operating Partnership after consideration of the preferred unit distribution related to the Series B Preferred Stock. The Limited Partners' pro forma weighted average ownership interest for the nine months ended September 30, 1996 and for the year ended December 31, 1995 was 38.5% and 39.4%, respectively..................	$ (2,720)	$ (2,878)

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

SUBJECT TO COMPLETION, DATED NOVEMBER 21, 1996

PROSPECTUS

$750,000,000

SIMON DEBARTOLO GROUP, L.P.
DEBT SECURITIES

Simon DeBartolo Group, L.P. (the "Operating Partnership") may from time to time offer in one or more series unsecured non-convertible investment grade debt securities ("Debt Securities") with an aggregate public offering price of up to $750,000,000 (or its equivalent in another currency based on the exchange rate at the time of sale) in amounts, at prices and on terms to be set forth in one or more supplements to this Prospectus (each a "Prospectus Supplement"). The Operating Partnership is a subsidiary of Simon DeBartolo Group, Inc. (the "Company") and is the Company's primary operating partnership following the consummation on August 9, 1996 of the merger of DeBartolo Realty Corporation with a subsidiary of the Company. Simon Property Group, L.P., a Delaware limited partnership and a subsidiary partnership of the Operating Partnership, will guarantee (the "Guarantee") the due and punctual payment of the principal of, premium, if any, interest on, and any other amounts payable with respect to, the Debt Securities, when and as the same shall become due and payable, whether at a maturity date, on redemption, by declaration of acceleration or otherwise, and as set forth in the applicable Prospectus Supplement with respect to such Debt Securities.

The specific terms of the Debt Securities in respect of which this Prospectus is being delivered will be set forth in the applicable Prospectus Supplement and will include a specific title, aggregate principal amount, currency, form (which may be registered or bearer, or certificated or global), authorized denominations, maturity, rate (or manner of calculation thereof) and time of payment of interest, terms for redemption at the option of the Operating Partnership or repayment at the option of the holder, terms for sinking fund payments, covenants and any initial public offering price.

The applicable Prospectus Supplement will also contain information, where applicable, concerning material United States federal income tax considerations relating to, and any listing on a securities exchange of, the Debt Securities covered by such Prospectus Supplement.

The Debt Securities may be offered directly, through agents designated from time to time by the Operating Partnership, or to and through underwriters or dealers. If any agents, dealers or underwriters are involved in the sale of any of the Debt Securities, their names, and any applicable purchase price, fee, commission or discount arrangement between or among them, will be set forth, or will be calculable from the information set forth, in an accompanying Prospectus Supplement. See "Plan of Distribution." No Debt Securities may be sold without delivery of a Prospectus Supplement describing the method and terms of the offering of such series of Debt Securities.

The Debt Securities will be direct, unsecured obligations of the Operating Partnership and will, unless otherwise described in the applicable Prospectus Supplement, rank equally with all other unsecured and unsubordinated indebtedness of the Operating Partnership. On September 30, 1996, the total outstanding debt of the Operating Partnership including its pro rata share of joint venture debt was approximately $3,988.3 million, approximately 90% of which was secured debt. Except as otherwise described in the applicable Prospectus Supplement, the Indenture pursuant to which the Debt Securities are issued does not limit the amount of other indebtedness of the Operating Partnership that may rank equally with or senior to the Debt Securities.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

The date of this Prospectus is November   , 1996.

AVAILABLE INFORMATION

Simon DeBartolo Group, Inc. (the "Company") is the holder of approximately a 99.99% interest in SD Property Group, Inc., which is the managing general partner of the Operating Partnership. Simon Property Group, L.P. ("SPG, LP") is a subsidiary partnership of the Operating Partnership. The Company is the general partner of SPG, LP. The Company and SPG, LP are and, following the effectiveness of the registration statement of which this Prospectus is a part, the Operating Partnership will be, subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and, in accordance therewith, the Company and SPG, LP file and the Operating Partnership may be required to file reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information filed by the Company and SPG, LP can be inspected and copied, at the prescribed rates, at the public reference facilities of the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the Commission's regional offices at 7 World Trade Center, Suite 1300, New York, New York 10048, and Northwestern Atrium Center, 500 W. Madison Street, Chicago, Illinois 60661. The Company's Common Stock is traded on the New York Stock Exchange ("NYSE"). Reports and other information concerning the Company may be inspected at the principal office of the NYSE at 20 Broad Street, New York, New York 10005.

The Company, SPG, LP and the Operating Partnership will provide without charge to each person to whom a copy of this Prospectus is delivered, upon written or oral request, a copy of any or all of the documents incorporated herein by reference (other than exhibits to such documents). Written requests for such copies should be addressed to National City Center, 115 West Washington Street, Suite 15 East, Indianapolis, Indiana 46204, Attn: Investor Relations, telephone number (317) 685-7330.

This Prospectus constitutes a part of a Registration Statement on Form S-3 (the "Registration Statement") filed by the Operating Partnership and SPG, LP with the Commission under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the Debt Securities offered hereby. This Prospectus omits certain of the information contained in the Registration Statement and the exhibits and schedules thereto, in accordance with the rules and regulations of the Commission. For further information concerning the Operating Partnership, SPG, LP and the Debt Securities offered hereby, reference is hereby made to the Registration Statement and the exhibits and schedules filed therewith, which may be inspected without charge at the office of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 and copies of which may be obtained from the Commission at prescribed rates. The Commission maintains a World Wide Web Site (http://www.sec.gov) that contains such material regarding issuers that file electronically with the Commission. This Registration Statement has been so filed and may be obtained at such site. Any statements contained herein concerning the provisions of any document are not necessarily complete, and, in each instance, reference is made to the copy of such document filed as an exhibit to the Registration Statement or otherwise filed with the Commission. Each such statement is qualified in its entirety by such reference.

Certain information, including, but not limited to, information relating to the Operating Partnership's and SPG, LP's properties, principal security holders, management, executive compensation, certain relationships and related transactions and legal proceedings that would be required to be disclosed in a prospectus included in a registration statement on Form S-11, has been omitted from this Prospectus because such information is not materially different from the information contained in the Company's and SPG, LP's periodic reports, proxy statements and other information filed by the Company and SPG, LP with the Commission.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents of the Company and SPG, LP which have been filed with the Commission are hereby incorporated by reference in this Prospectus.

1. The Company's Registration Statement on Form S-4 (Registration No. 333-06933);

2. The Company's Proxy Statement dated June 28, 1996, relating to the annual and special meeting of stockholders held on August 7, 1996;

3. The Company's Annual Report on Form 10-K for the year ended December 31, 1995, as amended by Form 10-K/A-1;

4. The Company's Quarterly Reports on Form 10-Q for the calendar quarters ended March 31, 1996, as amended by Form 10-Q/A, June 30, 1996 and September 30, 1996, as amended by Form 10-Q/A;

5. The Company's Current Reports on Form 8-K filed on March 21, April 1, May 17, August 12, August 14, August 26, September 18, and September 27, 1996;

6. SPG, LP's Annual Report on Form 10-K for the year ended December 31, 1995, as amended by Forms 10-K/A-1 and 10-K/A-2;

7. SPG, LP's Quarterly Reports on Form 10-Q for the calendar quarters ended March 31, June 30 and September 30, 1996, as amended by Form 10-Q/A; and

8. SPG, LP's Current Report on Form 8-K filed on August 26, 1996, as amended on August 28, 1996, and on October 21, 1996.

The Exchange Act filing numbers of the Company and SPG, LP are 1-12618 and 33-98364, respectively.

Each document filed by the Company, SPG, LP or the Operating Partnership subsequent to the date of this Prospectus pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act and prior to termination of the offering of all Debt Securities to which this Prospectus relates shall be deemed to be incorporated by reference in this Prospectus and shall be part hereof from the date of filing of such document. Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained in this Prospectus (in the case of a statement in a previously-filed document incorporated or deemed to be incorporated by reference herein), in any accompanying Prospectus Supplement relating to a specific offering of Debt Securities or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference herein, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus or any accompanying Prospectus Supplement. Subject to the foregoing, all information appearing in this Prospectus and each accompanying Prospectus Supplement is qualified in its entirety by the information appearing in the documents incorporated by reference.

The foregoing documents of the Company and SPG, LP filed under the Exchange Act have been incorporated by reference herein because they contain information concerning business, properties, operations and management of the Operating Partnership through which the Company conducts its operations.

THE OPERATING PARTNERSHIP

Simon DeBartolo Group, L.P. (the "Operating Partnership") is a subsidiary partnership of Simon DeBartolo Group, Inc. (the "Company") (formerly known as Simon Property Group, Inc. ("SPG")), and is the primary operating partnership of the Company as a result of the merger of DeBartolo Realty Corporation ("DRC") with a subsidiary of the Company. Such merger and related transactions thereto (the "Merger") were consummated on August 9, 1996 (the "Merger Date"), at which time DRC became an approximately 99.99% owned subsidiary of the Company and was renamed SD Property Group, Inc. (the "Managing General Partner"). The Managing General Partner and the Company are both general partners of the Operating Partnership, but the Managing General Partner is the sole managing general partner of the Operating Partnership. As part of the Merger, the Company, as general partner of Simon Property Group, L.P. ("SPG, LP" and, together with the Operating Partnership, the "Partnerships"), and as owner of 61.1% of the then outstanding partnership units in SPG, LP, transferred to the Operating Partnership 10.6% of such partnership units then outstanding and an additional 49.5% interest in the profits (but not the capital) of SPG, LP in exchange for 37.3% of the partnership interests in the Opening Partnership pursuant to a Contribution Agreement, dated June 25, 1996, and a related Instrument of Assignment, dated August 9, 1996. All of the limited partners of SPG, LP contributed another 38.9% of the then outstanding partnership units in SPG, LP to the Operating Partnership pursuant to similar contribution agreements and related instruments of assignment. Therefore in total, the Operating Partnership acquired a 49.5% limited partnership interest in, and an additional 49.5% interest in the profits of, SPG, LP. See "The Merger." Following certain redemptions of the Company's interest in SPG, LP completed since the Merger, the Company owns a 40.8% partnership interest in the capital of SPG, LP and the Operating Partnership owns a 58.2% special limited partnership in, and an additional 40.8% interest in the profits of, SPG, LP.

The Company is the parent of the Managing General Partner and owned effectively as of the Merger Date a controlling 61.5% equity interest in the Operating Partnership. As of the Merger Date, Melvin Simon, Herbert Simon, David Simon and certain of their affiliates, including certain other Simon family members and estates, trusts and other entities established for their benefit (collectively, the "Simons"), effectively owned a 21.7% equity interest in the Operating Partnership, and the estate of Edward J. DeBartolo, Edward J. DeBartolo, Jr., M. Denise DeBartolo York, The Edward J. DeBartolo Corporation, an Ohio corporation ("EJDC"), and certain of their affiliates, including certain other DeBartolo family members and estates and trusts established for their benefit (collectively, the "DeBartolos"), effectively owned a 14.2% equity interest in the Operating Partnership.

After the Merger, SPG, LP continues to hold interests in certain properties and is a party to various agreements binding on itself and on subsidiary partnerships of which it is the general partner. These agreements require the continued existence of SPG, LP and the consents necessary under these agreements to permit the combination of SPG, LP and the Operating Partnership were not obtained at the time of the Merger. To date, all of the required consents have been obtained. As a result thereof, it is currently expected that subsequent to the first anniversary of the date of the Merger, reorganizational transactions will be effected so that the Operating Partnership will directly own all of the assets and partnership interests now owned by SPG, LP. Prior to such proposed reorganizational transactions, holders of the Debt Securities to be offered hereby will not, as a result of the Guarantee be structurally subordinated to holders of unsecured and unsubordinated indebtedness of SPG, LP but will rank pari passu with them. After the proposed reorganizational transactions, holders of the Debt Securities will remain pari passu with holders of such indebtedness. However, there can be no assurance that such reorganizational transactions will be so effected.

As of September 30, 1996, on a combined basis: the Operating Partnership owns or holds interests in a diversified portfolio of 183 income producing properties (the "Portfolio Properties"), including 112 super-regional and regional malls, 65 community shopping centers, two specialty retail centers and four mixed-use properties located in 33 states; the Portfolio Properties contain an aggregate of more than 111 million square feet of gross leasable area ("GLA"), of which approximately 65 million square feet is GLA owned by the Partnerships ("Owned GLA"); more than 3,600 different retailers occupy approximately 12,000 stores in the Portfolio Properties; total estimated retail sales at the Portfolio Properties approached $16 billion in fiscal 1995; the Operating Partnership has interests in seven properties under construction in the United States aggregating approximately six million square feet of GLA, and owns land held for future development. The Operating Partnership, together with its affiliated management companies (collectively, the "Management Companies"), manage over 127 million square feet of GLA of retail and mixed-use properties.

As of November 14, 1996, the Operating Partnership and the Management Companies had approximately 8,000 employees. The Operating Partnership's executive offices are located at National City Center, 115 West Washington Street, Suite 15 East, Indianapolis, Indiana 46204, and its telephone number is (317) 636-1600.

The following chart depicts the organizational and ownership structure of the Operating Partnership and certain affiliates:

[ORGANIZATIONAL CHART]

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(1) The Simons own less than 1% of the outstanding shares of common stock of the Company and all of the Class B common stock of the Company.

(2) The DeBartolos own less than 1% of the outstanding common stock of the Company and all of the Class C common stock of the Company.

(3) The Company owns over 99.9% of the common stock of SD Property Group, Inc. and, both directly and indirectly through its ownership of the SD Property Group, Inc., owns at November 14, 1996 61.5% interest in the Operating Partnership and, as general partner, owns 1% of the partnership units in SPG, LP and a 40.8% interest in the capital of SPG, LP.

(4) The former limited partners of the Operating Partnership and SPG, LP as a group (including the Simons and the DeBartolos) own a 38.5% beneficial interest in the Operating Partnership, of which the Simons own 21.7% and the DeBartolos own 14.2%.

(5) The Operating Partnership owns at November 14, 1996 58.2% special limited partnership interest in, and an additional 40.8% interest in the profits of, SPG, LP.

(6) Properties owned by SPG, LP will be held as they were held in the pre-merger structure. Later acquired properties will be held by, and future operations will be conducted through, the Operating Partnership. It is currently expected that subsequent to the first anniversary of the date of the Merger, reorganizational

transactions will be effected so that the Operating Partnership will directly own all of the assets and partnership interests now owned by SPG, LP. However, there can be no assurance that such reorganizational transactions will be so effected.

(7) SPG, LP will guarantee the due and punctual payment of the principal of, premium, if any, interest on, and any other amounts payable with respect to, the Notes, when and as the same shall become due and payable, whether at a maturity date, on redemption, by declaration of acceleration or otherwise. See "Description of the Debt Securities -- The Guarantee."

THE MERGER

On August 9, 1996, the merger and other related transactions, pursuant to the agreement and plan of merger among Simon Property Group, Inc. ("SPG"), an acquisition subsidiary of SPG and DeBartolo Realty Corporation ("DRC"), were consummated (the "Merger"). Pursuant to the Merger, SPG acquired all the outstanding shares of common stock of DRC (55,712,529 shares) through the acquisition subsidiary, at an exchange ratio of 0.68 share of SPG common stock for each share of DRC common stock (the "Exchange Ratio"). A total of 37,884,520 shares of SPG common stock were issued by the Company, through the acquisition subsidiary, to the DRC shareholders. DRC and the acquisition subsidiary merged, with DRC as the surviving entity and becoming a 99.9% subsidiary of SPG. This portion of the transaction was valued at approximately $923.4 million, based upon the number of DRC shares of common stock acquired (55,712,529 shares), the Exchange Ratio and the last reported sales price per share of SPG's common stock on August 9, 1996 ($24.375). In connection therewith, SPG changed its name to Simon DeBartolo Group, Inc. (the "Company") and DRC changed its name to SD Property Group, Inc. (the "Managing General Partner").

In connection with the Merger, the general and limited partners of the operating partnership of SPG, Simon Property Group, L.P. ("SPG, LP"), contributed 49.5% (47,442,212 units) of the total outstanding units of partnership interest in SPG, LP to the operating partnership of DRC, DeBartolo Realty Partnership, L.P. ("DRP, LP") in exchange for 47,442,212 units of partnership interest in DRP, LP, whose name has since been changed to Simon DeBartolo Group, L.P. ("SDG, LP"). The Company retained a 50.5% partnership interest (48,400,614 units) in SPG, LP but assigned its rights to receive distributions of profits on 49.5% (47,442,212 units) of the outstanding units of partnership interest in SPG, LP to SDG, LP. The limited partners of DRP, LP approved the contribution made by the partners of SPG, LP and simultaneously exchanged their 38.1% (34,203,623 units) partnership interest in DRP, LP, adjusted for the Exchange Ratio, for a smaller partnership interest in SDG, LP. The exchange of the limited partners' 38.1% partnership interest in DRP, LP for units of partnership interest in SDG, LP has been accounted for as an acquisition of minority interest by the Company and is valued based on the estimated fair value of the consideration issued (approximately $566.9 million). The units of partnership interest in SDG, LP may under certain circumstances be exchangeable for stock of the Company on a one-for-one basis. Therefore, the value of the acquisition of the DRP, LP limited partners' interest acquired was based upon the number of DRP, LP units of partnership interest exchanged (34,203,623 units), the Exchange Ratio and the last reported sales price per share of SPG's common stock on August 9, 1996 ($24.375). The limited partners of SPG, LP received a 23.7% partnership interest in SDG, LP (37,282,628 units) for the contribution of their 38.9% partnership interest in SPG, LP (37,282,628 units) to SDG, LP. The interests transferred by the partners of SPG, LP to DRP, LP have been appropriately reflected at historical costs.

Upon completion of the Merger, the Company became a general partner of SDG, LP with 36.9% (57,605,796 units) of the outstanding partnership units in SDG, LP and the Managing General Partner became the managing general partner of SDG, LP with 24.3% (37,873,965 units in SPG, LP) of the outstanding partnership units in SDG, LP. The Company remained the sole general partner of SPG, LP with 1% of the outstanding partnership units (958,429 units) and 49.5% interest in the capital of SPG, LP, and SDG, LP became a special limited partner in SPG, LP with 49.5% (47,442,212 units) of the outstanding partnership units in SPG, LP and an additional 49.5% interest in the profits of SPG, LP. SPG, LP did not acquire any interest in SDG, LP. Upon completion of the Merger, the Company directly and indirectly owned a controlling 61.2% (95,479,761 units) partnership interest in SDG, LP.

For financial reporting purposes, the completion of the Merger resulted in a reverse acquisition by the Company, using the purchase method of accounting, directly or indirectly, of 100% of the net assets of DRP, LP for consideration valued at $1.523 billion, including related transaction costs. Although the Company was the accounting acquirer, SDG, LP (formerly DRP, LP) became the primary operating partnership through which the future business of the Company will be conducted, As a result of the Merger, the Company's initial operating partnership, SPG, LP, became a subsidiary of SDG, LP. However, because the Company was the accounting acquirer and upon completion of the Merger acquired majority control of SDG, LP, SPG, LP is the predecessor to SDG, LP for financial reporting purposes. Accordingly the financial statements and ratios disclosed by SDG, LP for the post-merger periods will reflect the reverse acquisition of DRP, LP by the Company using the purchase method of accounting and for all pre-merger comparative periods, the financial statements and ratios disclosed by SDG, LP will reflect the financial statements and ratios of SPG, LP as the predecessor to SDG, LP for financial reporting purposes.

It is currently expected that subsequent to the first anniversary of the date of the Merger, reorganizational transactions will be effected so that SDG, LP will directly own all of the assets and partnership interests now owned by SPG, LP. However, there can be no assurance that such reorganizational transactions will be so effected. See "The Operating Partnership."

In connection with the Merger, M.S. Management Associates, Inc., a SPG management company, purchased from The Edward J. DeBartolo Corporation all of the voting stock (665 shares of common stock) of DeBartolo Properties Management, Inc., a DRC management company, for $2.5 million in cash. SDG, LP continues to hold substantially all of the economic interest in DeBartolo Properties Management, Inc. The Company holds substantially all of the economic interest in M.S. Management Associates, Inc., while the voting stock are held by the Simons and their affiliates.

For an organizational chart of the Company after the Merger, see page 5.

USE OF PROCEEDS

Except as otherwise provided in the applicable Prospectus Supplement, proceeds to the Operating Partnership from the sale of the Debt Securities offered hereby will be added to the working capital of the Operating Partnership and will be available for general purposes, which may include the repayment of indebtedness, the financing of capital commitments and possible future acquisitions associated with the continued expansion of the Partnerships' business.

RATIO OF EARNINGS TO FIXED CHARGES

SDG, LP's ratio of earnings to fixed charges for the nine months ended September 30, 1996 and 1995 was 1.50x and 1.64x, respectively, and for the fiscal years ended December 31, 1995 and 1994 was 1.67x and 1.43x, respectively. From the commencement of its operations on December 20, 1993 through December 31, 1993, the ratio of earnings to fixed charges for SPG, LP was 3.36x. SPG, LP is for financial reporting purposes the predecessor to the Operating Partnership. See "The Merger."

For purposes of computing the ratio of earnings to fixed charges, earnings have been calculated by adding fixed charges, excluding capitalized interest, to income (loss) from continuing operations including income from minority interests which have fixed charges, and including distributed operating income from unconsolidated joint ventures instead of income from unconsolidated joint ventures. Fixed charges consist of interest costs, whether expensed or capitalized, the interest component of rental expense and amortization of debt issuance costs.

Prior to the commencement of business by SPG, LP in December 1993, the predecessor of SPG, LP maintained a different ownership and equity structure. The predecessor's operating properties have historically generated positive net cash flow. The financial statements of the predecessor show net income for the period January 1, 1993 through December 19, 1993, and net losses for the fiscal years ended December 31, 1992 and 1991. The ratio of earnings to fixed charges for the period January 1, 1993 through December 19, 1993 was 1.11x. As a consequence of the net losses for the fiscal years ended December 31, 1992 and 1991, the computation of the ratio of earnings to fixed charges for these fiscal years indicates that earnings were inadequate to cover fixed charges by approximately $12.8 million and $18.7 million, respectively.

The new capitalization of the Company effected in December 1993 in connection with its initial public offering permitted the Company to deleverage significantly, resulting in an improved ratio of earnings to fixed charges subsequent to its commencement of operations.

DESCRIPTION OF DEBT SECURITIES

The Debt Securities will be issued under an Indenture (the "Indenture"), among the Operating Partnership, SPG, LP, as guarantor, and The Chase Manhattan Bank, as trustee. The Indenture has been filed as an exhibit to the Registration Statement of which this Prospectus is a part and is available for inspection at the corporate trust office of the trustee at 450 West 33rd Street, 15th Floor, New York, New York 10001, or as described above under "Available Information." The Indenture is subject to, and governed by, the Trust Indenture Act of 1939, as amended (the "TIA"). The statements made hereunder or in any Prospectus Supplement relating to the Indenture and the Debt Securities to be issued thereunder are summaries of certain provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the Indenture and such Debt Securities. All section references appearing herein are to sections of the Indenture, and capitalized terms used but not defined herein shall have the respective meanings set forth in the Indenture.

The Debt Securities to be offered hereby and in any applicable Prospectus Supplement will be "investment grade" securities, meaning at the time of the offering of such Debt Securities, at least one nationally recognized statistical rating organization (as defined in the Exchange Act) has rated such Debt Securities in one of its generic rating categories which signifies investment grade (typically the four highest rating categories, within which there may be sub-categories or gradations indicating relative standing, signify investment grades). An investment grade rating is not a recommendation to buy, sell or hold securities, is subject to revision or withdrawal at any time by the assigning entity, and should be evaluated independently of any other rating.

In connection with the first takedown proposed to be made by the Operating Partnership from the shelf registration statement of which this Prospectus forms a part, the Company has entered into a forward treasury lock agreement, pursuant to which the Company and the counterparty to the agreement have agreed to exchange payments with respect to a notional principal amount of $100 million based on how a specified interest rate on U.S. Treasuries will have varied from a base rate of 6.307% on November 22, 1996. The Company will either receive or make a payment, depending on whether such specified interest rate is above or below 6.307%. In connection with future takedowns under the registration statement, the Operating Partnership may enter into interest rate protection agreements which hedge the interest rate exposure associated with such future debt offerings.

GENERAL

The Debt Securities will be direct, unsecured obligations of the Operating Partnership and, unless otherwise described in the applicable Prospectus Supplement, will rank equally with all other unsecured and unsubordinated indebtedness of the Operating Partnership. No partner (whether limited or general, including the Company and the Managing General Partner) of the Operating Partnership has any obligation for payment of principal of (and premium, if any) and interest, if any, on, or any other amount with respect to, the Debt Securities (Section 1602). At September 30, 1996, the total outstanding debt of the Operating Partnership including its pro rata share of joint venture debt was approximately $3,988.3 million, approximately 90% of which was secured debt. Except as otherwise described in the applicable Prospectus Supplement, the Indenture does not limit the amount of other indebtedness of the Operating Partnership that may rank equally with or senior to the Debt Securities. The Debt Securities may be issued without limit as to aggregate principal amount, in one or more series, in each case as established from time to time in or pursuant to authority granted by a resolution of the Board of Directors of the Managing General Partner, as the managing general partner of the Operating Partnership or as established in one or more indentures supplemental to the Indenture. All Debt Securities of one series need not be issued at the same time and, unless otherwise provided, a series may be reopened, without the consent of the holders of the Debt Securities of such series, for issuances of additional Debt Securities of such series (Section 301).

The Indenture provides that there may be more than one trustee (the "Trustee") thereunder, each with respect to one or more series of Debt Securities. Any Trustee under the Indenture may resign or be removed with respect to one or more series of Debt Securities, and a successor Trustee may be appointed to act with respect to such series (Section 608). In the event that two or more persons are acting as Trustee with respect to different series of Debt Securities, each such Trustee shall be a trustee of a trust under the Indenture separate and apart from the trust administered by any other Trustee (Section 609), and, except as otherwise indicated herein, any action described herein to be taken by a Trustee may be taken by each such Trustee with respect to, and only with respect to, the one or more series of Debt Securities for which it is Trustee under the Indenture.

Reference is made to the Prospectus Supplement relating to the series of Debt Securities being offered for the specific terms thereof, including:

(1) the title of such Debt Securities;

(2) the aggregate principal amount of such Debt Securities and any limit on such aggregate principal amount;

(3) the percentage of the principal amount at which such Debt Securities will be issued and, if other than the principal amount thereof, the portion of the principal amount thereof payable upon acceleration of the maturity thereof;

(4) the date or dates, or the method for determining such date or dates, on which the principal of such Debt Securities will be payable;

(5) the rate or rates (which may be fixed or variable), or the method by which such rate or rates shall be determined, at which such Debt Securities will bear interest, if any;

(6) the date or dates, or the method for determining such date or dates, from which any interest will accrue, the dates on which any such interest will be payable, the record dates for such interest payment dates, or the method by which any such record date shall be determined, the person to whom such interest shall be payable, and the basis upon which interest shall be calculated if other than that of a 360-day year of twelve 30-day months;

(7) the place or places where the principal of (and premium, if any) and interest, if any, on such Debt Securities will be payable, such Debt Securities may be surrendered for registration of transfer or exchange and notices or demands to or upon the Operating Partnership in respect of such Debt Securities and the Indenture may be served;

(8) the period or periods within which, the price or prices at which and the terms and conditions upon which such Debt Securities may be redeemed, as a whole or in part, at the option of the Operating Partnership, if the Operating Partnership is to have such an option;

(9) the obligation, if any, of the Operating Partnership to redeem, repay or purchase such Debt Securities pursuant to any sinking fund or analogous provision or at the option of a holder thereof, and the period or periods within which, the price or prices at which and the terms and conditions upon which such Debt Securities will be redeemed, repaid or purchased, as a whole or in part, pursuant to such obligation;

(10) if other than U.S. dollars, the currency or currencies in which such Debt Securities are denominated and payable, which may be a foreign currency or units of two or more foreign currencies or a composite currency or currencies, and the terms and conditions relating thereto;

(11) whether the amount of payments of principal of (and premium, if any) or interest, if any, on such Debt Securities may be determined with reference to an index, formula or other method (which index, formula or method may, but need not be, based on a currency, currencies, currency unit or units or composite currency or currencies) and the manner in which such amounts shall be determined;

(12) the events of default or covenants of such Debt Securities, to the extent different from or in addition to those described herein;

(13) whether such Debt Securities will be issued in certificated or book-entry form;

(14) whether such Debt Securities will be in registered or bearer form and, if in registered form, the denominations thereof if other than $1,000 and any integral multiple thereof and, if in bearer form, the denominations thereof if other than $5,000, and any integral multiple thereof and the terms and conditions relating thereto;

(15) the applicability, if any, of the defeasance and covenant defeasance provisions described herein, or any modification thereof;

(16) if such Debt Securities are to be issued upon the exercise of debt warrants, the time, manner and place of such Debt Securities to be authenticated and delivered;

(17) whether and under what circumstances the Operating Partnership will pay additional amounts on such Debt Securities in respect of any tax, assessment or governmental charge and, if so, whether the Operating Partnership will have the option to redeem such Debt Securities in lieu of making such payment;

(18) with respect to any Debt Securities that provide for optional redemption or prepayment upon the occurrence of certain events (such as a change of control of the Operating Partnership), (i) the possible effects of such provisions on the market price of the Operating Partnership's securities or in deterring certain mergers, tender offers or other takeover attempts, and the intention of the Operating Partnership to comply with the requirements of Rule 14e-1 under the Exchange Act and any other applicable securities laws in connection with such provisions; (ii) whether the occurrence of the specified events may give rise to cross-defaults on other indebtedness such that payment on such Debt Securities may be effectively subordinated; and (iii) the existence of any limitation on the Operating Partnership's financial or legal ability to repurchase such Debt Securities upon the occurrence of such an event (including, if true, the lack of assurance that such a repurchase can be effected) and the impact, if any, under the Indenture of such a failure, including whether and under what circumstances such a failure may constitute an Event of Default; and

(19) any other terms of such Debt Securities.

The Debt Securities may provide for less than the entire principal amount thereof to be payable upon acceleration of the maturity thereof ("Original Issue Discount Securities"). If material or applicable, special U.S. federal income tax, accounting and other considerations applicable to Original Issue Discount Securities will be described in the applicable Prospectus Supplement.

Except as described under "-- Merger, Consolidation or Sale" below or as may be set forth in any Prospectus Supplement, the Indenture does not contain any other provisions that would limit the ability of the Operating Partnership to incur indebtedness or that would afford holders of the Debt Securities protection in the event of (i) a highly leveraged or similar transaction involving the Operating Partnership, the Company or the management of the Company, or any affiliate of any such party, (ii) a change of control, or (iii) a reorganization, restructuring, merger or similar transaction involving the Operating Partnership that may adversely affect the holders of the Debt Securities. In addition, subject to the limitations set forth under "-- Merger, Consolidation or Sale," the Operating Partnership may, in the future, enter into certain transactions, such as the sale of all or substantially all of its assets or the merger or consolidation of the Operating Partnership, that would increase the amount of the Operating Partnership's indebtedness or substantially reduce or eliminate the Operating Partnership's assets, which may have an adverse effect on the Operating Partnership's ability to service its indebtedness, including the Debt Securities. Reference is made to the applicable Prospectus Supplement for information with respect to any deletions from, modifications of or additions to the events of default or covenants that are described below, including any addition of a covenant or other provision providing event risk or similar protection.

Reference is made to "-- Certain Covenants" below and to the description of any additional covenants with respect to a series of Debt Securities in the applicable Prospectus Supplement. Except as otherwise described in the applicable Prospectus Supplement, compliance with such covenants generally may not be waived with respect to a series of Debt Securities unless the Holders of at least a majority in principal amount of all outstanding Debt Securities of such series consent to such waiver, except to the extent that the defeasance and covenant defeasance provisions of the Indenture described under "-- Discharge" and "-- Defeasance and Covenant Defeasance" below apply to such series of Debt Securities. See "-- Modification of the Indenture."

Debt Securities may be denominated and payable in a foreign currency or units of two or more foreign currencies or a composite currency or currencies. As more fully described in the applicable Prospectus Supplement, awards or judgments by a court in the United States in connection with a claim with respect to any Debt Securities denominated other than in United States dollars (or a judgment denominated other than in United States dollars in respect of such claims) may be converted into United States dollars at a rate of exchange prevailing on a date determined pursuant to applicable law.

DENOMINATIONS, INTEREST, REGISTRATION AND TRANSFER

Unless otherwise described in the applicable Prospectus Supplement, the Debt Securities of any series which are registered securities, other than registered securities issued in global form (which may be of any denomination), shall be issuable in denominations of $1,000 and any integral multiple thereof and the Debt Securities which are bearer securities, other than bearer securities issued in global form (which may be of any denomination), shall be issuable in denominations of $5,000 and any integral multiple thereof (Section 302).

Unless otherwise specified in the applicable Prospectus Supplement, the principal of (and premium, if any) and interest on any series of Debt Securities in registered form will be payable at the corporate trust office of the Trustee, initially located at , provided that, at the option of the Operating Partnership, payment of interest may be made by check mailed to the address of the Person entitled thereto as it appears in the applicable Security Register or by wire transfer of funds to such Person at an account maintained within the United States (Sections 301, 307 and 1002).

Unless otherwise specified in the applicable Prospectus Supplement, any interest not punctually paid or duly provided for on any Interest Payment Date with respect to a Debt Security in registered form ("Defaulted Interest") will forthwith cease to be payable to the Holder on the applicable Regular Record Date and may either be paid to the Person in whose name such Debt Security is registered at the close of business on a special record date (the "Special Record Date") for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to the Holder of such Debt Security not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner, all as more completely described in the Indenture (Section 307).

Subject to certain limitations imposed upon Debt Securities issued in book-entry form, the Debt Securities of any series will be exchangeable for other Debt Securities of the same series and of a like aggregate principal amount and tenor of different authorized denominations upon surrender of such Debt Securities at the corporate trust office of the Trustee referred to above. In addition, subject to certain limitations imposed upon Debt Securities issued in book-entry form, the Debt Securities of any series may be surrendered for registration of transfer thereof at the corporate trust office of the Trustee referred to above. Every Debt Security surrendered for registration of transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer. No service charge will be made for any registration of transfer or exchange of any Debt Securities, but the Trustee or the Operating Partnership may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith (Section 305). If the applicable Prospectus Supplement refers to any transfer agent (in addition to the Trustee) initially designated by the Operating Partnership with respect to any series of Debt Securities, the Operating Partnership may at any time rescind the designation of any such transfer agent or approve a change in the location through which any such transfer agent acts, except that the Operating Partnership will be required to maintain a transfer agent in each place of payment for such series. The Operating Partnership may at any time designate additional transfer agents with respect to any series of Debt Securities (Section 1002).

Neither the Operating Partnership nor the Trustee shall be required (i) to issue, register the transfer of or exchange any Debt Security if such Debt Security may be among those selected for redemption during a period beginning at the opening of business 15 days before selection of the Debt Securities to be redeemed and ending at the close of business on (A) if such Debt Securities are issuable only as Registered Securities, the day of the mailing of the relevant notice of redemption and (B) if such Debt Securities are issuable as Bearer Securities, the day of the first publication of the relevant notice of redemption or, if such Debt Securities are also issuable as Registered Securities and there is no publication, the mailing of the relevant notice of redemption, or (ii) to register the transfer of or exchange any Registered Security so selected for redemption in whole or in part, except, in the case of any Registered Security to be redeemed in part, the portion thereof not to be redeemed, or (iii) to exchange any Bearer Security so selected for redemption except that, to the extent provided with respect to such Bearer Security, such Bearer Security may be exchanged for a Registered Security of that series and of like tenor, provided that such Registered Security shall be simultaneously surrendered for redemption, or (iv) to issue, register the transfer of or exchange any Debt Security which has been surrendered for repayment at the option of the Holder, except the portion, if any, of such Debt Security not to be so repaid (Section 305).

MERGER, CONSOLIDATION OR SALE

The Operating Partnership may consolidate with, or sell, lease or convey all or substantially all of its assets to, or merge with or into, any other entity, provided that (a) the Operating Partnership shall be the continuing entity, or the successor entity (if other than the Operating Partnership) formed by or resulting from any such consolidation or merger or which shall have received the transfer of such assets shall expressly assume payment of the principal of (and premium, if any) and interest on all the Debt Securities and the due and punctual performance and observance of all of the covenants and conditions contained in the Indenture; (b) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the Operating Partnership, such successor entity or any Subsidiary as a result thereof as having been incurred by the Operating Partnership, such successor entity or such Subsidiary at the time of such transaction, no Event of Default under the Indenture, and no event which, after notice or the lapse of time, or both, would become such an Event of Default, shall have occurred and be continuing; and (c) an officer's certificate and legal opinion covering such conditions shall be delivered to the Trustee (Sections 801 and 803).

CERTAIN COVENANTS

Existence. Except as permitted under "-- Merger, Consolidation or Sale" above, the Operating Partnership is required to do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights (statutory and charter) and franchises; provided, however, that the Operating Partnership shall not be required to preserve any such right or franchise if it determines that the loss thereof is not disadvantageous in any material respect to the Holders of the Debt Securities (Section 1006).

Maintenance of Properties. The Operating Partnership is required to cause all of its material properties used or useful in the conduct of its business or the business of any Subsidiary to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and to cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Operating Partnership may be necessary so that the business carried on in connection therewith may be properly conducted at all times; provided, however, that the Operating Partnership and its subsidiaries shall not be prevented from selling or otherwise disposing for value their respective properties in the ordinary course of business (Section 1007).

Insurance. The Operating Partnership is required to, and is required to cause each of its Subsidiaries to, keep all of its insurable properties insured against loss or damage at least equal to their then full insurable value (subject to reasonable deductibles determined from time to time by the Operating Partnership) with financially sound and reputable insurance companies (Section 1008).

Payment of Taxes and Other Claims. The Operating Partnership is required to pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (i) all taxes, assessments and governmental charges levied or imposed upon it or any Subsidiary or upon its income, profits or property or that of any Subsidiary, and (ii) all lawful claims for labor, materials and suppliers which, if unpaid, might by law become a lien upon the property of the Operating Partnership or any Subsidiary; provided, however, that the Operating Partnership shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings (Section 1009).

Provision of Financial Information. The Holders of Debt Securities will be provided with copies of the annual reports and quarterly reports of the Operating Partnership. Whether or not the Operating Partnership is subject to Section 13 or 15(d) of the Exchange Act and for so long as any Debt Securities are outstanding, the Operating Partnership will, to the extent permitted under the Exchange Act, be required to file with the Commission the annual reports, quarterly reports and other documents which the Operating Partnership would have been required to file with the Commission pursuant to such Section 13 or 15(d) (the "Financial Statements") if the Operating Partnership were so subject, such documents to be filed with the Commission on or prior to the respective dates (the "Required Filing Dates") by which the Operating Partnership would have been required so to file such documents if the Operating Partnership were so subject. The Operating Partnership will also in any event (x) within 15 days of each Required Filing Date (i) transmit by mail to all Holders of Debt Securities, as their names and addresses appear in the Security Register, without cost to such Holders, copies of the annual reports and quarterly reports which the Operating Partnership would have been required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act if the Operating Partnership were subject to such Sections and (ii) file with the Trustee copies of the annual reports, quarterly reports and other documents which the Operating Partnership would have been required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act if the Operating Partnership were subject to such Sections and (y) if filing such documents by the Operating Partnership with the Commission is not permitted under the Exchange Act, promptly upon written request and payment of the reasonable cost of duplication and delivery, supply copies of such documents to any prospective Holder (Section 1010).

Additional Covenants. Any additional or different covenants of the Operating Partnership with respect to any series of Debt Securities will be set forth in the Prospectus Supplement relating thereto.

EVENTS OF DEFAULT, NOTICE AND WAIVER

The Indenture provides that the following events are "Events of Default" with respect to any series of Debt Securities issued thereunder: (a) default for 30 days in the payment of any installment of interest on any Debt Security of such series; (b) default in the payment of the principal of (or premium, if any, on) any Debt Security of such series at its Maturity; (c) default in making any sinking fund payment as required for any Debt Security of such series; (d) default in the performance of any other covenant of the Operating Partnership contained in the Indenture (other than a covenant added to the Indenture solely for the benefit of a series of Debt Securities issued thereunder other than such series), such default having continued for 60 days after written notice as provided in the Indenture; (e) default in the payment of an aggregate principal amount exceeding $30,000,000 of any recourse indebtedness of the Operating Partnership, however evidenced, such default having occurred after the expiration of any applicable grace period and having resulted in the acceleration of the maturity of such indebtedness, but only if such indebtedness is not discharged or such acceleration is not rescinded or annulled within 10 days after written notice as provided in the Indenture; (f) certain events of bankruptcy, insolvency or reorganization, or court appointment of a receiver, liquidator or trustee of the Operating Partnership or any Significant Subsidiary or any of their respective property; and (g) any other Event of Default provided with respect to a particular series of Debt Securities (Section 501).

If an Event of Default under the Indenture with respect to Debt Securities of any series at the time Outstanding occurs and is continuing, then in every such case the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Debt Securities of that series may declare the principal amount (or, if the Debt Securities of that series of the Original Issue Discount Securities or Indexed Securities, such portion of the principal amount as may be specified in the terms thereof) of all of the Debt Securities of that series to be due and payable immediately by written notice thereof to the Operating Partnership (and to the Trustee if given by the Holders); provided, that in the case of an Event of Default described under paragraph (f) of the preceding paragraph, acceleration is automatic. However, at any time after such acceleration with respect to Debt Securities of such series has been made, but before a judgment or decree for payment of the money due has been obtained by the Trustee, the Holders of not less than a majority in principal amount of Outstanding Debt Securities of such series may rescind and annul such acceleration and its consequences if (a) the Operating Partnership shall have deposited with the Trustee all amounts due otherwise than on account of such declaration, plus certain fees, expenses, disbursements and advances of the Trustee and (b) all Events of Default, other than the non-payment of accelerated principal of the Debt Securities of such series, have been cured or waived as provided in the Indenture (Section 502). The Indenture also provides that the Holders of not less than a majority in principal amount of the Outstanding Debt Securities of any series may waive any past default with respect to such series and its consequences, except a default (x) in the payment of the principal of (or premium, if any) or interest on any Debt Security of such series or (y) in respect of a covenant or provision contained in the Indenture that cannot be modified or amended without the consent of the Holder of each Outstanding Debt Security affected thereby (Section 513).

The Trustee will be prepared to give notice to the Holders of Debt Securities within 90 days of a default under the Indenture unless such default has been cured or waived; provided, however, that the Trustee may withhold notice to the Holders of any series of Debt Securities of any default with respect to such series (except a default in the payment of the principal of (or premium, if any) or interest on any Debt Security of such series or in the payment of any sinking fund installment in respect of any Debt Security of such series) if a trust committee of Responsible Officers of the Trustee consider such withholding to be in the interest of such Holders (Section 601).

The Indenture provides that no Holders of Debt Securities of any series may institute any proceedings, judicial or otherwise, with respect to the Indenture or for any remedy thereunder, except in the case of failure of the Trustee, for 60 days, to act after it has received a written request to institute proceedings in respect of an Event of Default from the Holders of not less than 25% in principal amount of the Outstanding Debt Securities of such series, as well as an offer of indemnity reasonably satisfactory to it (Section 507). This provision will not prevent, however, any Holder of Debt Securities from instituting suit for the enforcement of payment of the principal of (and premium, if any) and interest on such Debt Securities at the respective due dates thereof (Section 508).

Subject to provisions in the Indenture relating to its duties in case of default, the Trustee is under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holders of any series of Debt Securities then Outstanding under the Indenture, unless such Holders shall have offered to the Trustee thereunder reasonable security or indemnity (Section 602). The Holders of not less than a majority in principal amount of the Outstanding Debt Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or of exercising any trust or power conferred upon the Trustee with respect to the Debt Securities of such series. However, the Trustee may refuse to follow any direction which is in conflict with any law or the Indenture, which may involve the Trustee in personal liability or which may be unduly prejudicial to the Holders of Debt Securities of such series not joining therein (Section 512).

Within 120 days after the close of each fiscal year, the Operating Partnership must deliver to the Trustee a certificate, signed by one of several specified officers of the Operating Partnership, stating whether or not such officer has knowledge of any default under the Indenture and, if so, specifying each such default and the nature and status thereof (Section 1011).

MODIFICATION OF THE INDENTURE

Modifications and amendments of the Indenture will be permitted to be made only with the consent of the Holders of not less than a majority in principal amount of all Outstanding Debt Securities which are affected by such modification or amendment (voting as one class); provided, however, that no such modification or amendment may, without the consent of the Holder of each such Debt Security affected thereby: (a) change the Stated Maturity of the principal of, or premium (if any) or any installment of interest on, any such Debt Security; (b) reduce the principal amount of, or the rate or amount of interest on, or any premium payable on redemption of, any such Debt Security, or reduce the amount of principal of an Original Issue Discount Security that would be due and payable upon acceleration of the maturity thereof or that would be provable in bankruptcy, or adversely affect any right of repayment at the option of the holder of any such Debt Security; (c) change the Place of Payment, or the coin or currency, for payment of principal of, premium, if any, or interest on any such Debt Security; (d) impair the right to institute suit for the enforcement of any payment on or with respect to any such Debt Security; (e) reduce the above-stated percentage in principal amount of Outstanding Debt Securities necessary to modify or amend the Indenture, reduce the percentage of Outstanding Debt Securities of any series necessary to waive compliance with certain provisions thereof or certain defaults and consequences thereunder, or to reduce the quorum or voting requirements set forth in the Indenture; or (f) modify any of the foregoing provisions or any of the provisions relating to the waiver of certain past defaults or certain covenants, except to increase the percentage required to effect such action or to provide that certain other provisions may not be modified or waived without the consent of the Holder of each Outstanding Debt Security affected thereby (Section 902).

The Indenture provides that the Holders of not less than a majority in principal amount of a series of Outstanding Debt Securities have the right to waive compliance by the Operating Partnership with certain covenants relating to such series of Debt Securities in the Indenture (Section 1013).

Modifications and amendments of the Indenture will be permitted to be made by the Operating Partnership and the Trustee without the consent of any Holder of Debt Securities for any of the following purposes: (i) to evidence the succession of another Person to the Operating Partnership as obligor under the Indenture; (ii) to add to the covenants of the Operating Partnership for the benefit of the Holders of all or any series of Debt Securities or to surrender any right or power conferred upon the Operating Partnership in the Indenture; (iii) to add Events of Default for the benefit of the Holders of all or any series of Debt Securities; (iv) to add or change any provisions of the Indenture to facilitate the issuance of, or to liberalize certain terms of, Debt Securities in bearer form, to change or eliminate any restrictions on payment of the principal of or premium or interest on Debt Securities, to modify the provisions relating to global Debt Securities, or to permit or facilitate the issuance of Debt Securities in uncertificated form, provided that such action shall not adversely affect the interests of the Holders of the Debt Securities of any series in any material respect; (v) to change or eliminate any provisions of the Indenture, provided that any such change or elimination shall become effective only when there are no Debt Securities Outstanding of any series created prior thereto which are entitled to the benefit of such provision or such amendment shall not apply to any then Outstanding Debt Security; (vi) to secure the Debt Securities; (vii) to establish the form or terms of Debt Securities of any series; (viii) to provide for the acceptance of appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one Trustee; (ix) to cure any ambiguity, defect or inconsistency in the Indenture, provided that such action shall not adversely affect the interests of Holders of Debt Securities of any series in any material respect; or (x) to supplement any of the provisions of the Indenture to the extent necessary to permit or facilitate defeasance and discharge of any series of such Debt Securities, provided that such action shall not adversely affect the interests of the Holders of the Debt Securities of any series in any material respect (Section 901).

The Indenture provides that in determining whether the Holders of the requisite principal amount of the Outstanding Debt Securities of a series have given any request, demand, authorization, direction, notice, consent or waiver thereunder or whether a quorum is present at a meeting of Holders of Debt Securities, (i) the principal amount of an Original Issue Discount Security that shall be deemed to be Outstanding shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon acceleration of the maturity thereof, (ii) the principal amount of a Debt Security denominated in a foreign currency that shall be deemed Outstanding shall be the U.S. dollar equivalent, determined on the issue date for such Debt Security, of the principal amount (or, in the case of an Original Issue Discount Security, the U.S. dollar equivalent on the issue date of such Debt Security of the amount determined as provided in (i) above) of such Debt Security, (iii) the principal amount of an Indexed Security that shall be deemed Outstanding shall be the principal face amount of such Indexed Security at original issuance, unless otherwise provided with respect to such Indexed Security pursuant to the Indenture, and (iv) Debt Securities owned by the Operating Partnership or any other obligor upon the Debt Securities or any affiliate of the Operating Partnership or of such other obligor shall be disregarded (Section 101).

The Indenture contains provisions for convening meetings of the Holders of Debt Securities of a series issuable, in whole or in part, as Bearer Securities (Section 1501). A meeting will be permitted to be called at any time by the Trustee, and also, upon request, by the Operating Partnership or the Holders of at least 10% in principal amount of the Outstanding Debt Securities of such series, in any such case upon notice given as provided in the Indenture (Section 1502). Except for any consent that must be given by the Holder of each Debt Security affected by certain modifications and amendments of the Indenture, any resolution presented at a meeting or adjourned meeting duly reconvened at which a quorum is present will be permitted to be adopted by the affirmative vote of the Holders of a majority in principal amount of the Outstanding Debt Securities of that series; provided, however, that, except as referred to above, any resolution with respect to any request, demand, authorization, direction, notice, consent, waiver or other action that may be made, given or taken by the Holders of a specified percentage in principal amount of the Outstanding Debt Securities of a series may be adopted at a meeting at which a quorum is present by the affirmative vote of the Holders of such specified percentage in principal amount of the Outstanding Debt Securities of that series. Any resolution passed or decision taken at any meeting of Holders of Debt Securities of any series duly held in accordance with the Indenture will be binding on all Holders of Debt Securities of that series. The quorum at any meeting called to adopt a resolution, and at any reconvened meeting, will be Persons holding or representing a majority in principal amount of the Outstanding Debt Securities of a series; provided, however, that if any action is to be taken at such meeting with respect to any request, demand, authorization, direction, notice, consent, waiver or other action which may be made, given or taken by the Holders of not less than a specified percentage in principal amount of the Outstanding Debt Securities of a series, then with respect to such action (and only such action) the Persons holding or representing such specified percentage in principal amount of the Outstanding Debt Securities of such series will constitute a quorum (Section 1504).

Notwithstanding the foregoing provisions, if any action is to be taken at a meeting of Holders of Debt Securities of any series with respect to any request, demand, authorization, direction, notice, consent, waiver or other action that the Indenture expressly provides may be made, given or taken by the Holders of a specified percentage in principal amount of all Outstanding Debt Securities affected thereby, or of the Holders of such series and one or more additional series: (i) there shall be no minimum quorum requirement for such meeting and (ii) the principal amount of the Outstanding Debt Securities of such series that vote in favor of such request, demand, authorization, direction, notice, consent, waiver or other action shall be taken into account in determining whether such request, demand, authorization, direction, notice, consent, waiver or other action has been made, given or taken under the Indenture (Section 1504).

DISCHARGE

The Operating Partnership may discharge certain obligations to Holders of any series of Debt Securities that have not already been delivered to the Trustee for cancellation and that either have become due and payable or will become due and payable within one year (or scheduled for redemption within one year) by irrevocably depositing with the Trustee, in trust, funds in an amount sufficient to pay the entire indebtedness on such Debt Securities in respect of principal (and premium, if any) and interest to the date of such deposit (if such Debt Securities have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be (Section 401).

DEFEASANCE AND COVENANT DEFEASANCE

The Indenture provides that, if the provisions of Article Fourteen are made applicable to the Debt Securities of or within any series pursuant to Section 301 of the Indenture, the Operating Partnership may elect either (a) to defease and be discharged from any and all obligations with respect to such Debt Securities (except for the obligation to pay Additional Amounts, if any, upon the occurrence of certain events of tax, assessment or governmental charge with respect to payments on such Debt Securities and the obligations to register the transfer or exchange of such Debt Securities, to replace temporary or mutilated, destroyed, lost or stolen Debt Securities, to maintain an office or agency in respect of such Debt Securities and to hold moneys for payment in trust) ("defeasance") (Section 1402) or (b) to be released from its obligations with respect to such Debt Securities under Sections 1004 to 1010, inclusive, of the Indenture (including the restrictions described under "-- Certain Covenants" above) and its obligations with respect to any other covenant, and any omission to comply with such obligations shall not constitute a default or an Event of Default with respect to such Debt Securities ("covenant defeasance") (Section 1403), in either case upon the irrevocable deposit by the Operating Partnership with the Trustee, in trust, of an amount, in such currency or currencies, currency unit or units or composite currency or currencies in which such Debt Securities are payable at Stated Maturity, or Government Obligations (as defined below), or both, applicable to such Debt Securities which through the scheduled payment of principal and interest in accordance with their terms will provide money in an amount sufficient to pay the principal of (and premium, if any) and interest on such Debt Securities, and any mandatory sinking fund or analogous payments thereon, on the scheduled due dates therefor (Section 1404).

Such a trust will only be permitted to be established if, among other things, the Operating Partnership has delivered to the Trustee an Opinion of Counsel (as specified in the Indenture) to the effect that the Holders of such Debt Securities will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred, and such Opinion of Counsel, in the case of defeasance, must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable United States federal income tax law occurring after the date of the Indenture (Section 1404).

"Government Obligations" means securities which are (i) direct obligations of the United States of America or the government which issued the foreign currency in which the Debt Securities of a particular series are payable, for the payment of which its full faith and credit is pledged or (ii) obligations of a person controlled or supervised by and acting as an agency or instrumentality of the United States of America or such government which issued the foreign currency in which the Debt Securities of such series are payable, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America or such other government, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank or trust company as custodian with respect to any such Government Obligations or a specific payment of interest on or principal of any such Government Obligations held by such custodian for the account of the holder of a depository receipt, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Government Obligation or the specific payment of interest on or principal of the Government Obligation evidenced by such depository receipt (Section 101).

Unless otherwise provided in the applicable Prospectus Supplement, if after the Operating Partnership has deposited funds or Government Obligations to effect defeasance or covenant defeasance with respect to Debt Securities of any series, (a) the Holder of a Debt Security of such series is entitled to, and does, elect pursuant to the Indenture or the terms of such Debt Security to receive payment in a currency, currency unit or composite currency other than that in which such deposit has been made in respect of such Debt Security, or (b) a Conversion Event (as defined below) occurs in respect of the currency, currency unit or composite currency in which such deposit has been made, the indebtedness represented by such Debt Security shall be deemed to have been, and will be, fully discharged and satisfied through the payment of the principal of (and premium, if any) and interest on such Debt Security as they become due out of the proceeds yielded by converting the amount so deposited in respect of such Debt Security into a currency, currency unit or composite currency in which such Debt Security becomes payable as a result of such election or such Conversion Event based on the applicable market exchange rate (Section 1405). "Conversion Event" means the cessation of use of (i) a currency, currency unit or composite currency both by the government of the country which issued such currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community, (ii) the ECU both within the European Monetary System and for the settlement of transactions by public institutions of or within the European Community or (iii) any currency unit (or composite currency) other than the ECU for the purposes for which it was established (Section 101). Unless otherwise provided in the applicable Prospectus Supplement, all payments of principal of (and premium, if any) and interest on any Debt Security that is payable in a foreign currency that ceases to be used by its government of issuance shall be made in U.S. dollars.

In the event the Operating Partnership effects covenant defeasance with respect to any Debt Securities and such Debt Securities are declared due and payable because of the occurrence of any Event of Default other than the Event of Default described in clause (d) under "-- Events of Default, Notice and Waiver" with respect to Sections 1004 to 1010, inclusive, of the Indenture (which sections would no longer be applicable to such Debt Securities) or described in clause (g) under "-- Events of Default, Notice and Waiver" with respect to any other covenant as to which there has been covenant defeasance, the amount in such currency, currency unit or composite currency in which such Debt Securities are payable, and Government Obligations on deposit with the Trustee, will be sufficient to pay amounts due on such Debt Securities at the time of their Stated Maturity but may not be sufficient to pay amounts due on such Debt Securities at the time of the acceleration resulting from such Event of Default. However, the Operating Partnership would remain liable to make payment of such amounts due at the time of acceleration.

The applicable Prospectus Supplement may further describe the provisions, if any, permitting such defeasance or covenant defeasance, including any modifications to the provisions described above with respect to the Debt Securities of or within a particular series.

THE GUARANTEE

The Indenture provides that SPG, LP will, and as further set forth in detail in the applicable Prospectus Supplement, guarantee (the "Guarantee") the due and punctual payment of the principal of, premium, if any, interest on, and any other amounts payable with respect to, the Debt Securities, when and as the same shall become due and payable, whether at a maturity date, on redemption, by declaration of acceleration or otherwise in accordance with the terms of the Debt Securities and the Indenture (Section 1701). The Indenture provides that (i) the Trustee may exercise its rights thereunder on behalf of the Holders and (ii) SPG, LP shall covenant that it shall take no action which would cause the Operating Partnership to violate any covenant, agreement or any other condition thereunder (Section 1705). The Guarantee will terminate upon the consummation of the reorganizational transactions pursuant to which the Operating Partnership is expected to own directly all of the assets and partnership interest then owned by SPG, LP (Section 1706). However, there can be no assurance that such reorganizational transactions will be so effected. See "The Operating Partnership." No partner (whether limited or general, including the Company) of SPG, LP will have any obligation for any obligations of SPG, LP under the Guarantee (Section 1707).

In the absence of the Guarantee, Holders of the Debt Securities will have no claims, with regards to any payments in connection with the Debt Securities against the assets of SPG, LP or the assets of any other Subsidiary of the Operating Partnership. Any such claim that such Holders may make will have to be made indirectly through the equity interest that the Operating Partnership has in SPG, LP (or other Subsidiaries), and will thus be structurally subordinated to the claims of creditors of SPG, LP (or other Subsidiaries). As a result of the Guarantee, Holders of the Debt Securities, upon exercising their rights with respect to the Guarantee against SPG, LP, will be considered creditors of SPG, LP and their claims will rank pari passu with those of unsecured and unsubordinated creditors of SPG, LP and will not be structurally subordinated to such creditors.

MISCELLANEOUS

No Conversion Rights. The Debt Securities will not be convertible into or exchangeable for any capital stock of the Company or equity interest in the Operating Partnership.

Global Securities. The Debt Securities of a series may be issued in whole or in part in the form of one or more global securities (the "Global Securities") that will be deposited with, or on behalf of, a depositary (the "Depositary") identified in the applicable Prospectus Supplement relating to such series. Global Securities may be issued in either registered or bearer form and in either temporary or permanent form. The specific terms of the depositary arrangement with respect to a series of Debt Securities will be described in the applicable Prospectus Supplement relating to such series.

PLAN OF DISTRIBUTION

The Operating Partnership may sell the Debt Securities to or through underwriters, and also may sell the Debt Securities directly to one or more other purchasers or through agents. The distribution of the Debt Securities may be effected from time to time in one or more transactions at a fixed price or prices, which may be changed, or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices.

The Prospectus Supplement will set forth terms of the offering of the Debt Securities, including (i) the name of any underwriters or agents with whom the Operating Partnership has entered into arrangements with respect to the sale or issuance of Debt Securities, (ii) the initial public offering or purchase price of the Debt Securities, (iii) any underwriting discounts, commissions and other items constituting underwriter's compensation from the Operating Partnership and any other discounts, concessions or commissions allowed or reallowed or paid by any underwriters to other dealers, (iv) any commissions paid to any agents and (v) the net proceeds to the Operating Partnership. In connection with the sale of Debt Securities, underwriters may receive compensation from the Operating Partnership or from purchasers of Debt Securities, for whom they may act as agents, in the form of discounts, concessions or commissions. Underwriters may sell Debt Securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters or commissions from the purchasers for whom they may act as agents. Underwriters, dealers and agents that participate in the distribution of Debt Securities may be deemed to be underwriters, and any discounts or commissions they receive from the Operating Partnership, and any profit on the resale of Debt Securities they realize, may be deemed to be underwriting discounts and commissions under the Securities Act.

Under agreements the Operating Partnership may enter into, underwriters, dealers and agents who participate in the distribution of Debt Securities may be entitled to indemnification by the Operating Partnership against certain liabilities, including liabilities under the Securities Act.

Underwriters, dealers and agents may engage in transactions with, or perform services for, or be customers of, the Operating Partnership in the ordinary course of business.

Unless otherwise set forth in the Prospectus Supplement relating to the issuance of Debt Securities, the obligations of the underwriters to purchase such Debt Securities will be subject to certain conditions precedent and each of the underwriters with respect to such Debt Securities will be obligated to purchase all of the Debt Securities allocated to it if any such Debt Securities are purchased. Any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time.

If so indicated in the applicable Prospectus Supplement, the Operating Partnership will authorize underwriters or other persons acting as the Operating Partnership's agents to solicit offers by certain institutions to purchase Debt Securities from the Operating Partnership pursuant to contracts providing for payment and delivery on a future date. Institutions with which such contracts may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions and others, but in all cases such institutions must be approved by the Operating Partnership. The obligations of any purchaser under any such contract will be subject only to the condition that the purchase of the Debt Securities shall not at any time of delivery be prohibited under the laws of the jurisdiction to which such purchaser is subject. The underwriters and such other agents will not have any responsibility in respect of the validity or performance of such contracts.

LEGAL MATTERS

The validity of each issue of the Debt Securities will be passed upon for the Operating Partnership by Paul, Weiss, Rifkind, Wharton & Garrison, New York, New York. Paul, Weiss, Rifkind, Wharton & Garrison will also pass upon certain tax matters. Rogers & Wells, New York, New York, will act as counsel to any underwriters, dealers or agents.

EXPERTS

The audited financial statements and schedules of SPG incorporated by reference, and SPG, LP included, in the Registration Statement of which this Prospectus is a part, to the extent and for the periods indicated in their reports, have been audited by Arthur Andersen LLP, independent public accountants, and are incorporated by reference or included herein in reliance upon the authority of said firm as experts in giving said reports.

The audited financial statements and schedules of DRC incorporated by reference, and the Operating Partnership (formerly DeBartolo Realty Partnership, L.P.) included, in the Registration Statement of which this Prospectus is a part, to the extent and for the periods indicated in their reports, have been audited by Ernst & Young LLP, independent public accountants, and are incorporated by reference or included, as the case may be, herein in reliance upon the authority of said firm as experts in giving said report.

CERTAIN INFORMATION WITH RESPECT
TO SIMON DEBARTOLO GROUP, L.P.

SELECTED FINANCIAL AND OPERATING DATA

The following tables set forth certain selected financial and operating data on a historical basis for Simon DeBartolo Group, L.P. ("SDG, LP"), and its Predecessor, Simon Property Group, L.P. ("SPG, LP"). All references herein to the "Operating Partnership" are to SDG, LP or SPG, LP, as the case may be. The financial statements of SDG, LP for the post-merger periods will reflect the reverse acquisition of DeBartolo Realty Partnership, L.P. ("DRP, LP") by Simon DeBartolo Group Inc. ("SDG" or the "Company") using the purchase method of accounting and for all pre-merger comparative periods the financial statements disclosed by SDG, LP will reflect the financial statements of its Predecessor for financial reporting purposes, SPG, LP. See "The Merger." The historical financial information should be read in conjunction with the financial statements and notes thereto included herein.

	SIMON DEBARTOLO GROUP, L.P.	SIMON PROPERTY GROUP, L.P. (SPG, LP, THE PREDECESSOR OF SDG, LP)				SIMON PROPERTY GROUP (THE PREDECESSOR OF SPG, LP)		
	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1995	FOR THE YEAR ENDED DECEMBER 31, 1995	FOR THE YEAR ENDED DECEMBER 31, 1994	FOR THE PERIOD FROM DECEMBER 20 TO DECEMBER 31, 1993	FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 19, 1993	FOR THE YEAR ENDED DECEMBER 31, 1992	FOR THE YEAR ENDED DECEMBER 31, 1991
	(IN THOUSANDS EXCEPT PER UNIT DATA, PORTFOLIO PROPERTY DATA AND RATIOS)							
OPERATING DATA:(1)								
Total Revenue......	$ 485,640	$ 398,297	$ 553,657	$ 473,676	$ 18,424	$ 405,869	$ 400,852	$ 378,029
Expenses:								
Operating Expenses........	189,888	151,914	209,782	183,433	4,095	175,801	176,682	173,923
Depreciation and Amortization....	88,913	65,212	92,739	75,945	2,051	60,243	58,104	56,033
Interest Expense(2)......	135,346	112,125	150,224	150,164	3,548	156,909	178,075	159,798
Income (Loss) before Extraordinary Items...........	76,639	72,681	101,505	60,308	8,707	6,912	(11,692)	(15,865)
Net Income (Loss)..........	$ 73,844	$ 69,797	$ 98,220	$ 42,328	$ (21,774)	$ 33,101	$ (11,692)	$ (15,865)
Preferred Distributions.....	6,286	--	1,490	--	--	--	--	--
Net Income (Loss) available to unit holders...........	67,558	69,797	96,730	42,328	(21,774)	33,101	(11,692)	(15,865)
Net Income per unit before extraordinary items...........	$ 0.65	$ 0.79	$ 1.08	$ 0.71	$ 0.11	N/A	N/A	N/A
Net Income per unit(3).........	$ 0.63	$ 0.76	$ 1.04	$ 0.50	$ (0.28)	N/A	N/A	N/A
Distributions per unit(14)........	$ 1.14	$ 1.48	$ 1.97	$ 1.90	--	N/A	N/A	N/A
Weighted average units outstanding.......	107,607	91,663	92,666	84,510	78,447	N/A	N/A	N/A
BALANCE SHEET DATA (as of end of period):								
Investment in Real Estate, net.....	$ 4,989,949	$ 1,985,841	$2,009,344	$1,829,111	$1,350,360	N/A	$1,156,009	$1,143,050
Cash and cash equivalents.....	92,575	72,983	62,721	105,139	110,625	N/A	42,682	31,840
Total Assets......	5,798,196	2,407,499	2,556,436	2,316,860	1,793,654	N/A	1,494,289	1,432,028
Total Debt(4).....	3,555,123	1,986,072	1,980,759	1,938,091	1,455,884	N/A	1,711,778	1,548,292
Limited Partners' Interest........	1,542,792	949,126	908,764	909,306	848,373	N/A	N/A	N/A
Owner's Equity (Deficit).......	$ 419,973	$ (709,583)	$ (589,126)	$ (807,613)	$ (791,820)	N/A	$ (565,566)	$ (418,697)
OTHER DATA:								
Cash flow provided by (used in):								
Operating activities.....	$ 140,736	$ 129,544	$ 194,336	$ 128,023	N/A	N/A	N/A	N/A
Investing activities.....	(57,971)	(101,191)	(222,679)	(266,772)	N/A	N/A	N/A	N/A
Financing activities.....	(52,911)	(60,509)	(14,075)	133,263	N/A	N/A	N/A	N/A
Restated Funds from Operations (FFO) (5).......	$ 173,482	$ 137,287	$ 197,909	$ 167,761	N/A	N/A	N/A	N/A
RATIO OF EARNINGS TO FIXED CHARGES OR COVERAGE DEFICIT(6)........	1.52x	1.64x	1.67x	1.43x	3.36x	1.11x	$ (12,821)	$ (18,719)
OTHER RATIOS (as of end of period)(1):								
Ratio of EBITDA After Minority Interest to Fixed Charges and								

Preferred Unit Distributions(7)(8)...	2.10x	2.14x	2.18x	2.18x	N/A	N/A	N/A	N/A
Ratio of Debt to Adjusted Total Assets(9).......	48.52%	47.63%	46.51%	50.64%	N/A	N/A	N/A	N/A
Ratio of Secured Debt to Adjusted Total Assets(10)......	44.49%	42.84%	42.18%	45.74%	N/A	N/A	N/A	N/A
Ratio of Unencumbered Assets to Unsecured Debt(11)........	5.80x	5.49x	5.49x	3.84x	N/A	N/A	N/A	N/A
Ratio of EBITDA After Minority Interest to Interest Expense (7)(12)...........	2.37x	2.34x	2.39x	2.36x	N/A	N/A	N/A	N/A

	SIMON DEBARTOLO GROUP, L.P.	SIMON PROPERTY GROUP, L.P. (SPG, LP, THE PREDECESSOR OF SDG, LP)				SIMON PROPERTY GROUP (THE PREDECESSOR OF SPG, LP)		
	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1995	FOR THE YEAR ENDED DECEMBER 31, 1995	FOR THE YEAR ENDED DECEMBER 31, 1994	FOR THE PERIOD FROM DECEMBER 20 TO DECEMBER 31, 1993	FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 19, 1993	FOR THE YEAR ENDED DECEMBER 31, 1992	FOR THE YEAR ENDED DECEMBER 31, 1991
	(IN THOUSANDS EXCEPT PER UNIT DATA, PORTFOLIO PROPERTY DATA AND RATIOS)							
PORTFOLIO DATA (as of end of period):								
Total EBITDA(6)...	$ 390,156	$ 315,276	$ 437,548	$ 386,835	$ 346,679(7)	N/A	$ 316,535	$ 282,326
EBITDA After Minority Interest(6).....	313,201	257,123	357,158	307,372	256,169(7)	N/A	227,931	210,634
Number of Portfolio Properties at End of Period...	183	120	122	119	114	N/A	110	108
Total GLA at End of Period (thousands of square feet)....	111,124	59,644	62,232	58,200	54,042	N/A	52,404	51,375

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

(2) Interest expense for the year ended December 31, 1994 includes $27.2 million of additional non-recurring contingent interest paid in connection with the refinancing of a Portfolio Property. The property lender was entitled to participate in the appreciated market value of the Portfolio Property upon refinancing. Management does not presently expect to enter into financing arrangements with similar participation features in the future. Accordingly, management considers the payment made to the lender unusual in nature. As explained in footnote (5) below, unusual or extraordinary items are excluded for purposes of computing FFO. Accordingly, this item has been excluded from FFO in this table and elsewhere herein.

(3) Per unit data are reflected only for the periods from December 20, 1993 through September 30, 1996. Per unit data are not relevant for the historical combined financial statements of Simon Property Group, the Predecessor to SPG, LP, since such financial statements are a combined presentation of partnerships and corporations.

(4) Historical debt of the Operating Partnership as of September 30, 1996 and 1995 and December 31, 1995 includes $3,232.1 million, $1,775.1 million and $1,784.8 million, respectively, of mortgage indebtedness and $323.0 million, $208.0 million and $196.0 million, respectively, of outstanding indebtedness under the credit facilities, respectively.

(5) Funds from Operations ("FFO"), as defined by the National Association of Real Estate Investment Trusts ("NAREIT"), means consolidated net income without giving effect to depreciation and amortization, gains or losses from extraordinary items, gains or losses on sales of real estate, gains or losses on investments in marketable securities and any provision/benefit for income taxes for such period, plus the allocable portion, based on ownership interest, of FFO of unconsolidated joint ventures, all determined on a consistent basis in accordance with generally accepted accounting principles. Management believes that FFO is an important and widely used measure of the operating performance of REITs which provides a relevant basis for comparison among REITs. FFO is presented to assist investors in analyzing the performance of the Operating Partnership. The Operating Partnership's method of calculating FFO may be different from the methods used by other REITs. FFO (i) does not represent cash flows from operations as defined by generally accepted accounting principles, (ii) should not be considered as an alternative to net income as a measure of operating performance or to cash flows from operating, investing and financing activities and (iii) is not an alternative to cash flows as a measure of liquidity. In March 1995, NAREIT modified its definition of FFO. The modified definition provides that amortization of deferred financing costs and depreciation of nonrental real estate assets are no longer to be added back to net income in arriving at FFO. The modified definition was adopted by the Operating Partnership beginning in 1996. Additionally the FFO for prior periods have been restated to reflect the new definition in order to make the amounts comparative.

(6) For purposes of computing the ratio of earnings to fixed charges, earnings have been calculated by adding fixed charges, excluding capitalized interest, to income (loss) from continuing operations including income from minority interests which have fixed charges, and including distributed operating income from unconsolidated joint ventures instead of income from

unconsolidated joint ventures. Fixed charges consist of interest costs, whether expensed or capitalized, the interest component of rental expense and amortization of debt issuance costs.

(7) Total EBITDA represents earnings before interest, taxes, depreciation and amortization for all properties. EBITDA After Minority Interest represents earnings before interest, taxes, depreciation and amortization for all properties after distribution to third party joint venture partners. EBITDA (i) does not represent cash flow from operations as defined by generally accepted accounting principles, (ii) should not be considered as an alternative to net income as a measure of operating performance or

to cash flows from operating, investing and financing activities; and (iii) is not an alternative to cash flows as a measure of liquidity. Management believes that in addition to cash flows and net income, EBITDA is a useful financial performance measurement for assessing the operating performance of an equity REIT because, together with net income and cash flows, EBITDA provides investors with an additional basis to evaluate the ability of a REIT to incur and service debt and to fund acquisitions and other capital expenditures. To evaluate EBITDA and the trends it depicts, the components of EBITDA, such as revenues and operating expenses, should be considered. The Operating Partnership's method of calculating EBITDA may be different from the methods used by other REITs. The Company's weighted average ownership interest in the operating results for the nine months ended September 30, 1996 and 1995 was 61.2% and 59.3%, respectively, and was 60.3%, 55.2% and 52.2% during 1995, 1994 and 1993, respectively. The Company's ownership interest in the Operating Partnership was 61.5% and 60.9% at September 30, 1996 and 1995, respectively, and was 61.0% and 56.4% at December 31, 1995 and 1994, respectively.

(8) For purposes of computing the ratio of EBITDA After Minority Interest to Fixed Charges and Preferred Unit Distributions, Fixed Charges and Preferred Unit Distributions consist of interest costs, whether expensed or capitalized and including the Operating Partnership's pro rata share of joint venture interest expense, the interest component of rental expense and amortization of debt issuance costs, plus any distributions on outstanding preferred units.

(9) Debt consists of indebtedness of the Operating Partnership and its consolidated subsidiaries, less any portion attributable to minority interests, plus the Operating Partnership's allocable portion of indebtedness of unconsolidated joint ventures from borrowed money, secured indebtedness, reimbursement obligations in connection with letters of credit and capitalized leases. "Adjusted Total Assets" as of any date means the sum of (i) the amount determined by multiplying the sum of the shares of common stock of the Company issued in the initial public offering of the Company ("IPO") and the units of the Operating Partnership not held by the Company outstanding on the date of the IPO, by $22.25 (the "IPO Price"), (ii) the principal amount of the outstanding consolidated debt of the Company on the date of the IPO, less any portion applicable to minority interests, (iii) the Operating Partnership's allocable portion, based on its ownership interest, of outstanding indebtedness of unconsolidated joint ventures on the date of the IPO, (iv) the purchase price or cost of any real estate assets acquired (including the value, at the time of such acquisition, of any units of the Operating Partnership or shares of common stock of the Company issued in connection therewith) or developed after the IPO by the Operating Partnership or any Subsidiary, less any portion attributable to minority interests, plus the Operating Partnership's allocable portion, based on its ownership interest, of the purchase price or cost of any real estate assets acquired or developed after the IPO by any unconsolidated joint venture, (v) the value of the Merger compiled as the sum of (a) the purchase price including all related closing costs and (b) the value of all outstanding indebtedness less any portion attributable to minority interests, including the Operating Partnership's allocable share, based on its ownership interest, of outstanding indebtedness of unconsolidated joint ventures at the Merger date, and (vi) working capital of the Operating Partnership; subject, however, to reduction by the amount of the proceeds of any real estate assets disposed of after the IPO by the Operating Partnership or any Subsidiary, less any portion applicable to minority interests, and by the Operating Partnership's allocable portion, based on its ownership interest, of the proceeds of any real estate assets disposed of after the IPO by unconsolidated joint ventures. On a pro forma basis as of September 30, 1996, the Operating Partnership's Adjusted Total Assets were $8.02 billion.

(10) Secured Debt consists of Debt secured by a mortgage or other encumbrance on any property of the Operating Partnership or any Subsidiary.

(11) Unencumbered Assets is equal to Adjusted Total Assets multiplied by a fraction, the numerator of which is Unencumbered Annualized EBITDA After Minority Interest and the denominator of which is Annualized EBITDA After Minority Interest. Unencumbered Annualized EBITDA means Annualized EBITDA less any portion attributable to assets serving as collateral for Secured Debt. Annualized EBITDA means earnings before interest, taxes, depreciation and amortization for all portfolio properties with other adjustments as are necessary to exclude the effect of items classified as extraordinary items in accordance with generally accepted accounting principles, adjusted to reflect the assumption that (i) any income earned as a result of any assets having been placed in service since the end of such period had been earned on an annualized basis, during such period, and (ii) in the case of an acquisition or disposition by the Operating Partnership, any Subsidiary or any unconsolidated joint venture in which

the Operating Partnership or any Subsidiary owns an interest, of any assets since the first day of such period, such acquisition or disposition and any related repayment of Debt had occurred as of the first day of such period with the appropriate adjustments with respect to such acquisition or disposition. Annualized EBITDA After Minority Interest means Annualized EBITDA after distributions to third party joint venture partners. Unsecured Debt means Debt not secured by a mortgage or other encumbrance on any property of the Operating Partnership or any subsidiary.

(12) For purposes of computing the ratio of EBITDA After Minority Interest to Interest Expense, Interest Expense includes the Company's pro rata share, based on ownership interest, of joint venture interest expense and is reduced by amortization of debt issuance costs.

(13) Represents the combined EBITDA and EBITDA After Minority Interest of the Portfolio Properties for the full year ended December 31, 1993.

(14) In connection with the Merger, the Operating Partnership declared a special distribution of 0.1515 per unit and adjusted its distribution cycle accordingly. As a result, the third quarter distribution of 0.4925 per unit was declared on October 10, 1996 and is payable on November 22, 1996.

SIMON DEBARTOLO GROUP, LP AND SIMON PROPERTY GROUP, LP
(PREDECESSOR TO SIMON DEBARTOLO GROUP, L.P.)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the Selected Financial Data, and all of the financial statements and notes thereto included elsewhere herein.

GENERAL BACKGROUND

Historical results and percentage relationships set forth in Selected Financial Data are not necessarily indicative of future financial position and results of operations of Simon DeBartolo Group, L.P. or its predecessor, Simon Property Group, L.P. All references herein to the Operating Partnership refer to Simon DeBartolo Group, L.P., and its predecessor for financial reporting purposes, Simon Property Group, L.P.

The financial statement results presented for the twelve-day period from December 20, 1993 through December 31, 1993 are not indicative of the Operating Partnership's performance on an annual basis. Similarly, the results presented in the combined financial statements for the Simon Property Group (the predecessor to SPG, L.P.) cover only 353 days of 1993, the period prior to the date that the Operating Partnership acquired the assets and liabilities of the Simon Property Group. Therefore, the discussion of and results of operations and liquidity and capital resources for 1993 are presented on a combined basis to compare to the full year 1994. Management believes presentation in this manner provides a more meaningful discussion of year-to-year results.

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

RESULTS OF OPERATIONS

The financial results reported reflect the results of Simon Property Group, L.P. through August 9, 1996 and the combined Simon DeBartolo Group, L.P. for all periods subsequent to the Merger completion on August 9, 1996 of a subsidiary of Simon Property Group, Inc. and DeBartolo Realty Corporation. This is in accordance with the purchase method of accounting utilized to record this Merger transaction. This Merger resulted in an additional 50 regional malls and 11 community shopping centers to the portfolio, of which additions, 41 regional malls and 10 community shopping centers are being accounted for on the consolidated method of accounting. The effects of this increase in the portfolio and the Merger integration costs are highlighted in the following discussion of the interim period financial comparisons.

In addition to the Merger, three other transactions (the "Property Transactions"), each resulting in the consolidation of a mall previously accounted for using the equity method of accounting, occurred and had significant effects on the comparison of the nine-month and three-month periods. Effective July 31, 1995, the Operating Partnership acquired the remaining 50% interest in Crossroads Mall. Effective September 25, 1995, the Operating Partnership acquired the remaining 55% interest in East Towne Mall. On April 11, 1996, the Operating Partnership acquired the remaining 50% economic ownership interest in Ross Park Mall.

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1996
VS. THE THREE MONTHS ENDED SEPTEMBER 30, 1995

Total revenue increased by $64.4 million or 46.6% for the three months ended September 30, 1996, as compared to the same period in 1995. This increase is primarily the result of the Merger ($56.0 million) and the Property Transactions ($9.1 million).

Total operating expenses increased by $45.9 million, or 62.1%, for the three months ended September 30, 1996, as compared to the same period in 1995. This increase is primarily the result of the Merger ($36.3 million), the Property Transactions ($4.1 million) and an increase in depreciation and amortization ($5.0 million).

Interest expense increased by $19.7 million, or 54.1% for the three months ended September 30, 1996, as compared to the same period in 1995. This increase is primarily as a result of the Merger ($15.0 million) and the Property Transactions ($3.7 million).

Income from unconsolidated entities increased by $3.6 million for the three months ended September 30, 1996, as compared to the same period in 1995. This is primarily due to the Merger ($2.2 million) and an increase in the Operating Partnership's pro rata share of income from M.S. Management Associates, Inc. (together with its subsidiaries, the "Management Company") ($2.3 million), partially offset by a decrease in the Operating Partnership's pro rata share of income from the pre-Merger unconsolidated joint venture properties ($0.9 million).

Net income was $26.3 million for the three months ended September 30, 1996, as compared to $24.3 million for the same period in 1995, reflecting a net increase of $2.0 million, after Merger integration costs of $7.2 million and for the reasons described above.

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996
VS. NINE MONTHS ENDED SEPTEMBER 30, 1995

Total revenue increased by $87.3 million or 21.9% for the nine months ended September 30, 1996, as compared to the same period in 1995. Of this increase, $56.0 million is a result of the Merger and $25.1 million is a result of the Property Transactions. The remaining increase is primarily the result of increases in minimum rent ($5.3 million), lease settlement income ($2.1 million), and a gain on the sale of a peripheral property ($2.6 million), partially offset by a decrease in tenant reimbursements ($5.9 million).

Total operating expenses increased by $61.7 million, or 28.4%, for the nine months ended September 30, 1996, as compared to the same period in 1995. This increase is primarily the result of the Merger ($36.3 million), the Property Transactions ($12.9 million) and an increase in depreciation and amortization ($10.2 million).

The gain on sale of an asset in the nine months ended September 30, 1995 ($2.4 million) relates to the sale of a minority partnership interest in land previously held for development in Denver, Colorado.

Interest expense increased by $23.2 million for the nine months ended September 30, 1996, as compared to the same period in 1995. This increase was primarily the result of the Merger ($15.0 million) and the Property Transactions ($9.5 million).

Income from unconsolidated entities increased by $4.2 million for the nine months ended September 30, 1996, as compared to the same period in 1995. This is primarily due to the Merger ($2.2 million) and an increase in the Operating Partnership's pro rata share of income from the Management Company ($2.2 million).

Net income was $47.6 million for the nine months ended September 30, 1996, as compared to $41.4 million for the same period in 1995, reflecting a net increase of $6.2 million after Merger integration costs of $7.2 million, and for the reasons described above, was allocated first to the holders of the Preferred Units, then to the partners based on each partner's ownership interest in the Operating Partnership during the period.

YEAR ENDED DECEMBER 31, 1995 TO THE YEAR ENDED DECEMBER 31, 1994

During 1994 and 1995, the Operating Partnership acquired several new properties through purchase, acquisition and merger, and, as a result of a change in controlling interest, changed the way it accounted for several properties (using either the consolidated method of accounting or the equity method of accounting for non-controlled joint venture entities) (the "Property Transactions"). The following is a listing of such transactions: The Operating Partnership began including The Forum Shops at Caesars ("Forum") as a consolidated property due to the Operating Partnership's ability to demonstrate control effective April 1, 1994. On September 1, 1994, the Operating Partnership consolidated 15 properties as a result of the merger of MSA Realty Corporation into the Company (the "MSAR Merger"). During December 1994, the Operating Partnership acquired a 100% interest in Independence Mall, Orange Park Mall, Broadway Square and University Mall (Florida). On February 23, 1995, the Operating Partnership acquired an additional 50% interest in White Oaks Mall and is now accounting for the property using the consolidated method of accounting. Effective July 1, 1995, the Operating Partnership relinquished its ability to direct certain activities related to the control of North East Mall, and as a result is now accounting for the property using the equity method of accounting. On July 31, 1995, the Operating Partnership purchased the remaining 50% ownership in Crossroads Mall and subsequently began accounting for the property using the consolidated method of accounting. On September 25, 1995, the Operating Partnership acquired the remaining 55% ownership in East Towne Mall and subsequently began accounting for the property using the consolidated method of accounting. (See the "Liquidity and Capital Resources" discussion for additional information regarding these transactions.)

Total revenue increased by $80.0 million, or 16.9%, in 1995. Of this increase, $72.8 million is attributable to the 1995 Property Transactions, and the full-year impact in 1995 of the 1994 Property Transactions. The remaining $7.2 million increase is primarily the result of an increase in revenue resulting from increases of $1.25 and $0.18 in average base minimum rents per square foot for regional mall stores and community shopping centers as evidenced by leasing spreads for regional mall store and community shopping center leases executed during 1995 over those leases expiring in 1995 of $5.38 and $1.22 per square foot, respectively. These increases are partially offset by a decrease in overage rent resulting primarily from static sales in the portfolio and a decline of $1.8 million in overage rent at Texas border properties due to the devaluation of the Mexican peso. Management expects these properties to return to their prior performance level, as they have done historically after previous peso devaluations.

Total operating expenses increased by $43.1 million, or 16.6%, in 1995. Of this increase, $37.9 million, or 87.9%, is the result of the Property Transactions. Other than increases from the Property Transactions, total operating expenses experienced an increase of only 2.0% attributable to increased depreciation and amortization derived from an increase in investment properties.

Interest expense, excluding prior year non-recurring interest expense, increased by a net of $27.2 million, or 22.2%, to $150.2 million for 1995 as compared to $123.0 million for 1994. Of this increase, $26.5 million, or 97.4% is the result of the Property Transactions. Partially offsetting this increase is interest savings realized as a result of restructuring the Operating Partnership's credit facilities, and from using the proceeds of the Company's 6,241,854 share add-on and over-allotment offerings to reduce the debt of the Operating Partnership.

The net gain on the sale of assets in 1995 resulted from a gain on the sale of a minority partnership interest in land previously held for development in Denver, Colorado ($2.4 million), partially offset by a loss on the sale of an equity investment in Arborland Mall ($0.5 million).

Income (loss) from unconsolidated entities increased from a loss of $0.1 million in 1994 to income of $1.4 million in 1995 resulting from an increase in the Operating Partnership's share of income from partnerships and joint ventures, partially offset by an increase in its share of losses of the Management Company. The Operating Partnership's share of income from partnerships and joint ventures improved by $4.1 million from $1.0 million in 1994 to $5.1 million in 1995. This increase is primarily attributable to gains from sales of peripheral property ($3.4 million) and the change, for North East Mall, to the equity method of accounting ($1.7 million). The Operating Partnership's share of the Management Company's results declined by $2.6 million from an allocated net loss of $1.1 million for 1994 to an allocated net loss of $3.7 million for 1995. This decrease is the result of the Management Company's losses related to the settlement of a mortgage receivable and the liquidation of a partnership investment in 1995, partially offset by a $1.6 million increase in the Management Company's operating income.

Extraordinary items of $3.3 million in 1995 and $18.0 million in 1994 resulted from costs associated with the refinancing of debt.

Net income available to Unitholders increased from $42.3 million for 1994 to $96.7 million for 1995, an increase of $54.4 million, for the reasons discussed above.

YEAR ENDED DECEMBER 31, 1994 VS. COMBINED YEAR ENDED DECEMBER 31, 1993

Total revenue increased by $49.4 million, or 11.6%, to $473.7 million for 1994, as compared to $424.3 million in 1993. This increase is the result of increases in all components of revenue. The $28.2 million increase in minimum rent is a result of an overall increase in occupancy levels and the replacement of expiring tenant leases with renewal leases at higher minimum base rents ($7.2 million), the inclusion of Forum as a consolidated property ($10.3 million) and the MSAR Merger ($8.7 million). The increase in overage rent of $5.4 million to $25.5 million for 1994, as compared to $20.1 million in 1993, is attributable to an overall increase in tenant sales volume ($0.9 million) and the inclusion of Forum as a consolidated property ($4.2 million). Tenant reimbursements increased $12.4 million as a result of the increased occupancy and overall tenant recoverability of costs ($4.0 million), the inclusion of Forum as a consolidated property ($4.0 million) and the MSAR Merger ($4.0 million). The $3.4 million increase in other income is primarily attributable to the increase in interest and dividend income from the Management Company ($9.7 million), the increase in interest income from cash equivalents due to the increase in funds invested and higher interest rates ($1.1 million), the consolidation of Forum ($1.4 million) and the MSAR Merger ($1.1 million), offset in part by the sale of an anchor store in March 1993 ($8.9 million).

Total operating expenses increased by $17.2 million, or 7.1%, to $259.4 million for 1994 as compared to $242.2 million for 1993. This increase is the result of increases in depreciation and amortization, real estate taxes, repairs and maintenance, and advertising and promotion, offset by decreases in property operating expenses and other expenses. The increase in depreciation and amortization of $13.7 million is attributable to the purchase of minority partners' interest in the Predecessor with the application of the offering proceeds ($5.5 million), the inclusion of Forum as a consolidated property ($3.5 million), the MSAR Merger ($1.8 million) and additional renovation and expansion costs incurred in 1992 and 1993 at several Portfolio Properties. The increases in real estate taxes ($3.7 million) and repairs and maintenance ($2.3 million) are primarily attributable to the consolidation of Forum ($0.3 million and $1.0 million, respectively) and the MSAR Merger ($2.1 million and $0.5 million, respectively). Tenant contributions funded a substantial portion of the $2.4 million increase in advertising and promotion campaigns. The $6.7 million decrease in property operating expenses is the result of the reduction in the costs related to the self-management of wholly owned properties ($5.9 million), a decrease in insurance costs due to an overall reduction in premiums and loss occurrences ($1.7 million) and the decrease in general and administrative expenses ($3.0 million). These decreases in property operating expenses are partially offset by the inclusion of Forum as a consolidated property ($3.6 million) and the MSAR Merger ($0.5 million). The $1.3 million increase in other expenses is attributable to the inclusion of Forum as a consolidated property ($2.1 million) and public company costs ($1.2 million), offset in part by the decrease in ground rent relating to the buyout of various ground leases with the application of the offering proceeds.

Interest expense, excluding non-recurring interest expense, decreased by $37.5 million, or 23.4%, to $123.0 million for 1994 as compared to $160.5 million for 1993. This decrease is primarily the result of: (i) the application of net proceeds of the offering and the concurrent financing to reduce indebtedness ($34.4 million); and (ii) lower interest rates on debt ($12.1 million); offset by (iii) the inclusion of Forum as a consolidated property ($3.7 million), the MSAR Merger ($4.3 million) and an increase in amortization of deferred financing costs related to the refinancings ($2.5 million).

On December 1, 1994, as part of a debt restructuring and the termination of the lender's participation in future cash flow for one of the Portfolio Properties, the Operating Partnership incurred a non-recurring interest expense charge of $27.2 million. The Operating Partnership has reflected this item as a separate line in the Consolidated Statements of Operations.

Minority interest in 1994 reflects the purchase of minority partners' interest in the Predecessor with the application of the IPO proceeds and the inclusion of the minority partner's interest in Forum.

Income (loss) from unconsolidated entities improved by $2.3 million. The Operating Partnership's share of the Management Company's results improved from an allocation of a net loss of $1.4 million for 1993 to a net loss of $1.1 million for 1994. The 1994 amount is after interest and preferred dividend charges payable to the Operating Partnership of $9.1 million. There were no similar charges in 1993. The Operating Partnership's share of income from partnerships and joint ventures improved from a net loss of $1.0 million for 1993 to net income of $1.0 million for 1994. This increase is attributable to the consolidation of Forum, the MSAR Merger and land sale activity.

The extraordinary items of $18.0 million in 1994 and $4.3 million in 1993 resulted from costs associated with the early extinguishment or refinancing of debt.

Net income available to Unitholders increased from $11.3 million for 1993 to net income of $42.3 million for 1994, an increase of $31.0 million, for the reasons discussed above.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 1996, the Operating Partnership's balance of cash and cash equivalents was $92.5 million, not including its proportionate share of cash held by the joint venture properties and the Management Company. In addition to its cash reserves, the Operating Partnership had unused capacity under its unsecured revolving credit facility totaling $427.0 million.

Offering. On September 6, 1996, the Operating Partnership filed a shelf registration statement with the Securities and Exchange Commission to provide for the offering, from time to time, of up to $750 million aggregate principal amount of unsecured debt securities of the Operation Partnership. The Operating Partnership intends to offer, immediately upon effectiveness, an aggregate of $200 million in unsecured debt securities. The proceeds of such offering will be used primarily to retire mortgage indebtedness and to paydown the unsecured revolving credit facility.

Effective December 15, 1995, SPG, LP completed a shelf registration filing for $500.0 million of non-convertible investment grade debt securities. As of September 30, 1996 SPG, LP had not offered any of these debt securities.

DeBartolo Merger. As described in the footnotes to the financial statements, on August 9, 1996 the Company assumed the outstanding indebtedness of DeBartolo Realty Partnership, L.P. Such amount aggregated $1,567.8 million at September 30, 1996.

Acquisitions. On April 11, 1996, the Operating Partnership drew an additional $115.0 million on its then existing revolving credit facility primarily to finance the acquisition of the remaining economic ownership interest in Ross Park Mall ($44 million) and to retire a portion of the property's debt ($54 million).

In connection with the settlement of certain outstanding litigation, the Operating Partnership acquired on October 4, 1996 for $12.5 million an additional 20% limited partnership interest in North East Mall. At the same time, the Operating Partnership exercised its option to acquire the remaining 30% limited partnership interest in North East Mall owned by the Simons in exchange for 472,410 partnership units in the Operating Partnership, as well as the Simons' 50% general partnership interest which the Operating Partnership acquired for nominal consideration. The Simons had previously contributed to the Operating Partnership in exchange for partnership units, the right to receive distributions relating to its 50% general partnership interest. Therefore the Operating Partnership, as a result of the transactions, owns 100% of North East Mall and accounts for it using the consolidated method of accounting.

Financing and Refinancing. On February 23, 1996, the Operating Partnership borrowed the initial $100.0 million tranche of a $184.0 million two-tranche loan facility for The Forum Shops at Caesar's ("Forum") and retired the existing $89.7 million mortgage debt for Forum. The initial funding bears interest at LIBOR plus 100 basis points and matures in February 2000. The remaining proceeds are being used to provide funds for the approximately 250,000-square-foot phase II expansion of this property.

On June 28, 1996, the Operating Partnership obtained an additional $200 million unsecured, revolving credit facility. The facility bore interest at LIBOR plus 132.5 basis points and would mature in August of 1998. Terms for the facility were identical to those of the Operating Partnership's other $400 million credit facility.

On September 10, 1996, the Operating Partnership retired the DRC secured line of credit, in the amount of $112.0 million, which bore interest at LIBOR plus 175 basis points, with proceeds from SPG, LP's two unsecured credit facilities, which bore interest at LIBOR plus 132.5 basis points.

On September 27, 1996, the Company completed a $200 million public offering (the "Preferred Offering") of 8,000,000 shares of 8 3/4% Series B Cumulative Redeemable Preferred Stock, generating net proceeds of approximately $193 million. The Company contributed the proceeds of such offering to the Operating Partnership in exchange for preferred units in the Operating Partnership, which ultimately used the net proceeds to repay $142.8 million of outstanding mortgage indebtedness, $34.4 million under SPG, LP's two unsecured credit facilities, $12.5 million for the acquisition of the remaining ownership of North East Mall in Hurst, Texas and the remainder for working capital.

On September 27, 1996, the Operating Partnership obtained a $750 million, unsecured, three-year credit facility (the "Credit Facility"), with a one year extension at the option of the Operating Partnership which initially bears interest at LIBOR plus 90 basis points and retired the outstanding borrowings of SPG, LP in the aggregate principal amount of $323 million under SPG, LP's two unsecured credit facilities, which bore interest at LIBOR plus 132.5 basis points. The Credit Facility increases the Operating Partnership's available capital by $150 million.

Both the Operating Partnership and the Company anticipate in the future issuing additional debt or equity securities on a public or private basis. The Operating Partnership is currently contemplating an issuance of unsecured debt in the near future in an amount currently expected not to exceed $100 million.

During the first nine months of 1996, the Operating Partnership drew an additional $33.2 million on its construction loan for Cottonwood Mall in Albuquerque, New Mexico. As of September 30, 1996, a total of $55.6 million was outstanding on this construction loan.

Development, Expansions and Renovations. The Operating Partnership is involved in several development, expansion and renovation efforts.

The Operating Partnership is completing demolition of the existing Bakery Centre in South Miami, Florida, in preparation for the $130 million development of The Shops at Sunset Place. Pre-development efforts continue for this 75%-owned 500,000-square-foot retail and entertainment center.

Cottonwood Mall opened on July 31, 1996, in Albuquerque, New Mexico. This 1.0 million-square-foot regional mall is wholly-owned by the Operating Partnership. Cottonwood Mall is anchored by Dillard's, Foley's, JCPenney, Mervyn's, Montgomery Ward, and a 76,000-square-foot United Artists STARPORT entertainment complex, which is scheduled to open by the end of 1996.

Construction also continues on the following projects:

- A 250,000-square-foot phase II expansion of Forum, in which the Operating Partnership has a 55% ownership interest, is scheduled to open in the fall of 1997. The $90 million costs of the Forum project are being funded with a portion of a $184 million two-tranche financing facility which closed February 23, 1996.

- Ontario Mills, a 1.4 million-square-foot value-oriented regional mall in Ontario, California, in which the Operating Partnership has a 25% ownership interest, opens November 14, 1996. A

$110 million construction loan on this project has been obtained on this approximately $168 million partnership venture with The Mills Corporation. The Operating Partnership funded its $15.0 million equity commitment for this project in July 1996.

- The Operating Partnership owns 50% of the Indian River Mall and a related community center, Indian River Commons. These developments are being financed with $22.0 million of partner's equity and a $52.0 million construction loan. At September 30, 1996 $36.1 million of the loan was outstanding. The mall will open November 15, 1996 and the community center in the spring of 1997.

- The Source, a 730,000-square-foot retail development project in Westbury (Long Island), New York, is expected to open in August of 1997. This new $150 million development will adjoin an existing Fortunoff store. The Operating Partnership has a total equity requirement of $31.1 million for this project. Construction Financing of $120 million closed on this property in July of 1996. The loan carries interest at LIBOR plus 170 basis points and matures on July 16, 1999. The Operating Partnership has made a $21.7 million equity investment in this 50%-owned joint venture development through September 30, 1996.

- Arizona Mills, a 1,225,000-square-foot retail development project in Tempe, Arizona, broke ground on August 1, 1996. This $183 million development is expected to open in November of 1997. A commitment has been obtained for a five-year $145 million construction loan with interest at LIBOR plus 160 basis points. The Operating Partnership has an $11.2 million equity investment and a 25% ownership interest in this joint venture development.

- Grapevine Mills, a 1,450,000-square-foot retail development project in Fort Worth, Texas, broke ground on July 10, 1996, and is expected to open in October of 1997. A commitment has been obtained for a four-year $140 million construction loan with interest at LIBOR plus 165 basis points. The Operating Partnership will have a $13.9 million equity commitment on this $188 million development project. The Operating Partnership owns 37.5% of this joint venture development.

- The Tower Shops in Las Vegas, Nevada, is an approximately $24 million, 60,000-square-foot retail development project in which the Operating Partnership owns a 50% interest. This retail development is currently under construction and is scheduled to open late in 1996. The Operating Partnership contributed its $3.2 million equity commitment in April of 1996.

Several renovation and expansion projects are currently under construction and management continues to review additional projects. It is anticipated that these projects will be financed principally with external borrowings, existing corporate credit facilities and cash flows from operations.

Debt. At September 30, 1996, the Operating Partnership had consolidated debt of $3,555.1 million, of which $2,481.6 million is fixed-rate debt and $1,073.5 million is variable-rate debt. As of September 30, 1996, the Operating Partnership had interest-rate protection agreements relating to $626.1 million of the variable-rate debt, respectively. The agreements are generally in effect until the related variable-rate debt matures.

The Operating Partnership's ratio of consolidated debt-to-market capitalization was approximately 45.3% at September 30, 1996.

Distributions. The Operating Partnership declared a distribution of $0.4925 per Unit in each of the first three quarters of 1996. In addition, a special distribution of $0.1515 per unit was declared on August 9, 1996 to align the time periods of distributions for the Company and DeBartolo Realty Corporation under the definitive merger agreement. Future distributions will be determined based on actual results of operations and cash available for distribution. Preferred distributions of $0.5078 per Series A Preferred Unit were also declared per quarter.

Capital Resources. Management anticipates that cash generated from operating performance will provide the necessary funds on a short- and long-term basis for its operating expenses, interest expense on outstanding indebtedness, recurring capital expenditures and distributions to holders of Preferred Units and Units.

Management continues to actively review and evaluate property acquisition opportunities. Management believes that funds on hand and amounts available under the Credit Facility, together with the ability to issue shares of common stock of the Company and/or Units, provide the means to finance certain acquisitions. No assurance can be given that the Operating Partnership will not be required to, or will not elect to, even if not required to, obtain funds from outside sources, including through the sale of debt or equity securities, to finance significant acquisitions, if any.

Investing and Financing Activities. Cash used in investing activities for the nine months ended September 30, 1996 was $58.0 million. Cash used in investing activities included approximately $44 million for the acquisition of the remaining economic ownership interest in Ross Park Mall, tenant allowances, capital expenditures and development related costs of $110.7 million including $31.3 million, $11.7 million, $6.1 million and $4.7 million at Cottonwood Mall, Forum, Muncie Mall and The Shops at Sunset Place, respectively; and advances to unconsolidated joint ventures totaling approximately $54.4 million, including $18.9 million, $15.0 million, $5.7 million and $3.2 million in equity contributions made to The Source, Ontario Mills, Arizona Mills and The Tower Shops, respectively, to fund development activity. Cash received in connection with the Merger and consolidation of joint venture properties was $66.7 million. Cash received from unconsolidated entities of $45.4 million included a $30.9 million return of equity from Smith Haven Mall. Additionally, a note repayment was received from M.S. Management Associates ($38.6 million). Cash used in investing activities for the nine months ended September 30, 1995 included $61.5 million for tenant allowances, capital expenditures and development related costs, a $14.6 million equity investment in Rolling Oaks Mall, and $3.1 million for the acquisition of a joint venture interest in a parcel of land to be held for development in Little Rock, Arkansas and $18.6 million for the acquisition of East Towne Mall, partially offset by $2.6 million of net proceeds from the sale of a joint venture interest in land held for development, distributions from unconsolidated entities ($4.3 million) and cash of $3.4 million included in the acquisition of interest in White Oaks Mall.

Cash used in financing activities for the nine months ended September 30, 1996 was $7.6 million less than the nine months ended September 30, 1995. The decrease in cash used in 1996 as compared to 1995 was primarily the result of $193.5 million in partnership contributions from the sale of preferred stock in 1996 partially offset by an increase of $41.7 million in distributions to Unitholders and proceeds from sales of common stock in 1995 of $142.1 million.

EBITDA-EARNINGS FROM OPERATING RESULTS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION

Management believes that there are several important factors that contribute to the ability of the Operating Partnership to increase rent and improve profitability of its shopping centers, including aggregate tenant sales volume, sales per square foot, occupancy levels and tenant costs. Each of these factors has a significant effect on EBITDA. Management believes that EBITDA is an effective measure of shopping center operating performance because: (i) it is industry practice to evaluate real estate properties based on operating income before interest, taxes, depreciation and amortization, which is generally equivalent to EBITDA; and (ii) EBITDA is unaffected by the debt and equity structure of the property owner. EBITDA: (i) does not represent cash flow from operations as defined by generally accepted accounting principles; (ii) should not be considered as an alternative to net income as a measure of the Operating Partnership's operating performance; (iii) is not indicative of cash flows from operating, investing and financing activities; and (iv) is not an alternative to cash flows as a measure of the Operating Partnership's liquidity.

Total EBITDA for the portfolio properties increased from $315.3 million for the nine months ended September 30, 1995 to $390.2 million for the same period in 1996, representing a growth rate of 24%. This increase is primarily attributable to the malls opened or acquired during 1995. During this period, operating profit margin decreased slightly from 63.1% to 61.4%.

FFO-FUNDS FROM OPERATIONS

FFO, as defined by the National Association of Real Estate Investment Trusts ("NAREIT"), means the consolidated net income of the Operating Partnership and its subsidiaries without giving effect to depreciation and amortization, gains or losses from extraordinary items, gains or losses on sales of real estate, gains or losses on investments in marketable securities and any provision/benefit for income taxes for such period, plus the allocable portion, based on the Operating Partnership's ownership interest, of funds from operations of unconsolidated joint ventures, all determined on a consistent basis in accordance with generally accepted accounting principles. Management believes that FFO is an important and widely used measure of the operating performance of REITs which provides a relevant basis for comparison among REITs. FFO is presented to assist investors in analyzing the performance of the Operating Partnership. FFO: (i) does not represent cash flow from operations as defined by generally accepted accounting principles; (ii) should not be considered as an alternative to net income as a measure of the Operating Partnership's operating performance or to cash flows from operating, investing and financing activities; and (iii) is not an alternative to cash flows as a measure of the Operating Partnership's liquidity. In March, 1995, NAREIT modified its definition of FFO. The modified definition provides that amortization of deferred financing costs and depreciation of non-rental real estate assets are no longer to be added back to net income in arriving at FFO. The modified definition was adopted by the Operating Partnership beginning in 1996. Additionally, the prior year FFO is being restated to reflect the new definition in order to make the amounts comparative. Under the previous definition, FFO for the three months and nine months ended September 30, 1995, would have been $52.3 million and $145.4 million, respectively.

The following summarizes FFO and reconciles net income to FFO for the periods presented:

	FOR THE THREE MONTHS ENDED SEPTEMBER 30,		FOR THE NINE MONTHS ENDED SEPTEMBER 30,	
	1996	1995	1996	1995
	(IN THOUSANDS)			
FFO	$ 74,270	$ 49,492	$ 173,482	$ 137,287
Reconciliation:				
Net Income	$ 24,085	$ 24,310	$ 67,558	$ 69,797
Plus:				
Extraordinary items -- Losses on extinguishments of debt	2,530	2,636	2,689	2,884
Depreciation and amortization from consolidated properties	37,469	21,894	88,507	64,855
The Operating Partnership's share of depreciation and amortization from unconsolidated affiliates	3,775	1,329	9,725	4,340
Merger Integration Costs	7,236	N/A	7,236	--
Less:				
Gain on sale of asset	(88)	(677)	(88)	(2,350)
Minority interest portion of depreciation, amortization and extraordinary items	(737)	--	(2,145)	(2,239)
FFO	$ 74,270	$ 49,492	$ 173,482	$ 137,287

PORTFOLIO DATA

Operating statistics give effect to the merger of the Company and DeBartolo Realty Corporation and are based upon the business and properties of the Company and DRC on a combined basis.

Aggregate Tenant Sales Volume. For the nine months ended September 30, 1996 compared to the same period in 1995, total reported retail sales for mall and freestanding stores at the regional malls and all stores at the community shopping centers for GLA owned by the Operating Partnership ("Owned GLA") increased 4.4% from $5,050 million to $5,331 million. Retail sales at Owned GLA affect revenue and profitability levels because they 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.) the tenants can afford to pay.

Occupancy Levels. Occupancy levels for regional malls were 84.3% at both September 30, 1995 and September 30, 1996. Occupancy levels for community shopping centers decreased from 94.0% at September 30, 1995 to 92.1% at September 30, 1996. Total GLA has increased 3.0 million square feet from September 30, 1995 to September 30, 1996, primarily as a result of the October 1995 opening of Lakeline Mall, the December 1995 acquisition of Smith Haven Mall and the July 1996 opening of Cottonwood Mall.

Average Base Rents. Average base rents per square foot of mall and freestanding stores at regional mall Owned GLA increased 5.8%, from $19.08 to $20.18 as of September 30, 1996 as compared to September 30, 1995. In community shopping centers, average base rents per square foot of Owned GLA increased 3.2%, from $7.26 to $7.49 during this same period.

INFLATION

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

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

OTHER

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

Management recognizes the retail industry is cyclical in nature and some tenants continue to experience difficulties, which is reflected in sales trends and in the bankruptcies and continued restructuring of several prominent retail organizations. Continuation of these trends could impact future earnings performance.

SIMON DEBARTOLO GROUP, L.P. AND PREDECESSOR (NOTE 1)

CONSOLIDATED CONDENSED BALANCE SHEETS
(UNAUDITED AND DOLLARS IN THOUSANDS)

	SEPTEMBER 30, 1996	DECEMBER 31, 1995
ASSETS:		
Investment properties, at cost	$ 5,226,532	$2,162,161
Less -- accumulated depreciation	(236,583)	152,817
	4,989,949	2,009,344
Cash and cash equivalents	92,575	62,721
Tenant receivables and accrued revenue, net	150,954	144,400
Notes receivable and advances due from Management Company	54,128	102,522
Investment in partnerships and joint ventures, at equity	368,225	113,676
Deferred costs, net	77,384	81,398
Other assets	64,981	42,375
Total assets	$ 5,798,196	$2,556,436
LIABILITIES AND PARTNERS' EQUITY:		
Mortgages and other notes payable	$ 3,555,123	$1,980,759
Accounts payable and accrued expenses	199,942	113,131
Accrued distributions	2,223	48,594
Cash distributions and losses in partnerships and joint ventures, at equity	16,796	54,120
Investment in Management Company	13,415	20,612
Other liabilities	47,932	19,582
Total liabilities	3,835,431	2,236,798
COMMITMENTS AND CONTINGENCIES		
LIMITED PARTNERS' EQUITY INTEREST, 60,501,640 and 37,282,628 units outstanding at redemption value(Note 10)	1,542,792	908,764
PARTNERS' EQUITY:		
Series A Preferred units, 4,000,000 authorized, issued and outstanding	99,923	99,923
Series B Preferred units, 8,000,000 authorized, issued and outstanding	193,471	--
General Partner, 96,507,387 and 58,360,195 units outstanding at September 30, 1996 and December 31, 1995, respectively	1,029,774	135,710
Adjustment to reflect limited partners' equity interest at redemption value (Note 10)	(897,320)	(822,072)
Unamortized restricted stock award	(5,875)	(2,687)
Total partners' equity (deficit)	419,973	(589,126)
Total liabilities, limited partners' equity interest and partners' equity (deficit)	$ 5,798,196	$2,556,436

The accompanying notes are an integral part of these statements.

SIMON DEBARTOLO GROUP L.P. AND PREDECESSOR (NOTE 1)

CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(UNAUDITED AND DOLLARS IN THOUSANDS, EXCEPT PER UNIT AMOUNTS)

	FOR THE THREE MONTHS ENDED SEPTEMBER 30,		FOR THE NINE MONTHS ENDED SEPTEMBER 30,	
	1996	1995	1996	1995
REVENUE:				
Minimum rent	$117,375	$ 75,242	$277,313	$222,701
Overage rent	6,987	5,982	17,738	15,877
Tenant reimbursements	63,511	50,536	157,738	140,030
Other income	14,563	6,282	32,851	19,689
Total revenue	202,436	138,042	485,640	398,297
EXPENSES:				
Property operating	35,089	26,647	85,608	72,623
Depreciation and amortization	37,606	22,015	88,913	65,212
Real estate taxes	19,676	13,321	48,040	39,854
Repairs and maintenance	10,006	5,740	22,546	16,926
Advertising and promotion	5,542	4,093	14,439	12,013
Merger integration costs	7,236	--	7,236	--
Provision for doubtful accounts	1,116	(200)	2,867	2,203
Other	3,450	2,235	9,152	8,295
Total operating expenses	119,721	73,851	278,801	217,126
OPERATING INCOME	82,715	64,191	206,839	181,171
INTEREST EXPENSE	56,212	36,468	135,346	112,125
INCOME BEFORE MINORITY INTEREST	26,503	27,723	71,493	69,046
MINORITY INTEREST	(1,219)	(605)	(2,394)	(1,940)
GAIN ON SALE OF ASSET	88	--	88	2,350
INCOME BEFORE UNCONSOLIDATED ENTITIES	25,372	27,118	69,187	69,456
INCOME FROM UNCONSOLIDATED ENTITIES	3,467	(172)	7,452	3,225
INCOME BEFORE EXTRAORDINARY ITEMS	28,839	26,946	76,639	72,681
EXTRAORDINARY ITEMS -- Losses on extinguishments of debt	(2,530)	(2,636)	(2,795)	(2,884)
NET INCOME	26,309	24,310	73,844	69,797
GENERAL PARTNER PREFERRED UNIT REQUIREMENT	(2,224)	--	(6,286)	--
NET INCOME AVAILABLE TO UNITHOLDERS	$ 24,085	$ 24,310	$ 67,558	$ 69,797
NET INCOME AVAILABLE TO UNITHOLDERS ATTRIBUTABLE TO:				
General Partner	$ 14,784	$ 14,774	$ 41,350	$ 41,368
Limited Partners	9,301	9,536	26,208	28,429
	$ 24,085	$ 24,310	$ 67,558	$ 69,797
EARNINGS PER UNIT:				
Income before extraordinary items	$ 0.20	$ 0.28	$ 0.65	$ 0.79
Extraordinary items	(0.02)	(0.03)	(0.02)	(0.03)
Net income	$ 0.18	$ 0.25	$ 0.63	$ 0.76

The accompanying notes are an integral part of these statements.

SIMON DEBARTOLO GROUP, L.P. AND PREDECESSOR (NOTE 1)

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(UNAUDITED AND DOLLARS IN THOUSANDS)

	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996	1995
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 73,844	$ 69,797
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	94,976	71,761
Losses on extinguishments of debt	265	2,888
Gain on sale of asset	(88)	(2,350)
Straight-line rent	1,754	(1,237)
Minority interest	2,394	1,940
Equity in income of unconsolidated entities	(7,452)	(3,225)
Changes in assets and liabilities		
Tenant receivables and accrued revenue	9,034	3,727
Deferred costs and other assets	(4,224)	(9,420)
Accounts payable, accrued expenses and other liabilities	(29,767)	(4,337)
Net cash provided by operating activities	140,736	129,544
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions	(43,941)	(31,155)
Capital expenditures	(110,679)	(61,510)
Cash from Merger and consolidation of joint ventures	66,736	4,346
Proceeds from sale of asset	399	2,550
Investments in unconsolidated entities	(54,442)	(19,696)
Distributions from unconsolidated entities	45,403	4,274
Loan repayment from Management Company	38,553	
Net cash used in investing activities	(57,971)	(101,191)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Partnership contributions	195,205	142,130
Minority interest distributions	(3,810)	(2,823)
Partnership distributions	(171,346)	(130,643)
Proceeds from borrowings, net of transaction costs	273,824	359,338
Mortgage, bond and other payments	(346,784)	(428,511)
Net cash used in financing activities	(52,911)	(60,509)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	29,854	(32,156)
CASH AND CASH EQUIVALENTS, beginning of period	62,721	105,139
CASH AND CASH EQUIVALENTS, end of period	$ 92,575	$ 72,983

The accompanying notes are an integral part of these statements.

SIMON DEBARTOLO GROUP, L.P. AND PREDECESSOR

NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

NOTE 1 -- ORGANIZATION

On August 9, 1996, the merger and other related transactions pursuant to the agreement and plan of merger among Simon Property Group, Inc. ("SPG"), an acquisition subsidiary of SPG and DeBartolo Realty Corporation ("DRC") were consummated (the "Merger"). Pursuant to the Merger, SPG acquired all the outstanding shares of common stock of DRC (55,712,529 shares) through the acquisition subsidiary, at an exchange ratio of 0.68 share of SPG common stock for each share of DRC common stock (the "Exchange Ratio"). A total of 37,884,520 shares of SPG common stock were issued by SPG, through the acquisition subsidiary, to the DRC shareholders. DRC and the acquisition subsidiary merged, with DRC as the surviving entity and becoming a 99.9% subsidiary of SPG. This portion of the transaction was valued at approximately $923.4 million, based upon the number of DRC shares of common stock acquired (55,712,529 shares), the Exchange Ratio and the last reported sales price per share of SPG's common stock on August 9, 1996 ($24.375). In connection therewith, SPG changed its name to Simon DeBartolo Group, Inc. (the "Company") and DRC changed its name to SD Property Group, Inc. (the "Managing General Partner").

In connection with the Merger, the general and limited partners of the operating partnership of SPG, Simon Property Group, L.P. ("SPG, LP"), contributed 49.5% (47,442,212 units) of the total outstanding units of partnership interest in SPG, LP to the operating partnership of DRC, DeBartolo Realty Partnership, L.P. ("DRP, LP") in exchange for 47,442,212 units of partnership interest in DRP, LP, whose name has since been changed to Simon DeBartolo Group, L.P. ("SDG, LP"). The Company retained a 50.5% partnership interest (48,400,614 units) in SPG, LP but assigned its rights to receive distributions of profits on 49.5% (47,442,212 units) of the outstanding units of partnership interest in SPG, LP to SDG, LP. The limited partners of DRP, LP approved the contribution made by the partners of SPG, LP and simultaneously exchanged their 38.1% (34,203,623 units) partnership interest in DRP, LP, adjusted for the Exchange Ratio, for a smaller partnership interest in SDG, LP. The exchange of the limited partners' 38.1% partnership interest in DRP, LP for units of SDG, LP has been accounted for as an acquisition of minority interest by the Company and is valued based on the estimated fair value of the consideration issued (approximately $566.9 million). The units of SDG, LP may under certain circumstances be exchangeable for stock of the Company on a one-for-one basis. Therefore, the value of the acquisition of the DRP, LP limited partners' interest acquired was based upon the number of DRP, LP units exchanged (34,203,623 units), the Exchange Ratio and the last reported sales price per share of SPG's common stock on August 9, 1996 ($24.375). The limited partners of SPG, LP received a 23.7% partnership interest in SDG, LP (37,282,628 units) for the contribution of their 38.9% partnership interest in SPG, LP (37,282,628 units) to SDG, LP. The interests transferred by the partners of SPG, LP to DRP, LP have been appropriately reflected at historical costs.

Upon completion of the Merger, the Company became a general partner of SDG, LP with 36.9% (57,605,796 units) of the outstanding partnership units in SDG, LP and the Managing General Partner became the managing general partner of SDG, LP with 24.3% (37,873,965 units in SPG, LP) of the outstanding partnership units in SDG, LP. The Company remained the sole general partner of SPG, LP with 1% of the outstanding partnership units (958,429 units) and 49.5% interest in the capital of SPG, LP, and SDG, LP became a special limited partner in SPG, LP with 49.5% (47,442,212 units) of the outstanding partnership units in SPG, LP and an additional 49.5% interest in the profits of SPG, LP. SPG, LP did not acquire any interest in SDG, LP. Upon completion of the Merger, the Company directly and indirectly owned a controlling 61.2% (95,479,761 units) partnership interest in SDG, LP.

For financial reporting purposes, the completion of the Merger resulted in a reverse acquisition by the Company, using the purchase method of accounting, directly or indirectly, of 100% of the net assets of DRP, LP for consideration valued at $1.523 billion, including related transaction costs. The purchase price has been allocated to the fair value of the assets and liabilities of DRP, LP at September 30, 1996. Certain assumptions were made which management of the General Partners believes are reasonable. Management expects to

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finalize the purchase price allocation during the fourth quarter of 1996. The final allocation is not expected to differ materially from the allocation made at September 30, 1996.

Although the Company was the accounting acquirer, SDG, LP (formerly DRP, LP) became the primary operating partnership through which the future business of the Company will be conducted, As a result of the Merger, the Company's initial operating partnership, SPG, LP, became a subsidiary of SDG, LP, with 99% of the profits allocable to SDG, LP and 1% of the profits allocable to the Company. Cash flow allocable to the Company's 1% profit interest in SDG, LP will be absorbed by public company cost and related expenses incurred by the Company. However, because the Company was the accounting acquirer and upon completion of the Merger acquired majority control of SDG, LP, SPG, LP is the predecessor to SDG, LP for financial reporting purposes. Accordingly the financial statements and ratios disclosed by SDG, LP for the post-merger periods will reflect the reverse acquisition of DRP, LP by the Company using the purchase method of accounting and for all pre-merger comparative periods, the financial statements and ratios disclosed by SDG, LP will reflect the financial statements and ratios of SPG, LP as the predecessor to SDG, LP for financial reporting purposes.

It is currently expected that subsequent to the first anniversary of the date of the Merger, reorganizational transactions will be effected so that SDG, LP will directly own all of the assets and partnership interests now owned by SPG, LP. However, there can be no assurance that such reorganizational transactions will be so effected. See "The Operating Partnership."

In connection with the Merger, M.S. Management Associates, Inc., a SPG management company, purchased from The Edward J. DeBartolo Corporation all of the voting stock (665 shares of common stock) of DeBartolo Properties Management, Inc., a DRC management company, for $2.5 million in cash. SDG, LP continues to hold substantially all of the economic interest in DeBartolo Properties Management, Inc. The Company holds substantially all of the economic interest in M.S. Management Associates, Inc., while the voting stock are held by the Simons and their affiliates. M.S. Management Associates, Inc. is accounted for using the equity method of accounting.

The following unaudited pro forma summary financial information for the nine month period ended September 30, 1996 combines the consolidated results of operations of the Operating Partnership as if the Merger had occurred on January 1, 1995 and was carried forward through September 30, 1996:

	FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 1996	1995
Revenue	$ 694,343	$ 645,398
Net Income	$ 107,383	$ 128,225
Net Income Attributable to:		
General Partners	$ 65,933	$ 78,730
Limited Partners	41,450	49,495
	$ 107,383	$ 128,225
Net Income per Unit	$ 0.68	$ 0.84
Weighted Average Units Outstanding	156,925,688	152,806,432

NOTE 2 -- BASIS OF PRESENTATION

The accompanying consolidated condensed financial statements are unaudited; however, they have been prepared in accordance with generally accepted accounting principles for interim financial information and in

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conjunction with the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the disclosures required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting solely of normal recurring matters) necessary for a fair presentation of the consolidated condensed financial statements for these interim periods have been included. The results for the interim period ended September 30, 1996 are not necessarily indicative of the results to be obtained for the full fiscal year. These unaudited consolidated condensed financial statements should be read in conjunction with the December 31, 1995 audited financial statements and notes thereto included in the Simon Property Group, L.P. Annual Report on Form 10-K/A-1.

The accompanying unaudited consolidated condensed financial statements of Simon DeBartolo Group, L.P. (the "Operating Partnership") include all the accounts of the Operating Partnership and subsidiaries entities. Simon DeBartolo Group, Inc. and affiliates (the "Company"), directly or indirectly owned 61.5% and 61.0% of the Operating Partnership as of September 30, 1996 and December 31, 1995, respectively. Properties which are wholly owned or controlled by the Operating Partnership have been consolidated. All significant intercompany amounts have been eliminated.

The Operating Partnership's equity interests in certain partnerships and joint ventures which represent noncontrolling 14.7% to 50.0% ownership interests and the investment in M.S. Management Associates, Inc. (the "Management Company" -- see Note 7) are accounted for under the equity method of accounting. These investments are recorded initially at cost and subsequently adjusted for net equity in income (loss) and cash contributions and distributions. An additional 2% ownership in one property is accounted for using the cost method.

Net income is allocated to the partners based on each partner's preferred unit preference and/or ownership interest in the Operating Partnership during the period. The Company's weighted average ownership interest in the Operating Partnership for the three months ended September 30, 1996 and 1995 was 61.3% and 60.8%, respectively. The Company's weighted average ownership interest for the nine-month periods ended September 30, 1996 and 1995 was 61.2% and 59.3%, respectively.

NOTE 3 -- RECLASSIFICATIONS

Certain reclassifications of prior period amounts have been made in the financial statements to conform to the 1996 presentation.

NOTE 4 -- CASH FLOW INFORMATION

Cash paid for interest, net of amounts capitalized, during the nine months ended September 30, 1996 was $126,774, as compared to $106,734 for the same period in 1995. Accrued and unpaid distributions as of September 30, 1996 and December 31, 1995 were $2,223, and $48,594, respectively, which includes accrued and unpaid distributions on the units of partnership interest entitled to preferential distribution of cash ("Preferred Units") of $2,223, and $1,490, respectively.

As described in Note 1 the Operating Partnership issued units in connection with the acquisition of DRC.

NOTE 5 -- PER UNIT DATA

Per unit data is based on the weighted average number of units of partnership interest ("Units") of the Operating Partnership outstanding during the period. As used herein, the term Units does not include Preferred Units. The weighted average number of Units used in the computation for the three months ended September 30, 1996 and 1995 was 131,056,267 and 95,196,569, respectively. The weighted average number of Units used in the computation for the nine months ended September 30, 1996 and 1995 was 107,607,202 and 91,663,449, respectively. Units may be exchanged for shares of common stock of the Company on a one-for-

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one basis in certain circumstances. Additionally, Series A Preferred Units may be converted into common stock of the Company beginning in October of 1997 at an initial conversion ratio equal to 0.9524. The stock options outstanding under the Stock Option Plans and the Preferred Units have not been included in the computations of per Unit data, as they do not have a dilutive effect.

NOTE 6 -- ACQUISITION

Prior to April 11, 1996, the Operating Partnership held a 50% joint venture interest in Ross Park Mall in Pittsburgh, Pennsylvania. On April 11, 1996, the Operating Partnership acquired the remaining economic ownership interest. The purchase price included approximately $44,000 cash and the assumption of the joint venture partner's share of existing debt ($57,000). The purchase price in excess of the net assets acquired of $49,015 was allocated to investment properties. Effective April 11, 1996, the property is being accounted for using the consolidated method of accounting. It was previously accounted for using the equity method of accounting.

In connection with the settlement of certain outstanding litigation, the Operating Partnership acquired on October 4, 1996 for cash an additional 20% limited partnership interest in North East Mall. At the same time, the Operating Partnership exercised its option to acquire the remaining 30% limited partnership interest in North East Mall owned by the Simons in exchange for 472,410 units in the Operating Partnership, as well as the Simons' 50% general partnership interest which the Operating Partnership acquired for nominal consideration. The Simons had previously contributed to the Operating Partnership in exchange for units, the right to receive distributions relating to its 50% general partnership interest. Therefore, the Operating Partnership as a result of these transactions owns 100% of North East Mall and accounts for it using the consolidated method of accounting.

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NOTE 7 -- INVESTMENT IN UNCONSOLIDATED ENTITIES

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

	PARTNERSHIPS AND JOINT VENTURES	
	SEPTEMBER 30, 1996	DECEMBER 31, 1995
BALANCE SHEETS		
ASSETS:		
Investment properties at cost, net	$ 1,763,739	$1,156,066
Cash and cash equivalents	63,298	52,624
Tenant receivables	50,356	35,306
Other assets	45,446	32,626
Total assets	1,922,839	$1,276,622
LIABILITIES AND PARTNERS' EQUITY:		
Mortgage and other notes payable	$ 1,071,932	$ 410,652
Accounts payable, accrued expenses and other liabilities	159,446	127,322
Total liabilities	1,231,378	537,974
Partners' equity	691,461	738,648
Total liabilities and partners' equity	1,922,839	$1,276,622
THE OPERATING PARTNERSHIP'S SHARE OF:		
Total assets	$ 551,500	$ 290,802
PARTNERS' EQUITY:		
Investment in partnerships and joint ventures, at equity	$ 368,225	$ 113,676
Cash distributions and losses in partnerships and joint ventures, at equity	(16,796)	(54,120)
	$ 351,429	$ 59,556

	PARTNERSHIPS AND JOINT VENTURES			
	FOR THE THREE MONTHS ENDED SEPTEMBER 30,		FOR THE NINE MONTHS ENDED SEPTEMBER 30,	
STATEMENTS OF OPERATIONS	1996	1995	1996	1995
REVENUE:				
Minimum rent	$37,295	$19,755	$ 91,334	$57,606
Overage rent	2,057	548	3,746	1,678
Tenant reimbursements	18,487	10,002	46,000	28,651
Other income	2,903	1,757	9,061	11,064
Total revenue	60,742	32,062	150,141	98,999
OPERATING EXPENSES:				
Operating expenses and other	22,888	11,019	55,737	32,456
Depreciation and amortization	12,273	5,310	32,859	15,961
Total operating expenses	35,161	16,329	88,596	48,417
OPERATING INCOME	25,581	15,733	61,545	50,582
INTEREST EXPENSE	14,555	6,648	28,689	21,282
EXTRAORDINARY ITEMS	--	(9)	--	(9)
NET INCOME	11,026	9,076	32,856	29,291
THIRD PARTY INVESTORS' SHARE OF NET INCOME	8,892	8,254	27,590	26,060
THE OPERATING PARTNERSHIP'S SHARE OF NET INCOME	$ 2,141	$ 822	$ 5,275	$ 3,231

The net income or net loss for each partnership and joint venture is allocated in accordance with the provisions of the applicable partnership or joint venture agreement. The allocation provisions in these

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agreements are not always consistent with the ownership interest held by each general or limited partner or joint venturer, primarily due to partner preferences.

Summary financial information of the Management Company accounted for using the equity method of accounting and a summary of the Operating Partnership's investment in and share of income from the Management Company follow:

BALANCE SHEETS	MANAGEMENT COMPANY SEPTEMBER 30, 1996	MANAGEMENT COMPANY DECEMBER 31, 1995
ASSETS:		
Current assets	$ 62,874	$ 40,964
Undeveloped land and mortgage notes	18,245	45,769
Other assets	24,889	13,813
Total assets	$ 106,008	$100,546
LIABILITIES AND SHAREHOLDERS' DEFICIT:		
Current liabilities	$ 52,584	$ 18,435
Notes payable and advances due to the Operating Partnership at 11%, due 2008	71,028	102,522
Total liabilities	123,612	120,957
Shareholders' deficit	(17,604)	(20,411)
Total liabilities and shareholders' deficit	$ 106,008	$100,546
THE OPERATING PARTNERSHIP'S SHARE OF:		
Total assets	$ 94,639	$ 80,437
Shareholders' deficit	$ (17,304)	$(20,612)

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STATEMENTS OF OPERATIONS	MANAGEMENT COMPANY — FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1996	1995	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996	1995
REVENUE:				
Management fees	$ 4,952	$ 4,158	$15,122	$15,113
Development and leasing fees	6,480	6,747	10,928	13,140
Cost-sharing income and other	1,935	1,706	7,237	5,221
Total revenue	13,367	12,611	33,287	33,474
EXPENSES:				
Operating expenses	7,953	10,747	21,744	24,983
Depreciation	693	579	1,947	1,679
Interest	1,539	1,999	4,690	5,691
Total expenses	10,185	13,325	28,381	32,353
NET INCOME (LOSS)	3,182	(714)	4,906	1,121
INTER-COMPANY PROFITS	(1,232)	--	(1,232)	--
NET INCOME (LOSS) AFTER INTER-COMPANY ELIMINATION	1,950	(714)	3,674	1,121
PREFERRED DIVIDENDS	350	350	1,050	1,015
NET INCOME (LOSS) AVAILABLE FOR COMMON SHAREHOLDERS	$ 1,600	$(1,064)	$ 2,624	$ 106
THE OPERATING PARTNERSHIP'S SHARE OF NET INCOME (LOSS)	$ 1,326	$ (994)	$ 2,177	$ (6)

The management, development and leasing activities related to the non-wholly owned and other third-party properties are conducted by the Management Company.

The Operating Partnership's share of allocated common costs were $7,524 and $5,685, respectively, for the three-month periods and $21,949 and $17,704, respectively, for the nine-month periods ended September 30, 1996 and 1995.

NOTE 8 -- DEBT

On February 23, 1996, the Operating Partnership borrowed the initial $100,000 tranche of a $184,000 two-tranche loan facility for the Forum Shops at Caesar's ("Forum") and retired the existing $89,701 mortgage debt for Forum. The initial funding bears interest at LIBOR plus 100 basis points and matures in February 2000. The remaining proceeds of the initial $100,000 tranche are being used to provide funds for the approximately 250,000-square-foot phase II expansion of this property.

On April 11, 1996, the Operating Partnership borrowed an additional $115,000 on its then existing revolving credit facility. The funds were used primarily to acquire the remaining economic ownership interest in Ross Park Mall ($44,000), and to retire a portion ($54,000) of the existing debt on Ross Park Mall.

On June 28, 1996, the Operating Partnership obtained an additional $200,000 unsecured, revolving credit facility. The facility bore interest at LIBOR plus 132.5 basis points and would mature in August of 1998. Terms for the facility were identical to those of the Operating Partnership's other $400,000 facility obtained in August of 1995.

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During the first nine months of 1996, the Operating Partnership drew an additional $33,246 million on its construction loan for Cottonwood Mall in Albuquerque, New Mexico. As of September 30, 1996, a total of $55,645 million was outstanding on the loan.

On September 10, 1996, the Operating Partnership retired the DRC secured line of credit, which bore interest at LIBOR plus 175 basis points, with proceeds from SPG, LP's two unsecured credit facilities, which bore interest at LIBOR plus 132.5 basis points.

On September 27, 1996, the Company completed a $200,000 public offering (the "Preferred Offering") of 8,000,000 shares of 8 3/4% Series B Cumulative Redeemable Preferred Stock, generating net proceeds of approximately $193,000. The Company contributed the proceeds of such offering to the Operating Partnership in exchange for preferred units in the Operating Partnership, which used the net proceeds to repay $142,800 of outstanding mortgage indebtedness and $50,200 under SPG, LP's two unsecured credit facilities.

On September 27, 1996, the Operating Partnership obtained a $750,000, unsecured, three-year credit facility (the "Credit Facility"), which will initially bear interest at LIBOR plus 90 basis points, and retired the outstanding borrowing of SPG, LP in the aggregate principal amount of $323,000 under SPG, LP's two unsecured credit facilities, which bore interest at LIBOR plus 132.5 basis points. The Credit Facility increases the Operating Partnership's available capital by $150,000.

On September 6, 1996, the Operating Partnership filed a shelf registration statement with the Securities and Exchange Commission to provide for the offering, from time to time, of up to $750,000 aggregate principal amount of unsecured debt securities of the Operating Partnership. The Operating Partnership is currently preparing to offer an aggregate of $200,000 in unsecured debt securities for sale to the public, the proceeds of which will be used primarily to retire mortgage indebtedness and to paydown the unsecured, revolving credit facility.

At September 30, 1996, the Operating Partnership had consolidated debt of $3,555,123, of which $2,481,639 was fixed-rate debt and $1,073,484 was variable-rate debt. As of September 30, 1996 and December 31, 1995, the Operating Partnership had interest-rate protection agreements related to $626,100 and $551,600 of variable-rate debt, respectively. The agreements are generally in effect until the related variable-rate debt matures. As a result of the various interest rate protection agreements, interest savings were $654 and $693 for the three months ended September 30, 1996 and 1995, respectively, and $1,935 and $2,617 for the nine months ended September 30, 1996 and 1995, respectively. The Operating Partnership's pro rata share of indebtedness of the unconsolidated joint venture properties as of September 30, 1996 and December 31, 1995 was $414,424 and $167,644, respectively.

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NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS -- (CONTINUED)
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NOTE 9 -- PARTNERS' EQUITY

The following table summarizes the change in the general partner and limited partners' equity in the Operating Partnership since December 31, 1995.

	GENERAL PARTNER						LIMITED PARTNERS	
	PREFERRED UNITS	AMOUNTS	UNITS	AMOUNTS	UNAMORTIZED RESTRICTED STOCK AWARD	TOTAL	UNITS	AMOUNTS(1)
Balance at December 31, 1995	4,000,000	$99,923	58,360,195	$(686,362)	$(2,687)	$(589,126)	37,282,628	$ 908,764
Stock Incentive Program	--	--	200,030	4,751	(4,751)	--	--	--
Amortization of stock incentive	--	--	--	--	1,563	1,563	--	--
Preferred unit contributions, net	8,000,000	193,471	--	--	--	193,471	--	--
Adjustment to allocate net equity of the Operating Partnership	--	--	--	(9,496)	--	(9,496)	--	9,496
Adjustment to reflect limited partners' equity interest at redemption value (Note 10)	--	--	--	(75,248)	--	(75,248)	--	75,248
Other	--	--	--	(62)	--	(62)	--	--
Partner contributions	--	--	37,947,162	924,075	--	924,075	23,219,012	565,448
Distributions	--	(6,286)	--	(66,554)	--	(72,840)	--	(42,372)
Net Income	--	6,286	--	41,350	--	47,636	--	26,208
Balance at September 30, 1996	12,000,000	$293,394	96,507,387	$ 132,454	$(5,875)	$ 419,973	60,501,640	$1,542,792

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(1) At redemption value.

STOCK INCENTIVE PROGRAM

Two stock incentive programs are currently in effect for SDG LP.

Under the terms of the Simon Stock Incentive Program, on March 22, 1995, an aggregate of 1,000,000 shares of restricted stock was awarded to 50 executives, subject to certain performance standards and other terms of the plan. On March 22, 1995 and 1996, the board of directors of the Company approved the issuances of 144,196 and 200,030 shares of common stock, respectively to eligible executives. The value of these shares is being amortized pro-rata over the respective four year vesting period. Approximately $1,563 and $525 have been amortized for the nine-month periods ended September 30, 1996 and 1995, respectively.

Under the terms of the DeBartolo stock incentive plan, 2,108,000 shares of common stock are available for grant, subject to certain performance standards and other terms of the plan. A total of 1,865,240 shares of common stock have been approved by the compensation committee.

It is management's intent to merge the existing plans into a single plan for key employees of SDG LP.

NOTE 10 -- LIMITED PARTNERS' INTEREST

Because the Operating Partnership does not control whether cash will be used to settle the limited partners' exchange rights, the limited partners' equity has not been included in partners' equity. The consolidated condensed balance sheets reflect the limited partners' interest in the Operating Partnership, measured at redemption value.

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NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS -- (CONTINUED)
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On November 13, 1996, an agreement was reached between the Company and the Operating Partnership which restricts the Company's ability to cause the Operating Partnership to redeem for cash the limited partners' units without contributing cash to the Operating Partnership as partners' equity sufficient to effect the redemption. If sufficient cash is not contributed, the Company will be deemed to have elected to acquire the limited partners' units for shares of the Company's common stock. Accordingly, prospectively the limited partners' interest in SDG LP will be reflected in the consolidated balance sheet of the SDG LP as partners' equity at historical carrying value.

NOTE 11 COMMITMENTS AND CONTINGENCIES

On October 16, 1996, a complaint was filed in the Court of Common Pleas of Mahoning County, Ohio, captioned Carlo Angostinelli et al. v. DeBartolo Realty Corp. et al. The named defendants are the Managing General Partner and DeBartolo Properties Management, Inc., and the plaintiffs are 24 former employees of the defendants. In the complaint, the number of plaintiffs allege that they were recipients of deferred stock grants under the DRC 1994 Stock Incentive Plan (the "Plan") and that these grants immediately vested under the Plan's "change in control" provision as a result of the Merger. Plaintiffs assert that the defendants' refusal to issue them approximately 579,000 shares of DRC common stock, which is equivalent to approximately 394,000 shares of common stock of the Company computed at the .68 exchange ratio used in the Merger, constitutes a breach of contract and a breach of the implied covenant of good faith and fair dealing under Ohio law. Plaintiffs seek damages equal to such number of shares of DRC common stock, or cash in lieu thereof, equal to all deferred stock ever granted to them under the Plan, dividends on such stock from the time of the grants, compensatory damages for breach of the implied covenant of good faith and fair dealing, and punitive damages.

The complaint was served on the defendants on October 28, 1996, and pre-trial proceedings have not yet commenced. The Company is of the opinion that it has meritorious defenses and accordingly intends to defend this action vigorously. While it is difficult for the Company to predict the outcome of this litigation at this stage, based on the information known to the Company to date, the Company does not expect this action will have a material adverse effect on the Company.

CERTAIN INFORMATION WITH RESPECT
TO SIMON PROPERTY GROUP, L.P.

SELECTED FINANCIAL AND OPERATING DATA

The following tables set forth certain selected financial and operating data on a historical basis for SPG, LP, the Predecessor, for financial reporting purposes, of SDG, LP and for Simon Property Group the Predecessor of SPG, LP for the respective periods presented. The historical financial information should be read in conjunction with the financial statements and notes thereto included herein.

	SIMON PROPERTY GROUP, L.P. (SPG, LP, THE PREDECESSOR OF SDG, LP)				
	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1995	FOR THE YEAR ENDED DECEMBER 31, 1995	FOR THE YEAR ENDED DECEMBER 31, 1994	FOR THE PERIOD FROM DECEMBER 20 TO DECEMBER 31, 1993
	(IN THOUSANDS EXCEPT PER UNIT DATA, PORTFOLIO PROPERTY DATA AND RATIOS)				
OPERATING DATA:					
Total Revenue	$ 429,600	$ 398,297	$ 553,657	$ 473,676	$ 18,424
Expenses:					
Operating Expenses	164,562	151,914	209,782	183,433	4,095
Depreciation and Amortization	37,913	65,212	92,739	75,945	2,051
Interest Expense(1)	120,370	112,125	150,224	150,164	3,548
Income (Loss) before Extraordinary Items	70,229	72,681	101,505	60,308	8,707
Net Income (Loss)	$ 67,434	$ 69,797	$ 98,220	$ 42,328	$ (21,774)
Preferred Unit Distributions	6,094	--	1,490	--	--
Net Income (Loss) available to unit holders	61,340	69,797	96,730	42,328	(21,774)
Net Income per unit before extraordinary items	$ .73	$ 0.79	$ 1.08	$ 0.71	$ 0.11
Net Income per unit(2)	$ .75	$ 0.76	$ 1.04	$ 0.50	$ (0.28)
Distributions per unit	$ 1.14	$ 1.48	$ 1.97	$ 1.90	--
Weighted average units outstanding	107,607	91,663	92,666	84,510	78,447
BALANCE SHEET DATA (as of end of period):					
Investment in Real Estate, net	$ 2,129,373	$ 1,985,841	$2,009,344	$1,829,111	$1,350,360
Cash and cash equivalents	44,635	72,983	62,721	105,139	110,625....
Total Assets	2,683,384	2,407,499	2,556,436	2,316,860	1,793,654
Total Debt(3)	2,136,651	1,986,072	1,980,759	1,938,091	1,455,884
Limited Partners' Interest	--	949,126	908,764	909,996	848,373
Owner's Equity (Deficit)	$ 273,553	$ (709,583)	$ (589,126)	$ (807,613)	$ (791,820)
OTHER DATA:					
Cash flow provided by (used in):					
Operating activities	$ 144,086	$ 129,544	$ 194,336	$ 128,023	N/A
Investing activities	(114,709)	(101,191)	(222,679)	(266,772)	N/A
Financing activities	(47,463)	(60,509)	(14,075)	133,263	N/A
Restated Funds from Operations (FFO) (4)	$ 148,189	$ 137,287	$ 197,909	$ 167,761	N/A
RATIO OF EARNINGS TO FIXED CHARGES OR COVERAGE DEFICIT(5)	1.61x	1.64x	1.67x	1.43x	3.36x
PORTFOLIO DATA (as of end of period):					
Total EBITDA(6)	$ 346,200	$ 315,276	$ 437,548	$ 386,835	$ 346,679(7)
EBITDA After Minority Interest(6)	277,408	257,123	357,158	307,372	256,169(7)
Number of Portfolio Properties	122	120	122	119	114
Total GLA (thousands of square feet)	63,360	59,644	62,232	58,200	54,042

	SIMON PROPERTY GROUP (THE PREDECESSOR OF SPG, LP)		
	FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 19, 1993	FOR THE YEAR ENDED DECEMBER 31, 1992	FOR THE YEAR ENDED DECEMBER 31, 1991
OPERATING DATA:			
Total Revenue	$ 405,869	$ 400,852	$ 378,029
Expenses:			
Operating Expenses	175,801	176,682	173,923
Depreciation and Amortization	60,243	58,104	56,033
Interest Expense(1)	156,909	178,075	159,798
Income (Loss) before Extraordinary Items	6,912	(11,692)	(15,865)
Net Income (Loss)	$ 33,101	$ (11,692)	$ (15,865)
Preferred Unit Distributions	--	--	--
Net Income (Loss) available to unit holders	33,101	(11,692)	(15,865)
Net Income per unit before extraordinary items	N/A	N/A	N/A
Net Income per unit(2)	N/A	N/A	N/A
Distributions per unit	N/A	N/A	N/A
Weighted average units outstanding	N/A	N/A	N/A
BALANCE SHEET DATA (as of end of period):			
Investment in Real Estate, net	N/A	$1,156,009	$1,143,050
Cash and cash equivalents	N/A	42,682	31,840
Total Assets	N/A	1,494,289	1,432,028
Total Debt(3)	N/A	1,711,778	1,548,292
Limited Partners' Interest	N/A	N/A	N/A
Owner's Equity (Deficit)	N/A	$ (565,566)	$ (418,697)
OTHER DATA:			

Cash flow provided by (used in):			
Operating activities	N/A	N/A	N/A
Investing activities	N/A	N/A	N/A
Financing activities	N/A	N/A	N/A
Restated Funds from Operations (FFO) (4)	N/A	N/A	N/A
RATIO OF EARNINGS TO FIXED CHARGES OR COVERAGE DEFICIT(5)	1.11x	$ (12,821)	$ (18,719)
PORTFOLIO DATA (as of end of period):			
Total EBITDA(6)	N/A	$ 316,535	$ 282,326
EBITDA After Minority Interest(6)	N/A	227,931	210,634
Number of Portfolio Properties	N/A	110	108
Total GLA (thousands of square feet)	N/A	52,404	51,375

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(1) Interest expense for the year ended December 31, 1994 includes $27.2 million of additional non-recurring contingent interest paid in connection with the refinancing of a Portfolio Property. The property lender was entitled to participate in the appreciated market value of the Portfolio Property upon refinancing. Management does not presently expect to enter into financing arrangements with similar participation features in the future. Accordingly, management considers the payment made to the lender unusual in nature. As explained in footnote (4) below, unusual or extraordinary items are excluded for purposes of computing FFO. Accordingly, this item has been excluded from FFO in this table and elsewhere herein.

(2) Per unit data are reflected only for the periods from December 20, 1993 through September 30, 1996. Per unit data are not relevant for the historical combined financial statements of Simon Property Group, the Predecessor to SPG, LP, since such financial statements are a combined presentation of partnerships and corporations.

(3) Historical debt of SPG, LP as of September 30, 1996 and 1995 and December 31, 1995 includes $1,813.6 million, $1,778.1 million and $1,784.8 million, respectively, of mortgage indebtedness and $323.0 million, $208.0 million and $196.0 million, respectively, of outstanding indebtedness under credit facilities, respectively.

(4) Funds from Operations ("FFO"), as defined by the National Association of Real Estate Investment Trusts ("NAREIT"), means combined net income SGP, LP without giving effect to depreciation and amortization, gains or losses from extraordinary items, gains or losses on sales of real estate, gains or losses on investments in marketable securities and any provision/benefit for income taxes for such period, plus the allocable portion, based on ownership interest of SGP, LP, of FFO of unconsolidated joint ventures, all determined on a consistent basis in accordance with generally accepted accounting principles. Management believes that FFO is an important and widely used measure of the operating performance of REITs which provides a relevant basis for comparison among REITs. FFO is presented to assist investors in analyzing the performance of SGP, LP. SGP, LP's method of calculating FFO may be different from the methods used by other REITs. FFO (i) does not represent cash flows from operations as defined by generally accepted accounting principles, (ii) should not be considered as an alternative to net income as a measure of operating performance or to cash flows from operating, investing and financing activities and (iii) is not an alternative to cash flows as a measure of liquidity. In March 1995, NAREIT modified its definition of FFO. The modified definition provides that amortization of deferred financing costs and depreciation of nonrental real estate assets are no longer to be added back to net income in arriving at FFO. The modified definition was adopted by SGP, LP beginning in 1996. Additionally the FFO for prior periods have been restated to reflect the new definition in order to make the amounts comparative.

(5) For purposes of computing the Ratio of Earnings to Fixed Charges, earnings have been calculated by adding fixed charges, excluding capitalized interest, to income (loss) from continuing operations including income from minority interests which have fixed charges, and including distributed operating income from unconsolidated joint ventures instead of income from unconsolidated joint ventures. Fixed Charges consist of interest costs, whether expensed or capitalized, the interest component of rental expense and amortization of debt issuance costs.

(6) Total EBITDA represents earnings before interest, taxes, depreciation and amortization for all properties. EBITDA After Minority Interest represents earnings before interest, taxes, depreciation and amortization for all properties after distribution to the third-party joint venture partners. EBITDA (i) does not represent cash flow from operations as defined by generally accepted accounting principles, (ii) should not be considered as an alternative to net income as a measure of operating performance or to cash flows from operating, investing and financing activities; and (iii) is not an alternative to cash flows as a measure of liquidity. Management believes that in addition to cash flows and net income, EBITDA is a useful financial performance measurement for assessing the operating performance of an equity REIT because, together with net income and cash flows, EBITDA provides investors with an additional basis to evaluate the ability of a REIT to incur and service debt and to fund acquisitions and other capital expenditures. To evaluate EBITDA and the trends it depicts, the components of EBITDA, such as revenues and operating expenses, should be considered. SGP, LP's method of calculating EBITDA may be different from the methods used by other REITs. The Company's weighted average ownership interest in the operating results of SGP, LP for the nine months ended September 30, 1996 and 1995 was 61.2% and 59.3%, respectively, and was 60.3%, 55.2% and 52.2% in 1995, 1994 and 1993, respectively. The Company's ownership interest in SPG, LP was 61.5% and 60.9% at September 30, 1996 and 1995, respectively, and was 61.0% and 56.4% at December 31, 1995 and 1994, respectively.

(7) Represents the combined EBITDA and EBITDA After Minority Interest of the properties for the full year ended December 31, 1993.

SIMON PROPERTY GROUP L.P. AND SIMON PROPERTY GROUP

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the Selected Financial Data, and all of the financial statements and notes thereto included elsewhere herein.

GENERAL BACKGROUND

Simon Property Group L.P. ("SPG, LP" or the "Simon Operating Partnership") was formed in connection with the initial public offering of Simon Property Group, Inc. As a result of the merger between a subsidiary of Simon Property Group, Inc. and DeBartolo Realty Corporation ("DRC"), the Simon Operating Partnership became a subsidiary of Simon DeBartolo Group, L.P. ("SDG, LP"). The accompanying financial statements reflect the operations of the Simon Operating Partnership on a stand alone basis.

Historical results and percentage relationships set forth in Selected Financial Data are not necessarily indicative of future financial position and results of operations of the Simon Operating Partnership.

The financial statement results presented for the twelve-day period from December 20, 1993 through December 31, 1993 are not indicative of the Simon Operating Partnership's performance on an annual basis. Similarly, the results presented in the combined financial statements for the Predecessor of the Simon Operating Partnership cover only 353 days of 1993, the period prior to the date that the Simon Operating Partnership acquired the assets and liabilities of the Predecessor of the Simon Operating Partnership. Therefore, the discussion of and results of operations and liquidity and capital resources for 1993 are presented on a combined basis to compare to the full year 1994. Management believes presentation in this manner provides a more meaningful discussion of year-to-year results.

RESULTS OF OPERATIONS

Three property ownership changes (the "Property Transactions") affect the comparison of the three-month periods. Effective July 31, 1995, the Simon Operating Partnership acquired the remaining 50% interest in Crossroads Mall and subsequently began including Crossroads in the financial statements using the consolidated method of accounting. Effective September 25, 1995, the Simon Operating Partnership acquired the remaining 55% interest in East Towne Mall and subsequently began including East Towne in the financial statements using the consolidated method of accounting. And finally, on April 11, 1996, the Simon Operating Partnership acquired the remaining 50% economic interest in Ross Park Mall and subsequently began including Ross Park in the financial statements using the consolidated method of accounting.

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1996 VS. THE THREE MONTHS ENDED SEPTEMBER 30, 1995

Total revenue increased by $8.4 million or 6.1% for the three months ended September 30, 1996, as compared to the same period in 1995. This increase is primarily the result of the Property Transactions ($9.1) million, an increase in minimum rent ($2.4 million), and a gain on the sale of a peripheral property ($2.6 million), partially offset by a decrease in tenant reimbursements ($4.6 million).

Total operating expenses increased by $9.5 million, or 12.9%, for the three months ended September 30, 1996 as compared to the same period in 1995. This increase is primarily a result of the Property Transactions ($4.1 million) and an increase in depreciation and amortization ($5.0 million).

Interest expense increased by $4.8 million, or 13.1% for the three months ended September 30, 1996, as compared to the same period in 1995. This increase is primarily as a result of the Property Transactions ($3.7 million).

Income from unconsolidated entities increased by $1.5 million for the three months ended September 30, 1996, as compared to the same period in 1995. This increase is the result of an increase in the Simon Operating Partnership's pro rata share of income from M.S. Management Associates, Inc. (together with its subsidiaries, "the Management Company") ($2.3 million), partially offset by a decrease in income allocated from the nonconsolidated joint venture properties ($0.8 million).

Net income was $19.9 million for the three months ended September 30, 1996 as compared to $24.3 million for the same period in 1995, reflecting a decrease of $4.4 million, for the reasons discussed above.

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996 VS. THE NINE MONTHS ENDED SEPTEMBER 30, 1995

Total revenue increased by $31.3 million or 7.9% for the nine months ended September 30, 1996, as compared to the same period in 1995. Of this increase, $25.1 million is a result of the Property Transactions. The remaining increase is primarily the result of increases in minimum rent ($5.3 million), lease settlement income ($2.1 million), and a gain on the sale of peripheral property ($2.6 million), partially offset by a decrease in tenant reimbursements ($5.9 million).

Total operating expenses increased by $25.6 million, or 11.8%, for the nine months ended September 30, 1996, as compared to the same period in 1995. This increase is primarily the result of the Property Transactions ($25.3) and an increase in depreciation and amortization ($10.2 million).

The gain on sale of an asset in the nine months ended September 30, 1995 ($2.4 million) relates to the sale of a minority partnership interest in land previously held for development in Denver, Colorado.

Interest expense increased by $8.2 million or 7.4% for the nine months ended September 30, 1996, as compared to the same period in 1995. This increase was primarily the result of the Property Transactions ($9.5 million), partially offset by interest savings resulting from debt payments made with proceeds obtained from the Company's secondary common stock offering in April 1995 and the sale of preferred stock in October 1995.

Income from unconsolidated entities increased by $2.0 million for the nine months ended September 30, 1996, as compared to the same period in 1995. This increase is primarily the result of an increase in the Simon Operating Partnership's pro rata share of income from the Management Company ($2.2 million).

Simon Property Group, Inc.'s (the "Company") preferred unit requirement increased by $6.1 million as a result of $100 million in net proceeds received in connection with the Company's issuance of 8 1/8% Series A convertible preferred stock.

Net income was $61.3 million for the nine months ended September 30, 1996, as compared to $69.8 million for the same period in 1995, reflecting a decrease of $8.5 million, for the reasons discussed above.

YEAR ENDED DECEMBER 31, 1995 TO THE YEAR ENDED DECEMBER 31, 1994

During 1994 and 1995, the Simon Operating Partnership acquired several new properties through purchase, acquisition and merger, and, as a result of a change in controlling interest, changed the way it accounted for several properties (using either the consolidated method of accounting or the equity method of accounting for non-controlled joint venture entities) (the "Property Transactions"). The following is a listing of such transactions: The Simon Operating Partnership began including The Forum Shops at Caesars ("Forum") as a consolidated property due to the Simon Operating Partnership's ability to demonstrate control effective April 1, 1994. On September 1, 1994, the Simon Operating Partnership consolidated 15 properties as a result of the merger of MSA Realty Corporation into the Company (the "MSAR Merger"). During December 1994, the Simon Operating Partnership acquired a 100% interest in Independence Mall, Orange Park Mall, Broadway Square and University Mall (Florida). On February 23, 1995, the Simon Operating Partnership acquired an additional 50% interest in White Oaks Mall and is now accounting for the property using the consolidated method of accounting. Effective July 1, 1995, the Simon Operating Partnership relinquished its ability to direct certain activities related to the control of North East Mall, and as a result is now accounting for the property using the equity method of accounting. On August 1, 1995, the Simon Operating Partnership purchased the remaining 50% ownership in Crossroads Mall and subsequently began accounting for the property using the consolidated method of accounting. On September 25, 1995, the Simon Operating Partnership acquired the remaining 55% ownership in East Towne Mall and subsequently began accounting for the property using the consolidated method of accounting. (See the "Liquidity and Capital Resources" discussion for additional information regarding these transactions.)

Total revenue by increased $80.0 million, or 16.9%, in 1995. Of this increase, $72.8 million is attributable to the 1995 Property Transactions, and the full-year impact in 1995 of the 1994 Property Transactions. The remaining $7.2 million increase is primarily the result of an increase in revenue resulting from increases of $1.25 and $0.18 in average base minimum rents per square foot for regional mall stores and community shopping centers as evidenced by leasing spreads for regional mall store and community shopping center leases executed during 1995 over those leases expiring in 1995 of $5.38 and $1.22 per square foot, respectively. These increases are partially offset by a decrease in overage rent resulting primarily from static sales in the portfolio and a decline of $1.8 million in overage rent at Texas border properties due to the devaluation of the Mexican peso. Management expects these properties to return to their prior performance level, as they have done historically after previous peso devaluations.

Total operating expenses increased by $43.1 million, or 16.6%, in 1995. Of this increase, $37.9 million, or 87.9%, is the result of the Property Transactions. Other than increases from the Property Transactions, total operating expenses experienced an increase of only 2.0% attributable to increased depreciation and amortization derived from an increase in investment properties.

Interest expense, excluding prior year non-recurring interest expense, increased by a net of $27.2 million, or 22.2%, to $150.2 million for 1995 as compared to $123.0 million for 1994. Of this increase, $26.5 million, or 97.4% is the result of the Property Transactions. Partially offsetting this increase is interest savings realized as a result of restructuring the Simon Operating Partnership's credit facilities, and from using the proceeds of the Company's add-on offering of 6,241,854 shares of common stock and over-allotment offerings to reduce the outstanding indebtedness of SPG, LP.

The net gain on the sale of assets in 1995 resulted from a gain on the sale of a minority partnership interest in land previously held for development in Denver, Colorado ($2.4 million), partially offset by a loss on the sale of an equity investment in Arborland Mall ($0.5 million).

Income (loss) from unconsolidated entities increased from a loss of $0.1 million in 1994 to income of $1.4 million in 1995 resulting from an increase in the Simon Operating Partnership's share of income from partnerships and joint ventures, partially offset by an increase in its share of losses of the Management Company. The Simon Operating Partnership's share of income from partnerships and joint ventures improved $4.1 million from $1.0 million in 1994 to $5.1 million in 1995. This increase is primarily attributable to gains from sales of peripheral property ($3.4 million) and the change to accounting for North East Mall using the equity method of accounting ($1.7 million). The Simon Operating Partnership's share of the Management Company's results declined $2.6 million from an allocated net loss of $1.1 million for 1994 to an allocated net loss of $3.7 million for 1995. This decrease is the result of the Management Company's losses related to the settlement of a mortgage receivable and the liquidation of a partnership investment in 1995, partially offset by a $1.6 million increase in the Management Company's operating income.

Extraordinary items of $3.3 million in 1995 and $18.0 million in 1994 result from costs associated with the refinancing of debt.

Net income available to Unitholders increased from $42.3 million for 1994 to $96.7 million for 1995, an increase of $54.4 million, for the reasons discussed above.

COMPARISON OF CONSOLIDATED OPERATING RESULTS FOR THE
YEAR ENDED DECEMBER 31, 1994 TO THE COMBINED YEAR ENDED DECEMBER 31, 1993

Total revenue increased by $49.4 million, or 11.6%, to $473.7 million for 1994, as compared to $424.3 million in 1993. This increase is the result of increases in all components of revenue. The $28.2 million increase in minimum rent is a result of an overall increase in occupancy levels and the replacement of expiring tenant leases with renewal leases at higher minimum base rents ($7.2 million), the inclusion of Forum as a consolidated property ($10.3 million) and the MSAR Merger ($8.7 million). The increase in overage rent of $5.4 million to $25.5 million for 1994, as compared to $20.1 million in 1993, is attributable to an overall increase in tenant sales volume ($0.9 million) and the inclusion of Forum as a consolidated property ($4.2 million). Tenant reimbursements increased $12.4 million as a result of the increased occupancy and overall tenant recoverability of costs ($4.0 million), the inclusion of Forum as a consolidated property ($4.0 million) and the MSAR Merger ($4.0 million). The $3.4 million increase in other income is primarily attributable to the increase in interest and dividend income from the Management Company ($9.7 million), the increase in interest income from cash equivalents due to the increase in funds invested and higher interest rates ($1.1 million), the consolidation of Forum ($1.4 million) and the MSAR Merger ($1.1 million), offset in part by the sale of an anchor store in March 1993 ($8.9 million).

Total operating expenses increased by $17.2 million, or 7.1%, to $259.4 million for 1994 as compared to $242.2 million for 1993. This increase is the result of increases in depreciation and amortization, real estate taxes, repairs and maintenance, and advertising and promotion, offset by decreases in property operating expenses and other expenses. The increase in depreciation and amortization of $13.7 million is attributable to the purchase of minority partners' interest in the Predecessor of SPG,LP with the application of the offering proceeds ($5.5 million), the inclusion of Forum as a consolidated property ($3.5 million), the MSAR Merger ($1.8 million) and additional renovation and expansion costs incurred in 1992 and 1993 at several Portfolio Properties. The increases in real estate taxes ($3.7 million) and repairs and maintenance ($2.3 million) are primarily attributable to the consolidation of Forum ($0.3 million and $1.0 million, respectively) and the MSAR Merger ($2.1 million and $0.5 million, respectively). Tenant contributions funded a substantial portion of the $2.4 million increase in advertising and promotion campaigns. The $6.7 million decrease in property operating expenses is the result of the reduction in the costs related to the self-management of wholly owned properties ($5.9 million), a decrease in insurance costs due to an overall reduction in premiums and loss occurrences ($1.7 million) and the decrease in general and administrative expenses ($3.0 million). These decreases in property operating expenses are partially offset by the inclusion of Forum as a consolidated property ($3.6 million) and the MSAR Merger ($0.5 million). The $1.3 million increase in other expenses is attributable to the inclusion of Forum as a consolidated property ($2.1 million) and public company costs ($1.2 million), offset in part by the decrease in ground rent relating to the buyout of various ground leases with the application of the offering proceeds.

Interest expense, excluding non-recurring interest expense, decreased by $37.5 million, or 23.4%, to $123.0 million for 1994 as compared to $160.5 million for 1993. This decrease is primarily the result of: (i) the application of net proceeds of the offering and the concurrent financing to reduce indebtedness ($34.4 million); and (ii) lower interest rates on debt ($12.1 million); offset by (iii) the inclusion of Forum as a consolidated property ($3.7 million), the MSAR Merger ($4.3 million) and an increase in amortization of deferred financing costs related to the refinancings ($2.5 million).

On December 1, 1994, as part of a debt restructuring and the termination of the lender's participation in future cash flow for one of the Portfolio Properties, the Simon Operating Partnership incurred a non-recurring interest expense charge of $27.2 million. The Simon Operating Partnership has reflected this item as a separate line in the Consolidated Statements of Operations.

Minority interest in 1994 reflects the purchase of minority partners' interest in the Predecessor of SPG,LP with the application of the IPO proceeds and the inclusion of the minority partner's interest in Forum.

Income (loss) from unconsolidated entities improved $2.3 million. The Simon Operating Partnership's share of the Management Company's results improved from an allocation of a net loss of $1.4 million for 1993 to a net loss of $1.1 million for 1994. The 1994 amount is after interest and preferred dividend charges payable to the Simon Operating Partnership of $9.1 million. There were no similar charges in 1993. The Simon Operating Partnership's share of income from partnerships and joint ventures improved from a net loss of $1.0 million for 1993 to net income of $1.0 million for 1994. This increase is attributable to the consolidation of Forum, the MSAR Merger and land sale activity.

The extraordinary items of $18.0 million in 1994 and $4.3 million in 1993 resulted from costs associated with the early extinguishment or refinancing of debt.

Net income available to Unitholders increased from $11.3 million for 1993 to net income of $42.3 million for 1994, an increase of $31.0 million, for the reasons discussed above.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 1996, the Simon Operating Partnership's balance of cash and cash equivalents was $44.6 million, not including its proportionate share of cash held by the joint venture properties and the Management Company. In addition to its cash reserves, the Simon Operating Partnership, as a co-borrower with SDG, LP, had unused capacity under its unsecured revolving credit facility totaling $427 million.

In December 1995, a shelf registration statement for $500 million of non-convertible investment grade debt securities of SPG, LP became effective. As of September 30, 1996, no securities have been issued from this registration statement.

On September 6, 1996, Simon DeBartolo Group, L.P. ("SDG, LP") filed a shelf registration statement with the Securities and Exchange Commission to provide for the offering from time to time of up to $750 million aggregate principal amount of unsecured debt securities of SDG, LP. SDG, LP intends to offer, immediately upon effectiveness, an aggregate of $200 million in unsecured debt securities. The proceeds of which will be used primarily to retire mortgage indebtedness and to paydown the unsecured, revolving credit facility. SPG, LP will guarantee the due and punctual payment of the principal of, premium, if any, interest on, and any other amounts payable with respect to the unsecured debt securities.

Acquisitions. On April 11, 1996, the Simon Operating Partnership drew an additional $115.0 million on its other existing revolving credit facility primarily to finance the acquisition of the remaining economic ownership interest in Ross Park Mall ($44 million) and to retire a portion of the property's debt ($54 million).

Financing and Refinancing. On February 23, 1996, the Simon Operating Partnership borrowed the initial $100.0 million tranche of a $184.0 million two-tranche loan facility for The Forum Shops at Caesar's ("Forum") and retired the existing $89.7 million mortgage debt for Forum. The initial funding bears interest at LIBOR plus 100 basis points and matures in February 2000. The remaining proceeds are being used to provide funds for the approximately 250,000-square-foot phase II expansion of this property.

On June 28, 1996, the Simon Operating Partnership obtained an additional $200 million unsecured, revolving credit facility. The facility bore interest at LIBOR plus 132.5 basis points. Terms for the facility were identical to those of the Simon Operating Partnership's other $400 million credit facility.

On September 10, 1996, the Simon Operating Partnership loaned $112 million to SDG, LP to retire the DeBartolo secured line of credit. The DeBartolo line bore interest at LIBOR plus 175 basis points.

On September 27, 1996, the Company completed a $200 million public offering (the "Preferred Offering") of 8,000,000 shares of 8 3/4% Series B Cumulative Redeemable Preferred Stock, generating net proceeds of approximately $193 million. The Company contributed the proceeds of such offering to SDG, LP in exchange for preferred units in SDG, LP, which used the net proceeds to repay $142.8 million of outstanding indebtedness, $12.5 million to purchase an additional ownership interest in the North East Mall and loaned $34.4 million to the Simon Operating Partnership which used such amounts to reduce amounts outstanding under its former unsecured credit facilities.

On September 27, 1996, the Operating Partnership obtained a $750 million, unsecured, three-year credit facility (the "Credit Facility"), which initially bears interest at LIBOR plus 90 basis points, The Operating Partnership borrowed $323 million under this facility and loaned the proceeds to the Simon Operating Partnership to retire the outstanding borrowing under two unsecured credit facilities, which bore interest at LIBOR plus 132.5 basis points.

During the first nine months of 1996, the Simon Operating Partnership drew an additional $33.2 million on its construction loan for Cottonwood Mall in Albuquerque, New Mexico. As of September 30, 1996, a total of $55.6 million was outstanding on this construction loan.

Development, Expansions and Renovations. The Simon Operating Partnership is involved in several development, expansion and renovation efforts.

Groundbreaking has occurred on two new retail development projects. Grapevine Mills, a 1,450,000-square-foot retail development project in Fort Worth, Texas, broke ground on July 10, 1996, and is expected to open in November of 1997. A commitment has been obtained for a four-year $140 million construction loan with interest at LIBOR plus 165 basis points. The Simon Operating Partnership will have a $13.9 million equity commitment on this $188 million development project. The Simon Operating Partnership owns 37.5% of this joint venture development. Arizona Mills, a 1,225,000-square-foot retail development project in Tempe, Arizona, broke ground on August 1, 1996. This $183 million development opens in November of 1997. The Simon Operating Partnership has a $11.2 million equity investment and a 25% ownership interest in this joint venture development.

The Simon Operating Partnership is completing demolition of the existing Bakery Centre in South Miami, Florida, in preparation for the $130 million development of The Shops at Sunset Place. Pre-development efforts continue for this 75%-owned proposed 500,000-square-foot retail and entertainment center.

Cottonwood Mall opened on July 31, 1996, in Albuquerque, New Mexico. This one million-square-foot regional mall is wholly-owned by the Simon Operating Partnership. Cottonwood Mall is anchored by Dillard's, Foley's, JCPenney, Mervyn's and Montgomery Ward, and a 76,000-square foot United Artists STARPORT entertainment complex, which is scheduled to open by the end of 1996.

Construction also continues on the following projects:

- A 250,000-square-foot phase II expansion of Forum, in which the Simon Operating Partnership has a 55% ownership interest, is scheduled to open in the fall of 1997. The $90 million costs of the Forum project are being funded with a portion of a $184 million two-tranche financing facility which closed February 23, 1996.

- Ontario Mills, a 1.4 million-square-foot value-oriented regional mall in Ontario, California, in which the Simon Operating Partnership has a 25% ownership interest, is scheduled to open in November of 1996. A $110 million construction loan on this project has been obtained on this approximately $168 million partnership venture with The Mills Corporation. The Simon Operating Partnership funded its $15.0 million equity commitment for this project in July 1996.

- The Source, a 730,000-square-foot retail development project in Westbury (Long Island), New York, is expected to open in August of 1997. This new $151 million development will adjoin an existing Fortunoff store. The Simon Operating Partnership has a total equity requirement of $31.1 million for this project. Construction Financing of $120 million closed on this property in July of 1996. The loan carries interest at LIBOR plus 170 basis points and matures on July 16, 1999. The Simon Operating Partnership has made a $21.7 million equity investment in this 50%-owned joint venture development through September 30, 1993.

- The Tower Shops in Las Vegas, Nevada, is an approximately $25 million, 89,000-square-foot retail development project in which the Simon Operating Partnership owns a 50% interest. This retail development is scheduled to open late in the fall of 1996. The Simon Operating Partnership contributed its $3.2 million equity commitment in April of 1996.

Management is also considering renovation and expansion projects at various other properties. It is anticipated that these projects will be financed principally with external borrowings, existing corporate credit facilities and cash flows from operations.

Debt. At September 30, 1996, the Simon Operating Partnership had consolidated debt of $2,136.6 million, of which $1,287.0 million is fixed-rate debt and $849.6 million is variable-rate debt. As of September 30, 1996 and 1995, the Simon Operating Partnership had interest-rate protection agreements relating to $488,958 and $551,196 of variable-rate debt, respectively. The agreements are generally in effect until the related variable-rate debt matures.

The Simon Operating Partnership's ratio of consolidated debt-to-market capitalization was approximately 46.8% at September 30, 1996.

Distributions. The Simon Operating Partnership declared a distribution of $0.4925 per Unit for the first three quarters of 1996. In addition, a special distribution of $0.1515 per unit was declared on August 9, 1996 to align the time periods of distributions for the Company and DeBartolo Realty Corporation under the definitive merger agreement. Future distributions will be determined based on actual results of operations and cash available for distribution. Preferred distributions of $0.5078 per Preferred Unit were also declared per quarter during this period.

Capital Resources. Management anticipates that cash generated from operating performance will provide the necessary funds on a short- and long-term basis for its operating expenses, interest expense on outstanding indebtedness, recurring capital expenditures and distributions to holders of Preferred Units and Units.

Management continues to actively review and evaluate property acquisition opportunities. Management believes that funds on hand and amounts available under the Operating Partnership's unsecured revolving credit facility, together with the ability to issue shares of common stock of the Company and/or Units, provide the means to finance certain acquisitions. No assurance can be given that the Simon Operating Partnership will not be required to, or will not elect to, even if not required to, obtain funds from outside sources, including through the sale of debt or equity securities, to finance significant acquisitions, if any.

Investing and Financing Activities. Cash used in investing activities for the nine months ended September 30, 1996 was $114.7 million. Cash used in investing activities included approximately $44 million for the acquisition of the remaining economic ownership interest in Ross Park Mall, tenant allowances, capital expenditures and development related costs of $94.0 million including $31.3 million, $11.7 million and $4.3 million at Cottonwood Mall, Forum, and The Shops at Sunset Place, respectively; and advances to unconsolidated joint ventures totaling approximately $51.9 million, including $18.9 million, $15.0 million, $5.7 million and $3.2 million in equity contributions made to The Source, Ontario Mills, Arizona Mills and The Tower Shops, respectively, to fund development activity. Cash received from unconsolidated entities of $34.5 million included a $30.9 million return of equity from Smith Haven Mall, a note repayment was received from M.S. Management Associates, Inc, ($38.6 million). Cash used in investing activities for the nine months ended September 30, 1995 included $61.5 million for tenant allowances, capital expenditures and development related costs, a $14.6 million equity investment in Rolling Oaks Mall and $3.1 million for the acquisition of a joint venture interest in a parcel of land to be held for development in Little Rock, Arkansas, partially offset by $2.6 million of net proceeds from the sale of a joint venture interest in land held for development, distributions from unconsolidated entities ($4.3 million) and cash of $3.4 million included in the acquisition of interest in White Oaks Mall.

Cash used in financing activities for the nine months ended September 30, 1996 was $13.0 million less than the nine months ended September 30, 1995. The decrease in cash used in 1996 as compared to 1995 was primarily the result of an increase in net mortgage borrowings of $109.8 million and an advance from SDG, LP ($77.2 million), partially offset by an increase of $30.9 million in distributions to Unitholders (including $5.5 million paid to the holder of the Preferred Units representing distributions from October 27, 1995 to September 30, 1996) and proceeds from sales of common stock in 1995 of $142.1 million.

EBITDA-EARNINGS FROM OPERATING RESULTS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION

Management believes that there are several important factors that contribute to the ability of the Simon Operating Partnership to increase rent and improve profitability of its shopping centers, including aggregate tenant sales volume, sales per square foot, occupancy levels and tenant costs. Each of these factors has a significant effect on EBITDA. Management believes that EBITDA is an effective measure of shopping center operating performance because: (i) it is industry practice to evaluate real estate properties based on operating income before interest, taxes, depreciation and amortization, which is generally equivalent to EBITDA; and (ii) EBITDA is unaffected by the debt and equity structure of the property owner. EBITDA: (i) does not represent cash flow from operations as defined by generally accepted accounting principles; (ii) should not be considered as an alternative to net income as a measure of the Simon Operating Partnership's operating performance; (iii) is not indicative of cash flows from operating, investing and financing activities; and (iv) is not an alternative to cash flows as a measure of the Simon Operating Partnership's liquidity.

Total EBITDA for the portfolio properties increased from $315.3 million for the nine months ended September 30, 1995 to $346.2 million for the same period in 1996, representing a growth rate of 9.8%. This increase is primarily attributable to the malls opened or acquired during 1995 and 1996. During this period, operating profit margin decreased from 63.1% to 61.9%.

FFO-FUNDS FROM OPERATIONS

FFO, as defined by the National Association of Real Estate Investment Trusts ("NAREIT"), means the combined net income of the Simon Operating Partnership and its subsidiaries without giving effect to depreciation and amortization, gains or losses from extraordinary items, gains or losses on sales of real estate, gains or losses on investments in marketable securities and any provision/benefit for income taxes for such period, plus the allocable portion, based on the Simon Operating Partnership's ownership interest, of funds from operations of unconsolidated joint ventures, all determined on a consistent basis in accordance with generally accepted accounting principles. Management believes that FFO is an important and widely used measure of the operating performance of REITs which provides a relevant basis for comparison among REITs. FFO is presented to assist investors in analyzing the performance of the Operating Partnership. FFO: (i) does not represent cash flow from operations as defined by generally accepted accounting principles; (ii) should not be considered as an alternative to net income as a measure of the Simon Operating Partnership's operating performance or to cash flows from operating, investing and financing activities; and (iii) is not an alternative to cash flows as a measure of the Simon Operating Partnership's liquidity. In March, 1995, NAREIT modified its definition of FFO. The modified definition provides that amortization of deferred financing costs and depreciation of non-rental real estate assets are no longer to be added back to net income in arriving at FFO. The modified definition was adopted by the Simon Operating Partnership beginning in 1996. Additionally, the prior year FFO is being restated to reflect the new definition in order to make the amounts comparative. Under the previous definition, FFO for the three months and nine months ended September 30, 1995, would have been $52.3 million and $145.4 million, respectively.

The following summarizes FFO and reconciles net income to FFO for the periods presented:

	FOR THE THREE MONTHS ENDED SEPTEMBER 30,		FOR THE NINE MONTHS ENDED SEPTEMBER 30,	
	1996	1995	1996	1995
(In thousands)				
FFO	$ 48,977	$ 49,492	$ 148,189	$ 137,287
Reconciliation:				
Net Income	$ 19,899	$ 24,310	$ 67,434	$ 69,797
Plus:				
Extraordinary items -- Losses on extinguishments of debt	2,424	2,636	2,689	2,884
Depreciation and amortization from consolidated properties	26,469	21,894	77,507	64,855
The Simon Operating Partnership's share of depreciation and amortization from unconsolidated affiliates	2,783	1,329	8,733	4,340
Less:				
Gain on sale of asset	(88)	N/A	(88)	(2,350)
Minority interest portion of depreciation and amortization	(478)	(677)	(1,992)	(2,239)
Preferred distributions	(2,032)	--	(6,094)	--
FFO	$ 48,977	$ 49,492	$ 148,189	$ 137,287

PORTFOLIO DATA

Aggregate Tenant Sales Volume. For the nine months ended September 30, 1995 compared to the same period in 1996, total reported retail sales for mall and freestanding stores at the regional malls and all stores at the community shopping centers for GLA owned by the Simon Operating Partnership ("Owned GLA") increased 8.2% from $3,010 million to $3,256 million. Retail sales at Owned GLA affect revenue and profitability levels because they 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.) the tenants can afford to pay.

Occupancy Levels. Occupancy levels for regional malls increased from 85.2% at September 30, 1995 to 85.6% at September 30, 1996. Occupancy levels for community shopping centers decreased from 94.8% at September 30, 1995 to 93.1% at September 30, 1996. These decreases are the result of store closings by several retailers which filed bankruptcy in 1995 and the de-leasing efforts at two malls in anticipation of de-malling these properties. Total GLA has increased 3.7 million square feet from September 30, 1995 to September 30, 1996, primarily as a result of the 1995 opening of three new regional malls, the acquisition of Smith Haven Mall and the opening of Cottonwood Mall.

Average Base Rents. Average base rents per square foot of mall and freestanding stores at regional mall Owned GLA increased 6.3%, from $18.51 to $19.68 as of September 30, 1996 as compared to September 30, 1995. In community shopping centers, average base rents per square foot of Owned GLA increased 3.3%, from $7.25 to $7.49 during this same period.

INFLATION

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

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

OTHER

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

Management recognizes the retail industry is cyclical in nature and some tenants continue to experience difficulties, which is reflected in sales trends and in the bankruptcies and continued restructuring of several prominent retail organizations. Continuation of these trends could impact future earnings performance.

SIMON PROPERTY GROUP, L.P.

CONSOLIDATED CONDENSED BALANCE SHEETS
(UNAUDITED AND DOLLARS IN THOUSANDS)

	SEPTEMBER 30, 1996	DECEMBER 31, 1995
ASSETS:		
Investment properties, at cost	$ 2,392,124	$2,162,161
Less -- accumulated depreciation	212,751	152,817
	2,179,373	2,009,344
Cash and cash equivalents	44,635	62,721
Tenant receivables and accrued revenue, net	143,095	144,400
Notes receivable and advances due from Management Company	63,978	102,522
Investment in partnerships and joint ventures, at equity	136,099	113,676
Deferred costs, net	75,531	81,398
Other assets	40,673	42,375
Total assets	$ 2,683,384	$2,556,436
LIABILITIES AND PARTNERS' EQUITY:		
Mortgages and other notes payable	$ 2,136,651	$1,980,759
Accounts payable and accrued expenses	117,330	113,131
Advance from affiliate	77,153	--
Accrued distributions	2,031	48,594
Cash distributions and losses in partnerships and joint ventures, at equity	16,796	54,120
Investment in Management Company	18,415	20,612
Other liabilities	41,455	19,582
Total liabilities	2,409,831	2,236,798
COMMITMENTS AND CONTINGENCIES		
LIMITED PARTNERS' EQUITY INTEREST, 37,282,628 units outstanding at redemption value (Note 9)	--	908,764
PARTNERS' EQUITY:		
Preferred units, 4,000,000 authorized, issued and outstanding	99,923	99,923
General Partner, 958,429 and 58,360,195 units outstanding, respectively	1,795	135,710
Special Limited Partners' Interest, 94,884,424 units outstanding	177,710	--
Adjustment to reflect Limited Partners' equity interest at redemption value (Note 9)	--	(822,072)
Unamortized restricted stock award	(5,875)	(2,687)
Total partners' equity (deficit)	273,553	(589,126)
Total liabilities, limited partners' equity interest and partners' equity (deficit)	$ 2,683,384	$2,556,436

The accompanying notes are an integral part of these statements.

SIMON PROPERTY GROUP, L.P.

CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(UNAUDITED AND DOLLARS IN THOUSANDS, EXCEPT PER UNIT AMOUNTS)

	FOR THE THREE MONTHS ENDED SEPTEMBER 30,		FOR THE NINE MONTHS ENDED SEPTEMBER 30,	
	1996	1995	1996	1995
REVENUE:				
Minimum rent	$ 83,109	$ 75,242	$243,047	$222,701
Overage rent	5,169	5,982	15,920	15,877
Tenant reimbursements	49,368	50,536	143,594	140,030
Other income	8,750	6,282	27,039	19,689
Total revenue	146,396	138,042	429,600	398,297
EXPENSES:				
Property operating	28,406	26,647	79,012	72,623
Depreciation and amortization	26,606	22,015	77,913	65,212
Real estate taxes	14,662	13,321	43,026	39,854
Repairs and maintenance	5,725	5,740	18,265	16,926
Advertising and promotion	4,366	4,093	13,264	12,013
Provision for doubtful accounts	845	(200)	2,596	2,203
Other	2,785	2,235	8,399	8,295
Total operating expenses	83,395	73,851	242,475	217,126
OPERATING INCOME	63,001	64,191	187,125	181,171
INTEREST EXPENSE	41,236	36,468	120,370	112,125
INCOME BEFORE MINORITY INTEREST	21,765	27,723	66,755	69,046
MINORITY INTEREST	(709)	(605)	(1,884)	(1,940)
GAIN ON SALE OF ASSET	88	--	88	2,350
INCOME BEFORE UNCONSOLIDATED ENTITIES	21,144	27,118	64,959	69,456
INCOME FROM UNCONSOLIDATED ENTITIES	1,284	(172)	5,270	3,225
INCOME BEFORE EXTRAORDINARY ITEMS	22,428	26,946	70,229	72,681
EXTRAORDINARY ITEMS -- Losses on extinguishments of debt	(2,530)	(2,636)	(2,795)	(2,884)
NET INCOME	19,898	24,310	67,434	69,797
GENERAL PARTNER PREFERRED UNIT REQUIREMENT	(2,032)	--	(6,094)	--
NET INCOME AVAILABLE TO UNITHOLDERS	$ 17,866	$ 24,310	$ 61,340	$ 69,797
NET INCOME AVAILABLE TO UNITHOLDERS ATTRIBUTABLE TO:				
General Partner	$ 4,559	$ 14,774	$ 31,125	$ 41,368
Limited Partners	13,307	9,536	30,215	28,429
	$ 17,866	$ 24,310	$ 61,340	$ 69,797
EARNINGS PER UNIT:				
Income before extraordinary items	$ 0.23	$ 0.28	$ 0.73	$ 0.79
Extraordinary items	(0.02)	(0.03)	(0.03)	(0.03)
Net income	$ 0.21	$ 0.25	$ 0.70	$ 0.76

The accompanying notes are an integral part of these statements.

SIMON PROPERTY GROUP, L.P.

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(UNAUDITED AND DOLLARS IN THOUSANDS)

	FOR THE NINE MONTHS ENDED SEPTEMBER 30 1996	
	1996	1995
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 67,434	$ 69,797
Adjustments to reconcile net income to net cash provided by operating activities --		
Depreciation and amortization	83,976	71,761
Losses on extinguishments of debt	265	2,888
Gain on sale of asset	(88)	(2,350)
Straight-line rent	534	(1,237)
Minority interest	1,884	1,940
Equity in income of unconsolidated entities	(5,270)	(3,225)
Changes in assets and liabilities		
Tenant receivables and accrued revenue	4,954	3,727
Deferred costs and other assets	(4,405)	(9,420)
Accounts payable, accrued expenses and other liabilities	(5,198)	(4,337)
Net cash provided by operating activities	144,086	129,544
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions	(43,941)	(31,155)
Capital expenditures	(94,001)	(61,510)
Cash of consolidated joint ventures	1,695	4,346
Proceeds from sale of asset	399	2,550
Investments in unconsolidated entities	(51,907)	(19,696)
Distributions from unconsolidated entities	34,493	4,274
Loan repayment from Management Company	38,553	--
Net cash used in investing activities	(114,709)	(101,191)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Partnership contributions	(62)	142,130
Minority interest distributions	(3,610)	(2,823)
Partnership distributions	(161,582)	(130,643)
Advances from SDG, L.P.	77,153	--
Proceeds from borrowings, net of transaction costs	266,927	359,338
Mortgage, bond and other payments	(226,289)	(428,511)
Net cash used in financing activities	(47,463)	(60,509)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(18,086)	(32,156)
CASH AND CASH EQUIVALENTS, beginning of period	62,721	105,139
CASH AND CASH EQUIVALENTS, end of period	$ 44,635	$ 72,983

The accompanying notes are an integral part of these statements.

SIMON PROPERTY GROUP, L.P.

NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

NOTE 1 -- BASIS OF PRESENTATION

The accompanying consolidated condensed financial statements are unaudited; however, they have been prepared in accordance with generally accepted accounting principles for interim financial information and in conjunction with the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the disclosures required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting solely of normal recurring matters) necessary for a fair presentation of the consolidated condensed financial statements for these interim periods have been included. The results for the interim period ended September 30, 1996 are not necessarily indicative of the results to be obtained for the full fiscal year. These unaudited consolidated condensed financial statements should be read in conjunction with the December 31, 1995 audited financial statements and notes thereto included in the Simon Property Group, L.P. Annual Report on Form 10-K/A-1.

The accompanying unaudited consolidated condensed financial statements of Simon Property Group, L.P. (the "Simon Operating Partnership" or "SPG,LP") include all the accounts of the Simon Operating Partnership and subsidiaries entities. Properties which are wholly owned or controlled by the Simon Operating Partnership have been consolidated. All significant intercompany amounts have been eliminated.

The Simon Operating Partnership's equity interests in certain partnerships and joint ventures which represent noncontrolling 14.7% to 50.0% ownership interests and the investment in M.S. Management Associates, Inc. (together with its subsidiaries, the "Management Company" -- see Note 7) are accounted for under the equity method of accounting. These investments are recorded initially at cost and subsequently adjusted for net equity in income (loss) and cash contributions and distributions.

Net income is allocated to the partners based on each partner's preferred unit preference and/or percentage profit interest in the Simon Operating Partnership during the periods.

NOTE 2 -- MERGER

On August 9, 1996, the merger and other related transactions pursuant to the agreement and plan of merger among Simon DeBartolo Group, Inc. (the "Company" or "SDG"), an acquisition subsidiary of the Company and DeBartlolo Realty Corporation ("DRC") were consummated (the "Merger"). Pursuant to the Merger, the Company acquired all the outstanding shares of common stock of DRC (55,712,529 shares) through the acquisition subsidiary, at an exchange ratio of 0.68 share of Company common stock for each share of DRC common stock (the "Exchange Ratio"). DRC and the acquisition subsidiary merged, with DRC as the surviving entity and becoming a 99.9% subsidiary of the Company. This portion of the transaction was valued at approximately $923.4 million, based upon the number of DRC shares of common stock acquired (55,712,529 shares), the Exchange Ratio and the last reported sales price per share of the Company's common stock on August 9, 1996 ($24.375). In connection therewith, the Company changed its name to SDG.

In connection with the Merger, the general and limited partners of the Simon Operating Partnership, contributed 49.5% (47,442,212 units) of the total outstanding units of partnership interest in the Simon Operating Partnership, to the operating partnership of DRC, DeBartolo Realty Partnership, L.P. ("DRP, LP") in exchange for 47,442,212 units of partnership interest in DRP, LP, whose name has since been changed to Simon DeBartolo Group, L.P. ("SDG, LP"). SDG retained a 50.5% partnership interest (48,400,614 units) in the Simon Operating Partnership, but assigned its rights to receive distributions of profits on 49.5% (47,442,212 units) of the outstanding units of partnership interest in the Simon Operating Partnership, to SDG, LP. The limited partners of the Simon Operating Partnership received a 23.7% partnership interest in SDG, LP (37,282,628 units) for the contribution of their 38.9% partnership interest in

SIMON PROPERTY GROUP, L.P.

NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS -- (CONTINUED)
(DOLLARS IN THOUSANDS)

the Simon Operating Partnership (37,282,628 units) to SDG, LP. The interests transferred by the partners of the Simon Operating Partnership to DRP, LP have been appropriately reflected at historical costs.

Upon completion of the Merger, SDG became a general partner of SDG, LP and remained the sole general partner of the Simon Operating Partnership with 1% of the outstanding partnership units (958,429 units) and 49.5% interest in the capital of the Simon Operating Partnership, and SDG, LP became a special limited partner in the Simon Operating Partnership with 49.5% (47,442,212 units) of the outstanding partnership units in the Simon Operating Partnership and an additional 49.5% interest in the profits of the Simon Operating Partnership. As a result of the Merger, the Simon Operating Partnership became a subsidiary of SDG, LP, with 99% of the profits allocable to SDG, LP and 1% of the profits allocable to the Company. Cash flow allocable to the Company's 1% profit interest in SDG, LP will be absorbed by public company costs and related expenses incurred by the Company. The accompanying financial statements reflect the operation of the Simon Operating Partnership on a stand alone basis.

It is currently expected that subsequent to the first anniversary of the date of the Merger, reorganizational transactions will be effected so that SDG, LP will directly own all of the assets and partnership interests now owned by the Simon Operating Partnership. However, there can be no assurance that such reorganizational transactions will be so affected.

In connection with the Merger, the Management Company purchased from The Edward J. DeBartolo Corporation all of the voting stock (665 shares of common stock) of DeBartolo Properties Management, Inc., a DRC management company, for $2.5 million in cash. SDG, LP continues to hold substantially all of the economic interest in DeBartolo Properties Management, Inc. SDG holds substantially all of the economic interest in M.S. Management Associates, Inc., while the voting stock are held by the Simons and their affiliates. The Simon Operating Partnership accounts for its interest in the Management Company utilizing the equity method.

NOTE 3 -- RECLASSIFICATIONS

Certain reclassifications of prior period amounts have been made in the financial statements to conform to the 1996 presentation.

NOTE 4 -- CASH FLOW INFORMATION

Cash paid for interest, net of amounts capitalized, during the nine months ended September 30, 1996 was $114,121, as compared to $106,734 for the same period in 1995. Accrued and unpaid distributions as of September 30, 1996 and December 31, 1995 were $2,031, and $48,594, respectively, which includes accrued and unpaid distributions on the units of partnership interest entitled to preferential distribution of cash ("Preferred Units") of $2,031, and $1,490, respectively.

NOTE 5 -- PER UNIT DATA

Per unit data is based on the weighted average number of units of partnership interest ("Units") of the Simon Operating Partnership outstanding during the period. As used herein, the term Units does not include Preferred Units. The weighted average number of Units used in the computation for the three months ended September 30, 1996 and 1995 was 95,842,853 and 95,196,569, respectively. The weighted average number of Units used in the computation for the nine months ended September 30, 1996 and 1995 was 95,783,720 and 91,663,449, respectively. Additionally, Preferred Units may be converted into common stock of the Company beginning in October of 1997 at an initial conversion ratio equal to 0.9524. The Preferred Units outstanding have not been included in the computations of per Unit data, as they do not have a dilutive effect.

SIMON PROPERTY GROUP, L.P.

NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS -- (CONTINUED)
(DOLLARS IN THOUSANDS)

NOTE 6 -- ACQUISITION

Prior to April 11, 1996, the Simon Operating Partnership held a 50% joint venture interest in Ross Park Mall in Pittsburgh, Pennsylvania. On April 11, 1996, the Simon Operating Partnership acquired the remaining economic ownership interest. The purchase price included approximately $44,000 cash and the assumption of the joint venture partner's share of existing debt ($57,000). The purchase price in excess of the net assets acquired of $49,015 was allocated to investment properties. Effective April 11, 1996, the property is being accounted for using the consolidated method of accounting. It was previously accounted for using the equity method of accounting.

NOTE 7 -- INVESTMENT IN UNCONSOLIDATED ENTITIES

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

	PARTNERSHIPS AND JOINT VENTURES	
	SEPTEMBER 30, 1996	DECEMBER 31, 1995
BALANCE SHEETS		
ASSETS:		
Investment properties at cost, net	$ 1,232,388	$1,156,066
Cash and cash equivalents	36,729	52,624
Tenant receivables	35,978	35,306
Other assets	31,650	32,626
Total assets	$ 1,336,745	$1,276,622
LIABILITIES AND PARTNERS' EQUITY:		
Mortgage and other notes payable	$ 540,606	$ 410,652
Accounts payable, accrued expenses and other liabilities	97,056	127,322
Total liabilities	637,662	537,974
Partners' equity	699,083	738,648
Total liabilities and partners' equity	$ 1,336,745	$1,276,622
THE SIMON OPERATING PARTNERSHIP'S SHARE OF:		
Total assets	$ 304,383	$ 290,802
PARTNERS' EQUITY:		
Investment in partnerships and joint ventures, at equity	136,099	$ 113,676
Cash distributions and losses in partnerships and joint ventures, at equity	(16,796)	(54,120)
	$ 119,303	$ 59,556

SIMON PROPERTY GROUP, L.P.

NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS -- (CONTINUED)
(DOLLARS IN THOUSANDS)

	PARTNERSHIPS AND JOINT VENTURES			
	FOR THE THREE MONTHS ENDED SEPTEMBER 30,		FOR THE NINE MONTHS ENDED SEPTEMBER 30,	
STATEMENTS OF OPERATIONS	1996	1995	1996	1995
REVENUE:				
Minimum rent	$25,742	$19,755	$79,781	$57,606
Overage rent	1,064	548	2,753	1,678
Tenant reimbursements	12,569	10,002	40,082	28,651
Other income	1,170	1,757	7,328	11,064
Total revenue	40,545	32,062	129,944	98,999
OPERATING EXPENSES:				
Operating expenses and other	15,934	11,019	48,782	32,456
Depreciation and amortization	9,852	5,310	30,438	15,961
Total operating expenses	25,786	16,329	79,220	48,417
OPERATING INCOME	14,759	15,733	50,724	50,582
INTEREST EXPENSE	8,184	6,648	22,318	21,282
INCOME BEFORE EXTRAORDINARY ITEMS	6,575	9,085	28,406	29,300
EXTRAORDINARY ITEMS	--	(9)	--	(9)
NET INCOME	6,575	9,076	28,406	29,291
THIRD PARTY INVESTORS' SHARE OF NET INCOME	6,615	8,254	25,313	26,060
SIMON OPERATING PARTNERSHIP'S SHARE OF NET INCOME	$ (40)	$ 822	$ 3,093	$ 3,231

The net income or net loss for each partnership and joint venture is allocated in accordance with the provisions of the applicable partnership or joint venture agreement. The allocation provisions in these agreements are not always consistent with the ownership interest held by each general or limited partner or joint venturer, primarily due to partner preferences.

SIMON PROPERTY GROUP, L.P.

NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS -- (CONTINUED)
(DOLLARS IN THOUSANDS)

Summary financial information of the Management Company accounted for using the equity method of accounting and a summary of the Simon Operating Partnership's investment in and share of income from the Management Company follow:

BALANCE SHEETS	MANAGEMENT COMPANY SEPTEMBER 30, 1996	MANAGEMENT COMPANY DECEMBER 31, 1995
ASSETS:		
Current assets	$ 62,874	$ 40,964
Undeveloped land and mortgage notes	18,245	45,769
Other assets	24,889	13,813
Total assets	$ 106,008	$100,546
LIABILITIES AND SHAREHOLDERS' DEFICIT:		
Current liabilities	$ 52,584	$ 18,435
Notes payable and advances due to the Simon Operating Partnership at 11%, due 2008	71,028	102,522
Total liabilities	123,612	120,957
Shareholders' deficit	(17,604)	(20,411)
Total liabilities and shareholders' deficit	$ 106,008	$100,546
SIMON OPERATING PARTNERSHIP'S SHARE OF:		
Total assets	$ 94,639	$ 80,437
Shareholders' deficit	$ (17,304)	$(20,612)

SIMON PROPERTY GROUP, L.P.

NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS -- (CONTINUED)
(DOLLARS IN THOUSANDS)

	MANAGEMENT COMPANY			
	FOR THE THREE MONTHS ENDED SEPTEMBER 30,		FOR THE NINE MONTHS ENDED SEPTEMBER 30,	
STATEMENTS OF OPERATIONS	1996	1995	1996	1995
REVENUE:				
Management fees	$ 4,952	$ 4,158	$15,122	$15,113
Development and leasing fees	6,480	6,747	10,928	13,140
Cost-sharing income and other	1,935	1,706	7,237	5,221
Total revenue	13,367	12,611	33,287	33,474
EXPENSES:				
Operating expenses	7,953	10,747	21,744	24,983
Depreciation	693	579	1,947	1,679
Interest	1,539	1,999	4,690	5,691
Total expenses	10,185	13,325	28,381	32,353
NET INCOME (LOSS)	3,182	(714)	4,906	1,121
INTERCOMPANY PROFITS	(1,232)	--	(1,232)	--
NET INCOME (LOSS) AFTER INTERCOMPANY ELIMINATION	1,950	(714)	3,674	1,121
PREFERRED DIVIDENDS	350	350	1,050	1,015
NET INCOME (LOSS) AVAILABLE FOR COMMON SHAREHOLDERS	$ 2,832	$(1,064)	$ 3,856	$ 106
SIMON OPERATING PARTNERSHIP'S SHARE OF NET INCOME (LOSS)	$ 1,326	$ (994)	$ 2,177	$ (6)

The management, development and leasing activities related to the non-wholly owned and other third-party properties are conducted by the Management Company.

The Simon Operating Partnership's share of allocated common costs were $7,524 and $5,685, respectively, for the three-month periods and $21,949 and $17,704, respectively, for the nine-month periods ended September 30, 1996 and 1995.

NOTE 8 -- DEBT

On February 23, 1996, the Simon Operating Partnership borrowed the initial $100,000 tranche of a $184,000 two-tranche loan facility for the Forum Shops at Caesar's ("Forum") and retired the existing $89,701 mortgage debt for Forum. The initial funding bears interest at LIBOR plus 100 basis points and matures in February 2000. The remaining proceeds of the initial $100,000 tranche are being used to provide funds for the approximately 250,000-square-foot phase II expansion of this property.

On April 11, 1996, the Simon Operating Partnership borrowed an additional $115,000 on its then existing revolving credit facility. The funds were used primarily to acquire the remaining economic ownership interest in Ross Park Mall ($44,000), and to retire a portion ($54,000) of the existing debt on Ross Park Mall.

On June 28, 1996, the Simon Operating Partnership obtained an additional $200,000 unsecured, revolving credit facility. The facility bore interest at LIBOR plus 132.5 basis points. Terms for the facility were identical to those of the Simon Operating Partnership's former $400,000 facility.

On September 10, 1996, the Simon Operating Partnership loaned $112 million to SDG, LP to retire the DRC secured line of credit. The DRC line bore interest at LIBOR plus 175 basis points.

SIMON PROPERTY GROUP, L.P.

NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS -- (CONTINUED)
(DOLLARS IN THOUSANDS)

On September 27, 1996, the Company completed a $200,000 public offering (the "Preferred Offering") of 8,000,000 shares of 8 3/4% Series B Cumulative Redeemable Preferred Stock, generating net proceeds of approximately $193,000. The Company contributed the proceeds of such offering to SDG, LP in exchange for preferred units in the Operating Partnership, SDG, LP, which used the net proceeds to repay $142.8 million of outstanding mortgage indebtedness $12.5 million to acquire additional ownership interest in North East Mall and loaned $34.4 million to the Simon Operating Partnership which used the proceeds to reduce amounts outstanding under its former unsecured credit facilities.

On September 27, 1996, the Operating Partnership obtained a $750,000, unsecured, three-year credit facility (the "Credit Facility"), which will initially bear interest at LIBOR plus 90 basis points. The Operating Partnership borrowed $323 million under this Facility and loaned the proceeds to the Simon Operating Partnership to retire the outstanding borrowings under its two former unsecured credit facilities, which bore interest at LIBOR plus 132.5 basis points.

During the first nine months of 1996, the Simon Operating Partnership drew an additional $33,246 on its construction loan for Cottonwood Mall in Albuquerque, New Mexico. As of September 30, 1996, a total of $55,645 was outstanding on the loan.

On September 6, 1996, SDG, LP filed a shelf registration statement with the Securities and Exchange Commission to provide for the offering, from time to time, of up to $750,000 aggregate principal amount of unsecured debt securities of the Operating Partnership. The Operating Partnership is currently preparing to offer an aggregate of $200,000 in unsecured debt securities for sale to the public. The proceeds of which will be used primarily to retire mortgage indebtedness and to paydown the unsecured, revolving credit facility. The Simon Operating Partnership will guarantee the due and punctual payment of the principal of, premium, if any, interest on, and any other amounts payable with respect to the unsecured debt securities. In December 1995 a shelf registration statement for $500,000 of non-convertible investment grade debt securities of SPG,LP became effective. As of September 30, 1996, no securities have been issued from this registration statement.

At September 30, 1996, the Simon Operating Partnership had consolidated debt of $2,136,651, of which $1,286,966 was fixed-rate debt and $849,685 was variable-rate debt. As of September 30, 1996 and December 31, 1995, the Simon Operating Partnership had interest-rate protection agreements related to $488,958 and $551,196 of variable-rate debt, respectively. The agreements are generally in effect until the related variable-rate debt matures. As a result of the various interest rate protection agreements, interest savings were $415 and $693 for the three months ended September 30, 1996 and 1995, respectively, and $1,227 and $2,617 for the nine months ended September 30, 1996 and 1995, respectively. The Simon Operating Partnership's pro rata share of indebtedness of the unconsolidated joint venture properties as of September 30, 1996 and December 31, 1995 was $186,823 and $167,644, respectively.

NOTE 9 -- PARTNERS' EQUITY

In connection with the Merger, the general and limited partners of the Simon Operating Partnership, contributed 49.5% (47,442,212 units) of the total outstanding units of partnership interest in the Simon Operating Partnership, to the operating partnership of SDG, L.P. -- the Special Limited Partner in exchange for 47,442,212 units of partnership interest in SDG, LP. The Company retained a 50.5% partnership interest (48,400,614 units) in the Simon Operating Partnership, but assigned its rights to receive distributions of profits on 49.5% (47,442,212 units) of the outstanding units of partnership interest in the Simon Operating Partnership, to SDG, LP.

SIMON PROPERTY GROUP, L.P.

NOTES TO UNAUDITED CONSOLIDATED CONDENSED FINANCIAL STATEMENTS -- (CONTINUED)
(DOLLARS IN THOUSANDS)

The following table summarizes the change in the Simon Operating Partnership's partners' equity since December 31, 1995.

	SPECIAL LIMITED PARTNERS' INTEREST		GENERAL PARTNER				UNAMORTIZED RESTRICTED STOCK AWARD
	UNITS	AMOUNTS	PREFERRED UNITS	AMOUNTS	UNITS	AMOUNTS	
Balance at December 31, 1995...	--	--	4,000,000	$99,923	58,360,195	$(686,362)	$(2,687)
Stock Incentive Program...	--	--	--	--	200,030	4,751	(4,751)
Amortization of stock incentive...	--	--	--	--	--	--	1,563
Adjustment to eliminate limited partners' equity interest at redemption value..	--	--	--	--	--	822,072	--
Adjustment to allocate net equity of the Operating Partnership..	94,884,424	167,304	--	--	(57,601,796)	(103,175)	--
Other...	--	--	--	--	--	(62)	--
distributions...	--	--	--	(6,094)	--	(66,554)	--
Net Income...	--	10,406	--	6,094	--	31,125	--
Balance at September 30, 1996...	94,884,424	177,710	4,000,000	$99,923	958,429	$ 1,795	$(5,875)

	TOTAL	LIMITED PARTNERS	
		UNITS	AMOUNTS
Balance at December 31, 1995...	$(589,126)	37,282,628	$908,764
Stock Incentive Program...	--	--	--
Amortization of stock incentive...	1,563	--	--
Adjustment to eliminate limited partners' equity interest at redemption value..	822,072	--	(822,072)
Adjustment to allocate net equity of the Operating Partnership..	64,129	(37,282,628)	(64,129)
Other...	(62)	--	--
distributions...	(72,648)	--	(42,372)
Net Income...	47,625	--	19,809
Balance at September 30, 1996...	$ 273,553	--	$ --

Because the Simon Operating Partnership does not control whether cash will be used to settle the limited partners' exchange rights, the limited partners' equity has not been included in partners' equity. The consolidated condensed balance sheets reflect the limited partners' interest in the Simon Operating Partnership measured at redemption value. Accordingly, the accompanying consolidated condensed balance sheet at December 31, 1995 has been retroactively reclassified to reflect the limited partners' interest in the Simon Operating Partnership, measured at redemption value. This reclassification results in a charge to partners' equity of $908,764 as of December 31, 1995.

In connection with the merger of the Company and DRC which was completed August 9, 1996, the Simon Operating Partnership agreement was amended eliminating the exchange rights provision. As a result of the elimination of the exchange right provision in connection with the Merger transaction, effective August 9, 1996, the limited partners' interest, now special limited partner interest in the Simon Operating Partnership, in the Simon Operating Partnership have been reflected as partners' equity.

STOCK INCENTIVE PROGRAM

On March 22, 1995, an aggregate of 1,000,000 shares of restricted stock was awarded to 50 executives, subject to the performance standards and other terms of the Stock Incentive Program. On March 22, 1995 and 1996 the board of directors of the Company approved the issuances of 144,196 and 200,030 shares of common stock of the Company, respectively, to the eligible executives. The value of these shares is being amortized pro-rata over the respective four-year vesting period. Approximately $1,042 and $525 have been amortized for the nine-month periods ended September 30, 1996 and 1995, respectively.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To Simon Property Group, Inc.:

We have audited the accompanying consolidated balance sheets of SIMON PROPERTY GROUP, L.P. (a Delaware limited partnership) and subsidiaries as of December 31, 1995 and 1994, and the related consolidated statements of operations, partners' equity and cash flows for the years ended December 31, 1995 and 1994, and for the period from inception of operations (December 20, 1993) to December 31, 1993 and the combined statements of operations, owners' deficit and cash flows of SIMON PROPERTY GROUP (the Predecessor) for the period from January 1, 1993 to December 19, 1993. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Simon Property Group, L.P. and subsidiaries as of December 31, 1995 and 1994, and the consolidated results of their operations and their cash flows for the years ended December 31, 1995 and 1994, and for the period from inception of operations (December 20, 1993) to December 31, 1993, and the combined results of operations and cash flows of the Predecessor for the period from January 1, 1993 to December 19, 1993, in conformity with generally accepted accounting principles.

As explained in Note 12 to the financial statements, Simon Property Group, L.P. has given retroactive effect to reclassify the limited partners' interest in Simon Property Group, L.P.

ARTHUR ANDERSEN LLP

Indianapolis, Indiana
November 13, 1996

BALANCE SHEETS

SIMON PROPERTY GROUP, L.P. CONSOLIDATED

(DOLLARS IN THOUSANDS)

	DECEMBER 31, 1995	DECEMBER 31, 1994
ASSETS:		
Investment properties, at cost	$2,162,161	$1,900,027
Less -- accumulated depreciation	152,817	70,916
	2,009,344	1,829,111
Cash and cash equivalents	62,721	105,139
Tenant receivables and accrued revenue, net	144,400	146,555
Notes receivable and advances due from Management Company	102,522	75,405
Investment in partnerships and joint ventures, at equity	117,332	39,632
Deferred costs, net	81,398	85,878
Other assets	30,985	27,174
Minority interest	7,734	7,966
Total assets	$2,556,436	$2,316,860
LIABILITIES AND PARTNERS' EQUITY:		
LIABILITIES:		
Mortgages and other notes payable	$1,980,759	$1,938,091
Accounts payable and accrued expenses	113,131	102,750
Accrued distributions	48,594	40,807
Cash distributions and losses in partnerships and joint ventures, at equity	54,120	96,696
Investment in Management Company	20,612	16,875
Other liabilities	19,582	19,948
Total liabilities	2,236,798	2,215,167
COMMITMENTS AND CONTINGENCIES (Note 15)		
LIMITED PARTNERS' EQUITY INTEREST, 37,282,628 and 37,497,150 units outstanding, respectively, at redemption value (Note 12)	908,764	909,306
PARTNERS' EQUITY:		
Preferred units, 4,000,000 authorized, issued and outstanding	99,923	--
General Partner, 58,360,195 and 48,412,445 units outstanding, respectively	135,710	57,307
Adjustment to reflect Limited Partners' equity interest at redemption value (Note 12)	(822,072)	(864,920)
Unamortized restricted stock award	(2,687)	--
Total partners' equity (deficit)	(589,126)	(807,613)
Total liabilities, limited partners' equity interest and partners' equity (deficit)	$2,556,436	$2,316,860

The accompanying notes are an integral part of these statements.

STATEMENTS OF OPERATIONS

SIMON PROPERTY GROUP, L.P. CONSOLIDATED
SIMON PROPERTY GROUP COMBINED

(DOLLARS IN THOUSANDS, EXCEPT PER UNIT AMOUNTS)

	SIMON PROPERTY GROUP, L.P.			SIMON PROPERTY GROUP
	FOR THE YEAR ENDED DECEMBER 31,		FOR THE PERIOD FROM DECEMBER 20, 1993 TO DECEMBER 31, 1993	FOR THE PERIOD FROM JANUARY 1, 1993 TO DECEMBER 19, 1993
	1995	1994		
REVENUE:				
Minimum rent	$307,849	$255,721	$ 9,041	$ 218,492
Overage rent	23,278	25,463	638	19,442
Tenant reimbursements	191,535	162,706	4,800	145,484
Other income	30,995	29,786	3,945	22,451
Total revenue	553,657	473,676	18,424	405,869
EXPENSES:				
Property operating	102,624	91,792	1,781	96,682
Depreciation and amortization	92,739	75,945	2,051	60,243
Real estate taxes	53,766	44,403	1,335	39,333
Repairs and maintenance	27,633	23,430	447	20,722
Advertising and promotion	13,519	12,633	336	9,868
Provision for credit losses	2,939	4,238	--	3,741
Other	9,301	6,937	196	5,455
Total operating expenses	302,521	259,378	6,146	236,044
OPERATING INCOME	251,136	214,298	12,278	169,825
INTEREST EXPENSE	150,224	122,980	3,548	156,909
NON-RECURRING INTEREST EXPENSE	--	27,184	--	--
INCOME BEFORE MINORITY INTEREST	100,912	64,134	8,730	12,916
MINORITY INTEREST	(2,681)	(3,759)	(58)	(3,558)
GAIN ON SALE OF ASSETS, NET	1,871	--	--	--
INCOME BEFORE UNCONSOLIDATED ENTITIES	100,102	60,375	8,672	9,358
INCOME (LOSS) FROM UNCONSOLIDATED ENTITIES	1,403	(67)	35	(2,446)
INCOME BEFORE EXTRAORDINARY ITEMS	101,505	60,308	8,707	6,912
EXTRAORDINARY ITEMS	(3,285)	(17,980)	(30,481)	26,189
NET INCOME (LOSS)	98,220	42,328	(21,774)	33,101
PREFERRED UNIT REQUIREMENT	1,490	--	--	--
NET INCOME (LOSS) AVAILABLE TO UNITHOLDERS	$ 96,730	$ 42,328	$ (21,774)	$ 33,101
NET INCOME (LOSS) AVAILABLE TO UNITHOLDERS ATTRIBUTABLE TO:				
General Partner	$ 57,781	$ 23,377	$ (11,366)	
Limited Partners	38,949	18,951	(10,408)	
	$ 96,730	$ 42,328	$ (21,774)	
EARNINGS PER UNIT:				
Income before extraordinary items	$ 1.08	$ 0.71	$ 0.11	
Extraordinary items	(0.04)	(0.21)	(0.39)	
Net income (loss)	$ 1.04	$ 0.50	$ (0.28)	

The accompanying notes are an integral part of these statements.

STATEMENTS OF CHANGES IN PARTNERS' EQUITY AND OWNERS' DEFICIT

SIMON PROPERTY GROUP, L.P. CONSOLIDATED
SIMON PROPERTY GROUP COMBINED

(DOLLARS IN THOUSANDS)

SIMON PROPERTY GROUP

Owners' deficit, December 31, 1992	$ (565,566)
Contributions	13,913
Distributions	(170,877)
Net income	33,101
Owners' deficit, December 19, 1993	$ (689,429)

	PREFERRED UNITS		GENERAL PARTNER		UNAMORTIZED RESTRICTED		LIMITED PARTNER	
	UNITS	AMOUNTS	UNITS	AMOUNTS	STOCK AWARD	TOTAL	UNITS	AMOUNTS
SIMON PROPERTY GROUP, L.P.								
Balance at inception	--	$ --	--	$ --	$ --	$ --	--	$ --
Limited Partners' contributions	--	--	--	--	--	--	37,497,150	(689,429)
General Partner contributions	--	--	40,950,000	767,756	--	767,756	--	--
Adjustment to allocate net equity of the Operating Partnership	--	--	--	(726,869)	--	(726,869)	--	726,869
Adjustment to reflect limited partners' equity interest at Redemption Value (Note 12)	--	--	--	(821,341)	--	(821,341)	--	821,341
Net loss, inception of operations (December 20, 1993) to December 31, 1993	--	--	--	(11,366)	--	(11,366)	--	(10,408)
Balance at December 31, 1993	--	--	40,950,000	$(791,820)	$ --	$(791,820)	37,497,150	$ 848,373
General Partner contributions	--	--	7,462,445	164,334	--	164,334	--	--
Adjustment to allocate net equity of the Operating Partnership	--	--	--	(69,650)	--	(69,650)	--	69,650
Adjustment to reflect limited partners' equity interest at redemption value (Note 12)	--	--	--	(43,579)	--	(43,579)	--	43,579
Distributions	--	--	--	(90,275)	--	(90,275)	--	(71,247)
Net income	--	--	--	23,377	--	23,377	--	18,951
Balance at December 31, 1994	--	$ --	48,412,445	$(807,613)	$ --	$(807,613)	37,497,150	$ 909,306
Preferred unit contributions, net	4,000,000	99,923	--	--	--	99,923	--	--
General Partner contributions	--	--	9,470,977	216,545	--	216,545	--	--
Limited Partners' contributions	--	--	--	--	--	--	120,000	(16,869)
Acquisition of Limited Partners' interest and other	--	--	333,462	5,036	--	5,036	(334,522)	(301)
Stock incentive program	--	--	143,311	3,608	(3,605)	3	--	--
Amortization of stock incentive program	--	--	--	--	918	918	--	--
Adjustment to allocate net equity of the Operating Partnership	--	--	--	(94,035)	--	(94,035)	--	94,035
Adjustment to reflect limited partners' equity interest at redemption value (Note 12)	--	--	--	42,848	--	42,848	--	(42,848)
Distributions	--	--	--	(110,532)	--	110,532	--	(73,508)
Net income	--	--	--	57,781	--	57,781	--	38,949
Balance at December 31, 1995	4,000,000	$99,923	58,360,195	$(686,362)	$(2,687)	$(589,126)	37,282,628	$ 908,764

The accompanying notes are an integral part of these statements.

STATEMENTS OF CASH FLOWS

SIMON PROPERTY GROUP, L.P. CONSOLIDATED
SIMON PROPERTY GROUP COMBINED

(DOLLARS IN THOUSANDS)

	SIMON PROPERTY GROUP, L.P.			SIMON PROPERTY GROUP
	FOR THE YEAR ENDED DECEMBER 31,		FOR THE PERIOD FROM DECEMBER 20, 1993 TO	FOR THE PERIOD FROM JANUARY 1, 1993 TO
	1995	1994	DECEMBER 31, 1993	DECEMBER 19, 1993
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income (loss)	$ 98,220	$ 42,328	$ (21,774)	$ 33,101
Adjustments to reconcile net income (loss) to net cash provided by operating activities --				
Depreciation and amortization	101,262	83,196	2,139	64,160
(Gain) loss on extinguishments of debt	3,285	17,980	30,481	(26,189)
Gain on sale of assets, net	(1,871)	--	--	(8,885)
Straight-line rent	(1,126)	(4,326)	(159)	(4,721)
Minority interest	2,681	3,759	58	3,558
Equity in income of unconsolidated entities	(1,403)	67	(35)	2,446
Changes in assets and liabilities --				
Tenant receivables and accrued revenue	5,502	(3,908)	(6,323)	6,187
Deferred costs and other assets	(14,290)	1,099	(16,351)	(22,096)
Accounts payable, accrued expenses and other liabilities	2,076	(12,172)	18,993	9,630
Net cash provided by operating activities	194,336	128,023	7,029	57,191
CASH FLOWS FROM INVESTING ACTIVITIES:				
Acquisitions	(32,547)	(227,312)	(225,894)	--
Capital expenditures	(98,220)	(42,765)	--	(46,677)
Cash of consolidated joint ventures	4,346	8,924	--	--
Proceeds from sale of assets	2,550	--	--	12,218
Investments in unconsolidated entities	(77,905)	(1,056)	--	(1,508)
Distributions from unconsolidated entities	6,214	5,842	--	46,119
Investments in and advances to Management Company	(27,117)	(10,405)	(3,500)	--
Net cash provided by (used in) investing activities	(222,679)	(266,772)	(229,394)	10,152
CASH FLOWS FROM FINANCING ACTIVITIES:				
Minority interest contributions	--	--	--	1,937
Minority interest distributions	(3,680)	(2,148)	--	(44,165)
Partnership contributions	242,377	106,773	767,756	12,406
Partnership distributions	(177,726)	(120,711)	--	(137,126)
Mortgage and other note proceeds, net of transaction costs	456,520	405,430	259,000	148,687
Mortgage and other note principal payments	(531,566)	(256,081)	(588,876)	(74,943)
Due (to) from affiliates and other repayments	--	--	(144,298)	22,587
Net cash provided by (used in) financing activities	(14,075)	133,263	293,582	(70,617)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(42,418)	(5,486)	71,217	(3,274)
CASH AND CASH EQUIVALENTS, beginning of period	105,139	110,625	39,408	42,682
CASH AND CASH EQUIVALENTS, end of period	$ 62,721	$ 105,139	$ 110,625	$ 39,408

The accompanying notes are an integral part of these statements.

SIMON PROPERTY GROUP, L.P. AND SIMON PROPERTY GROUP

NOTES TO FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS, EXCEPT PER UNIT/SHARE AMOUNTS)

1. ORGANIZATION

Simon Property Group, L.P. (the "Simon Operating Partnership") was formed as a Delaware limited partnership in 1993 in connection with Simon Property Group, Inc.'s (the "Company") initial public offering (the "IPO"). On December 20, 1993, the Company raised $767,756 in net proceeds through the Company's IPO and debt of $259,000 was issued in a concurrent private financing transaction. The proceeds were contributed to the Simon Operating Partnership in exchange for 40,950,000 units of partnership interest ("Units") representing a 52.2% partnership interest. As the sole general partner of the Simon Operating Partnership, the Company has full, exclusive and complete responsibility and discretion in the management and control of the Simon Operating Partnership. The Simon Operating Partnership was formed prior to consummation of the Company's IPO and is the successor entity to Simon Property Group (the "Predecessor").

Simultaneously with the offering, Melvin Simon and Herbert Simon and certain of their affiliates (collectively, the "Simons"), along with certain third-party investors' interests (collectively, "Simon Property Group"), exchanged, directly or indirectly, fee and partnership interests in certain properties and the management, development and leasing activities related to the properties for limited partnership interests in the Simon Operating Partnership. The Simon Operating Partnership also acquired certain third-party investors' interests in Simon Property Group properties for cash (collectively, the "Business Combination"). Purchase accounting was applied to the acquisition of all third-party investors' interests for which cash consideration was paid. Assets and liabilities related to interests acquired from the Simons and all third-party investors receiving Units were recorded at their predecessor cost.

As used herein, the term Units does not include units of partnership interests entitled to preferential distribution of cash ("Preferred Units") (See Note 3).

The Simon Operating Partnership is engaged primarily in the ownership, operation, management, leasing, acquisition, expansion and development of real estate properties, primarily regional malls and community shopping centers. As of December 31, 1995, the Simon Operating Partnership owns or holds an interest in 122 income-producing properties, which consist of 62 regional malls, 55 community shopping centers, two specialty retail centers and three mixed-use properties (the "Properties"). The Simon Operating Partnership also owns interests in two regional malls and one specialty retail center currently under construction and seven parcels of land held for future development.

The Simon Operating Partnership is subject to risks incident to the ownership and operation of commercial real estate. These 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, changes in tax laws, interest rate levels, the availability of financing, and potential liability under environmental and other laws. Like most retail properties, the Simon Operating Partnership's regional malls and community shopping centers rely heavily upon anchor tenants. As of December 31, 1995, 126 of the approximately 396 anchor stores in the Properties were occupied by JCPenney, Inc., Sears Roebuck & Co. and Dillard Department Stores, Inc. An affiliate of JCPenney, Inc. is a limited partner in the Simon Operating Partnership.

2. BASIS OF PRESENTATION

The accompanying consolidated financial statements of the Simon Operating Partnership include the accounts of all entities owned or controlled by the Simon Operating Partnership. All significant intercompany amounts have been eliminated. These financial statements have been prepared in accordance with generally accepted accounting principles, and accordingly contain certain estimates by management in determining the Simon Operating Partnership's assets, liabilities, revenues and expenses.

SIMON PROPERTY GROUP, L.P. AND SIMON PROPERTY GROUP

NOTES TO FINANCIAL STATEMENTS -- (CONTINUED)

The accompanying financial statements of the Predecessor have been presented on a combined historical cost basis because of the affiliated ownership and common management and because the related Properties were contributed to the Simon Operating Partnership as a part of the Business Combination described above. The Simons have operations which were not contributed to the Simon Operating Partnership and, therefore, the financial statements are not intended to represent the financial position and results of operations of the Simons. In management's opinion, the combined financial statements include the assets, liabilities, revenues and expenses associated with the operations of the Properties transferred to the Simon Operating Partnership. Minority interests were provided in the accompanying combined financial statements for those partners' interests which were not exchanged for Units or which were purchased for cash in connection with the Business Combination.

Properties which are wholly owned ("Wholly Owned Properties") or owned less than 100% and are controlled by the Simon Operating Partnership ("Minority Interest Properties") have been consolidated. Control is demonstrated by the ability of the general partner to manage day-to-day operations, refinance debt and sell the assets of the partnership without the consent of the limited partner and the inability of the limited partner to replace the general partner. Investments in partnerships and joint ventures which represent non-controlling 14.7% to 50.0% ownership interests ("Joint Venture Properties") and the investment in the Management Company (see Note 8) are accounted for using the equity method of accounting. These investments are recorded initially at cost and subsequently adjusted for net equity in income (loss) and cash contributions and distributions.

Effective April 1, 1994, the Simon Operating Partnership demonstrated its ability to control the operating activities of The Forum Shops at Caesars ("Forum"). Subsequent to April 1, 1994, Forum is included in the accompanying financial statements using the consolidated method of accounting. Prior to the demonstration of control, Forum was reflected in the accompanying financial statements using the equity method of accounting.

Effective July 1, 1995, the Simon Operating Partnership relinquished its ability to solely direct certain activities related to the control of North East Mall. As a result, the Property is no longer being consolidated, and is now accounted for using the equity method of accounting.

Net operating results of the Simon Operating Partnership are allocated after the preferred distribution (see Note 3) based on its partners' ownership interests. The Company's weighted average ownership interest in the Simon Operating Partnership during 1995 and 1994 was 60.3% and 55.2%, respectively. At December 31, 1995 and 1994, the Company's ownership interest was 61.0% and 56.4%, respectively.

The following schedule identifies each Property included in the accompanying consolidated financial statements and the method of accounting utilized for each Property as of December 31, 1995:

CONSOLIDATED METHOD:

Regional Malls

Alton Square
Amigoland Mall
Anderson Mall
Barton Creek Square
Battlefield Mall
Broadway Square
Century Consumer Mall
Charles Towne Square
Cielo Vista Mall
College Mall
Crossroads Mall
East Towne Mall
Eastgate Consumer Mall
Eastland Mall
Forest Mall
Forest Village Park Mall
Fremont Mall
Golden Ring Mall
Greenwood Park Mall
Heritage Park Mall
Hutchinson Mall
Independence Center
Ingram Park Mall
Irving Mall
Jefferson Valley Mall
LaPlaza Mall
Lincolnwood Town Center
Longview Mall
Machesney Park Mall
Markland Mall
McCain Mall
Memorial Mall
Midland Park Mall
Miller Hill Mall
Mounds Mall
Muncie Mall
North Towne Square
Northwoods Mall
Orange Park Mall
Prien Lake Mall
St. Charles Towne Center
South Park Mall
Southgate Mall
Southtown Mall
Sunland Park Mall
Tippecanoe Mall
Towne East Square
Towne West Square
University Mall (Arkansas)
University Mall (Florida)
Valle Vista Mall
West Ridge Mall
White Oaks Mall
Wichita Mall
Windsor Park Mall

Community Centers

Arvada Plaza
Aurora Plaza
Bloomingdale Court
Bridgeview Court
Brightwood Plaza
Bristol Plaza
Buffalo Grove Towne Center
Celina Plaza
Cohoes Commons
Cook's Discount Department Store
Countryside Plaza
East Towne Commons
Eastland Plaza
Forest Plaza
Fox River Plaza
Greenwood Plus
Griffith Park Plaza
Hammond Square
Ingram Plaza
Lake Plaza
Lake View Plaza
Lincoln Crossing
Maplewood Square
Markland Plaza
Martinsville Plaza
Marwood Plaza
Matteson Plaza
Memorial Plaza
Mounds Mall Cinema
New Castle Plaza
North Ridge Plaza
North Riverside Park Plaza
Northland Plaza
Northwood Plaza
Park Plaza
Regency Plaza
St. Charles Towne Plaza
Teal Plaza
Tippecanoe Plaza
Wabash Village
West Ridge Plaza
White Oaks Plaza
Wood Plaza

Specialty Retail Centers

The Forum Shops at Caesars
Trolley Square

Mixed-Use Properties

O'Hare International Center
Riverway

SIMON PROPERTY GROUP, L.P. AND SIMON PROPERTY GROUP

NOTES TO FINANCIAL STATEMENTS -- (CONTINUED)

EQUITY METHOD:

Regional Malls	Community Centers	Mixed-Use Property
Circle Centre	Cobblestone Court	The Fashion Centre at Pentagon City
Lakeline Mall	Crystal Court	
North East Mall	Fairfax Court	
Rolling Oaks Mall	Gaitway Plaza	
Ross Park Mall	Ridgewood Court	
Seminole Towne Center	Royal Eagle Plaza	
Smith Haven Mall	The Plaza at Buckland Hills	
	The Yards Plaza	
	Village Park Plaza	
	West Town Corners	
	Westland Park Plaza	
	Willow Knolls Court	

The deficit minority interest balance in the accompanying Consolidated Balance Sheets represents outside partners' interests in the net equity of certain investment properties. Deficit minority interests were recorded when a partnership agreement provided for the settlement of deficit capital accounts before distributing the proceeds from the sale of partnership assets and/or from the intent (legal or otherwise) and ability of the partner to fund additional capital contributions.

3. FORMATION AND SIGNIFICANT OWNERSHIP TRANSACTIONS

On December 20, 1993, the Company completed the Business Combination and the IPO of 37,750,000 shares of its common stock. The net proceeds of the offering ($767,756) and a concurrent borrowing of $259,000 were used to acquire the sole general partner's interest in the Simon Operating Partnership.

Proceeds from the offering and concurrent borrowing were used by the Simon Operating Partnership as follows:

1. To pay $727,905 of mortgage and other indebtedness of the Properties, including $144,298 of loans made by the Simons in lieu of third-party financings.

2. To pay costs related to significant modification of debt terms and prepayment penalties related to the early extinguishment of debt of $40,512. An extraordinary loss of $30,481 was generated during the period from December 20, 1993 to December 31, 1993 relating to the early extinguishment of debt.

3. To purchase certain interest-rate protection agreements totaling $4,687.

4. To acquire certain third-party investors' interest in the Properties for $135,894.

5. To invest $19,500 in the Management Company, of which $16,000 was used to repay debt. The debt repayment is included in item 1 above.

6. To acquire fee and partnership interests in twelve parcels of undeveloped land and two mortgage notes related to two parcels of undeveloped land for $90,000, of which $37,009 was paid to the Simons to repay loans made by the Simons related to the parcels in lieu of third-party financing. Certain parcels of undeveloped land and two mortgage notes were transferred to the Management Company in exchange for a $48,000 note receivable.

7. To pay transfer taxes and other expenses associated with the transfer of the Properties ($5,200) and the purchase of ground leases ($1,116).

8. To acquire certain property equipment for $2,861 and to pay organization costs of $1,785.

9. To establish $13,296 of working capital.

On January 14, 1994, the Company sold an additional 5,662,500 shares of common stock, generating net proceeds of $118,235 as a result of the underwriters' exercising the over-allotment option granted to them in connection with the IPO. The net proceeds were contributed to the Simon Operating Partnership in exchange for 5,662,500 Units and the Company's ownership of the Simon Operating Partnership by 3.2% to 55.4%. The majority of the proceeds were added to operating cash with a portion ($40,900) used to repay debt (including related costs).

On January 31, 1995, the Company filed a shelf registration with the Securities and Exchange Commission covering 15,000,000 shares of common stock of the Company. On April 19, 1995, 6,000,000 of these shares were sold in an underwritten offering. On May 17, 1995, the underwriters closed on a portion (241,854 shares) of the over-allotment option granted them in connection with the above offering. Proceeds from these transactions were contributed to the Simon Operating Partnership in exchange for 6,241,854 Units and subsequently used to repay debt. These transactions increased the Company's ownership of the Simon Operating Partnership 2.8% to 60.5%.

On February 10, 1995, one of the limited partners in the Simon Operating Partnership exchanged 212,114 Units for 212,114 shares of common stock of the Company. The issuance of the additional shares increased the Company's ownership of the Simon Operating Partnership by 0.2% to 56.6%.

On July 31, 1995, the Company filed a shelf registration statement that became effective October 17, 1995 for 4,205,438 shares of common stock of the Company. The shares relate to the shares issuable upon conversion of Units held by existing limited partners of the Simon Operating Partnership (3,005,438 shares) and to the 1,200,000 shares of common stock issued in connection with the Crossroads Mall transaction.

On October 27, 1995, the Company completed a $100,000 private placement of 4,000,000 shares of Series A preferred stock. Dividends on the preferred stock are paid quarterly at the greater of 8.125% per annum or the dividend rate payable under the underlying common stock of the Company. The holders of the preferred stock have the right to convert the preferred stock into common stock after two years at an initial conversion ratio equal to 0.9524. The Company may redeem the preferred stock after five years upon payment of premiums that decline to $25.00 per share over the following seven years. The holders of the preferred stock are entitled to vote on all matters submitted to a vote of holders of common stock of the Company, based on the number of shares of common stock into which the preferred stock can be converted. The Company contributed the proceeds of the private placement to the Simon Operating Partnership in exchange for 4,000,000 Preferred Units. The Simon Operating Partnership will pay preferred distributions to the Company equal to the dividends paid on the preferred stock.

On December 21, 1995, one of the limited partners in the Simon Operating Partnership exchanged 121,348 Units for 121,348 shares of common stock of the Company. The issuance of the additional shares increased the Company's ownership of the Simon Operating Partnership by 0.1% to 61.0%.

4. ACQUISITIONS AND REAL ESTATE INVESTMENT ACTIVITY

MSA Realty Corporation ("MSAR")

On September 1, 1994, the Company issued an additional 1,799,945 shares of common stock in conjunction with the merger of MSAR. Each outstanding share of MSAR common stock as of August 31, 1994 was converted into 0.31 shares of the Company's common stock. The acquisition price, including related transaction costs, was $48,031. The Company's investment in MSAR was contributed to the Simon Operating Partnership for 1,799,945 Units, which increased the Company's ownership of the Simon Operating Partnership by 1.0% to 56.4%. As a result of the acquisition, the Simon Operating Partnership now owns 100% of fourteen centers in which it previously held a 50% interest and substantially all of the ownership interest in one community shopping center in which it held a minority interest. In addition, the Simon Operating Partnership obtained a non-controlling 50% interest in a regional mall. The MSAR transaction was accounted for using the purchase method of accounting. The purchase price in excess of the net assets acquired of $26,507 was allocated to investment properties. The Simon Operating Partnership's interest in the assets and liabilities of these centers prior to this transaction is reflected at predecessor cost. Subsequent to September 1, 1994, each of the Properties involved in this merger was accounted for using the consolidated method of accounting.

Simultaneous with the merger, a debt restructuring with Metropolitan Life Insurance Company related to the fourteen centers was completed resulting in the repayment of approximately $45,000 of loan principal and discharging the mortgages on four of the centers. In addition, the interest rate was reduced from 9.98% to 8.75% on the remaining debt of approximately $145,000. A prepayment penalty of $5,000 was incurred in conjunction with this activity and has been classified as an extraordinary item in the Consolidated Statements of Operations.

Independence Center

On December 1, 1994, the Simon Operating Partnership acquired Independence Center in Independence, Missouri. Included in the purchase are approximately 47 acres of undeveloped land adjacent to the mall. Under the terms of the sale, the Simon Operating Partnership paid $51,413 including transaction costs, funded through the use of the Simon Operating Partnership's credit facilities.

Broadway Square, Orange Park Mall and University Mall

On December 29, 1994, the Simon Operating Partnership acquired Broadway Square in Tyler, Texas; Orange Park Mall in Jacksonville, Florida; and University Mall in Pensacola, Florida. Under the terms of the sale, the Simon Operating Partnership paid $153,874, including transaction costs, funded through the use of the Simon Operating Partnership's credit facilities. Included in the purchase price were approximately 14 acres and 10 acres of undeveloped land adjacent to Orange Park Mall and University Mall, respectively.

White Oaks Mall

At the time of the IPO, the Teacher's Retirement System of the State of Illinois ("TRS") held an option to put its 50% general and limited partnership interests in White Oaks Mall in Springfield, Illinois, to the Simon Operating Partnership. TRS exercised this option on January 23, 1995, and the purchase closed February 23, 1995. The Units which TRS received upon exercise of the options were exchanged for 2,022,247 shares of common stock of the Company. The Simon Operating Partnership now owns 77% of White Oaks Mall. The issuance of the additional shares increased the Company's ownership interest in the Simon Operating Partnership by 1.0% to 57.6%. The White Oaks Mall transaction, valued at $45,000, was accounted for using the purchase method of accounting. The purchase price in excess of the net assets acquired of $10,905 was allocated to investment properties. The Simon Operating Partnership's interest in the assets and liabilities of this Property prior to this transaction is reflected at predecessor cost. Effective February 23, 1995, White Oaks Mall was being accounted for in the accompanying consolidated financial statements using the consolidated method of accounting. It was previously accounted for using the equity method of accounting.

Crossroads Mall

Prior to July 31, 1995, the Simon Operating Partnership held a 50% joint venture interest in Crossroads Mall in Omaha, Nebraska. On July 31, 1995, the Simon Operating Partnership acquired the remaining 50% ownership in the Property from the Simons in exchange for 120,000 Units. The acquisition was reflected at predecessor cost. Concurrent with the acquisition, a debt restructuring was completed which included the issuance of 1,200,000 shares of common stock of the Company to the lender (New York State Teachers'

Retirement System) in exchange for a $30,000 reduction of the outstanding loan balance which included accrued interest. In addition, the effective interest rate on the remaining balance of $41,400 was reduced from 10.5% to 7.75%. As a result of this transaction, the Simon Operating Partnership issued 1,200,000 Units to the Company. As a result of these transactions, the Company's ownership interest in the Simon Operating Partnership increased by 0.4% to 60.9%. The loan matures on July 31, 2002. Effective July 31, 1995, Crossroads Mall was included in the accompanying consolidated financial statements using the consolidated method of accounting. It was previously accounted for using the equity method of accounting.

The Shops at Sunset Place

On August 15, 1995, the Simon Operating Partnership acquired for $11,406, a controlling 75% joint venture interest in The Shops at Sunset Place in South Miami, Florida. The joint venture is formulating plans to redevelop the site into a specialty retail center. The acquisition was financed using borrowings from the Simon Operating Partnership's unsecured revolving credit facility. This site is included in the accompanying consolidated financial statements using the consolidated method of accounting.

East Towne Mall

Prior to September 25, 1995, the Simon Operating Partnership held a 45.0% joint venture interest in East Towne Mall in Knoxville, Tennessee. On September 25, 1995, the Simon Operating Partnership acquired the remaining interest for $18,500 and the assumption of 55% of the $75,000 of existing mortgage debt. In connection with the transaction, the Simon Operating Partnership refinanced the $75,000 mortgage. These transactions were funded through a new loan of $55,000 and $38,500 in borrowings from the Simon Operating Partnership's unsecured revolving credit facility. The transaction was accounted for using the purchase method of accounting. The purchase price in excess of the net assets acquired of $21,982 was allocated to investment properties. Effective September 25, 1995, East Towne Mall was included in the accompanying consolidated financial statements using the consolidated method of accounting. It was previously accounted for using the equity method of accounting.

The Source

On December 22, 1995, a joint venture, in which the Simon Operating Partnership has a non-controlling 50% joint venture interest, acquired a development project located in Westbury (Long Island), New York, for $30,253. This acquisition was financed using borrowings from the Simon Operating Partnership's unsecured revolving credit facility. The joint venture will develop a 730,000-square-foot value-oriented retail center, which commenced construction in February 1996 and is expected to open in the fall of 1997. This joint venture is being accounted for using the equity method of accounting.

Smith Haven Mall

On December 28, 1995, a joint venture in which the Simon Operating Partnership owns a non-controlling 25% interest, purchased Smith Haven Mall, a 1.3 million square-foot regional mall located in Lake Grove (Long Island), New York, for $221,000. The Simon Operating Partnership's share of the purchase price ($55,725) was financed using borrowings from the Simon Operating Partnership's unsecured revolving credit facility. This joint venture is being accounted for using the equity method of accounting.

Mills Developments

On December 29, 1995, the Simon Operating Partnership entered into arrangements with The Mills Corporation to develop value-oriented regional malls in Ontario (Los Angeles), California; Grapevine (Dallas), Texas; and Chandler (Phoenix), Arizona. The Ontario, California project consists of a 1.4 million square-foot regional mall under construction and is expected to open in the fall of 1996. The remaining sites are in the preconstruction stages of development. These projects are being accounted for using the equity method of accounting.

Arborland Mall

Effective September 30, 1995, the Simon Operating Partnership sold its 1% ownership in Arborland Mall to its existing partner. Arborland was accounted for using the equity method of accounting.

Pro Forma

The following unaudited pro forma summary financial information combines the consolidated results of operations of the Simon Operating Partnership as if the IPO and Business Combination (excluding the over-allotment option), the acquisitions of MSAR, Independence Center, Broadway Square, Orange Park Mall, University Mall, White Oaks Mall, Crossroads Mall, East Towne Mall, and Smith Haven Mall, the consolidation of Forum, the deconsolidation of North East Mall, and the add-on offering of common stock had occurred as of January 1, 1995, 1994 and 1993, after giving effect to certain adjustments, including interest and related expenses associated with debt incurred to finance the acquisitions, depreciation expense related to the Properties acquired, general and administrative costs to manage the Properties acquired and the additional contingent interest paid of $27,184 in connection with the refinancing of one of the Properties as described in Note 9. Preparation of the pro forma summary information was based upon assumptions deemed appropriate by the Simon Operating Partnership. The pro forma summary information is not necessarily indicative of the results which actually would have occurred if the transactions discussed above had been consummated at the beginning of the periods presented, nor does it purport to represent the future financial position and results of operations for future periods.

	YEAR ENDED DECEMBER 31,		
	1995	1994	1993
Total Revenue	$ 565,706	$ 555,152	$ 531,657
Net income available to Unitholders	102,648	95,488	68,409
Net Income available to Unitholders attributed to:			
General Partner	62,513	57,789	39,746
Limited Partners	40,135	37,699	28,663
Net income per Unit	$ 1.07	$ 1.00	$ 0.76
Weighted average number of Units outstanding	95,609,354	95,272,018	89,831,696

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investment Properties

Investment operating Properties are recorded at the lower of cost (Predecessor cost for Properties acquired from promoters in connection with the Business Combination) or net realizable value. Net realizable value of investment properties for financial reporting purposes is reviewed for impairment on a Property-by-Property basis whenever events or changes in circumstances indicate that the carrying amount of investment properties may not be recoverable. Impairment of investment properties is recognized when estimated undiscounted operating income is less than the carrying value of the Property. To the extent an impairment has occurred, the excess of carrying value of the Property over its estimated net realizable value will be charged to income. The Simon Operating Partnership will adopt SFAS No. 121 (Accounting for Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of) on January 1, 1996, and believes that the adoption will not have a material impact upon its financial statements. Investment properties include costs of acquisition, development, construction, tenant improvements, interest and real estate taxes incurred during construction, certain capitalized improvements and replacements, and certain allocated overhead.

Depreciation on buildings and improvements is provided utilizing the straight-line method over an estimated original useful life of 10 to 45 years, resulting in an average composite life of approximately 30 years. Depreciation on tenant improvements is provided utilizing the straight-line method over the life of the related lease.

Certain improvements and replacements are capitalized when they extend the useful life, increase capacity, or improve the efficiency of the asset. All other repair and maintenance items are expensed as incurred.

Capitalized Interest

Interest is capitalized on projects during periods of construction. Interest capitalized by the Simon Operating Partnership for the years ended December 31, 1995 and 1994 was $1,515 and $1,586 respectively; for the period from December 20, 1993 to December 31, 1993, capitalized interest was not significant. Interest capitalized by the Predecessor for the period from January 1, 1993 to December 19, 1993 was $86.

Deferred Costs

Deferred costs consist primarily of financing fees incurred to obtain long-term financing, costs of interest-rate protection agreements, and internal and external leasing commissions and related costs. Deferred financing costs, including interest-rate protection agreements, are amortized on a straight-line basis over the terms of the respective loans or agreements. Deferred leasing costs are amortized on a straight-line basis over the terms of the related leases. At December 31, 1995 and 1994, deferred costs consisted of the following:

	DECEMBER 31,	
	1995	1994
Deferred financing costs	$ 68,042	$ 60,568
Leasing costs and other	88,094	88,467
	156,136	149,035
Less-accumulated amortization	74,738	63,157
Deferred costs, net	$ 81,398	$ 85,878

Included in interest expense in the accompanying Consolidated Statements of Operations of the Simon Operating Partnership is amortization of deferred financing costs of $8,523 and $7,251 for the years ended December 31, 1995 and 1994, respectively, and $88 for the period from December 20, 1993 to December 31, 1993. Included in interest expense in the accompanying Combined Statement of Operations of the Predecessor is amortization of deferred financing costs of $3,917 for the period from January 1, 1993 to December 19, 1993.

Revenue Recognition

The Simon Operating Partnership, as a lessor, has retained substantially all of the risks and benefits of ownership of the investment properties and accounts for its leases as operating leases. Minimum rents are accrued on a straight-line basis over the terms of their respective leases. Overage rents are recognized when earned.

Reimbursements from tenants for real estate taxes and other recoverable operating expenses are recognized as revenue in the period the applicable expenditures are incurred.

SIMON PROPERTY GROUP, L.P. AND SIMON PROPERTY GROUP

NOTES TO FINANCIAL STATEMENTS -- (CONTINUED)

Allowance for Credit Losses

A provision for credit losses is recorded based on management's judgment of tenant creditworthiness. The activity in the allowance for credit losses of the Simon Operating Partnership for the years ended December 31, 1995 and 1994, and for the period from December 20, 1993 to December 31, 1993, and for the Predecessor for the period from January 1, 1993 to December 19, 1993 was as follows:

PERIOD ENDED	BALANCE AT BEGINNING OF PERIOD	PROVISION FOR CREDIT LOSSES	ACCOUNTS WRITTEN OFF	BALANCE AT END OF PERIOD
December 31, 1995	$2,943	$2,939	(1,623)	$4,259
December 31, 1994	$ --	$4,238	(1,295)	$2,943
December 20, 1993 to December 31, 1993	$ --	$ --	$ --	$ --
January 1, 1993 to December 19, 1993	$4,318	$3,741	(4,086)	$3,973

Income Taxes

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

Prior to the Business Combination, substantially all of the Properties were owned by partnerships and joint ventures whose partners were required to include their respective share of profits and losses in their individual tax returns. Certain of the Properties were held by corporations which were subject to federal and state income taxes. These corporations were included in the consolidated tax returns filed by Melvin Simon & Associates, Inc. ("MSA") for which no federal income taxes were due. Accordingly, no federal income tax provision (benefit) was reflected in the accompanying Combined Statement of Operations. State income taxes were not significant.

Taxable income of the Simon Operating Partnership for the year ended December 31, 1995 is estimated to be $122,127, and was $44,683 for the year ended December 31, 1994. Reconciling differences between book income and tax income primarily result from timing differences consisting of (i) depreciation expense, (ii) prepaid rental income and (iii) straight-line rent. Furthermore, the Simon Operating Partnership's share of income or loss from the affiliated Management Company is excluded from the tax return of the Simon Operating Partnership.

Per Unit Data

The net income (loss) per Unit is based on the weighted average number of Units outstanding during the period. The weighted average number of Units used in the computation for 1995, 1994 and 1993 was 92,666,469; 84,509,597; and 78,447,150, respectively. Units held by limited partners in the Simon Operating Partnership may be exchanged for shares of common stock of the Company on a one-for-one basis in certain circumstances (see Note 12). The stock options outstanding under the Stock Option Plans (See Note 11) and the Preferred Units have not been considered in the computations of per Unit data, as they did not have a dilutive effect.

SIMON PROPERTY GROUP, L.P. AND SIMON PROPERTY GROUP

NOTES TO FINANCIAL STATEMENTS -- (CONTINUED)

The Simon Operating Partnership declared distributions per Unit of $1.97 and $1.90 in 1995 and 1994, respectively. The following is a summary of distributions per Unit which represent a return of capital measured using generally accepted accounting principles:

	FOR THE YEAR ENDED DECEMBER 31,	
DISTRIBUTIONS PER UNIT	1995	1994
From book net income	$ 1.04	$ 0.50
Representing return of capital	.93	1.40
Total Distributions	$ 1.97	$ 1.90

On a federal income tax basis, 25% of the 1995 distributions and 55% of the 1994 distributions represented return of capital.

Statements of Cash Flows

For purposes of the Statements of Cash Flows, all highly liquid investments purchased with an original maturity of 90 days or less are considered as cash and cash equivalents. Cash equivalents are carried at cost, which approximates market. Cash equivalents consist of commercial paper, bankers acceptances, Eurodollars, repurchase agreements and Dutch auction securities.

Cash paid for interest by the Simon Operating Partnership, net of any amounts capitalized, for the year ended December 31, 1995 was $142,345. Cash paid for interest by the Simon Operating Partnership, net of any amounts capitalized, for the year ended December 31, 1994 was $140,106, including a $27,184 non-recurring interest charge; and for the period from December 20, 1993 to December 31, 1993, was $3,316. Cash paid for interest by the Predecessor, net of any amounts capitalized, for the period from January 1, 1993 to December 19, 1993 was $157,387.

Net working capital generated by the Properties as of December 19, 1993 was retained by the investors in the Properties at that time. The unpaid amount of working capital was $4,072 as of December 31, 1994, and is included in accounts payable in the accompanying Consolidated Balance Sheet. At December 31, 1995, all working capital amounts had been repaid.

Non-Cash Transactions

The following is a summary of significant non-cash transactions.

As described in Note 2, effective April 1, 1994, the Simon Operating Partnership reflected Forum using the consolidated method of accounting.

As described in Note 4, on September 1, 1994, the Simon Operating Partnership issued 1,799,945 Units in conjunction with the merger of MSAR. On February 23, 1995, the Simon Operating Partnership issued 2,022,247 Units in connection with the acquisition of an additional joint venture interest in White Oaks Mall. On July 31, 1995, the Simon Operating Partnership issued 120,000 Units in exchange for the Simons' 50% interest in Crossroads Mall. The Simon Operating Partnership issued 1,200,000 Units of common stock in connection with the reduction of the outstanding loan and accrued interest at Crossroads Mall.

Accrued and unpaid distributions as of December 31, 1995 and 1994 were $47,104 and $40,807, respectively. Accrued and unpaid distributions on Preferred Units as of December 31, 1995 were $1,490. There were no Preferred Units in 1994 and, therefore, no Preferred Unit distributions were declared or outstanding in 1994.

Reclassifications

Certain reclassifications have been made to the prior-year financial statements to conform to the current-year presentation. These reclassifications have no impact on net operating results previously reported.

6. INVESTMENT PROPERTIES

Investment properties consist of the following:

	DECEMBER 31,	
	1995	1994
Land	$ 283,722	$ 267,213
Buildings and improvements	1,860,203	1,619,909
Total land, buildings and improvements	2,143,925	1,887,122
Furniture, fixtures and equipment	18,236	12,905
Investment properties at cost	2,162,161	1,900,027
Less -- accumulated depreciation	152,817	70,916
Investment properties at cost, net	$2,009,344	$1,829,111

Building and improvements include $40,676 and $8,377 of construction in process at December 31, 1995 and 1994, respectively.

7. INVESTMENT IN PARTNERSHIPS AND JOINT VENTURES

Summary financial information of partnerships and joint ventures accounted for using the equity method, and a summary of the Simon Operating Partnership's or Simon Property Group's investment in and share of income (loss) from such partnerships and joint ventures follows. See Notes 2 and 4 for a discussion of certain acquisition and real estate investing activities which impact the financial information of the Joint Venture Properties. This information also reflects the openings of Circle Centre, Seminole Towne Center and Lakeline Mall during 1995.

SIMON PROPERTY GROUP, L.P. AND SIMON PROPERTY GROUP

NOTES TO FINANCIAL STATEMENTS -- (CONTINUED)

BALANCE SHEETS	DECEMBER 31, 1995	DECEMBER 31, 1994
ASSETS:		
Investment properties at cost, net	$1,156,066	$ 741,900
Cash and cash equivalents	52,624	65,547
Tenant receivables	35,306	39,332
Other assets	32,626	13,161
Total assets	$1,276,622	$ 859,940
LIABILITIES AND PARTNERS' EQUITY:		
Mortgages and other notes payable	$ 410,652	$ 366,926
Accounts payable, accrued expenses and other liabilities	127,322	76,663
Total liabilities	537,974	443,589
Partners' equity	738,648	416,351
Total liabilities and partners' equity	$1,276,622	$ 859,940
SIMON OPERATING PARTNERSHIP'S SHARE OF:		
Total assets	$ 290,802	$ 152,797
Partners' equity (deficit)	$ 63,212	$ (57,064)

STATEMENTS OF OPERATIONS	FOR THE YEAR ENDED DECEMBER 31, 1995	FOR THE YEAR ENDED DECEMBER 31, 1994	FOR THE PERIOD FROM DECEMBER 20, 1993 TO DECEMBER 31, 1993	FOR THE PERIOD FROM JANUARY 1, 1993 TO DECEMBER 19, 1993
REVENUE:				
Minimum rent	$ 83,905	$92,380	$3,584	$ 96,518
Overage rent	2,754	3,655	197	5,804
Tenant reimbursements	39,500	45,440	1,905	50,378
Other income	13,980	10,131	87	6,433
Total revenue	140,139	151,606	5,773	159,133
OPERATING EXPENSES:				
Operating expenses and other	46,466	55,949	2,218	60,407
Depreciation and amortization	26,409	26,409	985	28,918
Total operating expenses	72,875	82,358	3,203	89,325
OPERATING INCOME	67,264	69,248	2,570	69,808
INTEREST EXPENSE	28,685	38,124	1,446	44,280
EXTRAORDINARY ITEMS	(2,687)	--	--	--
NET INCOME	35,892	31,124	1,124	25,528
THIRD-PARTY INVESTORS' SHARE OF NET INCOME	30,752	30,090	1,081	26,619
SIMON OPERATING PARTNERSHIP'S OR SIMON PROPERTY GROUP'S SHARE OF NET INCOME (LOSS)	$ 5,140	$ 1,034	$ 43	$ (1,091)

The net income or net loss for each partnership and joint venture is allocated in accordance with the provisions of the applicable partnership or joint venture agreement. The allocation provisions in these agreements are not always consistent with the ownership interest held by each general or limited partner or joint venturer, primarily due to partner preferences.

8. INVESTMENT IN MANAGEMENT COMPANY

M.S. Management Associates (Indiana), Inc., ("M.S. Management"), a wholly owned subsidiary of MSA, an affiliate of the Simons, provided management, development and leasing services to the Predecessor and other properties. In connection with the Business Combination, MSA, indirectly, exchanged the management, development and leasing contracts related to the Simon Operating Partnership's Wholly Owned Properties and certain assets for Class B common stock of the Company. The management, development and leasing activities related to the non-wholly owned and other third-party properties are now conducted by M.S. Management Associates, Inc., a Delaware corporation, (the "Management Company"), which, through a series of transactions in connection with the Business Combination, became the parent company of M.S. Management.

The Simon Operating Partnership's initial investment in the Management Company was evidenced by $2,000 in common stock (representing 80% of the outstanding common stock of the Management Company including 5% of the outstanding voting common stock), $17,500 of participating 8% preferred stock and a $22,000 note receivable. The remaining 20% of the outstanding common stock of the Management Company (representing 95% of the voting common stock) is owned directly by the Simons. The Simon Operating Partnership also sold to the Management Company four parcels of undeveloped land and two mortgage notes related to two parcels of undeveloped land in exchange for a note receivable in the amount of $48,000. The Simon Operating Partnership was granted options, at no cost, by the Management Company to reacquire the four parcels of undeveloped land at a price equal to the actual cost incurred by the Management Company to acquire and carry such parcels to the exercise date of the respective option. The option agreements expire in December 2003 and carry rights of first refusal. The net assets of M.S. Management acquired in the Business Combination are recorded at predecessor cost, which resulted in a carryover-basis adjustment to equity of $35,219. Because the Simon Operating Partnership exercises significant influence over the financial and operating policies of the Management Company, it is reflected in the accompanying statements using the equity method of accounting.

During 1994, the Simon Operating Partnership advanced the Management Company $10,405, which bears interest at 11%. The Management Company repaid $5,000 by transferring a financial instrument to the Simon Operating Partnership. During 1995, the Simon Operating Partnership advanced a net of $27,500 to the Management Company which bears interest at 11%. The proceeds were used to acquire a $27,500 mortgage note due from The Source, in which the Simon Operating Partnership has a noncontrolling 50% interest. The mortgage bears interest at 11% and will be repaid by the partnership's construction financing scheduled to close in the first quarter of 1996. The Management Company also liquidated in 1995 its interest in a certain partnership investment which held a 9.8-acre parcel of land in Rosemont, Illinois. The sale of that parcel resulted in a loss of $958 to the Management Company. Further, an undeveloped two-acre parcel of land in Washington, D.C., for which the Management Company held a mortgage, was sold in December 1995. The Management Company recorded a loss in connection with this transaction of $3,949.

At December 31, 1995 and 1994, total notes receivable and advances due from the Management Company were $102,522 and $75,405, respectively. Unpaid interest income receivable from the Management Company at December 31, 1995 and 1994 was $84 and $2,826, respectively. Unpaid preferred dividends receivable from the Management Company at December 31, 1995 and 1994 were $0 and $350, respectively. These interest and preferred dividend receivables are reflected in tenant receivables and accrued revenue in the accompanying Consolidated Balance Sheets.

SIMON PROPERTY GROUP, L.P. AND SIMON PROPERTY GROUP

NOTES TO FINANCIAL STATEMENTS -- (CONTINUED)

Summarized financial information of the Management Company accounted for using the equity method, and a summary of the Simon Operating Partnership's investment in and share of income (loss) from the Management Company follows:

BALANCE SHEETS	DECEMBER 31, 1995	DECEMBER 31, 1994
ASSETS:		
Current assets	$ 40,964	$ 16,841
Undeveloped land and mortgage notes	45,769	43,000
Other assets	13,813	12,577
Total assets	$100,546	$ 72,418
LIABILITIES AND SHAREHOLDERS' DEFICIT:		
Current liabilities	$ 18,435	$ 13,103
Notes payable and advances due to the Simon Operating Partnership at 11%, due 2008	102,522	75,405
Total liabilities	120,957	88,508
Shareholders' deficit	(20,411)	(16,090)
Total liabilities and shareholders' deficit	$100,546	$ 72,418
THE SIMON OPERATING PARTNERSHIP'S SHARE OF:		
Total assets	$ 80,437	$ 57,934
Shareholders' deficit	$(20,612)	$(16,875)

STATEMENTS OF OPERATIONS	FOR THE YEAR ENDED DECEMBER 31, 1995	FOR THE YEAR ENDED DECEMBER 31, 1994	FOR THE PERIOD FROM DECEMBER 20, 1993 TO DECEMBER 31, 1993	FOR THE PERIOD FROM JANUARY 1, 1993 TO DECEMBER 19, 1993
REVENUE:				
Management fees	$20,106	$18,587	$ 707	$ 31,747
Development and leasing fees	15,451	9,683	763	6,874
Cost-sharing income and other	7,561	10,077	214	2,691
Total revenue	43,118	38,347	1,684	41,312
EXPENSES:				
Operating expenses	31,163	27,944	1,388	40,944
Depreciation	2,275	1,406	51	1,723
Interest	7,694	8,623	253	--
Total expenses	41,132	37,973	1,692	42,667
OPERATING INCOME (LOSS)	1,986	374	(8)	(1,355)
LOSS ON DISPOSITION OF ASSETS	(4,907)	--	--	--
NET INCOME (LOSS)	(2,921)	374	(8)	(1,355)
PREFERRED DIVIDENDS	1,400	1,400	--	--
NET LOSS AVAILABLE FOR COMMON SHAREHOLDERS	$(4,321)	$(1,026)	$ (8)	$ (1,355)
SIMON OPERATING PARTNERSHIP'S SHARE OF NET LOSS	$(3,737)	$(1,101)	$ (8)	

SIMON PROPERTY GROUP, L.P. AND SIMON PROPERTY GROUP

NOTES TO FINANCIAL STATEMENTS -- (CONTINUED)

The Simon Operating Partnership manages all Wholly Owned Properties, and, accordingly, it reimburses the Administrative Services Partnership ("ASP") for costs incurred, including management, leasing, development, accounting, legal, marketing, and management information systems. Substantially all employees (other than direct field personnel) are employed by ASP which is owned 1% by the Simon Operating Partnership and 99% by the Management Company. The Management Company's Statements of Operations report costs net of amounts reimbursed by the Simon Operating Partnership. The Simon Operating Partnership's share of allocated common costs was $21,874 and $15,619 for 1995 and 1994, respectively.

Common costs are allocated based on payroll and related costs. In management's opinion, allocations under the cost-sharing arrangement are reasonable. The Simon Operating Partnership's share of common costs and management fees for the twelve days ended December 31, 1993 were not significant. Allocated property operating expenses related to management, development, leasing, financing and advisory services totaled $16,379 for the period from January 1, 1993 to December 19, 1993.

The Management Company provides management, leasing, development, accounting, legal, marketing and management information systems services to MSA, Minority Interest Properties, Joint Venture Properties and non-owned managed properties. Management, development and leasing fees charged to the Simon Operating Partnership relating to the Minority Interest Properties were $5,353 and $2,352 for the years ended December 31, 1995 and 1994, respectively. Fees for services provided by the Management Company to MSA were $4,572 and $7,239 for the years ended December 31, 1995 and 1994, respectively, and are included in cost-sharing income and other in the Management Company's Statements of Operations.

Amounts payable by the Simon Operating Partnership under the cost-sharing arrangement and management contracts were $1,175 and $2,499 at December 31, 1995 and 1994, respectively, and are reflected in accounts payable and accrued expenses in the accompanying Consolidated Balance Sheets.

9. INDEBTEDNESS

Mortgages and other notes payable consists of the following:

	DECEMBER 31, 1995	DECEMBER 31, 1994
Unsecured revolving credit facility, with variable interest rate of 7.18% at December 31, 1995, due August 7, 1998	$ 196,000	$ --
Term loan, unsecured, with variable interest rate, due September 21, 1996	--	75,000
$100,000 Revolving loan, secured by Properties, with variable interest rate, due March 15, 1997	--	87,899
$150,000 Revolving loan, unsecured, with variable interest rate, due November 30, 1997	--	124,139
Mortgages and other notes payable with fixed interest rates ranging from 5.81% to 10.00% (weighted average rate of 7.81%) at December 31, 1995, due at various dates through 2026	1,232,360	1,189,900
Mortgages and other notes payable with variable interest rates ranging from 4.67% to 7.19% (weighted average rate of 6.55%) at December 31, 1995, due at various dates through 2000	530,000	461,153
Construction loan with variable interest rate of 7.79% at December 31, 1995 due on February 1, 1999	22,399	--
	$1,980,759	$1,938,091

Credit Facilities

On August 7, 1995, the Simon Operating Partnership closed on a new $400,000 unsecured revolving credit facility which replaced the Simon Operating Partnership's secured and unsecured lines of credit. The new facility currently bears interest at London Interbank Offering Rate ("LIBOR") plus 132.5 basis points, an improvement of 67.5 basis points over the previous unsecured facility, and an improvement of 17.5 basis points over the previous secured facility. Further, the new facility removes the first mortgages and negative pledges on certain of the Simon Operating Partnership's Properties and provides for different pricing based upon the Simon Operating Partnership's investment grade rating. This facility contains financial covenants relating to debt-to-market capitalization, minimum earnings before interest, taxes, depreciation and amortization ("EBITDA") ratios and a minimum equity value. Significant borrowings on the line include an initial draw of $144,000 used to pay off the existing revolving credit facilities and purchase a controlling 75% interest in The Shops at Sunset Place, a draw of $38,500 for the acquisition of the remaining ownership interest of East Towne Mall, a draw of $87,000 of which approximately $55,700 was used to acquire a 25% interest in the joint venture which purchased Smith Haven Mall, with the remainder used to acquire a 50% partnership interest in a parcel of land to be used to develop a regional mall in Westbury (Long Island), New York. A significant pay-down occurred on October 27, 1995, when the Company completed a $100,000 private placement of 4,000,000 shares of convertible preferred stock. In exchange for Preferred Units, the net proceeds were contributed by the Company to the Simon Operating Partnership and $99,000 was used to pay down the balance on the unsecured revolving credit facility. The facility is subject to renewal in August 1998. As of December 31, 1995, $196,000 was outstanding on the line, with $204,000 available.

The term loan which carried interest at LIBOR plus 175 basis points (7.75% at December 31, 1994) was paid off, resulting in an extraordinary loss of $248. This payoff was accomplished with proceeds from the Company's 6,000,000 share add-on offering.

The secured revolving loan which carried interest at LIBOR plus 150 basis points (7.625% at December 31, 1994) was paid off, resulting in an extraordinary loss of $733. This payoff was accomplished with proceeds from the new unsecured revolving credit facility.

The unsecured revolving loan which carried interest at LIBOR plus 200 basis points (8.217% at December 31, 1994) was paid off, resulting in an extraordinary loss of $1,332. This payoff was accomplished with the remaining proceeds of the 6,000,000 share add-on offering, the related underwriter's over-allotment option of 241,845 shares, and the use of the new unsecured revolving credit facility.

Fixed and Variable Mortgages

Fixed-rate and variable-rate mortgages as of December 31, 1995 were $1,762,360. The following is a summary of significant mortgage debt activity. On December 1, 1994, the Simon Operating Partnership refinanced two mortgages totaling $49,816. These loans would have matured May 28, 2020, and carried interest at 11.0% and 13.5%. Under the terms of the debt agreements, the lender was entitled to additional contingent interest to be determined by 50% of the appreciated value of the Property, which totaled $27,184 as of the refinancing date. The prepayment totaling $77,000 was accomplished using a $50,000 bridge loan and $27,000 in cash. The bridge loan carried interest at a variable rate and had a maturity date of December 1, 1995. The $27,184 contingent interest payment relating to this transaction is considered unusual because none of the debt agreements relating to the other Properties have similar equity participation features. Therefore, the additional contingent interest paid has been reflected as a separate line in the Consolidated Statements of Operations. On February 6, 1995, a $50,000 secured financing was obtained and the bridge loan was repaid. This financing, secured by one of the Properties, bears interest at a variable rate and matures January 12, 2000. An interest rate cap was purchased which caps LIBOR at 8.70% and expires January 12, 2000. The cost of the interest-rate protection agreement of $1,050 will be amortized over the life of the agreement. Refinancing and other activities related to East Towne Mall, Crossroads Mall and White Oaks Mall which impact mortgage debt are described in Notes 2 and 4.

Many of the investment properties are pledged as collateral to secure the related mortgage notes. The mortgage notes are non-recourse but have a partial guarantee by the Simons and other limited partners of approximately $426,777. The mortgages and other notes payable are generally due in monthly installments of principal and interest or interest only and mature at various dates through January 1, 2026.

Certain of the mortgage indebtedness contain cross-default and cross-collateralization features pertaining to certain groups of Properties. Under the cross-default provisions, a default under any mortgage included in the cross-defaulted package constitutes a default under all such mortgages and can lead to acceleration of the indebtedness due on each Property within the collateral package. Pursuant to the cross-collateralization feature, the excess of the value of a Property over the mortgage indebtedness specific to that Property serves as additional collateral for indebtedness against each other Property within that particular financing package.

With respect to certain loans, the lender participates in a percentage of gross revenues above a specified base or after deduction of debt service and various expenses. Contingent interest incurred under these arrangements was $1,929 and $1,527 for the years ended December 31, 1995 and 1994, respectively, $94 for the period from December 20, 1993 to December 31, 1993, and $2,800 for the period from January 1, 1993 to December 19, 1993.

Construction Loan

On February 22, 1995, the Simon Operating Partnership closed a $60,000 construction loan for Cottonwood Mall in Albuquerque, New Mexico. This loan bears interest at the lower of the prime rate plus 25 basis points or LIBOR plus 200 basis points and matures February 1, 1999. The loan contains an option provision to extend the maturity one year. As of December 31, 1995, $22,399 was outstanding.

Debt Maturity and Other

As of December 31, 1995, scheduled principal repayments on indebtedness were as follows:

1996	$ 159,982
1997	119,023
1998	431,984
1999	250,013
2000	240,225
Thereafter	779,532
	$1,980,759

Certain mortgages and notes payable may be prepaid but are generally subject to payment of a yield maintenance premium.

The unconsolidated partnerships and joint ventures have $410,652 of mortgage and other notes payable at December 31, 1995. The Simon Operating Partnership's share of this debt was $167,644 at December 31, 1995. This debt becomes due in installments over various terms extending to January 1, 2017, with interest rates ranging from 6.13% to 10.07% (weighted average rate of 7.40% at December 31, 1995). The debt matures $5,219 in 1996, $241 in 1997, $60,267 in 1998, $98,786 in 1999, $21,758 in 2000 and $224,381 thereafter.

Net extraordinary gains (losses) of $(3,285) and $(17,980) for the years ended December 31, 1995 and 1994, respectively, and $(30,481) for the period from December 20, 1993 to December 31, 1993, and $26,189 for the period from January 1, 1993 to December 19, 1993 were incurred, resulting from the early extinguishment or refinancing of debt.

Interest-rate Protection Agreements

The Simon Operating Partnership has entered into certain interest-rate protection agreements, in the form of "cap" or "swap" arrangements, with respect to the majority of its variable-rate mortgage and other notes payable. Cap arrangements, which effectively limit the amount by which variable interest rates may rise, have been entered into for $395,879 principal amount of debt. Swap arrangements, which effectively fix the Simon Operating Partnership's interest rate on the respective borrowings, have been entered into for $155,688 principal amount of debt. Costs of the caps ($8,499) are amortized over the life of the agreements. The unamortized balance of the cap arrangements was $5,916 as of December 31, 1995. Each cap and swap arrangement, with the exception of two, has a maturity which coincides with the related debt maturity. The Simon Operating Partnership's hedging activity as a result of interest swaps and caps resulted in interest savings of $3,528 and $863 for the years ended December 31, 1995 and 1994, respectively. This did not materially impact the Simon Operating Partnership's weighted average borrowing rate. Following is a summary of the cap and swap arrangements outstanding as of December 31, 1995:

INTEREST-RATE PROTECTION AGREEMENT	NOTIONAL AMOUNT	INTEREST RATE	CAP/SWAP MATURITY
Caps:	$100,000	(1)	March 13, 1997
	95,676	LIBOR up to 5.00%	December 31, 1998(2)
	35,774	LIBOR up to 5.00%	December 31, 1998(2)
	89,000	(3)	December 23, 1996
	25,429	LIBOR up to 5.00%	December 31, 1998
	50,000	LIBOR up to 8.70%	January 12, 2000
Total Caps	395,879		
Swaps:	30,000	LIBOR up to 5.15%	February 28, 1997
	63,450	LIBOR up to 4.81%	December 27, 1996
	62,238	LIBOR up to 5.12%	January 3, 1997 (4)
Total Swaps	155,688		
Total Caps and Swaps	$551,567		

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(1) LIBOR is initially capped at 7.5% through maturity; however, if LIBOR should equal or exceed 8.75% between monthly reset dates, then LIBOR will be capped at 8.5% for that period only.

(2) The principal amounts of the two-tranche debt facility being capped are $85,571 and $45,879.

(3) LIBOR cap rate may fluctuate, initially capped at 7.00% through December 23, 1996. If LIBOR increases more than 60 basis points between monthly reset dates, the cap will be increased by 0.25% but shall not exceed 8.25%. Payment for any reference period is limited to 9.00% less the then-applicable cap. The principal amount of the debt is $89,701.

(4) The counterparty has the option to extend the swap up to the debt maturity of December 31, 1997. The principal amount of the debt is $77,200.

$500,000 Shelf Registration

On December 15, 1995, a shelf registration for $500,000 of non-convertible investment grade debt securities of the Simon Operating Partnership became effective. The securities may be offered from time to time as needed, at prices and terms to be stated at the time of such offerings.

10. RENTALS UNDER OPERATING LEASES

The Simon Operating Partnership receives rental income from the leasing of retail and mixed-use space under operating leases. Future minimum rentals to be received under non-cancelable 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, 1995, are as follows:

1996	$ 286,460
1997	266,589
1998	249,073
1999	222,135
2000	191,628
Thereafter	698,559
	$1,914,444

Approximately 2.8% of future minimum rents to be received are attributable to leases with JCPenney, Inc., an affiliate of a limited partner in the Simon Operating Partnership.

11. STOCK OPTION PLANS

The Company and the Simon Operating Partnership adopted an Employee Stock Plan (the "Employee Plan"). The Company also adopted a Director Stock Option Plan (the "Director Plan" and, together with the Employee Plan, the "Stock Option Plans") for the purpose of attracting and retaining eligible officers, directors and employees. The Company has reserved for issuance 4,595,000 shares of common stock under the Employee Plan and 100,000 shares of common stock under the Director Plan. If stock options granted in connection with the Stock Option Plans are exercised at any time or from time to time, the partnership agreement requires the Company to sell to the Simon Operating Partnership, at fair market value, shares of the Company's common stock sufficient to satisfy the exercised stock options. The Company also is obligated to purchase Units for cash in an amount equal to the fair market value of such shares.

Employee Plan

The Employee Plan is currently administered by the Company's Compensation Committee (the "Committee"). During the ten-year period following the adoption of the Employee Plan, the Committee may, subject to the terms of the Employee Plan and in certain instances subject to board approval, grant to key employees (including officers and directors who are employees) of the Simon Operating Partnership or its "affiliates" (as defined in the Employee Plan) the following types of awards: stock options (including options with a reload feature), stock appreciation rights, performance units and shares of restricted or unrestricted common stock. Awards granted under the Employee Plan become exercisable over the period determined by the Committee. The exercise price of an option may not be less than the fair market value of the shares of the common stock on the date of grant. The options vest 40% on the first anniversary of the date of grant, an additional 30% on the second anniversary of the grant date and become fully vested three years after the grant date. The options expire ten years from the date of grant.

Director Plan

Directors of the Company who are not also employees of the Company or its "affiliates" (as defined in the Director Plan) participate in the Director Plan. Under the Director Plan, each eligible director is automatically granted options ("Director Options") to purchase 5,000 shares of common stock upon the director's initial election to the Board of Directors and 3,000 shares of common stock upon each reelection of the director to the Board of Directors. The exercise price of the options is equal to 100% of the fair market value of the Company's common stock on the date of grant. Director Options become exercisable on the first anniversary of the date of grant or at such earlier time as a "change in control" of the Company occurs and will remain exercisable through the tenth anniversary of the date of grant (the "Expiration Date"). Prior to their Expiration Dates, Director Options will terminate 30 days after the optionee ceases to be a member of the Board of Directors.

Information relating to the Stock Option Plans from inception through December 31, 1995 is as follows:

	DIRECTOR PLAN		EMPLOYEE PLAN	
	OPTIONS	OPTION PRICE PER SHARE	OPTIONS	OPTION PRICE PER SHARE
SHARES UNDER OPTION AT DECEMBER 20, 1993	--	$ --	--	$ --
Granted	25,000	22.25	735,000	22.25
SHARES UNDER OPTION AT JANUARY 1, 1994	25,000	22.25	735,000	22.25
Granted	15,000	27.00	1,363,272	23.44 - 25.25
Exercised	--	--	--	--
Forfeited	--	--	(28,125)	23.44
SHARES UNDER OPTION AT DECEMBER 31, 1994	40,000	22.25 - 27.00	2,070,147	22.25 - 25.25
Granted	15,000	24.94	--	--
Exercised	--	--	(6,876)	23.44
Forfeited	--	--	(49,137)	23.44 - 25.25
SHARES UNDER OPTION AT DECEMBER 31, 1995	55,000	$22.25 - 27.00	2,014,134	$22.25 - 25.25
Options exercisable at December 31, 1995	40,000	$22.25 - 27.00	1,027,464	$22.25 - 25.25
SHARES AVAILABLE FOR GRANT AT DECEMBER 31, 1995	45,000		1,580,866	

Stock Incentive Program

In October 1994, under the Employee Plan of the Company and the Simon Operating Partnership, the Company's Compensation Committee approved a five-year Stock Incentive Program, under which restricted stock award shares have been granted to certain employees at no cost. The outstanding restricted stock award shares vest in four installments of 25% each on January 1 of each year following the year in which the restricted shares are awarded. The cost of restricted stock awards, based on the stock's fair market value at the determination dates, is charged to shareholders' equity and subsequently amortized against earnings of the Simon Operating Partnership over the vesting period.

On March 22, 1995, an aggregate of 1,000,000 shares of restricted stock was awarded to 50 executives, subject to the performance standards and other terms of the Stock Incentive Program, described above. During 1995, 144,196 shares of common stock were granted under the Stock Incentive Program and subsequently, 885 of these shares were forfeited, leaving 143,311 shares of common stock outstanding under restricted stock awards at December 31, 1995. Forfeited shares under the Stock Incentive Program are available for reissuance under the Employee Plan. Approximately $918 was amortized in 1995 relating to this program.

12. PARTNERSHIP AGREEMENT AND EXCHANGE RIGHTS

In December 1995, Unitholders approved the amendment and restatement of the Simon Operating Partnership's partnership agreement to allow for the issuance of Preferred Units, and certain other changes to the agreement.

Pursuant to the Simon Operating Partnership Agreement, limited partners in the Simon Operating Partnership have the right at any time after December 1994 to exchange all or any portion of their Units for shares of common stock of the Company on a one-for-one basis or cash, as selected by the Company's Board of Directors. If the Company selects to use cash, the Company can cause the Simon Operating Partnership to redeem the units. 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 the Company's common stock at that time. The Company has reserved 37,282,628 shares of common stock for possible issuance upon the exchange of Units.

Such limited partners' exchange rights are not to be included in partners' equity. Accordingly, the accompanying consolidated balance sheets have been retroactively reclassified to reflect the limited partners' interest in the Simon Operating Partnership, measured at redemption value. This reclassification results in a reduction of partners' equity of $822,072 and $864,920 as of December 31, 1995 and 1994, respectively.

In connection with the merger of the Company and DeBartolo which was completed August 9, 1996, the Simon Operating Partnership agreement was amended eliminating the exchange right provision. However, the limited partners' in the Simon Operating Partnership exchanged their interest for limited partnership units of Simon DeBartolo Group L.P.(SDG LP). SDG LP became the primary operating partnership of the Company following the merger. Further SDG LP extended exchange rights to its limited partners' similar to the rights previously held by the limited partners of the Simon Operating Partnership. On November 13, 1996, an agreement was reached between the Company and SDG, LP which restricts the Company's ability to cause SDG, LP to redeem for cash the limited partners' units without contributing cash to SDG, LP as partners' equity sufficient to effect the redemption. If sufficient cash is not contributed, the Company will be deemed to have elected to acquire the limited partners' units for shares of the Company's common stock. Accordingly, prospectively the limited partners' interest in the Simon Operating Partnership and SDG, LP will be reflected in the partnerships consolidated balance sheets as partners' equity at historical carrying value. Previous transfers of limited partners' equity interest will be reversed. This reversal occurred in the separate financial statements of the Simon Operating Partnership, effective August 9, 1996.

13. EMPLOYEE BENEFIT PLAN

401(k) Plan

The Simon Operating Partnership and affiliated entities maintain a tax-qualified retirement savings plan for eligible employees which contains a cash or deferred arrangement permitting participants to defer up to a maximum of 12% of their compensation, subject to certain limitations. Participants' salary deferrals will be matched at specified percentages and annual contributions of 3% of eligible employees' compensation will be made. The Simon Operating Partnership contributed $1,716, $1,628 and $39 to the plan in 1995, 1994 and for the period from December 20, 1993 to December 31, 1993, respectively.

Except for the 401(k) plan, Simon Operating Partnership offers no other postretirement or postemployment benefits to its employees.

MSA had two defined contribution plans (the "Plans") for the benefit of eligible employees. Both Plans covered the Properties' employees as well as other employees of MSA. MSA made a required contribution to the Retirement Plan and a discretionary contribution to the Matching Savings Plan pursuant to the terms of both Plans. Under the Matching Savings Plan, employees could elect to defer a portion of their salary, for which MSA made a matching contribution. MSA could also make additional discretionary contributions. The

Predecessor's share of amounts contributed by MSA to the Plans totaled approximately $1,587 for the period from January 1, 1993 to December 19, 1993.

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

Statement of Financial Accounting Standards No. 107 requires disclosure about fair value for all financial instruments. The carrying values of cash and cash equivalents, accounts and notes receivable, accounts payable and accrued expenses are reasonable estimates of their fair values because of the short maturity of these financial instruments. The carrying value of variable-rate mortgages and other loans and interest-rate protection agreements represents their fair values. The fair value of fixed-rate mortgages and other notes payable approximates their carrying value at December 31, 1994. The fair value and carrying value of fixed-rate mortgages and other notes payable at December 31, 1995 was approximately $1,375,000 and $1,232,000, respectively. At December 31, 1995 and 1994, the estimated discount rates were 7.00% and 7.63%, respectively. The fair value of the interest-rate protection arrangements at December 31, 1995 was $3,900.

15. COMMITMENTS AND CONTINGENCIES

Litigation

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

Financing Commitments

On February 13, 1996, the Simon Operating Partnership acquired a 50% joint venture interest in The Tower Shops at Stratosphere, a 122,000-square-foot entertainment and retail development project currently under development in Las Vegas, Nevada. The entity has a 15% equity commitment of approximately $6,350 to construction costs, before the remaining construction costs totaling approximately $36,000 will be advanced by the lender.

The Simon Operating Partnership has agreed to funding commitments of up to $15,000 relating to the construction of the Ontario Mills project.

Lease Commitments

As of December 31, 1995, a total of 27 of the Properties are subject to ground leases. The termination dates of these ground leases range from 1998 to 2085. These ground leases generally require payments by the Simon Operating Partnership of a fixed annual rent, or a fixed annual rent plus a participating percentage over a base rate. Ground lease expense incurred by the Simon Operating Partnership for the years ended December 31, 1995 and 1994 was $6,700 and $5,808, respectively, and was $102 for the period from December 20, 1993 to December 31, 1993. Ground lease expense incurred by the Predecessor for the period from January 1, 1993 to December 19, 1993 was $4,168.

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

1996	$ 3,581
1997	3,806
1998	3,799
1999	3,805
2000	3,815
Thereafter	145,206
	$164,012

Environmental Matters

Substantially all of the Properties have been subjected to Phase I environmental audits. Such audits have not revealed nor is management aware of any environmental liability that management believes would have a material adverse impact on Simon Operating Partnership's financial position or results of operations. Management is unaware of any instances in which it would incur significant environmental costs if any or all Properties were sold, disposed of or abandoned.

Other

The Simon Operating Partnership's partner in Rolling Oaks Mall has the right to transfer its ownership interest to the Simon Operating Partnership in exchange for Units based on the fair market value of the ownership interest at the time of the exchange. This right expires on January 1, 2002. Rolling Oaks Mall is a Joint Venture Property accounted for using the equity method of accounting.

16. NEW ACCOUNTING PRONOUNCEMENTS

In October 1995, the FASB issued SFAS No. 123, "Accounting for Stock-Based Compensation," which requires entities to measure compensation costs related to awards of stock-based compensation using either the fair value method or the intrinsic value method. Under the fair value method, compensation expense is measured at the grant date based on the fair value of the award. Under the intrinsic value method, compensation expense is equal to the excess, if any, of the quoted market price of the stock at the grant date over the amount the employee must pay to acquire the stock. Entities electing to measure compensation costs using the intrinsic value method must make pro forma disclosures, beginning after the effective date of January 1, 1996, of net income and earnings per Unit as if the fair value method has been applied. The Simon Operating Partnership has elected to account for stock-based compensation programs using the intrinsic value method consistent with existing accounting policies and, therefore, the standard will not have an effect on the consolidated financial statements.

SIMON PROPERTY GROUP, L.P. AND SIMON PROPERTY GROUP

NOTES TO FINANCIAL STATEMENTS -- (CONTINUED)

17. QUARTERLY FINANCIAL DATA (UNAUDITED)

Summarized quarterly 1995 and 1994 data is as follows:

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	TOTAL
1995					
Total revenue	$129,490	$130,765	$138,042	$155,360	$553,657
Operating income	58,865	58,115	64,191	69,965	251,136
Income before extraordinary items	22,207	23,528	26,946	28,824	101,505
Net income available to Unitholders	22,207	23,280	24,310	26,933	96,730
Net income before extraordinary items per Unit	0.26	0.25	0.28	0.29	1.08
Net income per Unit	$ 0.26	$ 0.25	$ 0.25	$ 0.28	$ 1.04
1994					
Total revenue	$104,987	$111,809	$120,528	$136,352	$473,676
Operating income	45,540	49,473	51,485	67,800	214,298
Income before extraordinary items	17,809	19,053	21,694	1,752	60,308
Net income (loss) available to Unitholders	15,528	12,179	15,577	(956)	42,328
Net income before extraordinary items per Unit	0.21	0.23	0.26	0.02	0.72
Net income (loss) per Unit	$ 0.19	$ 0.14	$ 0.18	$ (0.01)	$ 0.50

Due to the cyclical nature of earnings available to Unitholders and the issuance of additional Units, the sum of the quarterly earnings per Unit in 1994 varies from the annual earnings per Unit. Income before extraordinary items in the fourth quarter of 1994 included $27,184 of a non-recurring interest payment.

18. SUBSEQUENT EVENTS

The Forum Shops at Caesars

On February 23, 1996, the Simon Operating Partnership borrowed the initial $100,000 tranche from a $184,000 two tranche loan facility for Forum and retired the existing $89,701 mortgage debt for Forum. The initial funding bears interest at LIBOR plus 100 basis points and matures in February 2000. The remaining proceeds will be used to provide funds for the approximately 250,000-square-foot expansion of this Property.

Smith Haven Mall

On March 8, 1996, the joint venture which owns Smith Haven Mall entered into an agreement to finance $115,000 of the purchase price of Smith Haven Mall with a 10-year interest-only mortgage which carries interest at 113 basis points over 10-year treasury bills. Proceeds from the loan will be used to repay a portion of the partners' equity contributions made at the time of the Property acquisition.

Definitive Agreement to a Merger with DeBartolo Realty Corporation

On March 26, 1996, the Company and DeBartolo Realty Corporation ("DeBartolo") announced that they have reached an agreement in principle, approved by their respective boards of directors, to merge the two companies. Under the terms of the agreement, DeBartolo shareholders will receive 0.68 shares of the Company's common stock for each share of DeBartolo common stock owned. The transaction is subject to the approval of the shareholders of both companies and customary regulatory and other conditions. A definitive agreement was signed on March 28, 1996.

Distributions Declared

On March 22, 1996, the Board of Directors of the Company approved a $0.4925 distribution on each Unit payable on April 26, 1996 to Unitholders of record on April 12, 1996.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON SCHEDULE III

To Simon Property Group, Inc.:

We have audited, in accordance with generally accepted auditing standards, the consolidated financial statements of SIMON PROPERTY GROUP, L.P. included in this Form 10-K, and have issued our report thereon dated February 14, 1996. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule is the responsibility of Simon Property Group, L.P.'s management and is presented for purposes of complying with the Securities and Exchange Commissions rules and is not part of the basic financial statements. The schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

ARTHUR ANDERSEN LLP

Indianapolis, Indiana
November 13, 1996

SIMON PROPERTY GROUP, L.P.

REAL ESTATE AND ACCUMULATED DEPRECIATION
DECEMBER 31, 1995

(DOLLARS IN THOUSANDS)

SCHEDULE III

NAME, LOCATION	ENCUMBRANCES	INITIAL COST: LAND	INITIAL COST: BUILDINGS AND IMPROVEMENTS	COST CAPITALIZED SUBSEQUENT TO ACQUISITION: LAND	COST CAPITALIZED SUBSEQUENT TO ACQUISITION: BUILDINGS AND IMPROVEMENTS	GROSS AMOUNTS AT WHICH CARRIED AT CLOSE OF PERIOD: LAND
REGIONAL MALLS						
Alton Square, Alton, IL	$ 0	$ 154	$ 7,641	$ 0	$ 559	$ 154
Amigoland Mall, Brownsville, TX	0	1,045	4,518	0	198	1,045
Anderson Mall, Anderson, SC	19,000	1,838	18,122	1,363	1,816	3,201
Barton Creek Square, Austin, TX	64,293	4,413	20,699	771	13,172	5,184
Battlefield Mall, Springfield, MO	51,721	4,040	29,783	3,225	26,199	7,265
Broadway Square, Tyler, TX	0	11,470	32,450	0	466	11,470
Century Consumer Mall, Merrillville, IN	0	2,190	9,589	0	402	2,190
Charles Town Square, Charleston, SC	0	593	2,825	500	334	1,093
Cielo Vista Mall, El Paso, TX	59,296	1,307	18,512	608	12,063	1,915
College Mall, Bloomington, IN	43,973	1,012	16,245	722	13,039	1,734
Crossroads Mall, Omaha, NE	41,440	884	37,293	409	20,237	1,293
East Towne Mall, Knoxville, TN	55,000	5,269	22,965	3,699	18,827	8,968
Eastgate Consumer Mall, Indianapolis, IN	25,429	425	4,722	187	2,657	612
Eastland Mall, Tulsa, OK	30,000	3,124	24,035	518	5,508	3,642
Forest Mall, Fond Du Lac, WI	12,800	757	4,498	0	572	757
Forest Village Park, Forestville, MD	20,600	1,212	4,625	757	3,179	1,969
Fremont Mall, Fremont, NE	0	26	1,280	265	621	291
Golden Ring Mall, Baltimore, MD	29,750	1,130	8,955	572	5,921	1,702
Greenwood Park Mall, Greenwood, IN	36,829	2,606	23,500	5,275	49,760	7,881
Heritage Park, Midwest City, OK	0	620	6,213	0	584	620
Hutchinson Mall, Hutchison, KS	11,523	1,777	18,427	0	2,154	1,777
Independence Center, Independence, MO	0	5,591	45,822	0	995	5,591
Ingram Park Mall, San Antonio, TX	56,681	820	17,182	169	9,661	989
Irving Mall, Irving, TX	43,734	11,490	17,479	2,533	4,820	14,023
Jefferson Valley Mall, Yorktown, NY	50,000	4,869	30,304	0	2,226	4,869
La Plaza, McAllen, TX	51,015	2,194	9,828	0	1,117	2,194
Lincolnwood Town Center, Lincolnwood, IL	63,079	11,197	64,540	28	616	11,225
Longview Mall, Longview, TX	22,100	278	3,602	124	1,971	402
Machesney Park Mall, Rockford, IL	0	613	7,460	120	1,894	733
Markland Mall, Kokomo, IN	10,000	0	7,568	0	566	0
Mc Cain Mall, N. Little Rock, AK	26,522	0	9,515	0	5,330	0
Memorial Mall, Sheboygan, WI	0	175	4,881	0	242	175
Midland Park Mall, Midland, TX	22,500	704	9,613	0	1,100	704
Miller Hill Mall, Duluth, MN	34,500	2,537	18,114	0	669	2,537
Mounds Mall, Anderson, IN	0	0	2,689	0	699	0
Muncie Mall, Muncie, IN	24,000	210	5,964	0	858	210
North Towne Square, Toledo, OH	23,500	579	8,382	0	918	579
Northwoods Mall, Peoria, IL	0	1,202	12,779	1,449	16,555	2,651
Orange Park Mall, Orange Park, FL	0	13,345	65,173	0	566	13,345

NAME, LOCATION	GROSS AMOUNTS AT WHICH CARRIED AT CLOSE OF PERIOD: BUILDINGS AND IMPROVEMENTS	TOTAL	AMORTIZED DEPRECIATION	DATE OF CONSTRUCTION
REGIONAL MALLS				
Alton Square, Alton, IL	$ 8,200	$ 8,354	$ 798	1993(Note 3)
Amigoland Mall, Brownsville, TX	4,716	5,761	702	1974
Anderson Mall, Anderson, SC	19,938	23,139	1,758	1972
Barton Creek Square, Austin, TX	33,871	39,055	2,770	1981
Battlefield Mall, Springfield, MO	55,982	63,247	4,011	1976
Broadway Square, Tyler, TX	32,916	44,386	986	1994(Note 3)
Century Consumer Mall, Merrillville, IN	9,991	12,181	1,364	1992(Note 3)
Charles Town Square, Charleston, SC	3,159	4,252	377	1976
Cielo Vista Mall, El Paso, TX	30,575	32,490	3,482	1974
College Mall, Bloomington, IN	29,284	31,018	3,173	1965
Crossroads Mall, Omaha, NE	57,530	58,823	780	1994(Note 3)
East Towne Mall, Knoxville, TN	41,792	50,760	586	1984

Eastgate Consumer Mall, Indianapolis, IN....	7,379	7,991	1,926	1991(Note 3)
Eastland Mall, Tulsa, OK....................	29,543	33,185	2,519	1986
Forest Mall, Fond Du Lac, WI................	5,070	5,827	683	1973
Forest Village Park, Forestville, MD........	7,804	9,773	786	1980
Fremont Mall, Fremont, NE...................	1,901	2,192	128	1983
Golden Ring Mall, Baltimore, MD.............	14,876	16,578	1,622	1974(Note 3)
Greenwood Park Mall, Greenwood, IN..........	73,260	81,141	5,743	1977
Heritage Park, Midwest City, OK.............	6,797	7,417	812	1978
Hutchinson Mall, Hutchison, KS..............	20,581	22,358	1,784	1985
Independence Center, Independence, MO.......	46,817	52,408	1,444	1994(Note 3)
Ingram Park Mall, San Antonio, TX...........	26,843	27,832	2,701	1979
Irving Mall, Irving, TX.....................	22,299	36,322	3,373	1971
Jefferson Valley Mall, Yorktown, NY.........	32,530	37,399	2,846	1983
La Plaza, McAllen, TX.......................	10,945	13,139	1,033	1976
Lincolnwood Town Center, Lincolnwood, IL....	65,156	76,381	5,201	1990
Longview Mall, Longview, TX.................	5,573	5,975	763	1978
Machesney Park Mall, Rockford, IL...........	9,354	10,087	1,091	1979
Markland Mall, Kokomo, IN...................	8,134	8,134	532	1983
Mc Cain Mall, N. Little Rock, AK............	14,845	14,845	1,930	1973
Memorial Mall, Sheboygan, WI................	5,123	5,298	499	1980
Midland Park Mall, Midland, TX..............	10,713	11,417	1,117	1980
Miller Hill Mall, Duluth, MN................	18,783	21,320	1,700	1973
Mounds Mall, Anderson, IN...................	3,388	3,388	374	1964
Muncie Mall, Muncie, IN.....................	6,822	7,032	990	1975
North Towne Square, Toledo, OH..............	9,300	9,879	1,447	1980
Northwoods Mall, Peoria, IL.................	29,334	31,985	2,981	1983(Note 3)
Orange Park Mall, Orange Park, FL...........	65,739	79,084	1,929	1994(Note 3)

SIMON PROPERTY GROUP, L.P.

REAL ESTATE AND ACCUMULATED DEPRECIATION
DECEMBER 31, 1995

(DOLLARS IN THOUSANDS)

SCHEDULE III

		INITIAL COST		COST CAPITALIZED SUBSEQUENT TO ACQUISITION		GROSS AMOUNTS AT WHICH CARRIED AT CLOSE OF PERIOD
NAME, LOCATION	ENCUMBRANCES	LAND	BUILDINGS AND IMPROVEMENTS	LAND	BUILDINGS AND IMPROVEMENTS	LAND
Prien Lake Mall, Lake Charles, LA.......	0	1,926	2,829	725	2,049	2,651
South Park Mall, Shreveport, LA.........	24,748	855	13,691	74	1,788	929
Southgate Mall, Yuma, AZ................	0	1,817	7,974	0	2,937	1,817
Southtown Mall, Ft. Wayne, IN...........	0	2,059	13,288	0	828	2,059
St Charles Towne Center Waldorf, MD.....	77,200	9,328	52,974	1,180	8,484	10,508
Sunland Park Mall, El Paso, TX..........	40,469	2,896	28,900	0	1,580	2,896
Tippecanoe Mall, Lafayette, IN..........	48,205	4,771	8,474	5,354	29,529	10,125
Towne East Square, Wichita, KS..........	58,138	9,495	18,479	2,042	6,479	11,537
Towne West Square, Wichita, KS..........	40,250	988	21,203	76	2,948	1,064
University Mall, Little Rock, AK........	0	123	17,411	0	286	123
University Mall, Pensacola, FL..........	0	4,741	26,657	0	303	4,741
Valle Vista Mall, Harlingen, TX.........	35,126	1,398	17,266	372	6,637	1,770
West Ridge Mall, Topeka, KS.............	50,552	5,837	34,132	197	2,220	6,034
White Oaks Mall, Springfield, IL........	16,500	3,024	35,692	1,153	12,816	4,177
Wichita Mall, Wichita, KS...............	0	0	4,535	0	285	0
Windsor Park Mall, San Antonio, TX......	15,123	1,194	16,940	130	2,654	1,324
COMMUNITY SHOPPING CENTERS						
Arvada Plaza, Arvada, CO................	0	70	342	0	1,724	70
Aurora Plaza, Aurora, CO................	0	35	5,754	0	186	35
Bloomingdale Court, Bloomingdale, IL....	29,009	9,735	26,184	0	481	9,735
Bridgeview Court, Bridgeview, IL........	0	308	3,676	0	0	308
Brightwood Plaza, Indianapolis, IN......	0	65	128	0	136	65
Bristol Plaza, Bristol, VA..............	0	61	325	0	1	61
Grove Towne Center, Buffalo Grove, IL...	0	2,044	6,602	0	779	2,044
Celina Plaza, El Paso, TX...............	0	138	815	0	13	138
Cohoes Commons, Rochester, NY...........	0	1,698	8,426	0	51	1,698
Cook's Discount, Ardmore, OK............	0	80	280	0	1	80
Countryside Plaza, Countryside, IL......	0	1,243	8,507	0	433	1,243
East Towne Commons, Knoxville, TN.......	0	3,921	5,345	0	1,599	3,921
Eastland Plaza, Tulsa, OK...............	0	908	3,709	0	5	908
Forest Plaza, Rockford, IL..............	17,354	4,353	16,818	0	162	4,353
Fox River Plaza, Elgin, IL..............	12,654	2,907	9,453	0	48	2,907

	GROSS AMOUNTS AT WHICH CARRIED AT CLOSE OF PERIOD			
NAME, LOCATION	BUILDINGS AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION	DATE OF CONSTRUCTION
Prien Lake Mall, Lake Charles, LA.......	4,878	7,529	528	1972
South Park Mall, Shreveport, LA.........	15,479	16,408	1,799	1975
Southgate Mall, Yuma, AZ................	10,911	12,728	870	1988(Note 3)
Southtown Mall, Ft. Wayne, IN...........	14,116	16,175	1,582	1969
St Charles Towne Center Waldorf, MD.....	61,458	71,966	5,629	1990
Sunland Park Mall, El Paso, TX..........	30,480	33,376	3,428	1988
Tippecanoe Mall, Lafayette, IN..........	38,003	48,128	2,341	1973
Towne East Square, Wichita, KS..........	24,958	36,495	2,858	1975
Towne West Square, Wichita, KS..........	24,151	25,215	2,858	1980
University Mall, Little Rock, AK........	17,697	17,820	1,894	1967
University Mall, Pensacola, FL..........	26,960	31,701	802	1994(Note 3)
Valle Vista Mall, Harlingen, TX.........	23,903	25,673	2,195	1983
West Ridge Mall, Topeka, KS.............	36,352	42,386	3,197	1988
White Oaks Mall, Springfield, IL........	48,508	52,685	1,533	1977
Wichita Mall, Wichita, KS...............	4,820	4,820	582	1981
Windsor Park Mall, San Antonio, TX......	19,594	20,918	1,974	1976
COMMUNITY SHOPPING CENTERS				
Arvada Plaza, Arvada, CO................	2,066	2,136	169	1966
Aurora Plaza, Aurora, CO................	5,940	5,975	661	1966
Bloomingdale Court, Bloomingdale, IL....	26,665	36,400	1,228	1987
Bridgeview Court, Bridgeview, IL........	3,676	3,984	255	1988
Brightwood Plaza, Indianapolis, IN......	264	329	36	1965
Bristol Plaza, Bristol, VA..............	326	387	64	1966
Grove Towne Center, Buffalo Grove, IL...	7,381	9,425	396	1988
Celina Plaza, El Paso, TX...............	828	966	72	1977

Cohoes Commons, Rochester, NY...........	8,477	10,175	823	1984
Cook's Discount, Ardmore, OK............	281	361	54	1969
Countryside Plaza, Countryside, IL......	8,940	10,183	982	1977
East Towne Commons, Knoxville, TN.......	6,944	10,865	394	1990
Eastland Plaza, Tulsa, OK...............	3,714	4,622	299	1987
Forest Plaza, Rockford, IL..............	16,980	21,333	704	1985
Fox River Plaza, Elgin, IL..............	9,501	12,408	397	1985

SIMON PROPERTY GROUP, L.P.

REAL ESTATE AND ACCUMULATED DEPRECIATION -- CONTINUED
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(DOLLARS IN THOUSANDS)

SCHEDULE III

NAME, LOCATION	ENCUMBRANCES	INITIAL COST		COST CAPITALIZED SUBSEQUENT TO ACQUISITION		GROSS AMOUNTS AT WHICH CARRIED AT CLOSE OF PERIOD
		LAND	BUILDINGS AND IMPROVEMENTS	LAND	BUILDINGS AND IMPROVEMENTS	LAND
Greenwood Plus, Greenwood, IN..........	0	1,350	1,792	0	259	1,350
Griffith Park Plaza, Griffith, IN.......	0	0	2,412	0	68	0
Hammond Square, Sandy Springs, GA.......	0	0	27	0	1	0
Ingram Plaza, San Antonio, TX..........	0	421	1,802	4	22	425
Lake Plaza, Waukegan, IL...............	0	2,868	6,420	0	152	2,868
Lake View Plaza, Orland Park, IL........	22,169	4,775	17,586	0	198	4,775
Lincoln Crossing, O'Fallon, IL..........	997	1,079	2,692	0	0	1,079
Maplewood Square, Omaha, NE............	0	466	1,249	0	17	466
Markland Plaza, Kokomo, IN.............	0	210	1,258	0	188	210
Martinsville Plaza, Martinsville, VA....	0	0	584	0	45	0
Marwood Plaza, Indianapolis, IN.........	0	52	3,597	0	31	52
Matteson Plaza, Matteson, IL...........	11,159	1,830	9,737	0	49	1,830
Memorial Plaza, Sheyboygan, WI..........	0	250	436	0	129	250
Mounds Mall Cinema, Anderson, IN........	0	88	158	0	1	88
New Castle Plaza, New Castle, IN........	0	130	1,621	0	318	130
North Ridge Plaza, Joliet, IL..........	0	2,831	7,699	0	36	2,831
North Riverside Park Plaza, N. Riverside, IL.....................	7,908	1,062	2,490	0	136	1,062
Northland Plaza, Columbus, OH..........	0	4,490	8,893	0	18	4,490
Northwood Plaza, Fort Wayne, IN.........	0	304	2,922	0	202	304
Park Plaza, Hopkinsville, KY...........	0	300	1,572	0	19	300
Regency Plaza, St. Charles, MO..........	1,878	616	4,963	0	123	616
St. Charles Towne Plaza, Waldorf, MD....	30,887	8,835	19,008	0	64	8,835
Teal Plaza, Lafayette, IN..............	0	99	878	0	8	99
Tippecanoe Plaza, Lafayette, IN.........	0	265	440	305	576	570
Wabash Village, West Lafayette, IN......	0	0	976	0	22	0
West Ridge Plaza, Topeka, KS...........	4,612	1,491	4,620	0	12	1,491
White Oaks Plaza, Springfield, IL.......	12,345	3,265	14,267	0	83	3,265
Wood Plaza, Fort Dodge, IA.............	0	45	380	0	655	45
SPECIALITY RETAIL CENTER						
The Forum Shops at Caesars, Las Vegas, NV........................	89,701	0	72,866	0	5,307	0
Trolley Square, Salt Lake City, UT......	27,141	4,899	27,539	263	2,024	5,162

NAME, LOCATION	GROSS AMOUNTS AT WHICH CARRIED AT CLOSE OF PERIOD			
	BUILDINGS AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION	DATE OF CONSTRUCTION
Greenwood Plus, Greenwood, IN..........	2,051	3,401	319	1979(Note 3)
Griffith Park Plaza, Griffith, IN.......	2,480	2,480	264	1979
Hammond Square, Sandy Springs, GA.......	28	28	2	1974
Ingram Plaza, San Antonio, TX..........	1,824	2,249	227	1980
Lake Plaza, Waukegan, IL...............	6,572	9,440	263	1986
Lake View Plaza, Orland Park, IL........	17,784	22,559	717	1986
Lincoln Crossing, O'Fallon, IL..........	2,692	3,771	118	1990
Maplewood Square, Omaha, NE............	1,266	1,732	147	1987
Markland Plaza, Kokomo, IN.............	1,446	1,656	189	1975
Martinsville Plaza, Martinsville, VA....	629	629	133	1980
Marwood Plaza, Indianapolis, IN.........	3,628	3,680	242	1962
Matteson Plaza, Matteson, IL...........	9,786	11,616	528	1988
Memorial Plaza, Sheyboygan, WI..........	565	815	97	1966
Mounds Mall Cinema, Anderson, IN........	159	247	20	1975
New Castle Plaza, New Castle, IN........	1,939	2,069	219	1966
North Ridge Plaza, Joliet, IL..........	7,735	10,566	414	1985
North Riverside Park Plaza, N. Riverside, IL.....................	2,626	3,688	311	1977
Northland Plaza, Columbus, OH..........	8,911	13,401	369	1988
Northwood Plaza, Fort Wayne, IN.........	3,124	3,428	324	1977
Park Plaza, Hopkinsville, KY...........	1,591	1,891	149	1968
Regency Plaza, St. Charles, MO..........	5,086	5,702	197	1988
St. Charles Towne Plaza, Waldorf, MD....	19,072	27,907	846	1987
Teal Plaza, Lafayette, IN..............	886	985	64	1986

Tippecanoe Plaza, Lafayette, IN.........	1,016	1,586	219	1962
Wabash Village, West Lafayette, IN......	998	998	119	1976
West Ridge Plaza, Topeka, KS............	4,632	6,123	226	1988
White Oaks Plaza, Springfield, IL.......	14,350	17,615	572	1986
Wood Plaza, Fort Dodge, IA..............	1,035	1,080	101	1967
SPECIALITY RETAIL CENTER				
The Forum Shops at Caesars,				
Las Vegas, NV..........................	78,173	78,173	6,775	1992
Trolley Square, Salt Lake City, UT......	29,563	34,725	2,869	1986(Note 3)

SIMON PROPERTY GROUP, L.P.

REAL ESTATE AND ACCUMULATED DEPRECIATION -- CONTINUED
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SCHEDULE III

NAME, LOCATION	ENCUMBRANCES	INITIAL COST		COST CAPITALIZED SUBSEQUENT TO ACQUISITION		GROSS AMOUNTS AT WHICH CARRIED AT CLOSE OF PERIOD
		LAND	BUILDINGS AND IMPROVEMENTS	LAND	BUILDINGS AND IMPROVEMENTS	LAND
MIXED-USE PROPERTIES						
O Hare International Center, Rosemont, IL..........................	27,500	172	60,287	1	3,601	173
Riverway, Rosement, IL..................	131,450	8,738	129,175	16	4,262	8,754
LAND HELD FOR DEVELOPMENT						
Cottonwood Mall, Albuquerque, NM........	22,399	0	0	5,993	36,233	5,993
The Shops at Sunset Place, South Miami, FL.......................	0	11,898	3,884	0	0	11,898
	$1,784,759	$242,543	$ 1,488,831	$41,179	$ 371,372	$283,722

NAME, LOCATION	GROSS AMOUNTS AT WHICH CARRIED AT CLOSE OF PERIOD BUILDINGS AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION	DATE OF CONSTRUCTION
MIXED-USE PROPERTIES				
O Hare International Center, Rosemont, IL..........................	63,888	64,061	7,238	1986
Riverway, Rosement, IL..................	133,437	142,191	13,718	1988
LAND HELD FOR DEVELOPMENT				
Cottonwood Mall, Albuquerque, NM........	36,233	42,226	0	1993
The Shops at Sunset Place, South Miami, FL.......................	3,884	15,782	0	1995
	$ 1,860,203	$2,143,925	$147,341	

SIMON PROPERTY GROUP, L.P.

NOTES TO SCHEDULE III AS OF DECEMBER 31, 1995
(DOLLARS IN THOUSANDS)

(1) RECONCILIATION OF REAL ESTATE PROPERTIES:

The changes in real estate assets for the years ended December 31, 1995 and 1994 are as follows:

	1995	1994
Balance, beginning of year	$1,887,122	$1,346,142
Net book value of real estate exchanged	--	--
Acquisitions	32,547	205,249
Improvements	73,097	52,429
Disposals	(12,722)	(1,733)
Consolidation	163,881	285,035
Balance, close of year	$2,143,925	$1,887,122

The aggregate net book value for federal income tax purposes as of December 31, 1995 was $1,826,759.

(2) RECONCILIATION OF ACCUMULATED DEPRECIATION:

The changes in accumulated depreciation and amortization for the years ended December 31, 1995 and 1994 are as follows:

	1995	1994
Balance, beginning of year	$ 68,222	$ 1,830
Depreciation expense	79,126	66,440
Disposals	(7)	(48)
Balance, close of year	$ 147,341	$ 68,222

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

Buildings -- typically 35 years

Improvements -- shorter of lease term or useful life

(3) NOT DEVELOPED/CONSTRUCTED BY THE SIMONS. THE DATE OF CONSTRUCTION REPRESENTS ACQUISITION DATE.

CERTAIN INFORMATION WITH RESPECT
TO DEBARTOLO REALTY PARTNERSHIP, L.P.

DEBARTOLO REALTY PARTNERSHIP, L.P.

CONSOLIDATED BALANCE SHEET
(UNAUDITED)

ASSETS

	AS OF DECEMBER 31, 1995 (DOLLARS IN THOUSANDS EXCEPT UNIT DATA)
Investment properties (Note 4)	$1,793,663
Less accumulated depreciation	574,338
	1,219,325
Cash and cash equivalents	25,851
Restricted cash (Note 3)	13,910
Short term investments	14,057
Accounts receivable, net	39,103
Investments in and advances to nonconsolidated joint ventures (Notes 4 and 5)	116,725
Minority interest in capital deficits of consolidated joint ventures	25,496
Deferred charges and prepaid expenses	77,103
	$1,531,570
LIABILITIES AND PARTNERS' EQUITY	
Liabilities:	
Mortgages and notes payable (Note 4)	$1,348,573
Accounts payable and accrued expenses	38,810
Distributions payable	28,225
Deficits in nonconsolidated joint ventures (Notes 4 and 5)	71,147
	1,486,755
Commitments and contingencies	--
Partners' Equity (Deficit):	
Preferred Units, 10,000,000 units authorized, none issued and outstanding	--
General Partner, 55,329,162 units outstanding	27,673
Limited Partners, 34,272,532 units outstanding	17,142
Total Partners' Equity	44,815
	$1,531,570

See accompanying notes.

DEBARTOLO REALTY PARTNERSHIP, L.P.

CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	FOR THE PERIOD FROM JANUARY 1, 1996 TO AUGUST 9, 1996	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1995
	(DOLLARS IN THOUSANDS, EXCEPT PER UNIT DATA)	
Revenues:		
Minimum rents	$136,594	$153,472
Tenant recoveries	52,398	60,828
Percentage rents	6,188	8,423
Other	11,455	21,828
Total revenues	206,635	244,551
Expenses:		
Shopping Center Expenses:		
Property operating	23,783	25,811
Repairs and maintenance	18,275	20,092
Real estate taxes	22,350	24,952
Advertising & promotion	4,572	4,691
Management expenses	5,494	4,218
Provision for doubtful accounts	5,085	2,058
Ground leases	1,815	1,811
Other	4,679	3,672
Total shopping center expenses	86,053	87,305
Deferred stock compensation expense	130	158
Interest expense	74,714	91,102
Depreciation and amortization	38,706	42,726
Write off of minority partners' interests	13,854	--
Merger expenses (Note 4)	13,512	--
	226,969	221,291
Gain on sale of assets	--	3,944
Income from nonconsolidated joint ventures (Notes 4 and 5)	8,422	6,312
Minority partners' interest in consolidated joint ventures	(528)	1,392
Income (loss) before extraordinary item	(12,440)	34,908
Extraordinary item (Note 4)	9,191	(5,629)
Net income (loss)	$ (3,249)	$ 29,279
Net Income (loss) Available to Unitholders Attributable to:		
General Partner	$ (2,031)	$ 17,331
Limited Partners	(1,218)	11,948
Net income (loss) available to unitholders	$ (3,249)	$ 29,279
EARNINGS PER UNIT (Note 6):		
Income (loss) before extraordinary item	$ (0.14)	$ 0.41
Extraordinary item	0.13	(0.07)
Net income (loss)	$ 0.01	$ 0.34
WEIGHTED AVERAGE UNITS OUTSTANDING (000's)	89,781	84,456

See accompanying notes.

DEBARTOLO REALTY PARTNERSHIP, L.P.

CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	FOR THE PERIOD FROM JULY 1, 1996 TO AUGUST 9, 1996	FOR THE THREE MONTHS ENDED SEPTEMBER 30, 1995
	(DOLLARS IN THOUSANDS, EXCEPT PER UNIT DATA)	
Revenues:		
Minimum rents	$ 22,508	$51,088
Tenant recoveries	6,942	20,984
Percentage rents	553	2,791
Other	--	9,236
Total revenues	30,003	84,099
Expenses:		
Shopping Center Expenses:		
Property operating	4,088	8,849
Repairs and maintenance	3,145	7,301
Real estate taxes	4,012	8,146
Advertising & promotion	794	1,930
Management expenses	1,351	1,421
Provision for doubtful accounts	3,583	565
Ground leases	365	604
Other	2,336	896
Total shopping center expenses	19,674	29,712
Deferred stock compensation expense	25	53
Interest expense	13,955	29,764
Depreciation and amortization	6,274	14,378
Write off of minority partners' interests	13,854	--
Merger expenses (Note 4)	3,312	--
	57,094	73,907
Gain on sale of assets	--	165
Income from nonconsolidated joint ventures (Notes 4 and 5)	186	2,130
Minority partners' interest in consolidated joint ventures	(203)	856
Income (loss) before extraordinary item	(27,108)	13,343
Extraordinary item (note 4)	--	(5,629)
Net income (loss)	(27,108)	7,714
Net Income (loss) Available to Unitholders Attributable to:		
General Partner	$ (16,793)	$ 4,657
Limited Partners	(10,315)	3,057
Net income (loss) available to unitholders	$ (27,108)	$ 7,714
EARNINGS PER UNIT (Note 6):		
Income (loss) before extraordinary item	$ (0.30)	$ 0.15
Extraordinary item	--	(0.07)
Net income (loss)	$ (0.30)	0.08
WEIGHTED AVERAGE UNITS OUTSTANDING (000's)	89,827	89,602

See accompanying notes

DEBARTOLO REALTY PARTNERSHIP, L.P.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	FOR THE PERIOD FROM JANUARY 1, 1996 TO AUGUST 9, 1996	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1995
	(DOLLARS IN THOUSANDS)	
Cash Flow From Operating Activities:		
Net income (loss)	$ (3,249)	$ 29,279
Adjustments to reconcile net income to net cash provided by Operating Activities:		
Gain on sale of assets	--	(3,944)
Depreciation and amortization	44,797	54,232
Extraordinary item	(9,191)	5,629
Deferred stock compensation expense	3,434	158
Minority partners' interests in consolidated joint ventures	528	(1,392)
Write off of minority partners' interests	13,854	--
Income from nonconsolidated joint ventures	(8,422)	(6,312)
Decrease in restricted cash	5,556	19,041
Decrease (increase) in short term investments	14,057	(7,736)
Decrease in accounts receivable	2,343	1,779
(Decrease) increase in prepaid expenses and other	3,051	(4,347)
Increase in accounts payable and accrued expenses	37,695	7,316
Net Cash Provided By Operating Activities	104,453	93,703
Cash Flows From Investing Activities:		
Additions to investment properties	(49,050)	(36,476)
Purchase of partnership interests	(5,375)	--
Additions to deferred charges for lease costs and other	(4,678)	(2,472)
Distributions from nonconsolidated joint ventures	37,032	14,640
Advances to and investments in nonconsolidated joint ventures	(12,055)	(1,486)
Net proceeds from sale of assets	307	4,083
Net Cash Used In Investing Activities	(33,119)	(21,711)
Cash Flows From Financing Activities:		
Proceeds from issuance of debt	93,108	60,783
Principal payments on mortgages	(44,852)	(89,602)
Loan costs paid	(294)	(736)
Prepayment penalties on early extinguishment of debt	--	(1,990)
Minority partner distributions	(1,751)	(387)
Capital contributions	--	80,370
Distributions paid	(88,235)	(78,309)
Decrease in affiliate receivables	1,527	(2,918)
Net Cash Used in Financing Activities	(40,498)	(32,789)
Net (Decrease) Increase in Cash	30,836	39,203
Cash and Cash Equivalents:		
Beginning of period	25,851	38,899
End of period	$ 56,687	$ 78,102
Supplemental Information:		
Interest Paid	$ 71,803	$ 60,915
Supplemental schedule of non-cash and financing activities:		
Step-up in connection with acquisition of additional interest in joint venture	$ 7,296	--
Historical cost basis of net investment properties consolidated as a result of acquisitions of additional interests in joint ventures	$ 121,245	--
Mortgages on those properties consolidated as a result of acquisitions of additional interests in joint ventures	$ 136,009	--
Historical cost basis of net investment property disposed	$ (4,040)	--
Mortgage extinguishment relating to property disposition	$ (13,372)	--

See accompanying notes

DEBARTOLO REALTY PARTNERSHIP, L.P.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED AND DOLLARS IN THOUSANDS)

NOTE 1 -- ORGANIZATION AND OWNERSHIP

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and in conjunction with the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting solely of normal recurring matters) necessary for a fair presentation of the consolidated financial statements for these interim periods have been included. The results for the interim period ended August 9, 1996 are not necessarily indicative of the results that may be expected for the full fiscal year. These financial statements should be read in conjunction with the DeBartolo Realty Partnership, L.P. December 31, 1995 audited consolidated financial statements and notes thereto included herein.

DeBartolo Realty Partnership, L.P., a Delaware Limited Partnership (the "Operating Partnership") and an affiliate, DeBartolo Capital Partnership, a Delaware general partnership, are engaged in the ownership, development, management, leasing, acquisition and expansion of super-regional and regional malls and community shopping centers. The Operating Partnership's sole general partner is DeBartolo Realty Corporation (the "Company"), an Ohio corporation which operates as a self-administered and self-managed real estate investment trust ("REIT"), which at August 9, 1996 holds a 61.9% interest in the Operating Partnership.

The Operating Partnership was formed to continue and expand the shopping mall ownership, management and development business of The Edward J. DeBartolo Corporation ("EJDC") in a portfolio which, as of August 9, 1996, consisted of 50 super-regional and regional malls (the "DeBartolo Malls"), 11 community centers and land held for future development (collectively, the "DeBartolo Properties"). As of August 9, 1996, EJDC and certain affiliates (collectively, the "DeBartolo Group") and certain current and former employees of EJDC, along with JCP Realty, Inc. ("JCP"), own the remaining 38.1% interest in the Operating Partnership.

In addition, the Operating Partnership owns 100% of the non-voting preferred stock and a non-controlling common stock Interest (5%) in DeBartolo Properties Management, Inc. (the "Property Manager") which provides certain architectural, design, construction and other services to substantially all of the DeBartolo Properties, as well as, certain other regional malls and community shopping centers owned by third parties.

NOTE 2 -- BASIS OF PRESENTATION

The financial statements of the Operating Partnership are presented on a consolidated basis. Properties which are controlled through majority ownership have been consolidated and all significant intercompany transactions and accounts have been eliminated. Properties where the Operating Partnership owns less than a majority interest have been accounted for under the equity method. One property, which is owned 2% by the Operating Partnership, is accounted for under the cost method.

The Operating Partnership owns 5% of the voting common stock and all of the nonvoting preferred stock of the Property Manager. The Operating Partnership accounts for the investment in the Property Manager under the equity method.

NOTE 3 -- RESTRICTED CASH

Cash is restricted primarily for renovations and redevelopment of the 17 DeBartolo Properties in connection with a securitized commercial pass-through certificate issuance simultaneously with the IPO.

DEBARTOLO REALTY PARTNERSHIP, L.P.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED AND DOLLARS IN THOUSANDS)

NOTE 4 -- MERGERS, ACQUISITIONS AND DISPOSITIONS

The parent company of the Operating Partnership entered into an Agreement and Plan of Merger, dated as of March 26, 1996 (the "Agreement"), among Simon Property Group, Inc., a Maryland corporation ("SPG"), its merger subsidiary and the Company, pursuant to which the Company agreed to merge with the merger subsidiary. The Agreement provides for the exchange of all outstanding Company common stock for SPG common stock, $0.0001 par value (the "SPG Common Stock"), at an exchange ratio of 0.68 shares of SPG Common Stock for each share of Company common stock. The merger and other related transactions closed on August 9, 1996. Shareholders of the Company received approximately 37.9 million shares of SPG common stock valued at $24.375 per share. During the period ended August 9, 1996, the Company incurred $10,200 of underwriting, legal, accounting and other expenses associated with the merger. These costs were charged to expense.

During January, 1996, the Property Manager acquired partnership interests of 33 1/3% and 25% in two joint ventures, respectively, from an unrelated joint venture partner. As a result, the Operating Partnership effectively owns 65% and 74% of these joint ventures and includes the financial position and results of operations and cash flows of these joint ventures in its consolidated financial statements. Effective March 31, 1996, the Operating Partnership acquired an additional 10% partnership interest in Miami International Mall. As a result, the Operating Partnership owns 60% of this joint venture and includes the financial position and results of operations and cash flows in its consolidated financial statements effective April 1, 1996.

The Operating Partnership transferred ownership of one property to its lender, as of March 1, 1996, fully satisfying the property's mortgage note payable. This property no longer met the Operating Partnership's criteria for its ongoing strategic plan. The Operating Partnership has recognized an extraordinary gain on this transaction of $9.2 million. The Operating Partnership's share of this property's net income (loss) for 1993, 1994 and 1995 was $9, ($760) and ($513), respectively. The Operating Partnership's share of this property's cash generated before debt payments and capital expenditures ("FFO") for 1993, 1994 and 1995 was $512, ($237) and $48, respectively.

Effective January 1, 1996, the Operating Partnership acquired the management, leasing and certain other operating divisions of the Property Manager. The operating results of these divisions are included in the Operating Partnership's consolidated financial statements net of eliminated intercompany transactions. The Property Manager continues to provide architectural, engineering and construction services for the Operating Partnership.

DEBARTOLO REALTY PARTNERSHIP, L.P.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED AND DOLLARS IN THOUSANDS)

NOTE 5 -- INVESTMENT IN NONCONSOLIDATED JOINT VENTURES

As a result of the above-discussed acquisitions, the combined Balance Sheet of the nonconsolidated joint ventures includes the financial position of twelve joint ventures at December 31, 1995.

	DECEMBER 31, 1995
Balance Sheets	
Investment properties (net)	$599,234
Other assets	43,094
Total assets	642,328
Mortgages and notes payable	584,495
Other liabilities	90,549
Total liabilities	675,044
Accumulated equity (deficit)	(32,716)
Less: Outside partners' equity	180
Advances to nonconsolidated joint ventures	78,474
Net surplus in nonconsolidated joint ventures	$ 45,578
Net surplus (deficits) in nonconsolidated joint ventures is presented in the accompanying consolidated balance sheets as follows:	
Investments in nonconsolidated joint ventures	$ 38,251
Advances to nonconsolidated joint ventures	78,474
Total investments in and advances to nonconsolidated joint ventures	116,725
Deficits in nonconsolidated joint ventures	(71,147)
	$ 45,578

The combined statements of operations for the nonconsolidated joint ventures include the operating results of ten joint ventures for the three month period ended March 31, 1996, nine joint ventures for the period ended August 9, 1996 and twelve joint ventures in 1995. The operating results of two joint ventures, in which the Operating Partnership acquired additional partnership interest in January 1996, are included in the Operating Partnership's consolidated operating statement. The operating results of one joint venture, in which

DEBARTOLO REALTY PARTNERSHIP, L.P.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(UNAUDITED AND DOLLARS IN THOUSANDS)

the Operating Partnership acquired additional partnership interest effective March 31, 1996, are included in the Operating Partnership's consolidated operating statement effective April 1, 1996.

	FOR THE PERIOD ENDED	
	AUGUST 9, 1996	SEPTEMBER 30, 1995
Statements of Operations Revenues:		
Minimum rents	$46,847	$66,794
Tenant recoveries	25,287	33,055
Percentage rents	2,745	4,055
Other	6,317	8,417
Total revenues	81,196	112,321
Expenses:		
Shopping Center Expenses:		
Property operating	7,471	10,619
Repairs and maintenance	6,093	8,862
Real estate taxes	9,985	13,958
Advertising and promotion	2,157	3,272
Management fees to affiliate	2,819	3,699
Provision for doubtful accounts	1,899	766
Ground leases	5	90
Other	594	991
	31,023	42,257
Interest expense	25,016	43,050
Depreciation and amortization	12,849	17,771
	68,888	103,078
Gain (loss) on sale of assets	--	167
Net income	$12,308	$ 9,410
DeBartolo Realty Partnership, L.P.'s share of:		
Revenues less shopping center expenses	$23,902	$20,275
Interest expense	9,234	9,866
Depreciation, amortization and other	6,246	6,227
Net income	$ 8,422	$ 4,182

NOTE 6 -- EARNINGS PER UNIT

Earnings per Unit is based on the weighted average number of units of partnership interest ("units") outstanding for the period ended August 9, 1996. Common stock awarded but not yet issued under the deferred stock plan (42,400 shares) and the Company and the Operating Partnership's long-term incentive plan (80,400 shares) have been included in the computations of per unit data for the period months ended August 9, 1996.

NOTE 7 -- DISTRIBUTIONS

The Operating Partnership paid a distribution of $0.315 per unit on July 22, 1996 for the period of April 1, 1996 through June 28, 1996. On August 9, 1996, the Operating Partnership paid a prorated distribution of $0.1454 per unit for the period June 29, 1996 through August 9, 1996 (the closing date of the merger with SPG).

REPORT OF INDEPENDENT AUDITORS

To the Partners of
DeBartolo Realty Partnership, L.P.

We have audited the accompanying consolidated balance sheets of DeBartolo Realty Partnership, L.P. as of December 31, 1995 and 1994, and the related consolidated statements of operations, partners' equity and cash flows for the year ended December 31, 1995 and for the period April 21, 1994 (Commencement of Operations) to December 31, 1994, and the combined statements of operations, accumulated deficit and cash flows of DeBartolo Retail Group (Predecessor), as described in Note 2, for the period January 1, 1994 to April 20, 1994 and the year ended December 31, 1993. These financial statements are the responsibility of DeBartolo Realty Partnership, L.P.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of DeBartolo Realty Partnership, L.P., at December 31, 1995 and 1994, and the consolidated results of their operations and their cash flows for the year ended December 31, 1995 and for the period April 21, 1994 to December 31, 1994, and the combined results of operations and cash flows of DeBartolo Retail Group (Predecessor) for the period January 1, 1994 to April 20, 1994 and the year ended December 31, 1993, in conformity with generally accepted accounting principles.

ERNST & YOUNG LLP

New York, New York
February 14, 1996, except for Note 16,
first paragraph, as to which the date is
March 1, 1996

DEBARTOLO REALTY PARTNERSHIP, L.P.

CONSOLIDATED BALANCE SHEETS

ASSETS

	AS OF DECEMBER 31, 1995	AS OF DECEMBER 31, 1994
	(DOLLARS IN THOUSANDS EXCEPT UNIT DATA)	
Investment properties (Notes 4 and 8)	$1,793,663	$1,737,592
Less accumulated depreciation	574,338	519,754
	1,219,325	1,217,838
Cash and cash equivalents	25,851	38,899
Restricted cash (Note 3)	13,910	35,751
Short term investments	14,057	4,339
Accounts receivable, less allowance for doubtful accounts of $10,070 and $9,462 in 1995 and 1994	39,103	40,083
Affiliate receivables (Note 11)	3,007	356
Investments in and advances to nonconsolidated joint ventures (Note 5)	116,725	110,845
Minority interest in capital deficits of consolidated joint ventures	25,920	27,249
Deferred charges and prepaid expenses (Note 7)	74,096	97,610
	$1,531,994	$1,572,970
LIABILITIES AND PARTNERS' EQUITY		
Liabilities:		
Mortgages and notes payable (Note 8)	$1,348,573	$1,409,827
Accounts payable and accrued expenses	38,810	39,325
Distributions payable	28,225	26,093
Deficits in nonconsolidated joint ventures (Note 5)	71,147	69,842
Minority interest in consolidated joint ventures	424	604
	1,487,179	1,545,691
Commitments and contingencies (Notes 3, 8, 9, 10 and 15)	--	--
Partners' Equity (Note 12):		
Preferred Units, 10,000,000 authorized, none issued and outstanding	--	--
General Partner, 55,329,162 and 48,666,153 units outstanding, respectively	27,673	16,026
Limited Partners, 34,272,532 and 34,168,347 units outstanding, respectively	17,142	11,253
Total Partners' Equity	44,815	27,279
	$1,531,994	$1,572,970

See accompanying notes

DEBARTOLO REALTY PARTNERSHIP, L.P.

CONSOLIDATED STATEMENTS OF OPERATIONS AND
DEBARTOLO RETAIL GROUP (PREDECESSOR)
COMBINED STATEMENTS OF OPERATIONS

	DEBARTOLO REALTY PARTNERSHIP, L.P.		DEBARTOLO RETAIL GROUP	
	1995	1994	1994	1993
	JANUARY 1 THROUGH DECEMBER 31	APRIL 21 THROUGH DECEMBER 31	JANUARY 1 THROUGH APRIL 20	JANUARY 1 THROUGH DECEMBER 31
	(DOLLARS IN THOUSANDS, EXCEPT PER UNIT DATA)			
Revenues (Note 11):				
Minimum rents	$205,056	$140,909	$ 61,898	$194,643
Tenant recoveries	82,147	56,720	24,361	81,967
Percentage rents	12,924	9,122	3,653	14,060
Other	32,530	22,192	5,360	18,285
Total revenues	332,657	228,943	95,272	308,955
Expenses:				
Shopping Center Expenses:				
Property operating	34,707	23,575	10,272	33,966
Repairs and maintenance	28,060	20,469	8,710	29,602
Real estate taxes	33,223	23,371	9,807	33,015
Advertising and promotion	7,403	5,499	1,348	6,400
Management fees to affiliate (Note 11)	5,674	3,274	2,246	7,167
Provision for doubtful accounts	2,671	910	1,535	3,747
Ground leases (Note 10)	2,413	1,499	754	2,232
Other	4,137	2,038	976	3,399
Total shopping center expenses	118,288	80,635	35,648	119,528
Deferred stock compensation expense (Note 12)	210	4,058	--	--
Interest expense	124,567	87,040	44,119	152,683
Depreciation and amortization	58,603	39,578	16,616	54,227
	301,668	211,311	96,383	326,438
Gain on sale of assets (Note 13)	5,460	1,952	3,286	4,960
Income (loss) from nonconsolidated joint ventures (Note 5)	8,865	7,554	842	(304)
Minority partners' interest in consolidated joint ventures	1,029	530	888	3,065
Income (loss) before extraordinary items	46,343	27,668	3,905	(9,762)
Extraordinary item -- loss on early extinguishment of debt (Note 14)	(11,267)	(8,932)	--	--
Net income (loss) available to Unitholders	$ 35,076	$ 18,736	$ 3,905	$ (9,762)
Net Income (loss) available to Unitholders attributable to:				
General Partner	$ 20,911	$ 11,008	$ 3,905	$ (9,762)
Limited Partners	14,165	7,728	--	--
	35,076	18,736	3,905	(9,762)
EARNINGS PER UNIT:				
Income before extraordinary items	$ 0.53	$ 0.34		
Extraordinary items	(0.13)	(0.11)		
	$ 0.40	$ 0.23		
WEIGHTED AVERAGE UNITS OUTSTANDING (000's)	85,722	82,540		

See accompanying notes

DEBARTOLO REALTY PARTNERSHIP, L.P.
CONSOLIDATED STATEMENTS OF PARTNERSHIP EQUITY
AND DEBARTOLO RETAIL GROUP (PREDECESSOR)
COMBINED STATEMENTS OF OWNERS' EQUITY

	DEBARTOLO REALTY CORPORATION	UNITS	LIMITED PARTNERS	UNITS	TOTAL	UNITS	PREDECESSOR EQUITY (DEFICIT)
			(DOLLARS IN THOUSANDS, EXCEPT FOR UNIT DATA)				
Balance at January 31, 1993.................							$ (79,524)
Contributions..........							8,198
Distributions..........							(33,614)
Net loss...............							(9,762)
Balance at December 31, 1993.................							(114,702)
Contributions..........							8,818
Distributions..........							(14,095)
Net income for the period January 1, 1994 to April 20, 1994.................							3,905
Affiliated receivables not contributed to the Operating Partnership..........							(201,014)
Distribution of net affiliated receivables and payables.............							(23,464)
Distributions to predecessor's parent...............							(130,400)
Minority partners' interest exchanges for Operating Partners.............							(11,923)
Other cash and non-cash contributions to equity...............							3,740
Accumulated Deficit at commencement of operations...........	-	-	-	-	-	-	$ (479,135)
Contributions of proceeds from Initial Public Offering, net of transaction costs................	41,336,900	545,670	-	-	41,336,900	545,670	-
Exchange of debt for partnership interest............	982,237	14,488	-	-	982,237	14,488	-
Transfer of predecessor accumulated deficit.............	-	(479,135)	-	-	-	(479,135)	479,135
Establishment of in the Operating Partnership..........	-	(33,422)	40,515,363	33,422	40,515,363	-	-
Transfer of limited partners' interest to DeBartolo Realty Corporation..........	6,347,016	-	(6,347,016)	-	-	-	-
Distributions from April 21, 1994 to December 31, 1994....	-	(42,583)	-	(29,897)	-	(72,480)	-
Net income from April 21, 1994 to December 31, 1994............	-	11,008	-	7,728	-	18,736	-
Balance at December 31, 1994.................	48,666,153	16,026	34,168,347	11,253	82,834,500	27,279	-
Contributions relating to incentive plans...	96,006	785	-	535	96,006	1,320	-
Contributions relating to second stock offering............	6,000,000	49,417	-	30,953	6,000,000	80,370	-
Contributions relating to purchase of minority partners' interest in five properties...........	-	5,514	671,188	3,921	671,188	9,435	-
Transfer of limited partners' interest DeBartolo Realty Corporation..........	567,003	567	(567,003)	(567)	-	-	-
Distributions..........	-	(65,547)	-	(43,118)	-	(108,665)	-
Net income.............	-	20,911	-	14,165	-	35,076	-
Balance at December 31, 1995.................	55,329,162	$ 27,673	34,272,532	$ 17,142	89,601,694	$ 44,815	$ -

DEBARTOLO REALTY PARTNERSHIP, LP
CONSOLIDATED STATEMENTS OF CASH FLOWS
AND DEBARTOLO RETAIL GROUP (PREDECESSOR)
COMBINED STATEMENTS OF CASH FLOWS

	DEBARTOLO REALTY PARTNERSHIP, L.P.		DEBARTOLO RETAIL GROUP	
	1995	1994	1994	1993
	JANUARY 1 THROUGH DECEMBER 31	APRIL 21 THROUGH DECEMBER 31	JANUARY 1 THROUGH APRIL 20	JANUARY 1 THROUGH DECEMBER 31
	(DOLLARS IN THOUSANDS)			
Cash Flow From Operating Activities:				
Net Income (loss)	$ 35,076	$ 18,736	$ 3,905	$ (9,762)
Adjustments to reconcile net income to net cash provided by Operating Activities:				
Amortization of formation and loan costs included in interest expense	11,616	10,528	1,354	4,390
Amortization and write-off of interest rate protection agreements	7,307	2,112	--	--
Extraordinary loss on early extinguishment of debt	11,267	8,932	--	--
Gain on sale of assets	(5,460)	(1,952)	(3,286)	(4,960)
Depreciation and amortization	58,603	39,578	16,616	54,227
Deferred stock compensation expense	210	4,058	--	--
Minority partners' interests in consolidated joint ventures	(1,029)	(530)	(888)	(3,065)
(Income) loss from nonconsolidated joint ventures	(8,865)	(7,554)	(842)	304
Decease (increase) in restricted cash	--	7,143	(2,829)	(344)
Decrease (increase) in accounts receivable	980	(642)	172	1,286
Decrease (increase) in prepaid expenses and other	(984)	5,219	(5,995)	(429)
Increase (decrease) in accounts payable and accrued expenses	179	(12,228)	7,938	(4,832)
Net Cash Provided By Operating Activities	108,900	73,400	16,145	36,815
Cash Flows From Investing Activities:				
Additions to investment properties	(51,339)	(24,089)	(3,018)	(28,981)
Acquisition of development land	--	(21,000)	--	--
Purchase of properties and partnership interests	--	(1,818)	--	--
Additions to deferred charges for lease costs and other	(3,625)	(1,927)	(501)	(3,436)
Distributions from nonconsolidated joint ventures	19,379	7,132	5,777	15,498
Advances to and investments in nonconsolidated joint ventures	(8,521)	(53,585)	(258)	(1,784)
Net proceeds from sale of assets	6,282	3,035	4,547	8,206
Purchase of short term investments	(9,718)	(4,339)	--	--
Net Cash Provided By (Used In) Investing Activities	(47,542)	(96,591)	6,547	(10,497)
Cash Flows From Financing Activities:				
Proceeds from issuance of debt	116,828	481,736	4,173	29,611
Partnership contributions	80,370	543,852	8,818	8,198
Scheduled principal payments on mortgages	(6,647)	(4,587)	(3,657)	(7,797)
Other payments on debt	(171,436)	(681,435)	(626)	(5,919)
Loan costs and interest rate buydowns	(1,941)	(70,822)	(87)	(3,205)
Distribution to predecessor parent	--	(130,400)	--	--
Prepayment penalties on early extinguishment of mortgage notes payable	(3,390)	(4,478)	--	--
Partnership distributions	(106,533)	(46,387)	(14,095)	(20,936)
Minority partner distributions	(847)	(574)	(144)	(1,500)
(Increase) decrease in restricted cash	21,841	(39,000)	--	--
Decrease (increase) in affiliate receivables (net of affiliated payables)	(2,651)	1,901	(14,672)	(23,776)
Net Cash Provided by (Used In) Financing Activities	(74,406)	49,806	(20,290)	(25,324)
Net Increase (Decrease) In Cash	(13,048)	26,615	2,402	994
Cash and Cash Equivalents:				
Beginning of Period	38,899	12,284	9,882	8,888
End of period	$ 25,851	$ 38,899	$ 12,284	$ 9,882
Supplemental Information:				
Interest Paid	$ 105,501	$ 81,306	$ 41,434	$ 147,646
Supplemental Schedule of Non-Cash and Financing Activities:				
Distribution of affiliate receivables and payables	$ --	$ --	$ 23,464	$ 12,678
Exchange of debt for Operating Partnership interest	$ --	$ 14,488	$ --	$ --
Minority partners' interest exchanged for Operating Partnership interest	$ 9,435	$ 11,923	$ --	$ --
Affiliate receivables not contributed to Operating Partnership	$ --	$ --	$ 201,014	$ --
Distribution of affiliate payables to minority partners	$ --	$ --	$ --	$ (1,264)
Limited Partners' interest exchanged for General Partner Units	$ 567	$ --	$ --	$ --

See accompanying notes

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

NOTE 1 -- ORGANIZATION AND FORMATION

DeBartolo Realty Partnership, L.P. (the "Operating Partnership" or "OP") was formed as a Delaware limited partnership in 1993 in connection with DeBartolo Realty Corporation's (the "Company") initial public offering (the "IPO"). On April 21, 1994, the Company raised 498 million in net proceeds through the Company's IPO.

The proceeds of the IPO were used to acquire general partnership interests in the OP, and indirectly, interest in DeBartolo Capital Partnership, a Delaware general partnership ("FP"). The Company acquired a 47.8% general partner interest in the OP in exchange for its contribution of these net proceeds to the OP. The OP, and consequently the FP, were formed to continue and expand the shopping mall ownership, management and development business of The Edward J. DeBartolo Corporation ("EJDC") in a portfolio which, as of December 31, 1995, consists of 51 super-regional and regional malls (the "DeBartolo Malls"), 11 community centers and land held for future development (collectively, the "DeBartolo Properties"). As the sole general partner of the OP, the Company has full, exclusive and complete responsibility and discretion in the management and control of the OP. The OP was formed prior to the consummation of the Company's IPO and is the successor entity to the DeBartolo Retail Group. During 1995, certain property management and development activities are carried out for the OP and FP through an affiliate, DeBartolo Properties Management, Inc. (the "Property Manager").

Concurrently with the completion of the IPO, the FP completed a 455 million principal amount securitized debt financing (the "Securitized Debt Financing"). Simultaneously with the IPO, EJDC and certain affiliates (collectively, the "DeBartolo Group") and certain current and former employees of EJDC, along with JCP Realty, Inc. ("JCP"), contributed to the OP interests in the DeBartolo Properties (and certain other assets) for limited partnership interests in the OP. Pursuant to an Exchange Rights Agreement, in April 1995 the Company filed a registration statement for the issuance of 34,168,347 shares of common stock. The Exchange Rights Agreement provides for the conversion of the limited partner interests to shares of common stock. The Exchange Rights Agreement is subject to certain restrictions relating to the initial exercise period, minimum value of interest exchanged, and ownership limitations.

In connection with the IPO, the OP received options to acquire the interests of the estate of Edward J. DeBartolo and other members of his family and affiliates in four DeBartolo Malls and one community center. On July 1, 1995, the Company exercised these options and acquired a 12.8% interest in Miami International Mall, 10.1% interests in University Park Mall and University Center and 0.1% interests in Coral Square and Lakeland Square. The exercise price of approximately 9.4 million was payable in limited partnership interests in the OP. As a result of these acquisitions, the Company's percentage ownership in the OP decreased from 58.8% to 58.3%.

On August 1, 1995, the Company completed a public offering of 6,000,000 shares of common stock at an offering price of 14 1/4 per share raising net proceeds of approximately 80.4 million. The Company contributed the net proceeds to the OP, which has used the net proceeds to retire mortgage debt (including any related prepayment penalties). As a result of the contribution by the Company to the OP of the net proceeds of the offering, the Company's percentage ownership in the OP increased from 58.3% to 61.1%.

During August 1995, EJDC exchanged limited partnership interests in the OP to retire certain EJDC corporate debt. The lender immediately exchanged the limited partnership interests in the OP for common stock of the Company. As a result of this transaction, the Company's percentage ownership in the OP increased from 61.1% to 61.8%.

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AND DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

At December 31, 1995, ownership in the OP is as follows:

	TOTAL UNITS	PERCENT OWNED
GENERAL PARTNER		
DeBartolo Realty Corporation	55,329,162	61.8%
LIMITED PARTNERS		
DeBartolo Group	32,714,135	36.5
JCP Realty, Inc	1,016,156	1.1
DeBartolo Employees (current and former)	542,241	0.6
TOTAL	34,272,532	38.2
TOTAL UNITS	89,601,694	100%

NOTE 2 -- BASIS OF PRESENTATION

The financial statements of the OP are presented on a consolidated basis. Properties which are controlled through majority ownership have been consolidated and all significant intercompany transactions and accounts have been eliminated. Properties where the OP owns less than a majority interest have been accounted for under the equity method. One property, 2% of which is owned by the OP, is accounted for under the cost method.

The OP owns 5% of the voting common stock and all of the nonvoting preferred stock of the Property Manager. The OP's pro rata share is 95% of the Property Manager's operating results. The OP accounted for its investment in the Property Manager under the cost method through September 30, 1995. During 1995, in accordance with Emerging Issues Task Force Issue No. 95-6, Accounting by a Real Estate Investment Trust for an Investment in a Service Corporation, the OP changed its method of accounting for its investment in the Property Manager to the equity method. The OP has applied the new accounting method retroactively to April 21, 1994, in accordance with Accounting Principles Board Opinion 20, Accounting Changes. The change had no significant impact to previously issued financial results for 1994 and 1995.

The accompanying combined financial statements of DeBartolo Retail Group represent DeBartolo Properties previously owned by EJDC and certain of its affiliates. The historical financial statements of DeBartolo Retail Group are presented on a combined basis because EJDC and certain of its affiliates were the subject of the business combination discussed above. The business combination has been accounted for as a reorganization of entities under common control, which is similar to the accounting used for a pooling of interests.

NOTE 3 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

Investment Properties:

Investment properties are stated at cost less accumulated depreciation, which in the opinion of management is not in excess of net realizable value. Costs incurred for the acquisition, development, construction and improvement of properties, including significant renovations, are capitalized. Interest costs and real estate taxes incurred with respect to qualified expenditures relating to the construction of assets are capitalized during the development period.

Depreciation and Amortization:

The cost of buildings, improvements and equipment are depreciated on the straight-line method over estimated useful lives, as follows:

Buildings -- 30 to 40 years
Improvements -- shorter of lease term or useful life
Equipment -- 3 to 10 years

Tenant allowances paid to tenants for construction are capitalized and amortized over the terms of each specific lease. Maintenance and repairs are charged to expense when incurred.

Deferred Charges:

Deferred charges consist principally of financing costs and leasing commissions which are amortized over the terms of the respective agreements.

Capitalized Interest:

Interest is capitalized on projects during the construction period. Interest capitalized was $1,614 in 1995; $686 from inception to December 31, 1994; $13 for the period January 1, 1994 to April 20, 1994, and $219 in 1993.

Cash and Cash Equivalents:

Highly liquid investments with maturities of three months or less are considered cash equivalents.

Restricted Cash:

Cash is restricted primarily for renovations and redevelopment of certain DeBartolo Properties in connection with the Securitized Debt Financing.

Fair Value of Financial Instruments:

The following methods and assumptions were used to estimate the fair value of financial instruments:

- The fair value of cash and cash equivalents, restricted cash and short-term investments approximate carrying value due to the short-term nature of these instruments.

- The fair value of the OP's fixed rate mortgages and notes payable is based on current rates available to the OP for debt of similar terms. Fair value of variable rate debt is considered to be the carrying amount.

- The fair value of the interest rate caps and interest rate swaps are based on available market data.

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

Minority Interests:

Minority interests in consolidated joint ventures represent the amounts of net assets of consolidated ventures attributable to the interests of outside parties. Minority interests in capital deficits of joint ventures are carried as assets to the extent considered recoverable.

Revenue Recognition:

Shopping center space is generally leased to specialty retail tenants under short and intermediate term leases which are accounted for as operating leases. Minimum rents are recognized on the straight-line method over the terms of leases. Percentage rents are recognized on an accrual basis as earned. Real estate tax and operating expense recoveries are recognized in the period the applicable costs are incurred.

Ground Leases:

Certain properties, as lessees, lease land under operating leases. Rent expense is recorded on the straight-line method over the term of these leases.

Income Taxes:

The allocable share of the taxable income or loss of the OP is includable in the income tax returns of the partners; accordingly, income taxes are not reflected in the consolidated financial statements.

Earnings Per Unit:

Earnings per unit is based on the weighted average number of units outstanding for the year ending December 31, 1995 and for the period of April 21, 1994 through December 31, 1994. Units of common stock awarded during 1994 under a deferred stock plan (70,696 units) and units of common stock awarded under a long-term incentive plan (245,200 units) have been considered outstanding units. In April 1995, the OP issued 96,006 units of common stock under both plans. Both plans are a part of the 1994 DeBartolo Realty Corporation Stock Incentive Plan. For purposes of determining fully dilutive earnings per unit, the remaining 2,427,100 units of common stock under the long-term incentive deferred stock plan are anti-dilutive after adjusting earnings to give effect to the increase in earnings necessary for the units of common stock to be awarded under the plan.

Impact of Recently Issued Accounting Standards:

In March 1995, the FASB issued Statement No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of, which requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amount. Statement 121 also addresses the accounting for long-lived assets that are expected to be disposed of. The OP will adopt Statement 121 in the first quarter of 1996 and, based on current circumstances, does not believe the effect of adoption will be material. The OP continually analyzes its mall properties based on investment related criteria and, as a result, the OP may determine to dispose of certain properties. Current circumstances based on the OP's intention to hold the properties for long-term appreciation, do not indicate that any of the OP's properties are impaired. However, if a decision is made to dispose of certain properties, it is reasonably possible that significant write-downs may be required.

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

Reclassifications:

Certain prior year amounts have been reclassified to conform to the current year presentation.

NOTE 4 -- INVESTMENT PROPERTIES

Investment properties consist of shopping center properties, including peripheral land and properties under development and an office tower adjacent to one of the shopping centers. Investment properties are summarized as follows:

	DECEMBER 31,	
	1995	1994
Land	$ 193,365	$ 192,781
Shopping center buildings, improvements and equipment	1,537,725	1,486,819
Office tower building, improvements and equipment	40,522	40,225
Properties under construction/expansion/renovation	13,351	7,962
Peripheral land parcels	8,700	9,805
	1,793,663	1,737,592
Accumulated depreciation	574,338	519,754
Total investment properties	$1,219,325	$1,217,838

Peripheral land parcels primarily consist of undeveloped land parcels adjacent to certain shopping centers.

Depreciation expense totaled $55,315 in 1995; $37,298 from April 21, 1994 to December 31, 1994; $15,792 for the period January 1, 1994 to April 20, 1994; and $51,431 for 1993.

The DeBartolo Group has granted the OP options to purchase their interests in two shopping center development sites at an agreed upon purchase price. These options are subject to the rights and approvals of existing lenders, third parties and governmental authorities. The OP has options and rights of first refusal to purchase the DeBartolo Group's interest in two regional malls. The option prices are fair market value at any time until December 31, 1998.

As of December 31, 1995, the OP had options to acquire the interests of three outside partners in five DeBartolo Properties. These options are subject to the rights of partners and lenders and to the satisfaction of certain conditions. In January 1996, the Property Manager acquired the interests of one outside partner in two properties, see Note 16.

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

NOTE 5 -- INVESTMENTS IN NONCONSOLIDATED JOINT VENTURES

The OP's investments in the joint ventures, which have been accounted for under the equity method, are as follows:

VENTURE	PROPERTY	OP'S PERCENTAGE OWNERSHIP AS OF DECEMBER 31, 1995
Aventura Mall	Aventura Mall	33.3%
Jacksonville Avenues Limited Partnership	The Avenues	25.0%
Biltmore Square Associates	Biltmore Square	33.3%
Century III Associates	Century III Mall	50.0%
Chesapeake-JCP Associates, Ltd.	Chesapeake Square	50.0%
Coral-CS/LTD Associates	Coral Square	50.0%
Florida Mall Associates	The Florida Mall	50.0%
HD Lakeland Mall Joint Venture	Lakeland Square	50.0%
West Dade County Associates	Miami International Mall	50.0%
Northfield Center Limited Partnership	Northfield Square	31.6%
Palm Beach Mall (a tenancy in common)	Palm Beach Mall	50.0%
Philadelphia Center Associates	Great Northeast Plaza	50.0%

These investments are recorded initially at cost and subsequently adjusted for net equity in income (loss) and cash contributions and distributions. The OP receives substantially all of the economic benefit of Biltmore Square, Chesapeake Square and Northfield Square as the result of advances made to those joint ventures. For one joint venture, the outside partner receives substantially all of the economic benefit.

Summary financial information and summary of OP's investment in and share of income (loss) from the above joint ventures follows:

	DECEMBER 31, 1995	DECEMBER 31, 1994
BALANCE SHEETS		
Investment properties (net)	$599,234	$604,506
Other assets	43,094	47,007
Total assets	642,328	651,513
Mortgages and notes payable	584,495	592,990
Other liabilities	90,549	85,182
Total liabilities	675,044	678,172
Accumulated deficit	(32,716)	(26,659)
Less: Outside partners' equity	180	3,753
Advances to nonconsolidated joint ventures	78,474	71,415
Net surplus in nonconsolidated joint ventures	$ 45,578	$ 41,003
Net surplus (deficits) in nonconsolidated joint ventures is presented in the accompanying consolidated balance sheets as follows:		
Investments in nonconsolidated joint ventures	$ 38,251	$ 39,430
Advances to nonconsolidated joint ventures	78,474	71,415
Total investments in and advances to nonconsolidated joint ventures	116,725	110,845
Deficits in nonconsolidated joint ventures	(71,147)	(69,842)
	$ 45,578	$ 41,003

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AND DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

	DECEMBER 31, 1995	PERIOD FROM APRIL 21, 1994 TO DECEMBER 31, 1994	PERIOD FROM JANUARY 1, 1994 TO APRIL 20, 1994	DECEMBER 31, 1993
STATEMENTS OF OPERATIONS				
Revenues:				
Minimum rents	$ 89,727	$ 60,978	$ 26,101	$ 80,971
Tenant recoveries	44,293	30,967	12,709	40,589
Percentage rents	6,058	4,833	1,406	7,932
Other	12,853	9,252	2,420	8,233
Total revenues	152,931	106,030	42,636	137,725
Expenses:				
Shopping Center expenses	57,368	39,778	16,092	52,400
Interest expense	57,561	37,038	15,942	58,615
Depreciation and amortization	24,078	16,351	6,885	22,307
	139,007	93,167	38,919	133,322
Gain (loss) on sale of assets	166	1,196	(1)	1,380
Income before extraordinary item	14,090	14,059	3,716	5,783
Extraordinary item -- loss on early extinguishment of debt	(425)	(388)	--	--
Net income	$ 13,665	$ 13,671	$ 3,716	$ 5,783
DeBartolo Realty Partnership, L.P.'s share of:				
Revenues less shopping center expenses	$ 41,987	$ 28,706	$ 12,541	$ 40,302
Interest expense	20,035	12,902	8,206	29,801
Depreciation, amortization and other	12,826	8,318	3,493	11,319
Gain on land sales	164	445	--	514
Income (loss) before extraordinary item	9,290	7,931	842	(304)
Extraordinary item -- loss on early extinguishment of debt	(425)	(377)	--	--
Net income (loss)	$ 8,865	$ 7,554	$ 842	$ (304)

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

NOTE 6 -- PROPERTY MANAGER

Summary financial information for the Property Manager is as follows:

	DECEMBER 31, 1995	DECEMBER 31, 1994
BALANCE SHEETS		
Cash and cash equivalents	$ 2,018	$ 2,816
Accounts receivable, substantially all due from related parties	13,516	10,531
Other assets	8,003	2,692
	$23,537	$16,039
Accounts payable and accrued liabilities	$14,691	$11,421
Note payable to OP	4,018	--
Other long-term liabilities	4,082	3,977
Total Liabilities	22,791	15,398
Shareholders' equity	746	641
	$23,537	$16,039
OP's share of Shareholders' equity	$ 709	$ 609
Outside Shareholders' equity	$ 37	$ 32

	YEAR ENDED DECEMBER 31, 1995	PERIOD FROM APRIL 21, 1994 TO DECEMBER 31, 1994
STATEMENTS OF OPERATIONS		
Revenues:		
Construction and development	$ 6,087	$ 4,541
Management and leasing	16,768	12,194
Other	3,223	1,507
Total revenues	26,078	18,242
Expenses:		
Salaries and employee benefits	20,018	12,361
Other operating expenses	5,784	2,485
Other expenses	171	2,162
Total expenses	25,973	17,008
Net income	105	1,234
OP's share of net income	$ 100	$ 1,172

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

NOTE 7 -- DEFERRED CHARGES AND PREPAID EXPENSES

Deferred charges and prepaid expenses are summarized as follows:

	DECEMBER 31, 1995	DECEMBER 31, 1994
Lease costs, net of accumulated amortization of $15,566 and $14,541 in 1995 and 1994, respectively	$17,402	$17,077
Securitized Debt Financing costs, net of accumulated amortization of $2,992 and $1,226 in 1995 and 1994, respectively	9,374	11,135
Loan costs, net of accumulated amortization of $11,382 and $11,910 in 1995 and 1994, respectively	8,743	11,189
Interest rate protection agreements, net of accumulated amortization of $2,249 and $2,103 in 1995 and 1994, respectively	704	8,011
Interest rate buydowns, net of accumulated amortization of $11,222 and $7,426 in 1995 and 1994, respectively	30,993	44,256
Investment in West Town Mall Joint Venture	2,699	2,405
Prepaid expenses and other	4,181	3,537
	$74,096	$97,610

Lease cost amortization totaled $3,288 in 1995; $2,280 from April 21, 1994 to December 31, 1994; $824 for the period January 1, 1994 to April 20, 1994; and $2,796 in 1993.

Amortization of loan costs, interest rate protection agreements and interest rate buydowns totaled $14,729 in 1995; $12,640 from April 21, 1994 to December 31, 1994; $1,354 for the period January 1, 1994 to April 20, 1994; and $4,390 in 1993.

On December 27, 1995, the OP assigned certain interest protection agreements to an unrelated third party and replaced such agreements with interest rate swap agreements. Accordingly, interest rate protection agreements have been written-off with a charge to interest expense. Fair value of the remaining interest rate protection agreement and the interest rate swap was $704 and $1,130, respectively, at December 31, 1995. Fair value of the interest rate protection agreements at December 31, 1994 were $13,659.

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

NOTE 8 -- MORTGAGES AND NOTES PAYABLE

Mortgage debt, which is collateralized by substantially all investment properties, is summarized as follows:

	DECEMBER 31, 1995	DECEMBER 31, 1994
Commercial Mortgage pass-through certificates -- fixed interest rate ranging from 7.59% to 9.24% (average of 8.13% at December 31, 1995), due April, 2001	$ 367,244	$ 367,800
Commercial Mortgage pass-through certificates -- interest at LIBOR, subject to an interest rate swap agreement, plus 56 basis points (5.31% at December 31, 1995), due April, 2001	87,200	87,200
Revolving line of credit with interest at LIBOR plus 175 basis points (7.5% at December 31, 1995) due December 1998	55,000	--
Primarily first mortgages with fixed interest rates ranging from 6.79% to 9.92% (average of 7.9% at December 31, 1995), due at various dates through 2012	692,162	804,362
First mortgages with variable interest rates at LIBOR, subject to an interest rate swap agreement, plus 100 basis points (5.75% at December 31, 1995) due at various dates through 2002	74,864	78,362
Bond payable collateralized by a mortgage to an affiliate of EJDC on one property at an effective rate of 8.0% due September 1996	72,103	72,103
Total Mortgages and Notes Payable	$1,348,573	$1,409,827

During December 1995, the OP entered into an interest rate swap agreement to pay LIBOR at (i) 4.75% on approximately $218 million of debt through April 1997 and (ii) 5.71% on $87.2 million of debt from May 1997 through April 2001. As part of this arrangement, the OP assigned the following interest rate protection agreements (i) 4.75% through April 1996 and 5.25% from May 1996 through April 1997 on approximately $131 million of debt and (ii) 4.75% through April 1996 on $87.2 million of debt. The OP has an interest rate protection agreement which limits interest on $87.2 million of debt to no more than LIBOR of 8.44% for the period May 1996 through March 2001.

The OP's proportionate share of the mortgages and notes payable are as follows as of December 31:

	1995	1994
DeBartolo Realty Partnership, L.P.	$1,305,564	$1,363,042
Outside partners	43,009	46,785
	$1,348,573	$1,409,827

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AND DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

Annual principal payments and maturities as of December 31, 1995 are as follows:

	TOTAL	OP'S SHARE
1996	$ 157,221	$ 157,139
1997	7,588	7,491
1998	63,253	63,149
1999	69,103	68,991
2000	8,661	8,540
Thereafter	1,042,747	1,000,254
	$ 1,348,573	$ 1,305,564

During 1995, the OP paid off mortgages of $117,227 at three properties and obtained the release of mortgage liens at two properties. Additionally, the OP refinanced three loans at one property totaling $44,098 with a $59,500 mortgage note payable (of which $46,528 is currently outstanding), providing additional borrowing capacity of up to $13,000 to be drawn upon over the subsequent twelve months for expansion and renovation of that property. The OP refinanced $9,518 of construction loans at three community centers with permanent financing totaling $15,000.

In December 1995, the OP amended and expanded its revolving line of credit from $50,000 to $120,000, subject to certain conditions being met. As of December 31, 1995, total current availability under this working line is $94,500, of which $55,000 is outstanding. The facility is secured by the mortgages of two properties and a negative pledge of a third property and is recourse to the OP. The OP anticipates the facility to be increased to $150,000 and the availability will be increased to $144,500 during the first quarter of 1996 once certain conditions are met including additional collateral of a mortgage on the negative pledged property. Interest is provided at the lesser of LIBOR plus 175 basis points or the Base Rate, as defined. The facility matures in December 1998, however, the OP has a one-year extension option. The facility requires the OP to maintain a minimum net worth as defined, limits the OP's indebtedness and provides for other restrictive covenants.

The OP restructured a $54,906 mortgage note payable having an interest rate of 8 7/8% maturing January, 1998. The new mortgage matures January, 2005 and bears interest at 7.42%. In connection with this transaction, the OP made a partial paydown of $5,491 on a mortgage note of a nonconsolidated joint venture.

Commercial mortgage pass-through certificate covenants require the OP to fund into escrow reserves for renovations, repairs and maintenance and tenant improvements and requires the FP to maintain Minimum Debt Service coverage ratios (as defined) and provides for other restrictive covenants.

Annual reserve funding requirements are as follows:

1996	$ 7,600
1997	10,400
1998	6,933
1999	5,200
2000	5,200
Thereafter	1,734
	$37,067

DeBartolo Realty Partnership, L.P. has guaranteed $29,946 of the mortgages and notes payable relating to three consolidated properties and three nonconsolidated joint ventures. An affiliate of EJDC continues to

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

provide a guarantee of 33 1/3% of the debt service obligation on a $100,000 floating rate mortgage at one nonconsolidated joint venture. The OP has agreed to indemnify the EJDC affiliate for any loss or costs incurred or associated with this guaranty.

DeBartolo, Inc., parent of EJDC, and certain of its affiliates have guaranteed $100,000 of the OP's mortgages and notes payable.

Fair Value of Debt Related Financial Instruments:

The estimated fair value of debt related financial instruments are as follows:

	DECEMBER, 1995		DECEMBER, 1994	
	CARRYING VALUE	FAIR VALUE	CARRYING VALUE	FAIR VALUE
Securitized Debt Financing......	$ 454,444	$ 477,083	$ 455,000	$ 446,936
Fixed rate mortgages and notes payable......................	764,265	796,231	876,465	805,553
Variable rate mortgages and notes payable................	74,864	74,864	78,362	78,362
Revolving loan..................	55,000	55,000	--	--
	$1,348,573	$1,403,178	$1,409,827	$1,330,851

The debt on the nonconsolidated joint ventures (see Note 5) was $584,495 at December 31, 1995. The OP's pro rata share of that debt was $249,535 at December 31, 1995. The OP's proportionate share of mortgage notes and other notes payable on both its consolidated and nonconsolidated properties was $1,555,099 at December 31, 1995.

NOTE 9 -- RENTALS UNDER OPERATING LEASES

The properties receive rental income from the leasing of retail shopping center space and an office tower under operating leases that expire at various dates through 2026. Substantially all investment property is leased out under operating leases. The minimum future rentals based on operating leases held are as follows as of December 31, 1995:

	ALL LEASES	LEASES WITH RELATED PARTIES (1)
1996..	$ 181,438	$ 7,315
1997..	165,984	6,975
1998..	150,090	5,771
1999..	130,068	5,419
2000..	111,839	4,695
Thereafter..................................	486,197	23,905
	$1,225,616	$54,080

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(1) Represents stores whose parent company also owns units of the OP or stores whose chief executive officers are on the Board of Directors of the Company.

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

Minimum future rentals do not include amounts which may be received under the terms of certain leases based upon a percentage of the tenants' sales or as reimbursement of shopping center expenses.

No single tenant or group of affiliated tenants collectively accounts for more than 10% of the consolidated properties total revenues which include minimum rents, tenant recoveries, percentage rents and other revenue. The tenant base includes national and regional retail chains and local retailers and consequently the consolidated properties credit risk is concentrated in the retail industry. The DeBartolo Malls are located in 16 states, with 17 malls located in Florida and 8 malls located in Ohio.

The revenues of the OP may be adversely affected by the inability to collect rent due to bankruptcy or insolvency of tenants or otherwise. Two department store companies operating six department stores or other large retail stores in excess of 60,000 square feet ("Anchor") at the consolidated DeBartolo Properties are operating under the protection of the United States Bankruptcy Code. At December 31, 1995, leases (excluding rejected leases) of Anchor tenants open and operating in bankruptcy comprise approximately 1% of total gross leasable area ("GLA"). Annual rentals paid by these Anchor tenants comprised 2.5% of minimum rents paid by Anchor tenants. At December 31, 1995, leases (excluding rejected leases) of mall store tenants at consolidated DeBartolo Properties open and operating in bankruptcy comprise approximately 6.4% of mall GLA. Annual rentals paid by these mall store tenants comprised 6.1% of minimum rents paid by mall store tenants. Substantially all of these tenants are currently meeting their contractual obligations. At the time a tenant files for bankruptcy protection it is difficult to determine to what extent these tenants will reject their leases or seek other concessions as a condition to continued occupancy. The OP expects certain of these tenants to reject their leases. Based on past experience, the OP has been able to offset, over a reasonable period of time, the impact on minimum rents caused by a tenant in bankruptcy.

NOTE 10 -- GROUND LEASES

Certain properties, as lessees, have ground leases expiring at various dates through 2087. Following is a schedule of future minimum rental payments required under these ground leases as of:

	DECEMBER 31, 1995
1996	$ 2,267
1997	2,347
1998	2,347
1999	2,347
2000	2,347
Thereafter	225,607
	$237,262

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

NOTE 11 -- TRANSACTIONS WITH AFFILIATES

Management and Other Fees: The Property Manager has contracted to provide management, leasing, development and construction management services to the OP. Amounts included in the consolidated financial statements related to agreements with the Property Manager are as follows:

	1995	PERIOD FROM APRIL 21, 1994 TO DECEMBER 31, 1994	PERIOD FROM JANUARY 1, 1994 TO APRIL 20, 1994	1993
Management fees..................	$5,369	$3,044	$ 2,179	$7,167
Leasing fees.....................	3,261	1,872	552	3,319
Development and construction.....	4,872	1,844	717	3,013
Other reimbursements.............	835	254	180	664

During 1995, the Property Manager earned development and construction revenues of $893 from affiliates of a partner in the OP.

Insurance: The OP has first dollar commercial general liability coverage and special cause of loss property insurance with a $5 deductible. Prior to 1995 the OP's insurance carrier reinsured certain coverages with an affiliate of EJDC. Charges to the OP for the reinsured amounts totaled $3,462 from April 21, 1994 to December 31, 1994. Prior to April 21, 1994, the DeBartolo Retail Group had first dollar commercial general liability insurance of which an affiliated insurance company reinsured the first $250 per occurrence. Additionally, the DeBartolo Retail Group had "All Risk" Property insurance. The insurance company reinsured the first $95 per occurrence with an affiliate of EJDC. Charges for the reinsured amounts totaled $1,374 for the period January 1, 1994 to April 20, 1994 and $4,355 for 1993.

Affiliate Leases: On November 6, 1995, Fun-N-Games, an affiliate of EJDC which operated amusement centers in DeBartolo Properties, was sold to an independent third party operator which continues to operate these stores. These properties have recorded total revenues and operating expense reimbursements of $1,771 from January 1, 1995 through November 6, 1995, $1,571 from April 21, 1994 to December 31, 1994, $776 for the period from January 1, 1994 to April 20, 1994 and $2,287 for 1993.

Affiliates of certain Anchor tenants and small shops in various properties are partners in various properties or are partners in the OP. As of December 31, 1995, these tenants own or lease space in 29 consolidated properties. These properties recorded rental income and operating expense reimbursements of $10,933 in 1995; $8,926 from April 21, 1994 to December 31, 1994; $3,314 for the period January 1, 1994 to April 20, 1994; and $12,674 for 1993.

Affiliated Receivables (Payables): At December 31, 1995, the affiliated receivable represents a $4,018 revolving loan receivable from the Property Manager bearing interest at prime plus 200 basis points offset by amounts due to the Property Manager for normal operating costs. Interest earned by the OP on this revolver totaled $258 in 1995. At December 31, 1994, affiliated receivables represent amounts due to the Property Manager for normal monthly operating costs offset by dividends receivable from the Property Manager of $809. At December 31, 1993, net affiliated receivables (which are primarily non-interest bearing) are due from EJDC. Concurrent with the offering, these affiliated receivables were distributed to EJDC. Interest expense includes interest charged to properties by EJDC on net amounts due to EJDC totaling $760 for the period January 1, 1994 to April 20, 1994 and $2,754 in 1993.

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AND DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

The Property Manager leases office space from EJDC under an operating lease. Rent charged under the lease totaled $1,092 in 1995 and $755 in 1994.

The Property Manager performs legal, tax and other services for EJDC under a corporate service agreement. Fees for these services totaled $570 in 1995 and $425 in 1994.

NOTE 12 -- STOCK INCENTIVE PLAN

The Company and the OP adopted the DeBartolo Realty Corporation 1994 Stock Incentive Plan (the "Stock Incentive Plan") to provide incentives to attract and retain officers, directors and key employees.

The Stock Incentive Plan provides for the grants of nonqualified and incentive stock options to purchase a specified number of shares of Common Stock ("Options") or rights to future grants of Common Stock ("Deferred Stock"). Under the Stock Incentive Plan, 3,100,000 shares of Common Stock are available for grant.

The Compensation Committee of the Company's Board of Directors has approved the grant of approximately 2,743,000 shares in the form of Deferred Stock in connection with a two-part, long-term incentive compensation program.

Deferred Stock Awards upon Completion of the Offering. Upon completion of the IPO, approximately 71,000 shares of Deferred Stock were granted to certain employees of the Company and the Property Manager, and will vest ratably over a five-year period. The vesting of this initial Deferred Stock award is based only on service and will not depend on the Company's financial performance.

Long-Term Incentive Deferred Stock Awards. The second and more significant component of the Company and the OP's long-term compensation proposal is a Deferred Stock grant for which vesting is tied to the attainment of annual and cumulative targets for growth in the Company's funds from operations ("FFO") per share (which is substantially equivalent to cash generated before debt repayments and capital expenditures, including peripheral land sales) after adjusting for a reserve (not to exceed a specified amount) set annually to cover tenant allowances and the use of floating rate debt through 1998. This long-term incentive Deferred Stock grant includes senior management and approximately 130 key employees of the Property Manager. Any Deferred Stock award earned upon attainment of an annual and cumulative growth target will be distributed over the three-year period subsequent to the period that the award was earned, provided the employee remains in the employ of the Company or the Property Manager. Deferred Stock awarded to employees over the three-year period will be unrestricted.

The awards eligible to be earned in any given year will be earned only if the annual and cumulative adjusted FFO per share growth target for such year is reached. As defined, the adjusted FFO per share growth target from the current adjusted FFO base was $1.54 in 1995 and increases 7% for each year ending December 31, 1996 through 1998. The percentage of the total Deferred Stock award eligible to be earned upon attainment of these targets is 10% for 1994, 15% for 1995, 20% for 1996, 25% for 1997 and 30% for 1998. The following table provides the adjusted FFO target for award of the Common Stock reserved for issuance under the Stock Incentive Plan.

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AND DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

LONG-TERM INCENTIVE DEFERRED STOCK AWARD TARGETS

YEAR ENDED DECEMBER 31,	ANNUAL GROWTH TARGET	CUMULATIVE GROWTH TARGET FROM PLAN INCEPTION	FFO PER SHARE GROWTH TARGET
1996.................	7.0%	16.8%	$1.65
1997.................	7.0%	25.0%	$1.77
1998.................	7.0%	33.7%	$1.89

If the annual target is not met, the percentage of the award attributable to that annual target may be earned in a subsequent year if the cumulative growth target is met including the shortfall in the prior year(s). The Compensation Committee of the Company's Board of Directors has the right to make partial awards if targets are not met.

At December 31, 1995, approximately 2,672,300 shares of the total 3,100,000 shares of Common Stock reserved for issuance under the Stock Incentive Plan were allocated among senior management and approximately 130 key employees in connection with the long-term incentive award. The remaining shares have been held for future allocations under the stock incentive plan to both current and future employees. The Compensation Committee has discretion to waive the additional three-year employment requirement upon certain terminations of employment (e.g., retirement, death, disability or termination without cause). The awards vest over a period of eight years, with the majority vesting in the fourth through eighth years after the IPO.

The OP did not meet the FFO growth target in 1995; accordingly, the financial statement reflects expense of $210 relating to the vested portion of the 70,696 shares under the Deferred Stock plan. The OP achieved its 1994 FFO target and accordingly expensed $3,848 relating to 245,200 shares awarded under the long-term incentive deferred stock plan and $210 relating to the 1994 vested portion of the Deferred Stock award.

Stock Option Plan:

The Company and the OP has a stock option plan in place covering each Director of the Company who is not otherwise an employee of the Company or any of its subsidiaries or affiliates. Each such Director, upon joining the Company's Board of Directors, received an initial grant of Options to purchase 1,000 shares of Common Stock having an exercise price equal to 100% of the fair market value of the Common Stock as of such date. Commencing on December 31, 1994, and on each December 31st thereafter, each Director also will automatically receive an annual grant of options to purchase 500 shares of Common Stock having an exercise price equal to 100% of the fair market value of the Common Stock at the date of grant of such Option. The options can be exercised any time during the ten years after grant.

NOTE 13 -- GAIN ON SALE OF ASSETS

During 1995, the OP has recognized a $3,750 gain from the sale of a partnership interest in an undeveloped mall site located in Strongsville, Ohio, which was acquired in 1994 from the DeBartolo Group through the exercise of an option for $6,250 and immediately sold. The remaining gains primarily represent the sale of land adjacent to three properties.

NOTE 14 -- EXTRAORDINARY ITEM

The extraordinary charge in 1995 resulted from prepayment penalties of $3,390 and the write-off of unamortized deferred financing costs of $7,877 related to the early retirement of mortgage notes payable. The extraordinary item in 1994 resulted from prepayment penalties and the write-off of unamortized deferred financing costs related to the satisfaction of mortgage notes payable in connection with the OP's reorganization.

NOTE 15 -- CONTINGENT LIABILITIES

Certain of the properties are subject to various legal proceedings and claims arising in the ordinary course of business, some of which are covered by insurance. Management of the properties believes the ultimate resolution of these matters is not likely to have a material adverse effect on the consolidated financial statements.

Substantially all of the properties have been subjected to Phase I environmental audits. Such audits have not revealed nor is management aware of any environmental liability that management believes would have a material adverse impact on the OP's financial position or results of operations. Management is unaware of any instances in which it would incur significant environmental costs if any or all properties were sold, disposed of or abandoned.

NOTE 16 -- SUBSEQUENT EVENTS

The OP transferred ownership of one property to its lender, as of March 1, 1996, fully satisfying the property's mortgage note payable. This property no longer met the OP's criteria for its ongoing strategic plan. The OP will recognize an extraordinary gain on this transaction of approximately $8.0 million in the first quarter of 1996.

On January 31, 1996, the Property Manager was assigned a 33% partnership interest in one of the nonconsolidated joint ventures and a 25% partnership interest in another nonconsolidated joint venture from an unrelated joint venture partner. As a result, the OP effectively owns 65% and 74% of these joint ventures.

NOTE 16.1 -- EVENT (UNAUDITED) SUBSEQUENT TO DATE OF INDEPENDENT AUDITOR'S REPORT

The Company entered into an Agreement and Plan of Merger, dated as of March 26, 1996 (the "Agreement"), among Simon Property Group, Inc., a Maryland corporation ("SPG"), its merger subsidiary and the Company, pursuant to which the Company agreed to merge with the merger subsidiary. The Agreement provides for the exchange of all outstanding Company common stock for SPG common stock, $0.0001 par value (the "SPG Common Stock"), at an exchange ratio of 0.68 shares of SPG Common Stock for each share of Company common stock. The merger is subject to the approval of shareholders of both SPG and the Company and other conditions. The new entity will be renamed Simon DeBartolo Group, Inc.

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

NOTE 17 -- SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

	1995 DEBARTOLO REALTY PARTNERSHIP, L.P.			
	JANUARY 1 TO MARCH 31	APRIL 1 TO JUNE 30	JULY 1 TO SEPTEMBER 30	OCTOBER 1 TO DECEMBER 31
Operating Data:				
Total revenues	$79,229	$81,223	$ 84,099	$88,106
Income before extraordinary items	11,739	9,826	13,343	11,435
Extraordinary items	--	--	(5,629)	(5,638)
Net income	$11,739	$ 9,826	$ 7,714	$ 5,797
Earning Per Unit Data:				
Income before extraordinary items	$ 0.14	$ 0.12	$ 0.15	$ 0.12
Extraordinary items	--	--	(0.07)	(0.06)
Net income	$ 0.14	$ 0.12	$ 0.08	$ 0.06
Cash Dividends Per Unit	$ 0.315	$ 0.315	$ 0.315	$ 0.315
Weighted Average Units Outstanding	83,150	83,150	84,567	89,150

	1994 DEBARTOLO REALTY PARTNERSHIP, L.P.		
	APRIL 21 TO JUNE 30	JULY 1 TO SEPTEMBER 30	OCTOBER 1 TO DECEMBER 31
Operating Data:			
Total revenues	$ 61,227	$ 80,412	$87,304
Income before extraordinary items	5,123	10,519	12,026
Extraordinary items	(8,932)	--	--
Net income	$ (3,809)	$ 6,180	$12,026
Earning Per Unit Data:			
Income before extraordinary items	$ 0.06	$ 0.13	$ 0.15
Extraordinary items	(0.11)	--	--
Net income (loss)	$ (0.05)	$ 0.13	$ 0.15
Cash Dividends Per Unit	$ 0.245	$ 0.315	$ 0.315
Weighted Average Units Outstanding	81,590	82,906	82,908

NOTE 18 -- UNAUDITED PRO FORMA FINANCIAL INFORMATION

As a result of the IPO and the related transactions entered into in connection with the formation of the Company and the OP, 1994 historical results of operations and earnings per unit may not be indicative of future results of operations and earnings per share. This unaudited Pro Forma Condensed Consolidated Statement of Operations assumed that the Company qualifies as a real estate investment trust for federal income tax purposes and also assumed (i) completion of the asset contributions in the formation of the Company; (ii) the completion of the IPO, including the exercise of the underwriters over-allotment option and the Securitized Debt Financing; (iii) the completion of debt exchange transactions with BJS Capital

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

Partners, L.P. and MS Youngstown General Partnership; (iv) the contribution by JCP Realty, Inc. and the EJDC employees of their interests in certain DeBartolo Properties; and (v) the completion of certain refinancings of mortgage indebtedness of the DeBartolo Properties (collectively defined as the "REIT Formation") as of the beginning of 1994. In management's opinion, all necessary adjustments to reflect the effects of these transactions have been made as of January 1, 1994.

The unaudited Pro Forma Condensed Statement of Operations is not necessarily indicative of what actual results of operations of the OP would have been assuming such transactions had been completed at January 1, 1994, nor does it purport to represent the results of operations of future periods.

The following is the DeBartolo Realty Partnership, L.P. Pro Forma Condensed Consolidated Statement of Operations for the twelve months ended December 31, 1994:

	DEBARTOLO RETAIL GROUP JANUARY 1, 1994 TO APRIL 20, 1994(A)	DEBARTOLO RETAIL GROUP PRO FORMA ADJUSTMENTS	DEBARTOLO REALTY PARTNERSHIP, L.P. APRIL 21, 1994 TO DECEMBER 31, 1994	DEBARTOLO REALTY PARTNERSHIP, L.P. FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1994
	(DOLLARS IN THOUSANDS, UNAUDITED)			
Revenues(B)	$ 95,272	$ 1,125	$ 228,943	$ 325,340
Shopping center expenses(C)	35,648	500	80,635	116,783
Deferred stock compensation expense	--	--	4,058	4,058
Interest expense(D)	44,119	(7,316)	87,040	123,843
Depreciation and amortization	16,616	--	39,578	56,194
	96,383	(6,816)	211,311	300,878
Gain on sale of assets (primarily land)	3,286	--	1,952	5,238
Income from nonconsolidated joint ventures(E)	842	2,033	7,554	10,429
Minority partners' interest in consolidated joint ventures(F)	888	(977)	530	441
Income before extraordinary items	3,905	8,997	27,668	40,570
Extraordinary item -- loss on early extinguishment of debt	--	--	(8,932)	(8,932)
Net income	$ 3,905	$ 8,997	$ 18,736	$ 31,638
Pro forma earnings per unit (based upon pro forma weighted average units outstanding)				
Income before extraordinary items				$ 0.49
Extraordinary loss on early extinguishment of debt				(0.11)
Net Income				$ 0.38

DEBARTOLO REALTY PARTNERSHIP, L.P. NOTES
TO CONSOLIDATED FINANCIAL STATEMENTS AND
DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
(DOLLARS IN THOUSANDS)

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(A) The pro forma adjustments reflect the historical combined operations of the Predecessor to the OP (the "DeBartolo Retail Group") for the period from January 1, 1994 through April 20, 1994.

(B) Represents pro forma impact of the Property Manager. The OP accounts for its investment in the Property Manager on the equity basis of accounting. Pro forma adjustments also include interest income on $60,000 of cash from the REIT Formation from January 1, 1994 through April 20, 1994.

(C) The pro forma adjustment reflects the elimination of certain taxes associated with the change of ownership structure from a corporation to a partnership. The pro forma adjustments also reflect the Company's prorated share of estimated annual cost of $2,000 associated with operating as a public company.

(D) Reflects the reduction of interest expense associated with the reduction of debt and restructuring resulting from the IPO and related transactions.

(E) The pro forma adjustment reflects the changes in ownership interest, structure, and refinancing of debt in the nonconsolidated joint ventures which are recorded on the equity method.

(F) Increase reflects the minority partners' share of the net effect of the REIT Formation.

REPORT OF INDEPENDENT AUDITORS

To the Partners of
DeBartolo Realty Partnership, L.P.

We have audited the accompanying combined balance sheets of the Nonconsolidated Joint Ventures of DeBartolo Realty Partnership, L.P. as of December 31, 1995 and 1994 and the related combined statements of operations, accumulated deficit and cash flows for the year ended December 31, 1995 and for the period from April 21, 1994 to December 31, 1994 and the combined statements of operations, accumulated deficit and cash flows of the Uncombined Joint Ventures of DeBartolo Retail Group as described in Note 1 for the period January 1, 1994 to April 20, 1994 and for the year ended December 31, 1993. These financial statements are the responsibility of DeBartolo Realty Partnership, L.P.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. 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 best 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 combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Nonconsolidated Joint Ventures of DeBartolo Realty Partnership, L.P. at December 31,1995 and 1994 and the combined results of their operations and their cash flows for the year ended December 31, 1995 and for the period April 21, 1994 to December 31, 1994, and the combined results of operations and cash flows of the Uncombined Joint Ventures of DeBartolo Retail Group for the period January 1, 1994 to April 20, 1994 and for the year ended December 31, 1993, in conformity with generally accepted accounting principles.

ERNST & YOUNG LLP

New York, New York
February 14, 1996

NONCONSOLIDATED JOINT VENTURES OF
DEBARTOLO REALTY PARTNERSHIP, L.P.
AND UNCOMBINED JOINT VENTURES OF DEBARTOLO RETAIL GROUP

COMBINED BALANCE SHEETS

ASSETS

	DECEMBER 31, 1995	DECEMBER 31, 1994
	(DOLLARS IN THOUSANDS)	
Investment properties (Notes 3 and 5)	$784,211	$767,345
Less accumulated depreciation	184,977	162,839
	599,234	604,506
Cash and cash equivalents	5,507	6,043
Restricted cash	2,089	2,016
Accounts receivable, net of allowance for doubtful accounts of $2,883 and $2,718, in 1995 and 1994	17,506	18,321
Deferred charges and prepaid expenses (Note 4)	17,992	20,627
	$642,328	$651,513
LIABILITIES AND ACCUMULATED EQUITY (DEFICIT)		
Liabilities:		
Mortgages and notes payable (Note 5)	$584,495	$592,990
Accounts payable and accrued expenses	14,113	12,217
Affiliate payables (Note 8)	76,436	72,965
	675,044	678,172
Commitments and contingencies (Notes 5, 6, 7, and 9)	--	--
Accumulated deficit	(32,716)	(26,659)
	$642,328	$651,513
Accumulated equity (deficit):		
DeBartolo Realty Partnership, L.P.	$(32,896)	$(30,412)
Outside partners	180	3,753
	$(32,716)	$(26,659)

See accompanying notes.

NONCONSOLIDATED JOINT VENTURES OF DEBARTOLO REALTY PARTNERSHIP, L.P.
AND UNCOMBINED JOINT VENTURES OF DEBARTOLO RETAIL GROUP

COMBINED STATEMENTS OF OPERATIONS

	DEBARTOLO REALTY PARTNERSHIP, L.P.		DEBARTOLO RETAIL GROUP	
	1995	APRIL 21, TO DECEMBER 31, 1994	JANUARY 1, TO APRIL 20, 1994	1993
	(DOLLARS IN THOUSANDS)			
Revenues (Note 8):				
Minimum rents	$ 89,727	$ 60,978	$26,101	$ 80,971
Tenant recoveries	44,293	30,967	12,709	40,589
Percentage rents	6,058	4,833	1,406	7,932
Other	12,853	9,252	2,420	8,233
Total revenues	152,931	106,030	42,636	137,725
Expenses:				
Shopping Center Expenses:				
Property operating	14,381	10,178	4,247	13,289
Repairs and maintenance	12,065	7,888	3,437	11,563
Real estate taxes	18,630	13,052	5,185	16,898
Advertising and promotion	4,972	3,307	684	3,904
Management fees to affiliate (Note 8)	4,984	3,377	1,545	4,731
Provision for doubtful accounts	997	276	496	1,078
Ground leases (Note 7)	130	88	37	125
Other	1,209	1,612	461	812
Total shopping center expenses	57,368	39,778	16,092	52,400
Interest expense	57,561	37,038	15,942	58,615
Depreciation and amortization	24,078	16,351	6,885	22,307
	139,007	93,167	38,919	133,322
Gain (loss) on sale of assets	166	1,196	(1)	1,380
Income before extraordinary item	14,090	14,059	3,716	5,783
Extraordinary item (Note 10)	(425)	(388)	--	--
Net income	$ 13,665	$ 13,671	$13,716	$ 5,783

See accompanying notes.

NONCONSOLIDATED JOINT VENTURES OF
DEBARTOLO REALTY PARTNERSHIP, L.P.
AND UNCOMBINED JOINT VENTURES OF DEBARTOLO RETAIL GROUP

COMBINED STATEMENTS OF ACCUMULATED DEFICIT
(DOLLARS IN THOUSANDS)

Balance at December 31, 1992	$ 1,843
Contributions	6,258
Distributions	(31,040)
Net income	5,783
Balance at December 31, 1993	(17,156)
Contributions	4,398
Distributions	(11,532)
Net income	3,716
Balance at April 20, 1994	(20,574)
Contributions	1,279
Distributions	(21,035)
Net income	13,671
Balance at December 31, 1994	(26,659)
Contributions	9,097
Distributions	(28,819)
Net income	13,665
Balance at December 31, 1995	$(32,716)

See accompanying notes.

NONCONSOLIDATED JOINT VENTURES OF DEBARTOLO REALTY PARTNERSHIP, L.P.
AND UNCOMBINED JOINT VENTURES OF DEBARTOLO RETAIL GROUP

COMBINED STATEMENTS OF CASH FLOWS

	DEBARTOLO REALTY PARTNERSHIP, L.P.		DEBARTOLO RETAIL GROUP	
	1995	APRIL 21, TO DECEMBER 31, 1994	JANUARY 1, TO APRIL 20, 1994	1993
	(DOLLARS IN THOUSANDS)			
Cash Flows From Operating Activities:				
Net income	$ 13,665	$ 13,671	$ 3,716	$ 5,783
Adjustments to reconcile net income to net cash provided by operating activities:				
Amortization of financing costs included in interest expense	1,941	1,184	367	877
(Gain) loss on sale of assets	(166)	(1,196)	1	(1,380)
Depreciation and amortization	24,078	16,351	6,885	22,307
Extraordinary items	425	388	--	--
(Increase) decrease in restricted cash	(73)	699	(1,548)	(1,168)
(Increase) decrease in accounts receivable	815	(3,899)	767	(3,568)
Decrease (increase) in prepaid expenses and other	39	2,007	(2,001)	(175)
Increase (decrease) in accounts payable and accrued expenses	1,012	(5,881)	6,322	3,405
Other	--	139	459	--
Net Cash Provided By Operating Activities	41,736	23,463	14,968	26,081
Cash Flows From Investing Activities:				
Additions to investment properties	(9,750)	(24,524)	(1,961)	(9,270)
Additions to lease costs	(1,268)	(701)	(156)	(1,170)
Proceeds from sale of land	193	1,407	1	1,560
Net Cash Used In Investing Activities	(10,825)	(23,818)	(2,116)	(8,880)
Cash Flows From Financing Activities:				
Proceeds from issuance of debt	--	19,667	4,445	88,300
Scheduled principal payments on mortgages	(3,004)	(1,888)	(871)	(2,443)
Other payments on debt	(5,491)	(48,167)	--	(84,327)
Loan costs paid	(126)	(8,889)	(320)	(2,573)
Capital contributions	2,522	1,279	4,398	6,258
Partner distributions	(28,819)	(21,036)	(11,532)	(31,040)
(Increase) decrease in affiliate receivables (net of affiliated payables)	3,471	56,962	(2,508)	9,987
Net Cash Used in Financing Activities	(31,447)	(2,072)	(6,388)	(15,838)
Net Increase (Decrease) In Cash and Cash Equivalents	(536)	(2,427)	6,464	1,363
Cash and Cash Equivalents:				
Beginning of year	6,043	8,470	2,006	643
End of year	$ 5,507	$ 6,043	$ 8,470	$ 2,006
Supplemental Information:				
Interest paid	$ 56,125	$ 36,032	$ 15,319	$ 55,894
Supplemental Schedule of Non-Cash and Financing Activities:				
Step-up in basis associated with the acquisition of partnership interests in three properties	$ 6,734	$ --	$ --	$ --

See accompanying notes

NONCONSOLIDATED JOINT VENTURES OF
DEBARTOLO REALTY PARTNERSHIP, L.P.
AND UNCOMBINED JOINT VENTURES OF DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS

(DOLLARS IN THOUSANDS)

NOTE 1 -- BASIS OF PRESENTATION

DeBartolo Realty Partnership, L.P. (the "Operating Partnership" or "OP") was formed as a Delaware limited partnership in 1993 in connection with DeBartolo Realty Corporation's (the "Company") initial public offering (the "IPO"). The OP owns 50% or less of twelve joint ventures and accounts for its investment in these joint ventures under the equity method. Prior to April 21, 1994, each of these joint ventures were owned 50% or less by The Edward J. DeBartolo Corporation ("EJDC") and certain affiliates.

The accompanying combined financial statements of the nonconsolidated joint ventures of DeBartolo Realty Partnership, L.P. and uncombined joint ventures of DeBartolo Retail Group consist of the assets, liabilities and results of operations identified with the joint ventures which are owned 50% or less by the OP.

The transaction relating to the acquisition of the investments in joint ventures is accounted for as a reorganization of entities under common control and accordingly the assets and liabilities of all combined joint ventures will be carried forward at historical cost.

In conjunction with the IPO, the OP received options to acquire the interests of the estate of Edward J. DeBartolo and other members of his family and affiliates in three nonconsolidated joint ventures. On July 1, 1995, the OP exercised these options and acquired a 12.8% interest in Miami International Mall, and 0.1% interests in Coral Square and Lakeland Square. The purchase price of approximately $6.7 million was payable in limited partnership interests in the OP.

The joint ventures included in these combined financial statements and the OP's and DeBartolo Retail Group's ownership interest in each are as follows:

VENTURE	PROPERTY	OP'S PERCENTAGE OWNERSHIP AT DECEMBER 31, 1995
Aventura Mall Venture	Aventura Mall	33.3%
Biltmore Square Associates	Biltmore Square	33.3%
Century III Associates	Century III Mall	50.0%
Chesapeake-JCP Associates, Ltd.	Chesapeake Square	50.0%
Coral-CS/LTD Associates	Coral Square	50.0%
Florida Mall Associates	The Florida Mall	50.0%
HD Lakeland Mall Joint Venture	Lakeland Square	50.0%
Jacksonville Avenues Limited Partnership	The Avenues	25.0%
Northfield Center Limited Partnership	Northfield Square	31.6%
Palm Beach Mall (A Tenancy in Common)	Palm Beach Mall	50.0%
Philadelphia Center Associates	Great Northeast Plaza	50.0%
West Dade County Associates	Miami International Mall	50.0%

NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investment Properties:

Investment properties are stated at cost less accumulated depreciation, which in the opinion of management is not in excess of net realizable value. Costs incurred for the acquisition, development, construction and improvement of properties, including significant renovations, are capitalized. Interest costs and real estate taxes incurred with respect to qualified expenditures relating to the construction of assets are capitalized during the development period.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Depreciation and Amortization:

The cost of buildings, improvements and equipment are depreciated on the straight-line method over estimated useful lives, as follows:

Buildings -- 30 to 40 years

Improvements -- shorter of lease term or useful life

Equipment -- 3 to 10 years

Tenant allowances paid to tenants for construction are capitalized and amortized over the terms of each specific lease. Maintenance and repairs are charged to expense when incurred.

Deferred Charges:

Deferred charges consist principally of financing costs and leasing commissions which are amortized over the terms of the respective agreements.

Capitalized Interest:

Interest is capitalized on projects during the construction period. Interest capitalized was $708 in 1995, $798 from April 21, 1994 to December 31, 1994, and $24 for the period January 1, 1994 to April 20, 1994. No interest was capitalized during 1993.

Cash and Cash Equivalents:

Highly liquid investments with maturities of three months or less are considered cash equivalents.

Restricted Cash:

Restricted cash is being restricted primarily for payment of expenditures for improvements relating to a shopping center.

Fair Value of Financial Instruments:

The following methods and assumptions were used to estimate the fair value of financial instruments:

The fair value of cash and cash equivalents and restricted cash approximate the carrying value due to the short term nature of these instruments.

The fair value of the fixed rate mortgages and notes payable is based on current rates available to the OP for debt of similar terms. Fair value of variable rate debt is considered to be the carrying amount.

NONCONSOLIDATED JOINT VENTURES OF
DEBARTOLO REALTY PARTNERSHIP, L.P.
AND UNCOMBINED JOINT VENTURES OF DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

Revenue Recognition:

Shopping center space is generally leased to specialty retail tenants under short and intermediate term leases which are accounted for as operating leases. Minimum rents are recognized on the straight-line method over the terms of leases. Percentage rents are recognized on an accrual basis as earned. Real estate tax and operating expense recoveries are recognized in the period the applicable costs are incurred.

Income Taxes:

The allocable share of the taxable income or loss of the joint ventures is includable in the income tax returns of the partners; accordingly, income taxes are not reflected in the combined financial statements.

Impact of Recently Issued Accounting Standards:

In March 1995, the FASB issued Statement No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of, which requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amount. Statement 121 also addresses the accounting for long-lived assets that are expected to be disposed of. The OP will adopt Statement 121 in the first quarter of 1996 and, based on current circumstances, does not believe the effect of adoption will be material.

NOTE 3 -- INVESTMENT PROPERTIES

Investment properties consist of shopping center properties, including peripheral land and properties under development. Investment properties are summarized as follows:

	DECEMBER 31,	
	1995	1994
Land	$ 80,670	$ 79,651
Shopping center buildings, improvements and equipment	697,058	684,412
Properties under expansion/renovation	6,336	3,107
Peripheral land parcels	147	175
	784,211	767,345
Accumulated depreciation	184,977	162,839
Total investment properties	$599,234	$604,506

Peripheral land parcels primarily consist of undeveloped land parcels adjacent to certain shopping centers.

Depreciation expense totaled $22,283 in 1995; $14,982 from April 21, 1994 to December 31, 1994; $6,395 for the period January 1, 1994 to April 20, 1994 and $20,706 for 1993.

NONCONSOLIDATED JOINT VENTURES OF
DEBARTOLO REALTY PARTNERSHIP, L.P.
AND UNCOMBINED JOINT VENTURES OF DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

NOTE 4 -- DEFERRED CHARGES AND PREPAID EXPENSES

Deferred charges and prepaid expenses are summarized as follows:

	DECEMBER 31, 1995	DECEMBER 31, 1994
Lease costs net of accumulated amortization of $10,836 and $10,242 in 1995 and 1994, respectively	$ 7,996	$ 8,343
Loan costs net of accumulated amortization of $3,285 and $3,834 in 1995 and 1994, respectively	3,319	3,887
Interest rate buydowns, net of accumulated amortization of $2,068 and $904 in 1995 and 1994, respectively	6,101	7,811
Prepaid expenses and other	576	586
	$17,992	$20,627

Lease cost amortization totaled $1,795 in 1995; $1,369 from April 21, 1994 to December 31, 1994; $490 for the period January 1, 1994 to April 20, 1994; and $1,601 in 1993.

Amortization of loan costs and interest rate buydowns totaled $1,941 in 1995; $1,184 from April 21, 1994 to December 31, 1994; $367 for the period January 1, 1994 to April 20, 1994; and $877 in 1993.

NOTE 5 -- MORTGAGES AND NOTES PAYABLE

Mortgage debt, which is collateralized by substantially all investment properties, is summarized as follows:

	DECEMBER 31, 1995	DECEMBER 31, 1994
Primarily first mortgages with fixed interest rates ranging from 6.0% to 9.52% (average of 7.6%) at December 31, 1995, due at various dates through 2003	$401,595	$408,890
First mortgages with variable interest rates (average of 7.03% at December 31, 1995) due at various dates through 1998	107,900	109,100
Commercial paper secured by a first mortgage due to an affiliate of EJDC on a property under a 10 year credit facility through 1998 (effective rate including original issue discount at December 31, 1995 of 7.11%)	75,000	75,000
Total Mortgages and Notes Payable	$584,495	$592,990

NONCONSOLIDATED JOINT VENTURES OF
DEBARTOLO REALTY PARTNERSHIP, L.P.
AND UNCOMBINED JOINT VENTURES OF DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

The OP's proportionate share of the mortgages and notes payable are as follows as of December 31:

	DECEMBER 31, 1995	DECEMBER 31, 1994
DeBartolo Realty Partnership, L.P.	$249,535	$246,365
Outside partners	334,960	346,625
	$584,495	$592,990

Annual principal payments and maturities are as follows as of December 31, 1995:

	TOTAL	OP'S SHARE
1996	$ 28,873	$ 12,880
1997	6,214	2,445
1998	178,510	72,319
1999	3,795	1,608
2000	80,854	35,799
Thereafter	286,249	124,484
	$584,495	$249,535

A lender on two properties is entitled to receive in addition to any amounts due pursuant to the terms of the loan, 33 1/3% of net sales or refinancing proceeds as defined upon sale or refinancing of the properties.

DeBartolo Realty Partnership, L.P. has guaranteed $21,726 of the mortgages and notes payable relating to three nonconsolidated joint ventures. An affiliate of EJDC continues to provide a guarantee of 33 1/3% of the debt service obligation on a $100 million floating rate mortgage at one of the joint ventures. The OP has agreed to indemnify the EJDC affiliate for any loss or costs incurred or associated with this guaranty.

Fair Value of Debt Related Financial Instruments:

The estimated fair value of financial instruments are as follows:

	DECEMBER, 1995		DECEMBER, 1994	
	CARRYING VALUE	FAIR VALUE	CARRYING VALUE	FAIR VALUE
Fixed rate mortgages and notes payable	$401,595	$ 415,563	$408,890	$ 366,041
Variable rate mortgages and notes payable	182,900	182,900	184,100	184,100
	$584,495	$ 598,463	$592,990	$ 550,141

NONCONSOLIDATED JOINT VENTURES OF
DEBARTOLO REALTY PARTNERSHIP, L.P.
AND UNCOMBINED JOINT VENTURES OF DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

NOTE 6 -- RENTALS UNDER OPERATING LEASES

The properties receive rental income from the leasing of retail shopping center space under operating leases that expire at various dates through 2020. Substantially all investment property is leased out under operating leases. The minimum future rentals based on operating leases held are as follows as of December 31, 1995:

	ALL LEASES	LEASES WITH RELATED PARTIES(1)
1996	$ 83,243	$ 3,009
1997	77,076	2,989
1998	71,221	2,762
1999	64,362	2,762
2000	56,124	2,762
Thereafter	201,102	15,060
	$ 553,128	$ 29,344

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(1) Represents stores whose parent company also owns units of the OP or stores whose chief executive officers are on the Board of Directors of the Company.

Minimum future rentals do not include amounts which may be received under the terms of certain leases based upon a percentage of the tenants' sales or as reimbursement of shopping center expenses.

No single tenant or group of affiliated tenants collectively accounts for more than 10% of the combined properties total revenues which include minimum rents, tenant recoveries, percentage rents and other revenue. The tenant base includes national and regional retail chains and local retailers and consequently the combined properties credit risk is concentrated in the retail industry.

The revenues of the joint ventures may be adversely affected by the inability to collect rent due to bankruptcy or insolvency of tenants or otherwise. At December 31, 1995, leases (excluding rejected leases) of mall store tenants of the joint ventures open and operating in bankruptcy comprise approximately 5.1% of mall gross leasable area ("GLA"). Annual rentals paid by these Mall Store tenants comprised 5.0% of minimum rents paid by mall store tenants. Substantially all of these tenants are currently meeting their contractual obligations. At the time a tenant files for bankruptcy protection it is difficult to determine to what extent these tenants will reject their leases or seek other concessions as a condition to continued occupancy. The OP expects certain of these tenants to reject their leases. Based on past experience, the OP has been able to offset, over a reasonable period of time, the impact on minimum rents caused by a tenant in bankruptcy.

NONCONSOLIDATED JOINT VENTURES OF
DEBARTOLO REALTY PARTNERSHIP, L.P.
AND UNCOMBINED JOINT VENTURES OF DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

NOTE 7 -- GROUND LEASES

One joint venture, as lessee, has a ground lease expiring in 2012. Following is a schedule of future minimum rental payments required under this ground lease as of December 31, 1995:

1996	$ 120
1997	120
1998	120
1999	120
2000	120
Thereafter	1,380
	$1,980

NOTE 8 -- TRANSACTIONS WITH AFFILIATES

Management and Other Fees: The Property Manager, an affiliate of the OP, has contracted to provide management, leasing, development and construction management services to the joint ventures. One joint venture is managed by a partner in that joint venture who is unrelated to the OP. Amounts included in the nonconsolidated financial statements related to agreements with the Property Manager are as follows:

	DECEMBER 31, 1995	PERIOD FROM APRIL 21, 1994 TO DECEMBER 31, 1994	PERIOD FROM JANUARY 1, 1994 TO APRIL 20, 1994	DECEMBER 31, 1993
Management fees	$4,075	$ 2,871	$ 1,353	$4,271
Leasing fees	986	550	156	1,117
Development and Construction	969	802	312	589
Other Reimbursements	119	163	55	302

Insurance: The joint ventures have first dollar commercial general liability coverage and special cause of loss property insurance with a $5 deductible. Prior to 1995 the joint ventures' insurance carrier reinsured certain coverages with an affiliate of EJDC. Charges to the joint ventures for the reinsured amounts totaled $936 from April 21, 1994 to December 31, 1994. Prior to April 21, 1994, the joint ventures had first dollar commercial general liability insurance of which an affiliated insurance company reinsured the first $250 per occurrence. Additionally, the joint ventures had "All Risk" Property insurance. The insurance company reinsured the first $95 per occurrence with an affiliate of EJDC. Charges for the reinsured amounts totaled $371 for the period January 1, 1994 to April 20, 1994 and $1,074 for 1993.

Affiliate Leases: On November 6, 1995, Fun-N-Games, an affiliate of EJDC which operated amusement centers in the joint venture properties, was sold to an independent third party operator who continues to operate these stores. The joint ventures recorded total revenues and operating expense reimbursements of $559 through November 6, 1995; $504 from April 21, 1994 to December 31, 1994; $254 for the period from January 1, 1994 to April 20, 1994 and $725 for 1993.

Affiliates of certain anchor tenants and small shops in various properties are partners in those properties or are partners in the Operating Partnership. As of December 31, 1995, these tenants own or lease space in 10 properties. These properties recorded rental income and operating expense reimbursements of $3,451 in 1995; $3,223 from April 21, 1994 to December 31, 1994; $1,443 for the period January 1, 1994 to April 20, 1994 and $4,320 in 1993.

NONCONSOLIDATED JOINT VENTURES OF
DEBARTOLO REALTY PARTNERSHIP, L.P.
AND UNCOMBINED JOINT VENTURES OF DEBARTOLO RETAIL GROUP

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

Affiliate Payables: At December 31, 1995, affiliate payables represent amounts due to the Property Manager for normal monthly operating costs and advances from DeBartolo Realty Partnership, L.P. Concurrent with the offering, net affiliate payables, which were primarily non-interest bearing, were distributed to EJDC. Interest expense including interest charged to properties by affiliates of venturers totaled $6,689 in 1995; $7,681 from April 21, 1994 to December 31, 1994; $1,976 for the period from January 1, 1994 to April 20, 1994 and $6,098 in 1993.

NOTE 9 -- CONTINGENT LIABILITIES

Certain of the properties are subject to various legal proceedings and claims arising in the ordinary course of business, some of which are covered by insurance. Management of the properties believes the ultimate resolution of these matters is not likely to have a material adverse effect on the combined financial statements.

Substantially all of the properties have been subjected to Phase I environmental audits. Such audits have not revealed nor is management aware of any environmental liability that management believes would have a material adverse impact on the OP's financial position or results of operations. Management is unaware of any instances in which it would incur significant environmental costs if any or all properties were sold, disposed of or abandoned.

NOTE 10 -- EXTRAORDINARY ITEM

The extraordinary charge in 1995 represents the write-off of unamortized deferred financing costs of $425 relating to the partial paydown of mortgage debt of one property. The extraordinary charge in 1994 resulted from prepayment penalties and the write-off of unamortized deferred financing costs related to the satisfaction of mortgage notes payable.

NOTE 11 -- SUBSEQUENT EVENT

On January 31, 1996, the Property Manager was assigned a 33% partnership interest in one of the nonconsolidated joint ventures and a 25% partnership interest in another nonconsolidated joint venture from an unrelated joint venture partner.

NO DEALER, SALESMAN OR OTHER INDIVIDUAL HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS IN CONNECTION WITH THE OFFERING MADE BY THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE OPERATING PARTNERSHIP OR THE UNDERWRITERS. NEITHER THE DELIVERY OF THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS NOR ANY SALE MADE HEREUNDER AND THEREUNDER SHALL, UNDER ANY CIRCUMSTANCE, CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE FACTS SET FORTH IN THIS PROSPECTUS SUPPLEMENT OR IN THE PROSPECTUS OR IN THE AFFAIRS OF THE OPERATING PARTNERSHIP SINCE THE DATE HEREOF. THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS DO NOT CONSTITUTE AN OFFER OR SOLICITATION BY ANYONE IN ANY STATE IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO OR TO ANYONE TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

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UNTIL , 1997 (90 DAYS AFTER THE DATE OF THIS PROSPECTUS SUPPLEMENT), ALL DEALERS EFFECTING TRANSACTIONS IN THE NOTES, WHETHER OR NOT PARTICIPATING IN THIS DISTRIBUTION, MAY BE REQUIRED TO DELIVER A PROSPECTUS SUPPLEMENT AND PROSPECTUS. THIS IS IN ADDITION TO THE OBLIGATION OF DEALERS TO DELIVER A PROSPECTUS SUPPLEMENT AND PROSPECTUS WHEN ACTING AS UNDERWRITERS AND WITH RESPECT TO THEIR UNSOLD ALLOTMENTS OR SUBSCRIPTIONS.

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PROSPECTUS SUPPLEMENT

MERRILL LYNCH & CO.
J.P. MORGAN & CO.
MORGAN STANLEY & CO.
INCORPORATED

SALOMON BROTHERS INC
UBS SECURITIES
NOVEMBER , 1996

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- ---

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The expenses (not including underwriting commissions and fees) of issuance and distribution of the securities are estimated to be:

Securities and Exchange Commission Registration Fee	$ 258,620
Printing Costs	$ 150,000(1)
NASD Filing Fees	$ 30,500
Fees of Rating Agencies	$ 210,000
Accounting Fees and Expenses	$ 100,000(1)
Attorneys' Fees and Expenses	$ 150,000(1)
Blue Sky Fees and Expenses	$ 90,000
Miscellaneous Expenses	$ 165,880(1)
Total	$1,155,000(1)

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(1) Estimated

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

The Partnership Agreement of each of the Operating Partnership and SPG, LP contains provisions indemnifying their respective general partners' officers and directors against certain liabilities. Each such Partnership Agreement provides for indemnification of such general partners and their officers and directors to the same extent indemnification is provided to officers and directors of the Company in its Charter, and limits the liability of such general partners and their officers and directors to the Operating Partnership or SPG, LP and their respective partners to the same extent liability of officers and directors of the Company to the Company and its stockholders is limited under the Company's Charter. In addition, the Company's officers and directors are indemnified under Maryland law and the Company's Charter. The Company's Charter requires the Company to indemnify its directors and officers to the fullest extent permitted from time to time by the laws of Maryland. The Company's By-Laws contain provisions which implement the indemnification provisions of the Company's Charter.

The Maryland General Corporation Law (the "MGCL") permits a corporation to indemnify its 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 was committed in bad faith or was the result of active and deliberate dishonesty, or 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. No amendment of the Company's Charter shall limit or eliminate the right to indemnification provided with respect to acts or omissions occurring prior to such amendment or repeal. Maryland law permits the Company to provide indemnification to an officer to the same extent as a director, although additional indemnification may be provided if such officer is not also a director.

The MGCL permits the charter of a Maryland corporation to include a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages, subject to specified restrictions. The MGCL does not, however, permit the liability of directors and officers to the corporation or its stockholders to be limited to the extent that (1) it is proved that the person actually received an improper benefit or profit in money, property or services (to the extent such benefit or profit was received) or (2) a judgment or other final adjudication adverse to such person is entered in a proceeding based on a finding that the person's action, or failure to act, was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding. The Company's Charter contains a provision consistent with the MGCL. No amendment of the Company's Charter shall limit or eliminate the limitation of liability with respect to acts or omissions occurring prior to such amendment or repeal.

The Company has entered into indemnification agreements with each of the Company's directors and officers. The indemnification agreements require, among other things, that the Company indemnify its directors and officers to the fullest extent permitted by law, and advance to the directors and officers all related expenses, subject to reimbursement if it is subsequently determined that indemnification is not permitted. The Company also must indemnify and advance all expenses incurred by directors and officers seeking to enforce their rights under the indemnification agreements, and cover each director and officer if the Company obtains directors' and officers' liability insurance.

ITEM 16. EXHIBITS.

EXHIBIT NO.		DESCRIPTION
1.1*	--	Form of Underwriting Agreement
4.1**	--	Form of Indenture
5.1	--	Opinion of Paul, Weiss, Rifkind, Wharton & Garrison
12.1**	--	Calculation of Ratio of Earnings to Fixed Charges
23.1**	--	Consent of Arthur Andersen LLP
23.2**	--	Consent of Ernst & Young LLP
23.3	--	Consent of Paul, Weiss, Rifkind, Wharton & Garrison (contained in Exhibit 5.1)
23.4**	--	Consent of Willkie Farr & Gallagher
24.1**	--	Power of Attorney (included in the signature page to the Registration Statement)
25.1**	--	Statement of Eligibility of Trustee on Form T-1
99.1**	--	Agreement dated November 13, 1996 between Simon DeBartolo Group, Inc. and Simon DeBartolo Group, L.P.
99.2	--	Contribution Agreement dated June 25, 1996, with related Instrument of Assignment dated August 9, 1996.

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* To be filed by amendment or incorporated by reference herein by a Current Report on Form 8-K.

** Previously filed.

ITEM 17. UNDERTAKINGS.

(a) Each of the undersigned registrants hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the registration statement is on Form S-3 or Form S-8 and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the Offering.

(b) Each of the undersigned registrants hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrants pursuant to the foregoing provisions, or otherwise, the registrants have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by a registrant of expenses incurred or paid by a director, officer or controlling person of such registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, such registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

(d) Each of the undersigned registrants hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(e) Each of the undersigned registrants hereby undertakes to file an application for the purpose of determining the eligibility of the Trustee to act under subsection (a) of Section 310 of the Trust Indenture Act in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Act.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Indianapolis, State of Indiana, on November 21 1996.

SIMON DeBARTOLO GROUP, L.P.

By: SD PROPERTY GROUP, INC.

By: /s/ DAVID SIMON

David Simon
(Chief Executive Officer)

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in their capacities as officers and directors of the managing partner of the Registrant and on the date indicated.

NAME	TITLE	DATE
* Melvin Simon	Co-Chairman of the Board of Directors	November 21, 1996
* Herbert Simon	Co-Chairman of the Board of Directors	November 21, 1996
/s/ DAVID SIMON David Simon	Chief Executive Officer and Director (Principal Executive Officer, Financial Officer and Accounting Officer)	November 21, 1996
* Richard S. Sokolov	President, Chief Operating Officer and Director	November 21, 1996
* Birch Bayh	Director	November 21, 1996
* Edward J. Debartolo, Jr.	Director	November 21, 1996
* William T. Dillard, II	Director	November 21, 1996
* G. William Miller	Director	November 21, 1996

NAME	TITLE	DATE
* Fredrick W. Petri	Director	November 21, 1996
* Terry S. Prindiville	Director	November 21, 1996
* J. Albert Smith, Jr.	Director	November 21, 1996
* Philip J. Ward	Director	November 21, 1996
* M. Denise DeBartolo York	Director	November 21, 1996

*By /s/ DAVID SIMON

David Simon
Attorney-in-fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Indianapolis, State of Indiana, on November 21, 1996.

SIMON PROPERTY GROUP, L.P.

By: SIMON DeBARTOLO GROUP, INC.
its general partner

By: /s/ DAVID SIMON

David Simon
(Chief Executive Officer)

Pursuant to the requirements of the Securities Act of 1933, this Amendment to the Registration Statement has been signed by the following persons in their capacities as officers or directors of the general partner of the Registrant and on the date indicated.

NAME	TITLE	DATE
Melvin Simon	Co-Chairman of the Board of Directors	November , 1996
* Herbert Simon	Co-Chairman of the Board of Directors	November 21, 1996
/s/ DAVID SIMON David Simon	Chief Executive Officer and Director (Principal Executive Officer, Financial Officer and Accounting Officer)	November 21, 1996
* Richard S. Sokolov	President, Chief Operating Officer and Director	November 21, 1996
* Birch Bayh	Director	November 21, 1996
Edward J. Debartolo, Jr.	Director	November , 1996
William T. Dillard, II	Director	November , 1996

NAME	TITLE	DATE
* G. William Miller	Director	November 21, 1996
* Fredrick W. Petri	Director	November 21, 1996
* Terry S. Prindiville	Director	November 21, 1996
J. Albert Smith, Jr.	Director	November , 1996
* Philip J. Ward	Director	November 21, 1996
M. Denise DeBartolo York	Director	November , 1996

*By /s/ DAVID SIMON

David Simon
Attorney-in-fact

EXHIBIT INDEX

EXHIBIT NO.		DESCRIPTION	SEQUENTIALLY NUMBERED PAGE
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* To be filed by amendment or incorporated by reference herein by a Current Report on Form 8-K.

** Previously filed.

November 20, 1996

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

Registration Statement on Form S-3
Registration No. 333-11491

Ladies and Gentlemen:

In connection with the above-captioned Registration Statement on Form S-3 (the "Registration Statement") filed by Simon DeBartolo Group, L.P., a Delaware limited partnership (the "Operating Partnership"), and Simon Property Group, L.P., a Delaware limited partnership (the "Guarantor"), with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "Act"), and the rules and regulations promulgated thereunder, we have been requested to render our opinion as to the legality of the securities being registered thereunder. The Registration Statement relates to the registration under the Act of the Operating Partnership's non-convertible investment grade debt securities, consisting of notes or debentures denominated in United States dollars or any other currency (the "Debt Securities") and of the guarantee of the Debt Securities by the Guarantor (the "Guarantee"). The Debt Securities are being registered for offering and sale from time to time pursuant to Rule 415 under the Act. The aggregate public offering price of the Debt Securities will not exceed $750,000,000 (or its equivalent (based on the applicable exchange rate at the time of sale) if the Debt Securities are issued with principal amounts denominated in one or more foreign currencies or currency units as shall be designated by the Operating Partnership).

The Debt Securities are to be issued under an Indenture to be entered into between the Operating Partnership, the Guarantor and a trustee (the "Trustee"), as it may be supplemented from time to time (together, the "Indenture").

In connection with this opinion, we have examined (i) originals, photocopies or conformed copies of the Registration Statement (including the exhibits and amendments thereto), (ii) the form of the Indenture filed as an exhibit to the Registration Statement, (iii) records of certain of the corporate proceedings of the managing general partner of the Operating Partnership relating, among other things, to the proposed issuance and sale of the Debt Securities and (iv) records of certain of the corporate proceedings of the general partner of the Guarantor relating to the Guarantee. In addition, we have made such other examinations of law and fact as we considered necessary in order to form a basis for the opinions hereinafter expressed. In connection with such investigation, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to originals of all documents submitted to us as photocopies or conformed copies and the legal capacity of natural persons executing any of the documents, none of which facts we have independently verified. We have relied as to matters of fact upon certificates of public officials and officers of the managing general partner of the Operating Partnership and of officers of the general partner of the Guarantor.

Based on the foregoing, and subject to the limitations hereinafter set forth, we are of the opinion that:

i. The Indenture, when duly executed and delivered by the parties thereto, will represent a valid and binding obligation of each of the Operating Partnership and the Guarantor under the laws of the State of New York enforceable against the Operating Partnership and the Guarantor in accordance with its terms, except as such enforceability may be subject to (a) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally, (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), (c) requirements that a claim with respect to any Debt Securities denominated other than in United States dollars (or a judgment denominated other than in United States dollars in respect of such claim) be converted into United States dollars at a rate of exchange prevailing on a date determined pursuant to applicable law and (d) the enforceability of forum selection clauses in the federal courts.

ii. When issued, authenticated and delivered, the Debt Securities will represent valid and binding obligations of the Operating Partnership under the laws of the State of New York enforceable against the Operating Partnership in accordance with their respective terms, except as such enforceability may be subject to (a) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally, (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), (c) requirements that a claim with respect to any Debt Securities denominated other than in United States dollars (or a judgment denominated other than in United States dollars in respect of such claim) be converted into United States dollars at a rate of exchange prevailing on a date determined pursuant to applicable law and (d) the enforceability of forum selection clauses in the federal courts.

iii. The Guarantee, when duly executed and delivered by the Guarantor, and assuming that the Indenture has been duly executed and delivered by the parties thereto and the Debt Securities being guaranteed have been duly issued, authenticated and delivered, will represent a valid and binding obligation of the Guarantor under the laws of the State of New York enforceable against the Guarantor in accordance with its terms, except as such enforceability may be subject to (a) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally, (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), (c) requirements that a claim on the Guarantee with respect to any Debt Securities denominated other than in United States dollars (or a judgment denominated other than in United States dollars in respect of such claim) be converted into United States dollars at a rate of exchange prevailing on a date determined pursuant to applicable law, (d) the enforceability of forum selection clauses in the federal courts and (e) any provision in the Guarantee purporting to preserve and maintain the liability of any party thereto despite the fact that the guaranteed debt is unenforceable due to illegality.

We express no opinion as to the enforceability of any provisions contained in the Indenture, the Debt Securities or the Guarantee that constitute waivers which are prohibited under the Uniform Commercial Code of the State of New York prior to default.

Our opinions expressed above are limited to the laws of the State of New York and the federal laws of the United States of America. Our opinions are rendered only with respect to the laws, and the rules, regulations and orders thereunder, that are currently in effect.

We hereby consent to the use of our name in the Registration Statement and in the prospectus therein as the same appears in the caption "Legal Matters" and to the use of this opinion as an exhibit to the Registration Statement. In giving this consent, we do not thereby admit that we come within the category of persons whose consent is required by the Act or by the rules and regulations promulgated thereunder.

Very truly yours,

/s/ PAUL, WEISS, RIFKIND, WHARTON & GARRISON

CONFORMED COPY

CONTRIBUTION AGREEMENT (Simon Family Group)

CONTRIBUTION AGREEMENT, dated as of June 25, 1996 (the "AGREEMENT"), by and among DeBartolo Realty Corporation, an Ohio corporation ("DEBARTOLO"), as the general partner of DeBartolo Realty Partnership, L.P., a Delaware limited partnership ("DRP"), and, after the consummation of the transactions contemplated hereby and by the Merger Agreement referred to below, as a general partner of SDG (as hereinafter defined) (DRP simultaneously herewith will change its name to Simon DeBartolo Group, L.P. ("SDG")), Simon Property Group, Inc., a Maryland corporation ("SIMON"), in its individual capacity and as the general partner of Simon Property Group, L.P., a Delaware limited partnership ("SPG L.P."), and the limited partners of SPG L.P. listed on SCHEDULE A (as supplemented from time to time pursuant to Section 1.2(c) hereof) hereto (together with Simon, the "SUBSCRIBERS").

RECITALS

(a) Simultaneously with the consummation of the merger of Day Acquisition Corp. ("SUBCO") with and into DeBartolo (the "MERGER") and the other transactions contemplated by the Agreement and Plan of Merger (the "MERGER AGREEMENT"), dated as of March 26, 1996, among Simon, Subco and DeBartolo, each Subscriber shall contribute to SDG, and SDG shall accept from each such Subscriber, certain of its respective interests in SPG L.P. (collectively, the "SIMON INTERESTS") specified pursuant to Recital (b) below, and in consideration for such contributions by each Subscriber, and in exchange therefor, SDG shall issue to each Subscriber, and

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each Subscriber shall receive from SDG, certain partnership interests in SDG ("UNITS").

(b) Each Subscriber shall contribute to SDG, and SDG shall accept from each such Subscriber, the Simon Interests set forth opposite the name of each such Subscriber on SCHEDULE B hereto (as supplemented from time to time pursuant to Section 1.2(c) hereof). SDG shall issue to each Subscriber, and such Subscriber shall receive from SDG, the number of Units set forth opposite the name of each such Subscriber on SCHEDULE C hereto (as supplemented from time to time pursuant to Section 1.2(c) hereof).

(c) In order to consummate the transactions contemplated by this Agreement at the Closing (as hereinafter defined), (i) the Fourth Amended and Restated Agreement of Limited Partnership of DRP, dated as of April 21, 1994 as heretofore amended (the "DEBARTOLO PARTNERSHIP AGREEMENT"), which, among other things, will change the name of DRP to "Simon DeBartolo Group, L.P.," shall be amended and restated substantially in the form attached hereto as ANNEX A (the "NEW SDG PARTNERSHIP AGREEMENT"), and (ii) the Second Amended and Restated Agreement of Limited Partnership of SPG L.P., dated as of December 30, 1995 (the "OLD SPG PARTNERSHIP AGREEMENT"), shall be amended and restated substantially in the form attached hereto as ANNEX B (the "NEW SPG PARTNERSHIP AGREEMENT").

(d) Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement.

NOW THEREFORE, in consideration of the mutual agreements contained herein, the parties hereby agree as follows:

SECTION 1

CONTRIBUTION AND EXCHANGE; CLOSING

1.1 Contribution and Exchange. Subject to the receipt of the consents specified on SCHEDULE D hereto prior to the Closing in form and substance satisfactory to DeBartolo and Simon, upon the terms and subject to the other conditions of this Agreement, each Subscriber shall contribute to SDG, and SDG shall accept from each such Subscriber, its respective Simon Interests, as set forth opposite the name of each such Subscriber on SCHEDULE B hereto.(1) SDG shall issue to each Subscriber, and each Subscriber shall receive from SDG, the number of Units set forth opposite the name of each such Subscriber on SCHEDULE C hereto.(2) Each of SDG and SPG L.P. shall make a cash flow distribution to their respective partners, the record

1/ SCHEDULE B sets forth (i) the limited partner interest of each SPG L.P. Limited Partner in SPG L.P. being transferred to SDG and (ii) with respect to Simon's general partner interest in SPG L.P. being transferred to SDG, units representing 10.5% of the total outstanding units in SPG L.P. plus the assignment of 49.5% of the interest in the profits of SPG L.P.

2/ SCHEDULE C sets forth the Units being issued to each SPG L.P. Limited Partner in SDG as well as the non managing general partner interest being issued to Simon in SDG. It is anticipated that subsequent to the first anniversary of the Closing, Simon will transfer to SDG for no additional consideration, all of its remaining economic interest in SPG L.P. other than units constituting 1% of the total issued and outstanding units in SPG L.P. It is also anticipated that 13 months after the Closing, all Preferred Units owned by Simon will be transferred to SDG in exchange for the same number of Preferred Units in SDG.

date for which shall be the close of business on the last day prior to the Effective Time. The amount of each such distribution shall be equal to the amount of each partnership's most recent prior cash flow distribution, multiplied by the number of days elapsed since the record date for such prior distribution through and including the Effective Time and divided by 91, which distribution shall constitute the only cash flow distribution to be paid in respect of the period from such prior record date through and including the Effective Time. Such distributions shall be paid in accordance with the respective past practices of the partnerships.

1.2 The Closing. The closing for the contribution of Simon Interests in exchange for Units as provided for hereunder (the "CLOSING") shall take place concurrently with the consummation of the Merger at the offices of Paul, Weiss, Rifkind, Wharton & Garrison, 1285 Avenue of the Americas, New York, New York. At the Closing:

(a) Each Subscriber shall deliver to SDG such good and sufficient instruments of conveyance and assignment as SDG and its counsel shall deem reasonably necessary or appropriate to vest in SDG good title in and to the Simon Interests, respectively owned by each such Subscriber, free and clear of all Liens.

(b) Simon, as the general partner of SPG L.P., DeBartolo, as the managing general partner of SDG, and, to the extent necessary, existing limited partners of SPG L.P. shall deliver a duly executed counterpart of the New SPG Partnership Agreement, pursuant to which (i) SDG agrees to be bound by the terms and conditions of the New SDG Partnership Agreement, and (ii) SDG becomes a limited partner of SPG L.P.

(c) The New SDG Partnership Agreement shall be executed and delivered by (i) DeBartolo, as managing general partner of SDG, (ii) the Simon Limited Partners who become limited partners of SDG (to the extent their signatures are required), (iii) Simon, as non-managing general partner of SDG, and (iv) by existing partners of SDG to the extent required, but in any event, at least a Majority-in-Interest (as such terms is defined in the DeBartolo Partnership Agreement) of the limited partners of DRP. In this connection, it is anticipated that other limited partners of SPG L.P. will execute contribution agreements substantially in the form hereof and that at the Closing, Units will be issued to such other limited partners of SPG L.P. in exchange for their respective limited partnership units in SPG L.P. in the same ratio as Units are being issued to the Simon Limited Partners hereunder. Simon shall provide from time to time modified Schedules A, B, C, E and F to reflect the execution and delivery from time to time of additional contribution agreements, whereupon such holders of interests in SPG L.P. shall become SDG Limited Partners for the purposes hereof. Each such additional contribution agreement shall be deemed to constitute a counterpart pursuant to Section 6.7 below. Not less than ten business days prior to the Closing, Simon shall deliver to DeBartolo, SDG and SPG L.P. a final, accurate composite of all counterpart contribution agreements signed by all of the Simon Limited Partners who have signed contribution agreements together with the final forms of Schedules A, B, C, E and F reflecting all of the Simon Limited Partners that

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have signed Contribution Agreements, the aggregate Simon Interests to be exchanged by such Simon Limited Partners and other aggregate information called for by said Schedules. To the extent such composite Contribution Agreement only reflects the information called for by the preceding sentence, it shall not be deemed to constitute an amendment, waiver or modification of this Agreement for the purposes of Section 6.5 below.

(d) Any other documents or agreements required to admit the Subscribers as partners of SDG shall be executed and delivered as necessary.

SECTION 2

REPRESENTATION AND WARRANTIES; INDEMNIFICATION

2.1 Representations and Warranties of SDG. SDG represents and warrants to each Subscriber that:

(a) Due Organization and Good Standing. SDG is a limited partnership duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and has the requisite power and authority to carry on its business as now being conducted. SDG is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership or leasing of its properties makes such qualification or licensing necessary, other than in such jurisdictions where the failure to be so qualified or licensed, individually or in the aggregate, would not have a material adverse effect on the business, financial condition or results of operations of SDG or on the ability of SDG to consummate the transactions contemplated in this Agreement. The DeBartolo Partnership Agreement, a copy of which has been delivered to Simon, as general partner of SPG L.P., has not been amended or modified (except as permitted by the Merger Agreement), annulled, rescinded or revoked since such delivery, and is in full force and effect as of the date hereof; it being understood by the parties hereto that upon the Closing, the DeBartolo Partnership Agreement shall be amended and restated and the agreements and relationships among the partners of SDG shall thereafter be governed by the New SDG Partnership Agreement.

(b) Authorization and Validity of Agreement. SDG has the requisite partnership power and authority to enter into this Agreement and consummate the transactions contemplated thereby. The execution, delivery and performance of this Agreement by SDG and the consummation by SDG of the transactions contemplated hereby have been duly authorized on behalf of SDG by DeBartolo, as the general partner of SDG. This Agreement has been duly authorized, executed and delivered by DeBartolo, as the general partner of SDG, and, subject to the consent of certain limited partners of SDG as required by the DeBartolo Partnership Agreement (the "S-D CONSENT"), it constitutes a legal, valid and binding obligation of SDG, enforceable against SDG in accordance with its terms, except that (i) such enforcement may be subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws at the time in effect affecting the enforceability of rights of creditors and (ii) the remedy of specific performance and injunctive and other forms of equitable

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relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(c) Non-Contravention. The execution, delivery and performance by SDG of this Agreement and the issuance of the Units pursuant to the New SDG Partnership Agreement do not and will not (i) subject to the obtaining of the S-D Consent, contravene or conflict with the DeBartolo Partnership Agreement or the New SDG Partnership Agreement, (ii) contravene or conflict with or constitute a violation of any provision of any Laws binding upon or applicable to SDG, (iii) require any consent, approval or other action by any Governmental Entity or any other person other than those consents or approvals set forth on SCHEDULE D hereto, (iv) constitute a default under or give rise to any right of termination, cancellation or acceleration of any right or obligation of SDG under any provision of any agreement, contract, indenture, lease or other instrument binding upon SDG or any license, franchise, permit or other similar authorization held by SDG or by which any of SDG's assets may be bound or (v) result in the creation or imposition of any Liens on SDG; provided, however, it is understood that the right of SDG to execute, deliver and perform this Agreement may be deemed to require the consents set forth on SCHEDULE D hereto.

(d) Litigation. There are no pending actions, suits or proceedings pending or, to the knowledge of DRP, threatened in writing, against or affecting DRP or any of its properties, assets or operations, or with respect to which

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DRP is responsible by way of indemnity or otherwise that could, individually or in the aggregate, reasonably be likely to have a material adverse effect.

(e) Units Issued Free and Clear of Liens. All of the Units required to be issued to each Subscriber pursuant to this Agreement shall be validly issued free and clear of any Liens, and each Subscriber shall have all of its respective rights and privileges as provided in the New SDG Partnership Agreement.

(f) Capitalization. Following the consummation of the transactions contemplated in this Agreement, the number of Units held by each partner of SDG shall be calculated as set forth on SCHEDULE E hereto and the results of such calculation shall be set forth on Exhibit A to the New SDG Partnership Agreement.

(g) SEC Documents. The Annual Report on Form 10-K of DeBartolo for the year ended December 31, 1995 as filed with the SEC, a copy of which has been delivered to each Subscriber, contains no untrue statement of material fact and does not omit to state any fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

2.2 Representations and Warranties of Simon

(a) SEC Documents. The Annual Report on Form 10-K of Simon for the year ended December 31, 1995 as filed with the SEC, a copy of which has been delivered to SDG, contains no untrue statement of material fact and does not omit to state any material fact required to be stated therein or necessary to make the

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statements therein, in light of the circumstances under which they were made, not misleading.

2.3 Representations and Warranties of Each Subscriber that Is Not a Natural Person. Each Subscriber which is not a natural person represents and warrants to SDG and DeBartolo, as general partner of SDG, and to each other Subscriber that:

(a) it is an organization duly organized and validly existing in good standing under the laws of its jurisdiction of organization and

(b) the execution, delivery and performance by such Subscriber of this Agreement and the New SDG Partnership Agreement (i) are within its power and authority and do not and will not contravene or conflict with the certificate or articles of incorporation, by-laws, partnership agreement or other organizational or governance documents of such Subscriber and (ii) have been duly authorized by all necessary action by such Subscriber.

2.4 Representations and Warranties of All Subscribers. Each Subscriber represents and warrants to SDG and to each other Subscriber as follows:

(a) Authorization and Validity of Agreement. This Agreement has been duly executed and delivered by such Subscriber and constitutes a legal, valid and binding obligation of such Subscriber, enforceable against such Subscriber in accordance with its terms and the New SDG Partnership Agreement shall be duly executed and delivered by such Subscriber and shall constitute legal, valid and binding obligations of such Subscriber, enforceable against such Subscriber in accordance with its terms, except in each case that (i) such enforcement may be subject

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to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws at the time in effect affecting the enforceability of rights of creditors and (ii) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(b) Non-Contravention. The execution, delivery and performance by such Subscriber of this Agreement and the New SDG Partnership Agreement and the consummation of the transactions contemplated herein and therein by such Subscriber do not and will not (i) contravene or conflict with or constitute a violation of any provision of any Laws binding upon or applicable to such Subscriber, (ii) require any consent, approval or other action by any Governmental Entity or any other person other than those consents or approvals as set forth on SCHEDULE F, or (iii) result in the creation or imposition of any Lien on any of the Simon Interests held by such Subscriber.

(c) Litigation. There are no pending actions, suits or proceedings pending or, to the knowledge of such Subscriber, threatened in writing, against or affecting such Subscriber or any of its properties, assets or operations, or with respect to which such Subscriber is responsible by way of indemnity or otherwise that could or in any way limit the ability of such Subscriber to consummate the transaction contemplated hereby.

(d) Access to Information. Such Subscriber acknowledges that it or its representative or agent (i) has been given full and complete access to SDG in connection with this Agreement and the transactions contemplated hereby, (ii) has had the opportunity to review all documents relevant to its decision to enter into this Agreement and (iii) has had the opportunity to ask questions of SDG and its management concerning its investment in SDG and the transactions contemplated hereby.

(e) Investment Intent of Each Subscriber. Such Subscriber acknowledges that it understands that the Units to be issued to such Subscriber in exchange for the Simon Interests to be contributed by Subscriber as provided herein (i) shall not be registered under the Securities Act in reliance upon the exemption afforded by Section 4(2) thereof for transactions by an issuer not involving any public offering and (ii) shall not be registered or qualified under any applicable state securities laws. Such Subscriber represents that (i) it is acquiring such Units for investment only and without any view toward distribution thereof and it shall not sell or otherwise dispose of such Units except in compliance with the registration requirements or exemption provisions of any applicable federal or state securities laws and in accordance with the terms of such securities contained in the New SDG Partnership Agreement, as amended, (ii) its economic circumstances are such that it is able to bear all risks of the investment in the Units for an indefinite period of time, including the risk of a complete loss of its investment in the Units, (iii) it has knowledge and experience in financial and business matters sufficient to evaluate the risks of investment in the Units and (iv) it has consulted with its own counsel and tax advisor, to the extent deemed necessary by it, as to all legal and taxation matters covered by this

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Agreement and has not relied upon DRP, DeBartolo, Simon or any of their respective affiliates, officers and representatives for any explanation of the application of the various federal or state securities laws or tax laws with regard to its acquisition of the Units. Such Subscriber further acknowledges and represents that it has made its own independent investigation of SDG and the business proposed to be conducted by SDG, and that any information relating thereto furnished to such Subscriber was supplied by or on behalf of SDG.

(f) Ownership and Encumbrance of the Assets.

(i) Such Subscriber has all right, title and interest in the respective Simon Interests to be contributed to SDG by it free and clear of any Liens. Except as disclosed on SCHEDULE G, such Subscriber has not granted any rights, options or rights of first refusal, or entered into any agreements of any kind that are currently in effect or that have not been waived, to purchase or otherwise acquire such Simon Interests, or any part thereof or any interest therein, except the rights of SDG under this Agreement.

(ii) Upon consummation of the Closing, SDG shall be the legal owner of the Simon Interests delivered by each such Subscriber free and clear of all Liens.

(g) Advisors. Such Subscriber has consulted with its own counsel and tax advisor, to the extent such Subscriber deemed necessary, as to the legal and taxation matters associated with this Agreement and the transactions contemplated hereby and has not relied upon DRP, DeBartolo, Simon or any of their respective

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affiliates, officers and representatives for any explanation of the application of federal or state securities or tax laws with regard to its contribution of the Simon Interests or its receipt of the Units pursuant to the terms hereof.

2.5 Indemnification. Each Subscriber shall, subject to the limitations hereinafter set forth, indemnify and hold SDG and its partners free and harmless of and from any claim, loss, damage, expense, cost or liability (including, without limitation, reasonable attorneys' fees and disbursements) resulting from its respective breach of any representation or warranty in made by it in Sections 2.3 and 2.4. SDG shall, subject to the limitations hereinafter set forth, indemnify and hold each Subscriber, and its partners, officers and directors (if applicable), free and harmless of and from any claim, loss, damage, expense, cost or liability (including without limitation, reasonable attorneys' fees and disbursements) resulting from a breach of any representation and warranty in Section 2.1. Simon shall, subject to the limitations hereinafter set forth, indemnify and hold SDG and its partners free and harmless of and from any claim, loss, damage, expense, cost or liability (including, without limitation, reasonable attorneys' fees and disbursements) resulting from a breach of any representation or warranty in Section 2.2. SPG L.P. shall, subject to the limitations hereinafter set forth, indemnify and hold SDG and its partners free and harmless of and from any claim, loss, damage, expense, cost or liability (including, without limitation, reasonable attorneys' fees and disbursements) resulting from a breach of any representation or warranty in Section 2.3. Notwithstanding anything to the contrary contained herein, (i) in no event shall the amount that SDG may recover against any

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Subscriber or that any Subscriber may recover against SDG under or in respect of this Section 2.5 for a breach of any representation or warranty in Sections 2.2, 2.4 or 2.5 hereof exceed the fair market value of the Units issued to such Subscriber, (ii) all obligations and liabilities of each Subscriber under this Agreement are enforceable solely against such Subscriber's Units and not against any of such Subscriber's other assets, any other Subscriber or any assets of any other Subscriber.

2.6 Transfer Taxes. SDG shall be solely responsible for the payment of any transfer taxes or similar charges imposed by any state, county or municipality in which any of the Simon Interests is located in connection with the contribution of the Simon Interests to SDG. Also at the Closing, and in addition to the delivery of any documents required to be delivered in connection therewith, each Subscriber and SDG shall execute, acknowledge and deliver such returns, questionnaires, certificates, affidavits, declarations and other documents which may be required in connection with the sales taxes and other taxes, fees or charges imposed by any governmental agency in connection with the transactions contemplated hereby, and shall complete, sign and swear to the same as may be necessary.

SECTION 3

CONDITIONS TO CLOSING

3.1 Conditions to Obligations of All Parties. The obligations of DRP and each Subscriber to consummate the Closing are subject to the simultaneous consummation of the Merger, the simultaneous execution and delivery of the New SDG

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Partnership Agreement (by DeBartolo, as managing general partner of SDG, Simon, as non-managing general partner of SDG, and to the extent required by those limited partners of SPG L.P. who become limited partners of SDG pursuant to the performance of this Agreement and the other Contribution Agreements) and to the simultaneous execution and delivery of the New SPG Partnership Agreement.

3.2 Conditions to Obligations of SDG. The obligations of DRP to consummate the Closing with respect to a particular Subscriber is subject to the satisfaction of the further conditions that: (i) the representations and warranties of such Subscriber as set forth herein shall be true and correct as of the Closing Date in all material respects with the same force and effect as if made on the Closing Date, (ii) the S-D Consent shall have been obtained and (iii) each Subscriber shall have performed in all material respects all of its obligations hereunder required to be performed by such Subscriber on or prior to the Closing Date.

3.3 Conditions to Obligations of Each Subscriber. The obligations of each Subscriber to consummate the Closing is subject to the further conditions that: (i) the representations and warranties of DRP set forth in this agreement shall be true and correct in all material respects as of the Closing Date as though made on the Closing Date, (ii) DRP shall have performed in all material respects all of its obligations hereunder required to be performed by DRP at or prior to the Closing Date, (iii) the requisite partners of DRP shall have consented the execution and delivery of the New SDG Partnership Agreement and to the extent required shall have executed and delivered counterparts of the New SDG Partnership Agreement at the Closing and

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(iv) each consent set forth opposite the name of each Subscriber on SCHEDULE F shall have been obtained.

SECTION 4

COVENANTS

4.1 Further Assurances. SDG and each Subscriber agree, at any time and from time to time after the Closing, to execute, acknowledge where appropriate and deliver such further instruments and documents and to take such other action as the other of them may reasonably request in order to carry out the intents and purposes of this Agreement. The provisions of this Section 4 shall survive the Closing.

SECTION 5

CONSENTS TO TRANSFER

5.1 Consent of Simon Limited Partners. Pursuant to Section 9.1 of the Old SPG Partnership Agreement, the Simon Limited Partners who are parties hereto hereby (i) consent to the contribution to SDG of the Simon Interests of Simon as provided herein and (ii) consents to the admission of SDG as a special limited partner of SPG L.P. pursuant to the Partnership Agreement.

5.2 Consent of Simon. Pursuant to Section 9.2 of the Old SPG Partnership Agreement, Simon, as the general partner of SPG L.P., hereby (i) consents to the contribution to SDG of the respective Simon Interests of each Simon Limited Partner as provided herein and (ii) consents to the admission of SDG as a limited partner of SPG L.P.

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SECTION 6

MISCELLANEOUS

6.1 Notices. All notices and other communications given or made under this Agreement shall be in writing and shall be deemed to have been duly given or made if delivered personally or sent by registered or certified mail (postage prepaid, return receipt requested) or by telecopier (if written confirmation of receipt is available and provided) to the parties at the following addresses:

(a) If to SPG to:

Simon Realty Corporation
Merchants Plaza
115 West Washington Street, Suite 15 East
Indianapolis, IN 46204

Attention: David Simon
James M. Barkley, Esq.
Telecopy: (317) 685-7221

With a copy to:
Paul, Weiss, Rifkind, Wharton & Garrison
1285 Avenue of the Americas
New York, New York 10019-6064

Attention: Toby S. Myerson, Esq.
Edwin S. Maynard, Esq.
Telecopy: (212) 757-3990

(b) If to each Subscriber, to the address or telecopy number thereof that each Subscriber shall have previously indicated in writing.

or such other addresses as shall be furnished by the parties hereto by like notice, and such notice or communication shall be deemed to have been given or made as of the date so delivered or made.

6.2 Entire Agreement. This Agreement (together with each other Contribution Agreement referred to in Section 1.2(c) above) constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral and written, among the parties hereto with respect to such subject matter.

6.3 Binding Effect; Benefit. Subject to Section 6.4 hereof, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on any person other than the parties hereto, and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

6.4 Assignability. This Agreement (a) shall not be assignable by SDG without prior written consent of each Subscriber and (b) shall not be assignable by any Subscriber without the prior written consent of SDG.

6.5 Amendment; Waiver. No provision of this Agreement may be amended, waived or otherwise modified except by an instrument in writing executed by the parties hereto.

6.6 Headings. The headings contained in this Agreement are for convenience only and shall not affect the meaning or interpretation of this Agreement.

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6.7 Counterparts. This Agreement may be executed in any number of counterparts, including those executed from time to time by the holders of partnership interests in SPG L.P. referred to in Section 1.2(c) above each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Delivery of executed signature pages by telecopier shall be acceptable evidence of delivery to the parties hereto. Delivery of executed signature pages by telecopier shall be followed immediately by delivery of the original signature pages by overnight courier.

6.8 Limitation of Liability. Any obligation or liability whatsoever of either DeBartolo or Simon or any Subscriber which is a corporation or a partner ship which may arise at any time under this Agreement or any other instrument, transaction, or undertaking contemplated hereby shall be satisfied, if at all, out of the assets of the DeBartolo, Simon, SDG or any such other corporation or partnership only. No such obligation or liability shall be personally binding upon, nor shall resort for the enforcement thereof be had to, any of DeBartolo, Simon or SDG's any such other corporation's or partnership's directors, partners, shareholders, officers, employees, or agents, regardless of whether such obligation or liability is in the nature of contract, tort or otherwise.

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6.9 APPLICABLE LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

DEBARTOLO REALTY GROUP, L.P.
By: DEBARTOLO REALTY CORPORATION,
as General Partner

By: /s/
____

SIMON PROPERTY GROUP, INC.

By: /s/
____

SUBSCRIBER:

By: /s/
____

Schedule A

LIST OF SUBSCRIBERS

i. Simon Property Group, Inc.
ii. Melvin Simon
iii. Herbert Simon
iv. Deborah J. Simon
v. Cynthia Simon Skjodt
vi. David E. Simon
vii. Irwin Katz, Trust 8/4/70
viii. Irwin Katz, Melvin Simon Trust No. 1 (4/4/72)
ix. Irwin Katz, Melvin Simon Trust No. 6 (7/21/75)
x. Irwin Katz, Melvin Simon Trust No. 7 (8/11/77)
xi. Irwin Katz, Herbert Simon Trust No. 3 (HST#3)
xii. S.F.G. Company, L.L.C.
xiii. MSA and Subsidiaries
    Melvin Simon & Associates, Inc.
    Naco Simon Corp.
    Penn Simon Corporation
    Simon Enterprises, Inc.
    Sandy Springs Properties, Inc.

Schedule B

SIMON INTERESTS OF EACH SUBSCRIBER

LIMITED PARTNERS

NAME OF SUBSCRIBER	SIMON INTEREST (NUMBER OF UNITS)
Simon Property Group, Inc.	58,560,225
Melvin Simon	6,364,000
Herbert Simon	5,179,414
Deborah J. Simon	405,681
Cynthia Simon Skjodt	405,681
David E. Simon	54,953
Irwin Katz, Trust 8/4/70	2,179,803
Irwin Katz, Melvin Simon Trust No. 1 (4/4/72)	811,362
Irwin Katz, Melvin Simon Trust No. 6 (7/21/75)	680,734
Irwin Katz, Melvin Simon Trust No. 7 (8/11/77)	275,054
Irwin Katz, Herbert Simon Trust No. 3 (HST#3)	502,080
S.F.G. Company, L.L.C.	6,606,200
MSA and Subsidiaries	
Melvin Simon & Associates, Inc.	9,681,766
Naco Simon Corp.	50
Penn Simon Corporation	142,148
Simon Enterprises, Inc.	750,981
Sandy Springs Properties, Inc.	62,025

Schedule C

UNITS OF EACH SUBSCRIBER IN SIMON DEBARTOLO GROUP, L.P.

UNITS

NAME OF SUBSCRIBER	NUMBER OF UNITS
Simon Property Group, Inc.	58,560,225
Melvin Simon	6,364,000
Herbert Simon	5,179,414
Deborah J. Simon	405,681
Cynthia Simon Skjodt	405,681
David E. Simon	54,953
Irwin Katz, Trust 8/4/70	2,179,803
Irwin Katz, Melvin Simon Trust No. 1 (4/4/72)	811,362
Irwin Katz, Melvin Simon Trust No. 6 (7/21/75)	680,734
Irwin Katz, Melvin Simon Trust No. 7 (8/11/77)	275,054
Irwin Katz, Herbert Simon Trust No. 3 (HST#3)	502,080
S.F.G. Company, L.L.C.	6,606,200
MSA and Subsidiaries	
Melvin Simon & Associates, Inc.	9,681,766
Naco Simon Corp.	50
Penn Simon Corporation	142,148
Simon Enterprises, Inc.	750,981
Sandy Springs Properties, Inc.	62,025

Schedule D

Required Consents of SDG

1. Consent required pursuant to (a) the SECOND AMENDED AND RESTATED NEW FACILITY CREDIT AGREEMENT, dated as of March 31, 1994 by and among DeBARTOLO, INC. and THE EDWARD J. DeBARTOLO CORPORATION, as the Borrowers, WELLS FARGO BANK, N.A., as the Issuing Bank, and the Co-Lenders specified therein, and WELLS FARGO REALTY ADVISORS FUNDING, INCORPORATED as the Administrative Agent and (b) the pledge agreements and other documents delivered pursuant thereto.

2. Consents required pursuant to (a) the SECOND AMENDED AND RESTATED RESTRUCTURING FACILITY CREDIT AGREEMENT, dated as of March 31, 1994 by and among DeBARTOLO, INC. and THE EDWARD J. DeBARTOLO CORPORATION, as the borrowers, and the Co-Lenders specified therein, and WELLS FARGO REALTY ADVISORS FUNDING, INCORPORATED, as the Administrative Agent and (b) the pledge agreements and other documents delivered pursuant thereto.

3. Consents required to be obtained prior to the consummation of the merger as specified in the Merger Agreement.

Schedule E

FORMULA FOR DETERMINATION OF SIMON DeBARTOLO GROUP, L.P. UNITS TO BE OUTSTANDING AFTER THE MERGER

1. The DeBartolo Realty Partnership, L.P. General and Limited Partners shall receive a number of Units in Simon DeBartolo Group, L.P. equal to the total number of shares of Simon Property Group, Inc. issued in the Merger to the shareholders DeBartolo Realty Corporation plus the additional number of shares that would have been issued had all Limited Partnership interests outstanding at the Effective Time been exchanged for shares of DeBartolo Realty Corporation pursuant to the Exchange Rights Agreement dated as of April 21, 1994 with a Valuation Date (as defined in the Exchange Rights Agreement) for such hypothetical exercise being the business day preceding Effective Time. Were the closing to have occurred on March 26, 1996, this number would be 61,076,480.(1)

2. The total number of Units in Simon DeBartolo Group, L.P. to be issued to Simon Property Group, L.P. General and Limited Partners shall be a maximum of 99% of the total number of outstanding Units in Simon Property Group, L.P. as at the date of the Merger. At March 26, 1996, the total number of outstanding units is 95,843,000 and 99% of this number is 94,884,570. The total number of Units issuable to the DeBartolo Realty Partnership, L.P. General and Limited Partners are herein referred to as "DeBartolo Units" and the total number of Units issuable to the Simon Property Group, L.P. General and Limited Partners are herein called the "SPG Units.(1)

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(1) The methodology used to arrive at this formula and these numbers is as follows. The 61,076,480 Unit number is equal to the total number of shares of Simon Property Group, Inc. that would be issued in the Merger at the exchange ratio if the Merger took place on March 26, 1996 and if all outstand ing limited partnership interests in DeBartolo Realty Partnership, L.P. had been exercised in full. The 95,843,000 Unit number is equal to the total number of shares of stock of Sunny that would be outstanding immediately prior to the Merger if it took place on March 26, 1996 if all outstanding Units in the Simon Property Group, L.P. were exercised in full. Since all or almost all of the assets of DeBartolo Realty Corporation and Simon Property Group, Inc. consist of their general partnership interests in the two operating partner ships, the relationship between the shares which would be issued in the Merger if all outstanding limited partnership interests in DeBartolo Realty Corporation were exercised in full to the shares of Simon Property Group, Inc. that would be outstanding immediately prior to the Merger if all Units were converted prior to the Merger establishes the relative values of the two partnerships on March 26, 1996. As a matter of convenience the Simon Property Group, L.P. Units will be exchanged on a 1-for-1 basis.

3. Of the DeBartolo Units, a percentage equal to its then percentage interest in the DeBartolo Realty Partnership, L.P. (at present 61.8424%) will be allocated to DeBartolo Realty Corporation as general partner and the remaining Units will be allocated to the DeBartolo Realty Partnership, L.P. limited partners. The number of Units to be issued to each DeBartolo Realty Partnership, L.P. limited partner will be a percentage of the total number of Units to be allocated to the DeBartolo Realty Partnership, L.P. partners equal to the percentage interest that each such limited partner had in the DeBartolo Realty Partnership, L.P. immediately prior to the Merger. Accordingly, if the Closing took place March 26, 1996, 37,771,158 Units will be allocated to DeBartolo Realty Corporation as general managing partner and 23,305,322 Units will be issued in the aggregate to the DeBartolo Realty Partnership, L.P. limited partners.

4. The number of Units issued to the Simon Property Group, L.P. general and limited partners will be as follows: (x) one Unit will be issued for each Simon Property Group, L.P. Unit exchanged by a Simon Property Group, L.P. Limited partner and (y) Simon Property Group, Inc., as the general partner of Simon Property Group, L.P., will receive for the economic interests being transferred by it a number of Units equal to the number of Simon Property Group, L.P. Units then owned by it less a number equal to 1% of the then outstanding Simon Property Group, L.P. Units. Accordingly, if the Closing took place on March 26, 1996, this number would be 58,579,241. (This number is derived by multiplying 95,843,000 by 61.22%, the present percentage interest held by Simon Property Group, Inc. in Simon Property Group, L.P. and subtracting 95,843 Units being 1% of the outstanding Units). To the extent that Simon Property Group, L.P. limited partners do not exchange Simon Property Group, L.P. Units, the Simon Property Group, L.P. Units that would have been issued in respect thereof will not be issued. This would have the effect of increasing the percentage interest in Simon DeBartolo Group, L.P. by DeBartolo Realty Partnership, L.P. partners.

Schedule F

Required Consents of Subscribers

Partner Consents:

Circle Centre Partners, Ltd.
Re: Circle Centre Mall, Indianapolis, Indiana

Lender Consents:

CIGNA
1. Ingram Creek
2. Ingram Park Mall
3. LaPlaza Mall

Metropolitan Life Insurance Company
1. Bloomingdale Court
2. Forest Plaza
3. Fox River Plaza
4. Lake View Plaza
5. Lincoln Crossing
6. Matteson Plaza
7. Regency Plaza
8. St. Charles Towne Plaza
9. West Ridge Plaza
10. White Oaks Plaza

Union Bank of Switzerland
1. Circle Centre Mall
2. $400 Million Revolving Credit Facility

Marine Midland, Trustee
1. Jefferson Valley Mall

Citicorp
1. Eastland Mall
2. St. Charles Towne Center

Lender Consents cont.:

Principal Group

1. Cobblestone Court
2. Crystal Court
3. Fairfax Court
4. Gaitway Plaza
5. Ridgewood Court
6. Royal Eagle Plaza
7. The Plaza at Buckland Hills
8. The Yards Plaza
9. Village Park Plaza
10. West Town Corners
11. Westland Park Plaza
12. Willow Knolls Court

REVOLVING CREDIT AGREEMENT DATED AS OF FEBRUARY 27, 1996, BETWEEN MELVIN SIMON ASSOCIATES, INC. AND MORGAN GUARANTY TRUST COMPANY OF NEW YORK AND PLEDGE AND SECURITY AGREEMENT, ALSO DATED AS OF FEBRUARY 27, 1966, AMONG MELVIN SIMON & ASSOCIATES, INC., PENN SIMON CORPORATION, NACO SIMON CORP., SANDY SPRINGS PROPERTIES, INC., SIMON ENTERPRISES, INC. AND MORGAN GUARANTY TRUST COMPANY OF NEW YORK, PURSUANT TO WHICH THE PLEDGORS PLEDGED TO THE BANK THEIR RIGHT TO RECEIVE CASH DISTRIBUTIONS ATTRIBUTABLE TO THEIR RESPECTIVE LIMITED PARTNERSHIP UNITS IN SIMON PROPERTY GROUP, L.P. AND CLASS B COMMON STOCK OF SIMON PROPERTY GROUP, INC.

Pledge and Security Agreement dated as of December 16, 1993, made by Melvin Simon and Herbert Simon (collectively "Simon Pledgors") to Chemical Bank, and additional documents executed in connection therewith, pursuant to which the Simon Pledgors pledged to the Bank 392,135 limited partnership units owned by them in Simon Property Group, L.P.

Schedule G

Rights, Options, Etc.

Revolving Credit Agreement dated as of February 27, 1996, between Melvin Simon Associates, Inc. And Morgan Guaranty Trust Company of New York and Pledge and Security Agreement, also dated as of February 27, 1966, among Melvin Simon & Associates, Inc., Penn Simon Corporation, Naco Simon Corp., Sandy Springs Properties, Inc., Simon Enterprises, Inc. And Morgan Guaranty Trust Company of New York, pursuant to which the Pledgors pledged to the Bank their right to receive cash distributions attributable to their respective limited partnership units in Simon Property Group, L.P. and Class B common stock of Simon Property Group, Inc.

Pledge and Security Agreement dated as of December 16, 1993, made by Melvin Simon and Herbert Simon (collectively "Simon Pledgors") to Chemical Bank, and additional documents executed in connection therewith, pursuant to which the Simon Pledgors pledged to the Bank 392,135 limited partnership units owned by them in Simon Property Group, L.P.

INSTRUMENT OF ASSIGNMENT

Reference is made to the Contribution Agreement (the "Contribution Agreement"), dated as of June 25, 1996, by and among DeBartolo Realty Corporation, as the general partner of DeBartolo Realty Partnership, L.P., Simon Property Group, Inc., in its individual capacity and as the general partner of Simon Property Group, L.P. ("SPG L.P."), and the limited partners of SPG L.P. listed on Schedule A thereto.

FOR VALUE RECEIVED, the undersigned does hereby contribute, assign and transfer to DeBartolo Realty Partnership, L.P., a Delaware limited partnership (to be renamed Simon DeBartolo Group, L.P.), all right, title and interest of the undersigned in and to its interests in SPG L.P. representing 10.6% of the units in SPG L.P. outstanding and an additional 49.5% interests in the profits (and not the capital) of SPG L.P. owned by the undersigned and listed opposite its name on Schedule B of the Contribution Agreement, effective as of the Effective Time (as defined in the Contribution Agreement by reference to the Merger Agreement (as defined in the Contribution Agreement)).

Dated: August 9, 1996

SIMON PROPERTY GROUP, INC.

By /s/
