UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K/A

(Amendment No. 2)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 1997
Commission file number 333-11491

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

Delaware	34-1755769
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
115 West Washington Street Indianapolis, Indiana	46204
(Address of principal executive offices)	(Zip Code)

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

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

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

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

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

Documents Incorporated By Reference

Portions of Simon DeBartolo Group, Inc.'s Form 10-K/A (Amendment No. 2) are incorporated by reference in Part III.

Simon DeBartolo Group, L.P. hereby amends its Annual Report on Form 10-K for the year ended December 31, 1997 to include supplementary disclosure to the funds from operations discussion on page 45, footnotes 4 and 11 of the consolidated financial statements on pages 59 and 71, respectively, and the Notes to Schedule III on page 81.

SIGNATURE

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

SIMON DeBARTOLO GROUP, L.P.
By: Simon DeBartolo Group, Inc.
General Partner

By: /s/ James M. Barkley
James M. Barkley,
Secretary/General Counsel

Part I

Item 1. Business

Background

Simon DeBartolo Group, L.P. ("the Operating Partnership" or "SDG, LP"), a Delaware limited partnership, is a majority owned subsidiary of Simon DeBartolo Group, Inc. (the "Company"), a Maryland corporation, formerly known as Simon Property Group, Inc. The Company is a self-administered and self-managed real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code"). The 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, 1997, the Operating Partnership owns or holds an interest in 202 income-producing properties, which consist of 120 regional malls, 72 community shopping centers, three specialty retail centers, four mixed-use properties and three value-oriented super-regional mall located in 33 states (the "Properties"). The Operating Partnership also owns interests in one specialty retail center and two community centers currently under construction and nine parcels of land either in preconstruction development or held for future development (collectively, the "Development Properties", and together with the Properties, the "Portfolio Properties"). The Operating Partnership also holds substantially all of the economic interest in M.S. Management Associates, Inc. (the "Management Company"), while substantially all of the voting stock is held by Melvin Simon, Herbert Simon and David Simon. The Management Company manages Properties generally not wholly-owned by the Operating Partnership and certain other properties, and also engages in certain property development activities. The Operating Partnership also holds substantially all of the economic interest in, and the Management Company holds substantially all of the voting stock of, DeBartolo Properties Management, Inc. ("DPMI"), which provides architectural, design, construction and other services to substantially all of the Portfolio Properties, as well as certain other regional malls and community shopping centers owned by third parties.

The DRC Merger

On August 9, 1996, the national shopping center business of DeBartolo Realty Corporation ("DRC") was acquired for an aggregate value of $3.0 billion (the "DRC Merger"). The acquired portfolio consisted of 49 regional malls, 11 community centers and 1 mixed-use Property. These Properties included 47,052,267 square feet of retail space gross leasable area ("GLA") and 558,636 of office GLA. Pursuant to the DRC Merger, the Company changed its name to Simon DeBartolo Group, Inc. In addition, the Management Company purchased from The Edward J. DeBartolo Corporation all of the voting stock of DPMI, for $2.5 million in cash.

For additional information concerning the DRC Merger, please see Note 3 to the consolidated financial statements.

The Partnership Merger

On December 31, 1997, Simon Property Group, L.P., a Delaware limited partnership ("SPG, LP"), merged (the "Partnership Merger") into the Operating Partnership. Prior to the Partnership Merger, the Operating Partnership and the Company held all of the partnership interests of SPG, LP, which held interests in certain of the Portfolio Properties. As a result of the Partnership Merger, the Operating Partnership now directly or indirectly owns or holds interests in all of the Portfolio Properties and directly holds substantially all of the economic interest in the Management Company. Prior to the DRC Merger, references to the Operating Partnership refer to SPG, LP only.

Definitive Merger Agreement

The Company, Corporate Property Investors ("CPI") and Corporate Realty Consultants, Inc. ("CRC") entered into an Agreement and Plan of Merger, dated as of February 18, 1998 (the "Merger Agreement"), pursuant to which a subsidiary of CPI shall be merged with and into the Company (the "Merger"). Upon consummation of the Merger, CPI will be renamed and holders of the Company's common stock will receive shares of CPI common stock on a one-for-one basis and beneficial interests in shares of CRC common stock. Based upon the capitalization of the Company and CPI as of December 31, 1997, the Company's stockholders would own in the aggregate approximately 67% of the outstanding shares of the new entity's common stock. Even though the Company's stockholders will receive shares of common stock of a new entity, substantially all the members of the current Board of Directors and senior management of the Company will be members of the new Board of Directors and senior management of the new entity. All of the Company's policies, including investment and financing policies, and practices are expected to continue as the new entity's policies and practices.

The Merger Agreement provides that prior to the Merger each holder of CPI common stock will receive consideration of $179 per share, consisting of a dividend of : (i) the Cash Amount (as defined below); (ii) 1.0818 shares of CPI common stock; and (iii) 0.19 shares of CPI 6.5% convertible preferred stock. The "Cash Amount" is equal to $90.00 per share of CPI common stock, subject to adjustment as follows: (i) if the Market Price (as defined below) for the Company's common stock at the effective time of the Merger exceeds $38.67, then the Cash Amount shall be reduces by an amount equal to such excess multiplied by 2.0818 and (ii) if the Market Price for the Company's common stock at the effective time of the Merger is less than $28.58, then the Cash Amount shall be increased by an amount equal to such deficiency multiplied by 2.0818. The "Market Price" shall be the average of the closing prices per share for the Company's common stock on the New York Stock Exchange for the 20 consecutive trading days ending on the fifth trading day prior to the effective time of the Merger.

The transaction is expected to be consummated during the third quarter of 1998 and is subject to the approval of the Company's stockholders, as well as customary regulatory and other conditions. The requisite number of CPI stockholders already have agreed to approve the transaction. The foregoing description of the Merger Agreement does not purport to be complete and is qualified in its entirety by reference to the Merger Agreement, which appears as Exhibit 10.1 to the Company's Form 8-K dated February 19, 1998 and is incorporated herein by reference.

General

As of December 31, 1997, the Operating Partnership owned or held interests in a diversified portfolio of 202 income-producing Properties, including 120 enclosed regional malls, 72 community shopping centers, three specialty retail centers, four mixed-use Properties and three value-oriented super-regional malls, located in 33 states. Regional malls, community centers and the remaining portfolio comprised 82.8%, 8.3%, and 8.9%, respectively of total rent revenues and tenant reimbursements in 1997. The value-oriented super-regional malls are not included in consolidated rent revenues and tenant reimbursements as they are each accounted for using the equity method of accounting. The Properties contain an aggregate of approximately 128.8 million square feet of GLA, of which 78.0 million square feet is owned by the Operating Partnership ("Owned GLA"). Approximately 3,600 different retailers occupy more than 14,000 stores in the Properties. Total estimated retail sales at the Properties exceeded $25 billion in 1997.

Operating Strategies

The Operating Partnership's primary business objectives are to increase cash generated from operations per unit of partnership interest in the Operating Partnership ("Unit") 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; renewing existing leases at higher base rents per square foot; and continuing to sign leases that provide for percentage rents and/or regular or periodic fixed contractual increases in base rents.

Management. Drawing upon the expertise gained through management of approximately 140 million square feet of GLA 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.

Acquisitions. The Operating Partnership intends to selectively acquire individual properties and portfolios of properties that meet its investment criteria as opportunities arise. Management believes that consolidation will continue to occur within the shopping center industry, creating opportunities for the Operating Partnership to acquire additional portfolios of shopping centers and increase operating profit margins. Management also believes that its extensive experience in the shopping center business, access to capital markets, national operating scope, familiarity with real estate markets and advanced management systems will allow it to evaluate and execute acquisitions competitively. Additionally, the Operating Partnership may be able to acquire properties on a tax-advantaged basis for the transferors.

During 1997, the Operating Partnership, through the acquisition of The Retail Property Trust ("RPT"), and other related transactions, acquired a portfolio of ten wholly-owned Properties and one 50%-owned Property comprising approximately twelve million square feet of GLA in eight states. RPT is also a REIT. In addition, the Operating Partnership made several other single-Property ownership acquisitions in 1997. The Operating Partnership acquired a 50% ownership interest in Dadeland Mall and an additional 48% ownership interest in West Town Mall, increasing its ownership in that Property to 50%. In addition, the Operating Partnership acquired The Fashion Mall at Keystone at the Crossing, a 597,000 square-foot regional mall, along with an adjacent community center. Also acquired in 1997 was the remaining 30% ownership interest in Virginia Center Commons. On December 29, 1997, the Operating Partnership formed a joint venture partnership with The Macerich Company ("Macerich") to acquire a portfolio of twelve regional malls comprising approximately 10.7 million square feet of GLA. This transaction closed on February 27, 1998, with the Operating Partnership assuming leasing and management responsibilities for six of the regional malls and Macerich assuming leasing and management for the remaining properties.

Development. The Operating Partnership's focus is to selectively develop new Properties in major metropolitan areas that exhibit strong population and economic growth. During 1997, the Operating Partnership opened one new regional mall, two value-oriented super-regional malls and one new community shopping center. On September 5, 1997, the Operating Partnership opened The Source, a 730,000 square-foot regional mall in Westbury (Long Island), New York. On October 31, 1997 the Operating Partnership opened Grapevine Mills, a 1.2 million square-foot value-oriented super-regional mall in Grapevine (Dallas/Fort Worth), Texas, and on November 20, 1997, the Operating Partnership opened Arizona Mills, a 1.2 million square-foot value-oriented super-regional mall in Tempe, Arizona. In March 1997, the Operating Partnership opened Indian River Commons, a 260,000 square-foot community shopping center in Vero Beach, Florida, which is immediately adjacent to an existing regional mall Property.

Development activities are ongoing at several other locations including the following projects, which have an aggregate construction cost of approximately $200 million:

* The Shops at Sunset Place, a destination-oriented retail and entertainment project containing approximately 510,000 square feet of GLA is scheduled to open in October of 1998 in South Miami, Florida.
* Muncie Plaza, a 196,000 square-foot community center project, is scheduled to open in April of 1998 in Muncie, Indiana, adjacent to Muncie Mall.
* Lakeline Plaza, a 380,000 square-foot community center project, is scheduled to open in two phases in May and November of 1998 in Austin, Texas, adjacent to Lakeline Mall.

The Operating Partnership also has direct or indirect interests in nine other parcels of land either in preconstruction development or being held for future development in eight states totaling approximately 677 acres. Management believes the Operating Partnership is well positioned to pursue future development opportunities as conditions warrant.

The Operating Partnership is in the preconstruction development phase on one new value-oriented super-regional mall, a factory outlet center and one new community center project. Concord Mills, an approximately $200 million development, is scheduled to open in 1999. This 1.4 million square-foot value-oriented super-regional mall development project is 50%-owned by the Operating Partnership. Houston Premium Outlets is a 462,000 square-foot factory outlet project in Houston, Texas. This approximately $89 million project, of which the Operating Partnership has a 50% ownership interest in, is scheduled to begin construction in 1998 and open in 1999. The Shops at North East Mall, which is immediately adjacent to an existing regional mall in the Company's portfolio, is an approximately $55 million development. This 391,000 square-foot wholly-owned development project is scheduled to open in Hurst, Texas, in 1999.

Strategic Expansions and Renovations. A key objective of the Operating Partnership is to increase the profitability and market share of the Properties through the completion of strategic renovations and expansions.

In 1997, the Operating Partnership completed construction and opened fourteen expansion and/or renovation projects: Alton Square in Alton, Illinois; Aventura Mall in Miami, Florida; Chautauqua Mall in Jamestown, New York; Columbia Center in Kennewick, Washington; The Forum Shops at Caesar's in Las Vegas, Nevada; Knoxville Center in Knoxville, Tennessee; La Plaza in McAllen, Texas; Muncie Mall in Muncie, Indiana; Northfield Square in Bradley, Illinois; Northgate Mall in Seattle, Washington; Orange Park Mall in Jacksonville, Florida; Paddock Mall in Ocala, Florida; Richmond Square in Richmond, Indiana; and Southern Park Mall in Youngstown, Ohio.

The Operating Partnership has a number of renovation and/or expansion projects currently under construction, or in preconstruction development. The Operating Partnership expects to commence construction on many of these projects in the next 12 to 24 months.

Competition

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) its management and operational expertise, (iii) its extensive experience and relationship with retailers and lenders, (iv) the size, quality and diversity of its Properties and (v) through the mall marketing initiatives of Simon Brand Ventures, which the Operating Partnership believes is the world's largest and most sophisticated mall marketing initiative. Management believes that the Properties are the largest, as measured by GLA, of any publicly traded REIT, with more regional malls than any other publicly traded REIT. For these reasons, management believes the Operating Partnership to be the leader in the industry.

All of the Portfolio Properties are located in developed areas. With respect to certain of such properties, there are other properties of the same type within the market area. The existence of competitive properties could have a material effect on the Operating Partnership's ability to lease space and on the level of rents the Operating Partnership can obtain.

There are numerous commercial developers, real estate companies and other owners of real estate that compete with the Operating Partnership in its trade areas. This results in competition for both acquisition of prime sites (including land for development and operating properties) and for tenants to occupy the space that the Operating Partnership and its competitors develop and manage.

Environmental Matters

General Compliance. Management believes that the Portfolio Properties are in compliance, in all material respects, with all Federal, state and local environmental laws, ordinances and regulations regarding hazardous or toxic substances (see Item 3. Legal Proceedings). Substantially all of the Portfolio Properties have been subjected to Phase I or similar environmental audits (which generally involve only a review of records and visual inspection of the property without soil sampling or ground water analysis) by independent environmental consultants. The Phase I environmental audits are intended to discover information regarding, and to evaluate the environmental condition of, the surveyed properties and surrounding properties. The environmental audits have not revealed, nor is management aware of, any environmental liability that management believes will have a material adverse effect on the Operating Partnership. No assurance can be given that existing environmental studies with respect to the Portfolio Properties reveal all potential environmental liabilities; that any previous owner, occupant or tenant of a Portfolio Property did not create any material environmental condition not known to management; that the current environmental condition of the Portfolio Properties will not be affected by tenants and occupants, by the condition of nearby properties, or by unrelated third parties; or that future uses or condition (including, without limitation, changes in applicable environmental laws and regulations or the interpretation thereof) will not result in imposition of additional environmental liability.

Asbestos-containing materials. Asbestos-containing materials are present in most of the Properties, primarily in the form of vinyl asbestos tile, mastics and roofing materials, which are generally in good condition. Fireproofing and insulation containing asbestos is also present in certain Properties in limited concentrations or in limited areas. Management believes the presence of such asbestos-containing materials does not violate currently applicable laws. Asbestos-containing materials will be removed by the Operating Partnership in the ordinary course of any renovation, reconstruction and expansion, and in connection with the retenanting of space.

Underground Storage Tanks. Several of the Portfolio Properties contain or at one time contained underground storage tanks used to store waste oils or other petroleum products primarily related to the operation of auto service center establishments. All such tanks had been removed or previously abandoned in place and filled with inert materials in accordance with applicable environmental laws. Site assessments have revealed seven Properties contain certain soil and/or groundwater contamination associated with such tanks. Subsurface investigations (Phase II assessments) and remediation work are either ongoing or scheduled to be conducted at such Properties. The costs of remediation with respect to such matters have not been and are not expected to be material.

Properties to be Developed or Acquired. Land being held for shopping mall development or that may be acquired for development may contain residues or debris associated with the use of the land by prior owners or third parties. In certain instances, such residues or debris could be or contain hazardous wastes or hazardous substances. Prior to exercising any option to acquire any of the optioned properties, the Operating Partnership will conduct environmental due diligence consistent with past practice.

Employees

The Operating Partnership and its affiliates employ approximately, 6,300 persons at various centers and offices throughout the United States. Approximately 730 of such employees are located at the Operating Partnership's headquarters in Indianapolis, Indiana, and approximately 3,400 of all employees are part-time.

Insurance

The Operating Partnership has comprehensive liability, fire, flood, extended coverage and rental loss insurance with respect to its Properties. Management believes that such insurance provides adequate coverage.

Headquarters

The Operating Partnership's executive offices are located at National City Center, 115 West Washington Street, Indianapolis, Indiana 46204, and its telephone number is (317) 636-1600.

Executive Officers of the Registrant

The following table sets forth certain information with respect to the executive officers of the Company, which is one of the general partners of the Operating Partnership, as of December 31, 1997.

Name	Age	Position
Melvin Simon (1)	71	Co-Chairman
Herbert Simon (1)	63	Co-Chairman
David Simon (1)	36	Chief Executive Officer
Richard S. Sokolov	48	President and Chief Operating Officer
Randolph L. Foxworthy	53	Executive Vice President - Corporate Development
William J. Garvey	59	Executive Vice President - Property Development
James A. Napoli	51	Executive Vice President - Leasing
John R. Neutzling	45	Executive Vice President - Property Management
James M. Barkley	46	General Counsel; Secretary
Stephen E. Sterrett	42	Treasurer
John Rulli	41	Senior Vice President - Human Resources & Corporate Operations
James R. Giuliano, III	40	Senior Vice President

(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 of the Company and SD Property Group, Inc. The executive officers serve at the pleasure of the Board of Directors and have served in such capacities since the formation of the Company in 1993, with the exception of Mr. Sokolov and Mr. Giuliano who have held their offices since the DRC Merger. For biographical information of Melvin Simon, Herbert Simon, David Simon, and Richard Sokolov, see Item 10 of this report.

Mr. Foxworthy is the Executive Vice President - Corporate Development of the Company. Mr. Foxworthy joined Melvin Simon & Associates, Inc. ("MSA") in 1980 and has been an Executive Vice President in charge of Corporate Development of MSA since 1986 and has held the same position with the Company since its formation in 1993.

Mr. Garvey is the Executive Vice President - Property Development of the Company. Mr. Garvey, who was Executive Vice President and Director of Development at MSA, joined MSA in 1979 and held various positions with MSA.

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, which he joined in 1989.

Mr. Neutzling is the Executive Vice President - Property Management of the Company. Mr. Neutzling has also been an Executive Vice President of MSA since 1992 overseeing all property and asset management functions. He joined MSA in 1974 and has held various positions with MSA.

Mr. Barkley serves as the Company's General Counsel and Secretary. Mr. Barkley holds the same position for MSA. He joined MSA in 1978 as Assistant General Counsel for Development Activity.

Mr. Sterrett serves as the Company's Treasurer. He joined MSA in 1989 and has held various positions with MSA.

Mr. Rulli holds the position of Senior Vice President - Human Resources and Corporate Operations. He joined MSA in 1988 and has held various positions with MSA.

Mr. Giuliano has served as Senior Vice President since the DRC Merger. He joined DRC in 1993, where he served as Senior Vice President and Chief Financial Officer up to the DRC Merger.

The foregoing persons also hold the same offices with SD Property Group, Inc., the managing general partner of the Operating Partnership.

Item 2. Properties

Portfolio Properties

The Properties primarily consist of two types: regional malls and community shopping centers. Regional malls contain two or more anchors and a wide variety of smaller stores ("Mall" stores) located in enclosed malls connecting the anchors. Additional stores ("Freestanding" stores) are usually located along the perimeter of the parking area. The 120 regional malls in the Properties range in size from approximately 200,000 to 1.6 million square feet of GLA, with 116 regional malls over 400,000 square feet. These regional malls contain in the aggregate nearly 11,600 occupied stores, including 480 anchors which are mostly national retailers. As of December 31, 1997, regional malls (including specialty retail centers, and retail space in the mixed-use Properties) represented 81.8% of total GLA, 76.5% of Owned GLA and 81.5% of total annualized base rent of the Properties.

Community shopping centers are generally unenclosed and smaller than regional malls. Most of the 72 community shopping centers in the Properties range in size from approximately 100,000 to 400,000 square feet of GLA. Community shopping centers generally are of two types: (i) traditional community centers, which focus primarily on value-oriented and convenience goods and services, are usually anchored by a supermarket, drugstore or discount retailer and are designed to service a neighborhood area; and (ii) power centers, which are designed to serve a larger trade area and contain at least two anchors that are usually national retailers among the leaders in their markets and occupy more than 70% of the GLA in the center. As of December 31, 1997, community shopping centers represented 13.5% of total GLA, 16.1% of Owned GLA and 8.7% of the total annualized base rent of the Properties.

The Operating Partnership also has an interest in three specialty retail centers, four mixed-use Properties and three value-oriented super-regional malls. The specialty retail centers contain approximately 760,000 square feet of GLA and do not have anchors; instead, they feature retailers and entertainment facilities in a distinctive shopping environment and location. The four mixed-use Properties range in size from approximately 500,000 to 1,025,000 square feet of GLA. Two of these Properties are regional malls with connected office buildings, and two are located in mixed-use developments and contain primarily office space. The value-oriented super-regional malls are each joint venture partnerships ranging in size from approximately 1,160,000 to 1,330,000 square feet of GLA. These include Arizona Mills, Grapevine Mills and Ontario Mills. These Properties combine retail outlets, manufacturers, off-price stores and other value-oriented tenants. As of December 31, 1997, value-oriented super-regional malls represented 2.9% of total GLA, 4.6% of Owned GLA and 5.6% of the total annualized base rent of the Properties.

As of December 31, 1997, approximately 87.3% of the Mall and Freestanding Owned GLA in regional malls, specialty retail centers and the retail space in the mixed use Properties was leased, approximately 93.8% of the Owned GLA in the value-oriented super-regional malls was leased, and approximately 91.3% of Owned GLA in the community shopping centers was leased.

Of the 202 Properties, 154 are owned 100% by the Operating Partnership and the remainder are held as joint venture interests. The Operating Partnership is the managing or co-managing general partner of all but eight of the Properties held as joint venture interests.

Additional Information

The following table sets forth certain information, as of December 31, 1997, regarding the Properties:

Name/Location	Ownership Interest (Expiration if Lease)(1)	The Operating Partnership's Percentage Interest(2)	Year Built or Acquired	Total GLA	Anchors/Specialty/Anchors
REGIONAL MALLS					
1. Alton Square Alton, IL	Fee	100.0	Acquired 1993	641,145	Famous Barr, JCPenney, Sears
2. Amigoland Mall Brownsville, TX	Fee	100.0	Built 1974	560,318	Beall's, Dillard's, JCPenney, Montgomery Ward
3. Anderson Mall Anderson, SC	Fee	100.0	Built 1972	637,872	Gallant Belk, JCPenney, Sears, Uptons
4. Aventura Mall(3) Miami, FL	Fee	33.3	Built 1983	1,459,397	AMC Theatre (4), Bloomingdales, Burdines (4), JCPenney, Lord & Taylor, Macy's, Sears
5. Avenues, The Jacksonville, FL	Fee	25.0	Built 1990	1,113,651	Dillard's, Gayfers, Sears, Parisian, JCPenney
6. Barton Creek Square Austin, TX	Fee	100.0	Built 1981	1,374,794	Dillard's (5), Foley's, JCPenney, Sears, Montgomery Ward
7. Battlefield Mall Springfield, MO	Fee and Ground Lease (2056)	100.0	Built 1970	1,156,592	Dillard's, Famous Barr, Montgomery Ward, Sears, JCPenney
8. Bay Park Square Green Bay, WI	Fee	100.0	Built 1980	641,929	Kohl's, Montgomery Ward, Shopko, Elder-Beerman
9. Bergen Mall Paramus, NJ	Fee and Ground Lease (6)(2061)	100.0	Acquired 1987	1,013,718	Value City, Stern's, Marshall's, Off 5th-Saks Fifth Avenue Outlet
10. Biltmore Square Asheville, NC	Fee	(7) 66.7	Built 1989	494,436	Belk, Dillard's, Proffitt's, Goody's
11. Boynton Beach Mall Boynton Beach, FL	Fee	100.0	Built 1985	1,064,072 JCPenney	Burdines, Macy's, Sears, Dillard's (4) (5)
12. Broadway Square Tyler, TX	Fee	100.0	Acquired 1994	571,429	Dillard's, JCPenney, Sears
13. Brunswick Square East Brunswick, NJ	Fee	100.0	Built 1973	736,479	Brunswick Square Movies, Macy's, JCPenney
14. Castleton Square Indianapolis, IN	Fee	100.0	Built 1972	1,352,729	LS Ayres, Lazarus, Montgomery Ward (8), JCPenney, Sears

15. Century III Mall Pittsburgh, PA	Fee	50.0	Built 1979	1,287,251	Lazarus, Kaufmann's, JCPenney Sears, T.J. Maxx, Wickes Furniture
16. Charlottesville Fashion Square Charlottesville, VA	Ground Lease (2076)	50.0	Acquired 1997	573,614	Belk, JCPenney, Sears Stone & Thomas
17. Chautauqua Mall Jamestown, NY	Fee	100.0	Built 1971	428,285	The Bon Ton (4), Sears, JCPenney, Office Max
18. Cheltenham Square Philadelphia, PA	Fee	100.0	Built 1981	624,790	Burlington Coat Factory, Movies at Cheltenham, Home Depot, Value City, Seaman's Furniture, Shop Rite
19. Chesapeake Square Chesapeake, VA	Fee and Ground Lease (2062)	(7)75.0	Built 1989	704,463	Dillard's, Belk, JCPenney, Sears, Montgomery Ward
20. Cielo Vista Mall El Paso, TX	Fee and Ground Lease (9)(2027)	100.0	Built 1974	1,196,102	Dillard's (5), JCPenney, Montgomery Ward, Sears
21. Circle Centre Indianapolis, IN	Property Lease (2097)	14.7	Built 1995	793,234	Nordstrom, Parisian, United Artists
22. College Mall Bloomington, IN	Fee and Ground Lease (10)(2048)	100.0	Built 1965	707,220	JCPenney, Lazarus, L.S. Ayres, Sears, Target
23. Columbia Center Kennewick, WA	Fee	100.0	Acquired 1987	772,894	Barnes & Noble, The Bon Marche, Lamonts, JCPenney, Sears
24. Coral Square Coral Springs, FL	Fee	50.0	Built 1984	941,370	Burdines (5), Dillard's, JCPenney, Sears
25. Cottonwood Mall Albuquerque, NM	Fee	100.0	Built 1996	1,022,835	Dillard's, Foley's, JCPenney, Mervyn's, Montgomery Ward United Artists
26. Crossroads Mall Omaha, NE	Fee	100.0	Acquired 1994	871,356	Dillard's, Sears, Younkers
27. Crystal River Mall Crystal River, FL	Fee	100.0	Built 1990	425,277	Belk, Kmart, JCPenney, Regal Cinema, Sears
28. Dadeland Mall Miami, FL	Fee	50.0	Acquired 1997	1,403,416	Burdine's, Burdine's Home Gallery, JCPenney, Limited Lord & Taylor, Saks Fifth Avenue
29. DeSoto Square Bradenton, FL	Fee	100.0	Built 1973	686,408	Burdines, JCPenney, Sears, Dillard's

30. Eastern Hills Mall Buffalo, NY	Fee	100.0	Built 1971	997,172	Sears, The Bon Ton, JCPenney, Kaufmann's, Burlington Coat Factory (4), Waccamaw (11)
31. Eastland Mall Tulsa, OK	Fee	100.0	Built 1986	702,496	Dillard's, General Cinema, JCPenney, Mervyn's, Service Merchandise
32. Edison Mall Fort Meyers, FL	Fee	100.0	Acquired 1997	987,103	Burdines (5), Dillard's, JCPenney, Sears
33. Fashion Mall at Keystone at the Crossing, The Indianapolis, IN	Ground Lease (2067)	100.0	Acquired 1997	651,671	Jacobsons, Parisian
34. Florida Mall, The Orlando, FL	Fee	50.0	Built 1986	1,119,871	Burdines (4), Dillard's (5), Gayfers, JCPenney, Saks Fifth Avenue, Sears
35. Forest Mall Fond Du Lac, WI	Fee	100.0	Built 1973	484,131	JCPenney, Kohl's, Younkers, Sears, Staples
36. Forest Village Park Mall Forestville, MD	Fee	100.0	Built 1980	417,344	JCPenney, Kmart
37. Fremont Mall Fremont, NE	Fee	100.0	Built 1966	199,266	1/2 Price Store, JCPenney
38. Golden Ring Mall Baltimore, MD	Fee	100.0	Built 1974	719,625	Caldor, Hecht's, Montgomery Ward, United Artists
39. Great Lakes Mall Cleveland, OH	Fee	100.0	Built 1961	1,295,872	Dillard's (5), Great Lakes Mall Theatres, Kaufmann's, JCPenney, Sears
40. Greenwood Park Mall Greenwood, IN	Fee	100.0	Acquired 1979	1,273,258	JCPenney, Lazarus, L.S. Ayres, Sears, Montgomery Ward (8), Service Merchandise
41. Gulf View Square Port Richey, FL	Fee	100.0	Built 1980	809,913	Burdines, Dillard's, Montgomery Ward, JCPenney, Sears
42. Heritage Park Mall Midwest City, OK	Fee	100.0	Built 1978	634,178	Dillard's, Sears, Montgomery Ward, Service Merchandise
43. Hutchinson Mall Hutchinson, KS	Fee	100.0	Built 1985	525,702	Cinema 8, Dillard's, JCPenney, Sears, Wal-Mart (12), Service Merchandise
44. Independence Center Independence, MO	Fee	100.0	Acquired 1994	1,030,462	The Jones Store Co., Dillard's, Sears

45. Indian River Mall Vero Beach, FL	Fee	50.0	Built 1996	749,613	AMC Theatre, Burdines, Sears, JCPenney, Dillard's
46. Ingram Park Mall San Antonio, TX	Fee	100.0	Built 1979	1,133,183	Dillard's (5), Foley's, JCPenney, Sears, Beall's
47. Irving Mall Irving, TX	Fee	100.0	Built 1971	1,040,628	Barnes & Noble (4), Dillard's, Foley's, General Cinema (4) JCPenney, Mervyn's, Sears,
48. Jefferson Valley Mall Yorktown Heights, NY	Fee	100.0	Built 1983	589,601	Macy's, Sears, Service Merchandise
49. Knoxville Center Knoxville, TN	Fee	100.0	Built 1984	970,673	Dillard's, JCPenney, Proffitt's, Sears, Service Merchandise
50. La Plaza McAllen, TX	Fee and Ground Lease (6)(2040)	100.0	Built 1976	987,645	Dillard's, JCPenney, Beall's, Foley's, Sears, Service Merchandise, Joe Brand-Lady Brand
51. Lafayette Square Indianapolis, IN	Fee	100.0	Built 1968	1,220,043	JCPenney, LS Ayres, Sears, Lazarus, Waccamaw, Montgomery Ward (11)
52. Laguna Hills Mall Laguna Hills, CA	Fee	100.0	Acquired 1997	812,581	JCPenney, Macy's, Sears
53. Lakeland Square Lakeland, FL	Fee	50.0	Built 1988	900,556	Belk, Burdines, Dillard's (5), JCPenney, Sears
54. Lakeline Mall N. Austin, TX	Fee	50.0(14)	Built 1995	1,102,670	Dillard's, Foley's, Sears, JCPenney, Mervyn's, United Artists
55. Lima Mall Lima, OH	Fee	100.0	Built 1965	753,127	Elder-Beerman, Sears, Lazarus, JCPenney
56. Lincolnwood Town Center Lincolnwood, IL	Fee	100.0	Built 1990	441,085	Carson Pirie Scott, JCPenney
57. Longview Mall Longview, TX	Fee	100.0	Built 1978	617,025	Dillard's (5), JCPenney, Sears, Service Merchandise, Beall's
58. Machesney Park Mall Rockford, IL	Fee	100.0	Built 1979	555,860	Kohl's, JCPenney, Bergners, (13)
59. Markland Mall Kokomo, IN	Ground Lease (2041)	100.0	Built 1968	391,284	Lazarus, Sears, Target
60. McCain Mall N. Little Rock, AR	Ground Lease (15)(2032)	100.0	Built 1973	776,516	Dillard's, JCPenney, M.M. Cohn, Sears
61. Melbourne Square Melbourne, FL	Fee	100.0	Built 1982	734,323	Belk, Burdines, Dillard's (5), JCPenney

62. Memorial Mall Sheboygan, WI	Fee	100.0	Built 1969	416,698	JCPenney, Kohl's, Sears
63. Menlo Park Mall Edison, New Jersey	Fee	100.0	Acquired 1997	1,296,127 (16)	Macy's, Nordstrom, Cineplex Odeon
64. Miami International Mall Miami, FL	Fee	60.0	Built 1982	972,296	Burdines (5), Sears, Dillard's, JCPenney
65. Midland Park Mall Midland, TX	Fee	100.0	Built 1980	618,924	Dillard's (5), JCPenney, Sears, Beall's
66. Miller Hill Mall Duluth, MN	Fee	100.0	Built 1973	801,511	Glass Block, JCPenney, Montgomery Ward, Sears
67. Mission Viejo Mall Mission Viejo, CA	Fee	100.0	Built 1979	817,167	Macy's, Robinsons - May (5), Nordstrom (4)
68. Mounds Mall Anderson, IN	Ground Lease (2033)	100.0	Built 1965	407,233	Elder-Beerman, JCPenney, Sears
69. Muncie Mall Muncie, IN	Fee	100.0	Built 1970	658,672	JCPenney, L.S. Ayres, Sears, Elder Beerman, (5)
70. North East Mall Hurst, TX	Fee	100.0	Built 1971	1,142,147	Dillard's (5), JCPenney, Montgomery Ward, Sears
71. North Towne Square Toledo, OH	Fee	100.0	Built 1980	761,659	Lion, Montgomery Ward, (13)
72. Northfield Square Bradley, IL	Fee	(7)31.6	Built 1990	558,420	Cinemark Movies 10, Carson Pirie Scott, JCPenney, Sears, Venture
73. Northgate Mall Seattle, WA	Fee	100.0	Acquired 1987	1,123,787 (17)	The Bon Marche, Lamonts, Nordstrom, JCPenney
74. Northwoods Mall Peoria, IL	Fee	100.0	Acquired 1983	667,937	Famous Barr, JCPenney, Sears (4)
75. Oak Court Mall Memphis, TN	Fee	100.0	Acquired 1997	847,964 (18)	Dillard's (5), Goldsmith's
76. Orange Park Mall Jacksonville, FL	Fee	100.0	Acquired 1994	916,174	AMC 24 Theatre, Dillard's, Gayfer's, JCPenney, Sears
77. Orland Square Orland Park, IL	Fee	100.0	Acquired 1997	1,224,962	Carson Pirie Scott, JCPenney, Marshall Field, Plitt Theatres, Sears
78. Paddock Mall Ocala, FL	Fee	100.0	Built 1980	559,414	Belk, Burdines, JCPenney, Sears

79. Palm Beach Mall West Palm Beach, FL	Fee	50.0	Built 1967	1,200,692	JCPenney, Sears, Lord & Taylor, Dillards, Burdines
80. Port Charlotte Town Center Port Charlotte, FL	Ground Lease (2064)	(7)80.0	Built 1989	716,149	Burdines, Dillard's, Montgomery Ward, JCPenney, Regal Cinema (4), Sears
81. Prien Lake Mall Lake Charles, LA	Fee and Ground Lease (6)(2025)	100.0	Built 1972	455,550	Dillards (4), JCPenney, Montgomery Ward, Sears (4), The White House
82. Promenade, The Woodland Hills, CA	Fee	100.0	Acquired 1997	600,437	Macy's, Macy's Home, AMC Theatre
83. Raleigh Springs Mall Memphis, TN	Fee and Ground Lease (6)(2018)	100.0	Built 1979	907,976	Dillard's, Goldsmith's JCPenney, Sears
84. Randall Park Mall Cleveland, OH	Fee	100.0	Built 1976	1,572,080	Dillard's, Kaufmann's, LaSalle Interiors (5), JCPenney, Sears, Burlington Coat Factory
85. Richardson Square Dallas, TX	Fee	100.0	Built 1977	723,365	Barnes & Noble, Dillard's, Ross Dress for Less (4), Sears, Stein Mart (4), Montgomery Ward
86. Richmond Town Square Cleveland, OH	Fee	100.0	Built 1966	872,989	JCPenney, Kaufmann's (4), Sears, Sony Theatres
87. Richmond Square Richmond, IN	Fee	100.0	Built 1966	393,388	Dillard's, JCPenney, Sears, Office Max
88. River Oaks Center Calumet City, IL	Fee	100.0	Acquired 1997	1,341,165 (19)	Carson Pirie Scott, Cineplex Odeon, JCPenney, Marshall Field, Sears
89. Rolling Oaks Mall North San Antonio, TX	Fee	49.9	Built 1988	758,939	Dillard's, Foley's, Sears
90. Ross Park Mall Pittsburgh, PA	Fee	(7)100.0	Built 1986	1,274,883	Lazarus, JCPenney, Kaufmann's, Sears, Service Merchandise
91. St. Charles Towne Center Waldorf, MD	Fee	100.0	Built 1990	1,053,244	Cineplex Odeon, Hecht's, JCPenney, Kohl's, Sears, Montgomery Ward,
92. Seminole Towne Center Sanford, FL	Fee	45.0	Built 1995	1,153,861	Burdines, Dillard's, JCPenney, Parisian, Sears United Artists
93. Smith Haven Mall Lake Grove, NY	Fee	25.0	Acquired 1995	1,341,959	Sterns, Macy's, Sears, JCPenney

94. Source, The Long Island, NY	Fee	50.0	Built 1997	732,820	ABC Home, Cheesecake Factory, Circuit City, Fortunoff, Loehmann's, Nordstrom Rack, Off 5th- Saks Fifth Avenue, Old Navy, Rainforest Cafe, Virgin Megastore
95. South Hills Village Pittsburgh, PA	Fee	100.0	Acquired 1997	1,107,269	Carmike Cinemas, Kaufmann's, Lazarus, Sears
96. South Park Mall Shreveport, LA	Fee	100.0	Built 1975	857,337	Burlington Coat Factory, Dillard's, JCPenney, Montgomery Ward, Regal Cinema, Stage
97. Southtown Mall Ft. Wayne, IN	Fee	100.0	Built 1969	858,202	Kohl's, JCPenney (11), L.S. Ayres (11), Sears, Service Merchandise (11)
98. Southern Park Mall Youngstown, OH	Fee	100.0	Built 1970	1,210,446	Dillard's, Kaufmann's, JCPenney, Sears
99. Southgate Mall Yuma, AZ	Fee	100.0	Acquired 1988	321,336	Albertson's (12), Sears, Dillard's, JCPenney
100. Summit Mall Akron, OH	Fee	100.0	Built 1965	717,774	Kaufmann's, Dillard's (5) (4)
101. Sunland Park Mall El Paso, TX	Fee	100.0	Built 1988	920,882	General Cinemas, JCPenney, Mervyn's, Sears, Dillard's, Montgomery Ward
102. Tacoma Mall Tacoma, WA	Fee	100.0	Acquired 1987	1,280,841	The Bon Marche, Sears, Nordstrom, JCPenney, Mervyn's, Plitt Theatres
103. Tippecanoe Mall Lafayette, IN	Fee	100.0	Built 1973	865,341	Kohl's, Lazarus, Sears, L.S. Ayres, JCPenney
104. Towne East Square Wichita, KS	Fee	100.0	Built 1975	1,152,772	Dillard's, JCPenney, Sears, Service Merchandise
105. Towne West Square Wichita, KS	Fee	100.0	Built 1980	938,536	Dillard's, Sears, JCPenney, Montgomery Ward, Service Merchandise
106. Treasure Coast Square Jenson Beach, FL	Fee	100.0	Built 1987	884,720	Burdines, Dillard's (5), Sears, JCPenney
107. Tyrone Square St. Petersburg, FL	Fee	100.0	Built 1972	1,091,641	Burdines, Dillard's, JCPenney, Sears
108. University Mall Little Rock, AR	Ground Lease (20)(2026)	100.0	Built 1967	565,953	JCPenney, M.M. Cohn, Montgomery Ward

109.	University Mall Pensacola, FL	Fee	100.0	Acquired 1994	711,327	McRae's, JCPenney, Sears, United Artists
110.	University Park Mall South Bend, IN	Fee	60.0	Built 1979	941,094	LS Ayres, JCPenney, Sears, Marshall Fields
111.	Upper Valley Mall Springfield, OH	Fee	100.0	Built 1971	751,062	Lazarus, JCPenney, Sears, Elder-Beerman
112.	Valle Vista Mall Harlingen, TX	Fee	100.0	Built 1983	647,603	Dillard's, Mervyn's, Sears, JCPenney, Marshalls, Beall's
113.	Virginia Center Commons Richmond, VA	Fee	100.0	Built 1991	791,130	Belk, Dillard's, Hecht's, JCPenney, Sears
114.	Washington Square Indianapolis, IN	Fee	100.0	Built 1974	1,172,130	L.S. Ayres, Lazarus, Montgomery Ward (11), JCPenney, Sears
115.	West Ridge Mall Topeka, KS (21)	Fee	100.0	Built 1988	1,040,337	Dillard's, JCPenney, Jones, Sears, Montgomery Ward
116.	West Town Mall Knoxville, TN	Fee	50.0	Acquired 1991	1,337,046	Dillard's, JCPenney, Parisian, Proffitt's, Regal Cinema (4), Sears
117.	Westchester, The (3) (22) White Plains, NY	Fee	50.0	Acquired 1997	827,470	Neiman Marcus, Nordstrom
118.	White Oaks Mall Springfield, IL	Fee	77.0	Built 1977	904,127	Bergner's, Famous Barr, Montgomery Ward, Sears
119.	Windsor Park Mall San Antonio, TX	Fee	100.0	Built 1976	1,095,248	Dillard's (5), JCPenney, Mervyn's, Beall's, Montgomery Ward
120.	Woodville Mall Toledo, OH	Fee	100.0	Built 1969	794,005	Andersons, Sears, Elder-Beerman, (13)

VALUE-ORIENTED REGIONAL MALLS

1. Arizona Mills(3)	Fee	26.3	Built 1997	1,157,159	Burlington Coat Factory, Harkins Theater, Mikasa, Oshman's Supersport, Off 5th- Saks Fifth Avenue Outlet, JCPenney Outlet, Mikasa, Rainforest Cafe, GameWorks, Hi Health, Linens `N Things
2. Grapevine Mills (3) Grapevine (Dallas/Ft. Worth), TX	Fee	37.5	Built 1997	1,213,779	Books-A-Million, Burlington Coat Factory, Off 5th- Saks, Fifth Avenue Outlet, JCPenney Outlet, Rainforest Cafe, Group USA, Bed, Bath & Beyond, AMC Theatres, GameWorks, American Wilderness (4)
3. Ontario Mills (3) Ontario, CA	Fee	25.0	Built 1996	1,326,284	JCPenney Outlet, Burlington Coat Factory, Marshall's, Sports Authority, Dave & Busters, Group USA, IWERKS, American Wilderness Experience, T.J.Maxx, Foozles, Totally for Kids, Bed, Bath & Beyond, Off Rodeo, Mikasa, Virgin, GameWorks, Off 5th-Saks Fifth Avenue Outlet

SPECIALTY RETAIL CENTERS
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1. Forum Shops at Caesars, The Las Vegas, NV	Ground Lease (2050)	(23)	Built 1992	477,584	-
2. Tower Shops, The Las Vegas, NV	Space Lease (2051)	50.0	Built 1996	59,810	-
3. Trolley Square Salt Lake City, UT	Fee and Ground Lease (24)	90.0	Acquired 1986	223,793	-

MIXED-USE PROPERTIES

1. Fashion Centre at Pentagon City, The Arlington, VA	Fee	21.0	Built 1989	988,517 (25)	Lowe's Theatres, Macy's, Nordstrom
2. New Orleans Centre/CNG Tower New Orleans, LA	Fee and Ground Lease (2084)	100.0	Built 1988	1,023,690 (26)	Macy's, Lord & Taylor
3. O'Hare International Center Rosemont, IL	Fee	100.0	Built 1988	496,058 (27)	-
4. Riverway Rosemont, IL	Fee	100.0	Acquired 1991	818,278 (28)	-

COMMUNITY SHOPPING CENTERS

1. Arvada Plaza Arvada, CO	Fee	100.0%	Built 1966	96,831	King Soopers
2. Aurora Plaza Aurora, CO	Ground Lease (2058)	100.0	Built 1965	150,209	King Soopers, MacFrugel's Bargains, Super Saver Cinema
3. Bloomingdale Court Bloomingdale, IL	Fee	100.0	Built 1987	598,521	Builders Square, T.J. Maxx, Cineplex Odeon, Frank's Nursery, Marshalls, Office Max, Old Navy, Service Merchandise, Wal-Mart, (13)
4. Boardman Plaza Youngstown, OH	Fee	100.0	Built 1951	651,181	Burlington Coat Factory, Giant Eagle, Stein Mart, T.J. Maxx, Reyers Outlet Hills
5. Bridgeview Court Bridgeview, IL	Fee	100.0	Built 1988	280,299	Omni, Venture
6. Brightwood Plaza Indianapolis, IN	Fee	100.0	Built 1965	41,893	Revco Drug, Safeway
7. Buffalo Grove Towne Center Buffalo Grove, IL	Fee	92.5	Built 1988	134,131	Buffalo Grove Theatres
8. Celina Plaza El Paso, TX	Fee and Ground Lease (29) (2027)	100.0	Built 1978	32,622	General Cinema

9. Century Mall (30) Merrillville, IN	Fee	100.0	Acquired 1982	415,245	Burlington Coat Factory, Montgomery Ward
10. Charles Towne Square (31) Charleston, SC	Fee	100.0	Built 1976	130,399	Montgomery Ward, Regal Cinema (4)
11. Chesapeake Center Chesapeake, VA	Fee	100.0	Built 1989	305,904	Movies 10, Phar Mor, K-Mart, Service Merchandise
12. Cobblestone Court Victor, NY	Fee and Ground Lease (10) (2038)	35.0	Built 1993	261,107	Dick's Sporting Goods, Kmart, Office Max
13. Cohoes Commons Rochester, NY	Fee and Ground Lease (6) (2032)	100.0	Built 1984	262,959	Bryant & Stratton Business Institute, Cohoes, Xerox (32)
14. Countryside Plaza Countryside, IL	Fee and Ground Lease (10) (2058)	100.0	Built 1977	435,543	Best Buy, Builders Square, Frank's Nursery, Old Country Buffet, Venture, (13)
15. Crystal Court Crystal Lake, IL	Fee	35.0	Built 1989	284,816	Cub Foods, Wal-Mart, Service Merchandise, (13)
16. Eastgate Consumer Mall (30) Indianapolis, IN	Fee	100.0	Acquired 1981	462,510	Builder's Square, Burlington Coat Factory, Cub Foods, General Cinema
17. Eastland Plaza Tulsa, OK	Fee	100.0	Built 1986	188,229	Marshalls, Target, Toys "R" Us
18. Fairfax Court Fairfax, VA	Ground Lease (2052)	26.3	Built 1992	249,305	Circuit City Superstore, Montgomery Ward, Today's Man
19. Forest Plaza Rockford, IL	Fee	100.0	Built 1985	422,689	Builders Square (12), Kohl's, Marshalls, Factory Card Outlet, Office Max, T.J. Maxx
20. Fox River Plaza Elgin, IL	Fee	100.0	Built 1985	324,956	Builders Square, Venture, Service Merchandise, (13) (13)
21. Gaitway Plaza Ocala, FL	Fee	23.3	Built 1989	229,909	Books-A-Million, Montgomery Ward, Office Depot, T.J. Maxx
22. Glen Burnie Mall (30) Glen Burnie, MD	Fee	100.0	Built 1963	459,219	Montgomery Ward, Best Buy, Toys "R" Us, Dick's Clothing and Sporting Goods
23. Great Lakes Plaza Cleveland, OH	Fee	100.0	Built 1976	163,919	Best Buy, Circuit City, Home Place, Michael's
24. Great Northeast Plaza Philadelphia, PA	Fee	50.0	Acquired 1989	298,242	Sears, Phar Mor

25. Greenwood Plus Greenwood, IN	Fee	100.0	Built 1979	226,297	Best Buy, Cinema I-IV, Kohl's
26. Griffith Park Plaza Griffith, IN	Ground Lease (2060)	100.0	Built 1979	274,230	General Cinema, Service Merchandise, Venture
27. Grove at Lakeland Square, The Lakeland, FL	Fee	100.0	Built 1988	215,591	Lakeland Square 10 Theatre, Sports Authority, Wal-Mart
28. Hammond Square Sandy Springs, GA	Space Lease (2011)	100.0	Built 1974	87,705	Burlington Coat Factory, Service Merchandise
29. Highland Lakes Center Orlando, FL	Fee	100.0	Built 1991	477,324	Bed, Bath & Beyond, Goodings, Marshalls, Ross Dress for Less, Movies 12, Service Merchandise, Office Max, Target
30. Indian River Commons Vero Beach, FL	Fee	50.0	Built 1997	263,507	HomePlace, Lowe's, Office Max Service Merchandise
31. Ingram Plaza San Antonio, TX	Fee	100.0	Built 1980	111,518	_
32. Keystone Shoppes Indianapolis, IN	Ground Lease (2067)	100.0	Acquired 1997	29,140	_
33. Knoxville Commons Knoxville, TN	Fee	100.0	Built 1987	180,463	Circuit City, Office Max, (13)
34. Lake Plaza Waukegan, IL	Fee	100.0	Built 1986	218,208	Builders Square (11), Venture
35. Lake View Plaza Orland Park, IL	Fee	100.0	Built 1986	388,358	Best Buy (33), Dominick's, Ultra 3 (33), Factory Card Outlet, Linens-N-Things (33), Marshalls, Pet Care Plus (33), Service Merchandise, (13)
36. Lima Center Lima, OH	Fee	100.0	Built 1978	201,154	Regal Cinema, Hills, Service Merchandise
37. Lincoln Crossing O'Fallon, IL	Fee	100.0	Built 1990	161,337	PetsMart, Wal-Mart
38. Mainland Crossing Galveston, TX	Fee	(7) 80.0	Built 1991	390,986	Sam's Club, Wal-Mart, Hobby Lobby
39. Maplewood Square Omaha, NE	Fee	100.0	Built 1970	130,780	Bag `N Save, Big Lots

40. Markland Plaza Kokomo, IN	Fee	100.0	Built 1974	108,296	Service Merchandise, Spiece
41. Martinsville Plaza Martinsville, VA	Space Lease (2036)	100.0	Built 1967	102,162	Food Lion, Rose's
42. Marwood Plaza Indianapolis, IN	Fee	100.0	Built 1962	105,785	Kroger, Revco Drug
43. Matteson Plaza Matteson, IL	Fee	100.0	Built 1988	275,455	Dominick's, Michael's Arts & Crafts, Kmart, Service Merchandise
44. Memorial Plaza Sheboygan, WI	Fee	100.0	Built 1966	129,202	Dunham's Sporting Goods, Marcus Theatre, Office Max (13)
45. Mounds Mall Cinema Anderson, IN	Fee	100.0	Built 1974	7,500	Kerasotes Theater
46. New Castle Plaza New Castle, IN	Fee	100.0	Built 1966	91,648	Goody's
47. North Ridge Plaza Joliet, IL	Fee	100.0	Built 1985	323,672	Hobby Lobby, The TJX Companies(12), Service Merchandise
48. North Riverside Park Plaza North Riverside, IL	Fee	100.0	Built 1977	119,608	Dominick's
49. Northland Plaza Columbus, OH	Fee and Ground Lease (6) (2085)	100.0	Built 1988	205,775	Marshalls, Phar-Mor, Service Merchandise
50. Northwood Plaza Fort Wayne, IN	Fee	100.0	Built 1974	211,840	Kroger, Target, (13)
51. Park Plaza Hopkinsville, KY	Fee and Ground Lease (6) (2039)	100.0	Built 1968	114,458	Wal-Mart (11)
52. Plaza at Buckland Hills, The Manchester, CT	Fee	35.0	Built 1993	337,966	Toys "R" Us, Kids "R" Us, Service Merchandise, Comp USA, Linens-N-Thing', Filene's Basement, (13)
53. Regency Plaza St. Charles, MO	Fee	100.0	Built 1988	277,521	Sam's Wholesale, Wal-Mart
54. Ridgewood Court Jackson, MS	Fee	35.0	Built 1993	240,843	Home Quarters, T.J. Maxx, Service Merchandise, (13)
55. Royal Eagle Plaza Coral Springs, FL	Fee	35.0	Built 1989	203,140	Kmart, Stein Mart

56. Sherwood Gardens (34) Salinas, CA	Fee	100.0	Acquired 1997	187,000	_
57. St. Charles Towne Plaza Waldorf, MD	Fee	100.0	Built 1987	435,035	Ames, Hechinger, Jo Ann Fabrics, CVS, T.J. Maxx, Service Merchandise, Shoppers Food Warehouse
58. Teal Plaza Lafayette, IN	Fee and Ground Lease (2007) (6)	100.0	Built 1962	100,831	Circuit City (4), Hobby-Lobby, The Pep Boys (4)
59. Terrace at The Florida Mall Orlando, FL	Fee	100.0	Built 1989	332,980	J.J. Byrons (11), Marshalls, Service Merchandise, Target, Waccamaw
60. Tippecanoe Plaza Lafayette, IN	Fee	100.0	Built 1974	94,739	Barnes & Noble Bookseller, Service Merchandise
61. University Center South Bend, IN	Fee	60.0	Built 1980	150,548	Best Buy, Michaels, Service Merchandise
62. Village Park Plaza Westfield, IN	Fee	35.0	Built 1990	503,052	Frank's Nursery, Gaylan's, Jo-Ann Fabrics, Kohl's, Marsh, Regal Cinemas, Wal-Mart
63. Wabash Village West Lafayette, IN	Ground Lease (2063)	100.0	Built 1970	124,748	Kmart
64. Washington Plaza Indianapolis, IN	Fee	(7) 85.0	Built 1976	50,302	Kids "R" Us
65. West Ridge Plaza Topeka, KS	Fee	100.0	Built 1988	237,650	Magic Forest, Target, TJ Maxx, Toys "R" Us
66. West Town Corners Altamonte Springs, FL	Fee	23.3	Built 1989	384,832	PetsMart, Wal-Mart, Service Merchandise, Sports Authority, (13)
67. Westland Park Plaza Orange Park, FL	Fee	23.3	Built 1989	163,154	Burlington Coat Factory, PetsMart, Sports Authority
68. White Oaks Plaza Springfield, IL	Fee	100.0	Built 1986	389,063	Cub Foods, Kids "R" Us, Kohl's, Office Max, T.J. Maxx, Toys "R" Us
69. Wichita Mall (30) Wichita, KS	Ground Lease (2022)	100.0	Built 1969	379,461	Cinema III, Office Max, Montgomery Ward
70. Willow Knolls Court Peoria, IL	Fee	35.0	Built 1990	383,230	Kohl's, Phar-Mor, Sam's Wholesale Club, Willow Knolls Theaters 14
71. Wood Plaza Fort Dodge, IA	Ground Lease (2045)	100.0	Built 1968	94,993	Country General
72. Yards Plaza, The Chicago, IL	Fee	35.0	Built 1990	273,097	Burlington Coat Factory, Omni Superstore, Montgomery Ward

PROPERTIES UNDER CONSTRUCTION

1. Lakeline Plaza Austin, TX	Fee	50.0 (14)	(35)	381,000	Linens `N Things, Office Max, Old Navy, Ross Dress for Less, T.J. Maxx, Party City, Toys "R" Us
2. Muncie Plaza Muncie, IN	Fee	100.0	(36)	195,500	Factory Card Outlet, Kohl's, OfficeMax, Shoe Carnival, T.J. Maxx
3. Shops at Sunset Place, The Miami, FL	Fee	75.0	(37)	500,000	Nike Town, AMC Theatres Virgin Megastore, Z Gallerie, IMAX Theatre, Barnes & Noble, Twin Palms

(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 of the Properties held as joint venture interests are subject to preferences on distributions in favor of other partners.
(3) This property is managed by a third party.
(4) Indicates anchor is currently under construction.
(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) Retailer vacated subsequent to December 31, 1997 and the space was sold to Von Maur, which is scheduled to open in the fourth quarter of 1998.
(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 anchor has closed, but the Operating Partnership still collects rents and/or fees under an agreement
(12) Indicates this anchor is currently subleasing the space to other retailers.
(13) Includes an anchor space currently vacant.
(14) Effective January 30, 1998, the Operating Partnership acquired an additional 15% interest in Lakeline Mall and Lakeline Plaza.
(15) Indicates ground lease covers all of the property except for parcels owned in fee by anchors.
(16) Primarily retail space with approximately 54,884 square feet of office space.
(17) Primarily retail space with approximately 69,876 square feet of office space.
(18) Primarily retail space with approximately 126,190 square feet of office space.
(19) Primarily retail space with approximately 70,991 square feet of office space.
(20) Indicates one ground lease covers substantially all of the property and a second ground lease covers the remainder.
(21) Includes outlots in which the Operating Partnership has an 85% interest and which represent less than 3% of the GLA and total annualized base rent for the property.
(22) The Operating Partnership purchased the management contract on this property during 1998.
(23) The Operating Partnership owns 60% of the original phase of this Property and 55% of phase II, which opened in August 1997.
(24) 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, subject to specified exceptions.
(25) Primarily retail space with approximately 167,150 square feet of office space.
(26) Primarily retail space with 486,723 square feet of office space.
(27) Primarily office space with approximately 12,800 square feet of retail space.
(28) Primarily office space with approximately 24,300 square feet of retail space.
(29) Indicates ground lease covers outparcel.
(30) Effective December 31, 1997, Eastgate Consumer Mall, Glen Burnie Mall, Century Mall and Wichita Mall have been reclassified as community centers. These Properties are currently being operated and marketed to tenant operations which are typically included in community centers.
(31) The Operating Partnership demolished the previously existing regional mall, Charles Towne Square, and is in the process of rebuilding this community center and a cinema on the land.
(32) Lease was terminated subsequent to December 31, 1997.
(33) Subleased from TJX Companies.
(34) This Property was sold in 1998.
(35) Phase I is scheduled to open during May 1998 and phase II is scheduled to open during November 1998.
(36) This center is scheduled to open during April 1998, however the OfficeMax and T.J. Maxx opened in 1997.
(37) Scheduled to open during October 1998.

Land Held for Development

The Operating Partnership has direct or indirect ownership interests in nine parcels of land either in preconstruction development or being held for future development, containing an aggregate of approximately 677 acres located in eight states, and, through the Management Company, interest in a mortgage on a parcel of land held for development containing approximately 134 acres. Management believes that the Operating Partnership's significant base of commercially zoned land, together with the Operating Partnership's status as a fully integrated real estate firm, gives it a competitive advantage in future development activities over other commercial real estate development companies in its principal markets.

The following table describes the acreage of the parcels of land either in preconstruction development or being held for future development in which the Operating Partnership has an ownership interest, as well as the ownership percentage of the Operating Partnership's interest in each parcel:

Location	Acreage	Ownership Interest (1)
Bowie, MD	93.74	100%
Concord, NC	187.48	50%
Duluth, MN	11.17	100%
Hurst, TX	36.09	100%
Lafayette, IN	22.87	100%
Little Rock, AR	97.00	50%
Mt. Juliet, TN	109.26	100%
Sanford, FL	77.24	22.5%
Miami, FL	41.71	60%

	676.56	

(1) The Operating Partnership has a direct ownership interest in each parcel except Duluth, MN and Mt. Juliet, TN. The Operating Partnership has the option to acquire those parcels from the Management Company.

The Management Company has granted options to the Operating Partnership (for no additional consideration) to acquire for a period of ten years (expiring December 2003) the Management Company's interest in the two parcels of land held for development, indicated in footnote (1) to the above table, at a price equal to the actual cost incurred to acquire and carry such properties. The Management Company may not sell its interest in any parcel subject to option through December 1998 without the consent of the Operating Partnership, and thereafter, may only sell its interest subject to certain notice and first purchase rights of the Operating Partnership.

The Management Company also holds indebtedness secured by 134 acres of land held for development, Lakeview at Gwinnett ("Lakeview") in Gwinnett County, Georgia, in which Melvin Simon, Herbert Simon and certain of their affiliates (the "Simons") hold a 64% partnership interest. In addition, the Management Company holds unsecured debt owed by the Simons as partners of this partnership. The Management Company has an option to acquire the Simons' partnership interests in Lakeview for nominal consideration in the event the requisite partner consents to such transfers are obtained. The Management Company is required to fund certain operating expenses and carrying costs of the partnership that are owed by the Simons as partners thereof. The Management Company has granted to the Operating Partnership the option to acquire (i) the Simons' partnership interests and the secured debt or (ii) the property, if the Management Company forecloses the secured indebtedness, for nominal consideration plus the amount of all advances and outstanding debt.

Joint Ventures

At certain of the Properties held as joint-ventures, the Operating Partnership and its partners each have rights of first refusal, subject to certain conditions, to acquire additional ownership in the Property should the other partner decide to sell its ownership interest. In addition, certain of the Properties held as joint ventures contain "buy-sell" provisions, which gives the partners the right to trigger a purchase or sale of ownership interest amongst the partners.

Mortgage Financing on Properties

The following table sets forth certain information regarding the mortgages and other debt encumbering the Properties. All mortgage and property related debt is nonrecourse, although certain Unitholders have guaranteed a portion of the property related debt in the aggregate amount of $583.2 million.

MORTGAGE AND OTHER DEBT ON PORTFOLIO PROPERTIES
(Dollars in thousands)

Property Name		Interest Rate	Face Amount @ 12/31/97	Annual Debt Service	Maturity Date
Consolidated Properties:					
Secured Indebtness					
Anderson Mall	(1)	6.57%	$ 19,000	$ 1,248 (2)	9/15/02
Barton Creek Square		8.10%	62,868	5,867	12/30/99
Battlefield Mall		7.50%	49,730	4,765	6/1/03
Biltmore Square		7.15%	27,534	2,795	1/1/01
Bloomingdale Court	(3)	8.75%	29,009	2,538 (2)	12/1/00
Chesapeake Center		8.44%	6,563	554 (2)	5/15/15
Chesapeake Square		7.28%	49,490	4,883	1/1/01
Cielo Vista Mall - 1	(4)	9.38%	55,615	5,828	5/1/07
Cielo Vista Mall - 2		8.13%	2,323	189 (2)	7/1/04
College Mall	(5)	7.00%	42,936	3,563	7/1/04
Columbia Center		7.62%	42,867	3,789	3/15/02
Crossroads Mall		7.75%	41,440	3,212 (2)	7/31/02
Crystal River		7.72% (6)	16,000	1,235 (2)	1/1/01
Eastgate Consumer Mall		6.00% (7) (8)	22,929	1,376 (2)	12/31/98
Eastland Mall		7.22% (9)	30,000	2,166 (2)	3/1/98
Edison Mall		6.37% (10) (11)	41,000	2,611 (2)	3/19/98
Forest Mall	(1)	6.57%	12,800	841 (2)	9/15/02
Forest Plaza	(3)	8.75%	16,904	1,479 (2)	12/1/00
Forest Village Park Mall	(1)	6.57%	20,600	1,353 (2)	9/15/02
Forum Phase I - Class A-1		7.13%	46,997	3,349 (2)	5/15/04
Forum Phase I - Class A-2		6.02% (12) (13)	44,385	2,671 (2)	5/15/04
Forum Phase II - Class A-1		7.13%	43,004	3,064 (2)	5/15/04
Forum Phase II - Class A-2		6.02% (12) (13)	40,614	2,444 (2)	5/15/04
Fox River Plaza	(3)	8.75%	12,654	1,107 (2)	12/1/00
Golden Ring Mall	(1)	6.57%	29,750	1,955 (2)	9/15/02
Great Lakes Mall - 1		6.74%	53,410	4,354	3/1/01
Great Lakes Mall - 2		7.07%	8,608	724	3/1/99
Greenwood Park Mall	(5)	7.00%	35,960	2,984	7/1/04
Grove at Lakeland Square, The		8.44%	3,750	317 (2)	5/15/15
Gulf View Square		8.25%	38,157	3,652	10/1/06
Highland Lakes Center		7.22% (9)	14,377	1,038 (2)	3/1/02
Hutchinson Mall	(1)	8.44%	11,523	973 (2)	10/1/02
Ingram Park Mall - 1		8.10%	48,580	4,533	12/1/99
Ingram Park Mall - 2		9.63%	7,000	674 (2)	11/1/99
Jefferson Valley Mall		6.27% (14) (15)	50,000	3,134 (2)	1/12/00
Keystone at the Crossing		7.85%	64,772	5,085	7/1/27
La Plaza Mall		8.25%	50,044	4,677	12/30/99
Lake View Plaza	(3)	8.75%	22,169	1,940 (2)	12/1/00
Lima Mall - 1		7.12%	14,377	1,215	3/1/02
Lima Mall - 2		7.12%	4,789	405	3/1/02
Lincoln Crossing	(3)	8.75%	997	87 (2)	12/1/00
Longview Mall	(1)	6.57%	22,100	1,452 (2)	9/15/02
Mainland Crossing		7.22% (9)	2,226	161 (2)	3/31/02
Markland Mall	(1)	6.57%	10,000	657 (2)	9/15/02
Matteson Plaza	(3)	8.75%	11,159	976 (2)	12/1/00
McCain Mall	(4)	9.38%	26,059	2,721	5/1/07
Melbourne Square		7.42%	39,841	3,374	2/1/05
Miami International Mall		6.91%	47,009	3,758	12/21/03
Midland Park Mall	(1)	6.57%	22,500	1,478 (2)	9/15/02
North East Mall		10.00%	22,201	2,475	9/1/00
North Riverside Park Plaza - 1		9.38%	4,054	452	9/1/02
North Riverside Park Plaza - 2		10.00%	3,617	420	9/1/02
North Towne Square	(1)	6.57%	23,500	1,544 (2)	9/15/02
Northgate Shopping Center		7.62%	80,046	7,075	3/15/02
Orland Square		7.74% (16) (17)	50,000	3,871 (2)	9/1/01
Paddock Mall		8.25%	30,347	2,905	10/1/06
Port Charlotte Town Center		7.28%	46,102	3,857	1/1/01
Randall Park Mall		9.25%	33,879	4,338	1/1/11
Regency Plaza	(3)	8.75%	1,878	164 (2)	12/1/00
River Oaks Center		8.67%	32,500	2,818 (2)	6/1/02
Riverway - 1		6.38% (18) (8)	85,571	5,455 (2)	12/31/98

Riverway - 2		6.38% (18) (8)	45,880	2,925 (2)	12/31/98	
Ross Park Mall		6.14%	60,000	3,684 (2)	8/15/98	
Shops at Sunset Place, The		6.97% (19)	23,546	1,641 (2)	6/30/00	
South Park Mall	(1)	7.25%	24,748	1,794 (2)	6/15/03	
St. Charles Towne Plaza	(3)	8.75%	30,742	2,690 (2)	12/1/00	
Sunland Park Mall	(20)	8.63%	39,855	3,773	1/1/26	
Tacoma Mall		7.62%	93,656	8,278	3/15/02	
Terrace at Florida Mall, The		8.44%	4,688	396 (2)	5/15/15	
Tippecanoe Mall	(5)	8.45%	46,961	4,647	7/1/04	
Towne East Square	(5)	7.00%	56,767	4,711	7/1/04	
Treasure Coast Square		7.42%	53,953	4,714	1/1/06	
Trolley Square - 1		5.81%	19,000	1,104 (2)	7/23/00	(21)
Trolley Square - 2		7.22% (9)	4,641	335 (2)	7/23/00	(21)
Trolley Square - 3		7.22% (9)	3,500	253 (2)	7/23/00	(21)
University Park Mall		7.43%	59,500	4,421 (2)	10/1/07	
Valle Vista Mall	(4)	9.38%	34,514	3,604	5/1/07	
West Ridge Plaza	(3)	8.75%	4,612	404 (2)	12/1/00	
White Oaks Mall - 55%/50%		7.70%	16,500	1,271 (2)	3/1/98	
White Oaks Plaza	(3)	8.75%	12,345	1,080 (2)	12/1/00	
Windsor Park Mall - 1		8.00%	5,948	544	6/1/00	
Windsor Park Mall - 2		8.00%	8,863	811	5/1/12	
Cross - Collaterized Mortgages	(22)	7.27%	175,000	12,720 (2)	12/19/04	
Cross - Collaterized Mortgages	(22)	6.08% (23) (24)	50,000	3,042 (2)	12/19/04	

Total Secured Indebtedness			$ 2,705,333			
Unsecured Indebtness						
Simon DeBartolo Group, L.P.:						
Unsecured Revolving Credit Facility	(25)	6.56%	952,000	62,490 (2)	9/27/99	
Unsecured Notes - 1		6.88%	250,000	17,188 (26)	11/15/06	
Putable Asset Trust Securities		6.75%	100,000	6,750 (26)	11/15/03	
Medium Term Notes - 1		7.13%	100,000	7,125 (26)	6/24/05	
Medium Term Notes - 2		7.13%	180,000	12,825 (26)	9/20/07	
Unsecured Term Loan (Knoxville)		6.47% (27)	70,000	4,528 (2)	9/25/98	
Unsecured Term Loan (Lincolnwood)		6.47% (28)	63,000	4,075 (2)	1/31/99	
Unsecured Notes - 2A		6.75%	100,000	6,750 (26)	7/15/04	
Unsecured Notes - 2B		7.00%	150,000	10,500 (26)	7/15/09	
Unsecured Notes - 3		6.88%	150,000	10,313 (26)	10/27/05	

			2,115,000			
Shopping Center Associates:						
Unsecured Notes - SCA 1		6.75%	150,000	10,125 (26)	1/15/04	
Unsecured Notes - SCA 2		7.63%	110,000	8,388 (26)	5/15/05	

			260,000			
Total Unsecured Indebtedness			$2,375,000			

Total Indebtedness-Consolidated			$5,080,333 (29)			
			===========			

Joint Venture Properties (30):
- ------------------------------

Arizona Mills	7.02% (31) (13)	121,991	8,562 (2)	2/1/02
Aventura Mall - 1	7.68% (32)	100,000	7,680 (2)	8/8/98
Aventura Mall - 2	9.75% (33)	5,500	1,678	8/8/98
Aventura Mall - 3	6.82% (34)	43,766	2,984 (2)	8/8/98
Avenues, The	8.36%	58,408	5,555	5/15/03
Century III Mall - 1	6.78%	66,000	4,475 (2)	7/1/03
Circle Centre Mall	6.16% (35) (36)	60,000	3,695 (2)	1/31/04
Cobblestone Court	7.22% (37)	6,180	446 (2)	11/30/05
Coral Square	7.40%	53,300	3,944 (2)	12/1/00
Crystal Court	7.22% (37)	3,570	258 (2)	11/30/05
Dadeland Mall	6.42% (38)	140,000	8,986 (2)	12/10/99
Fairfax Court	7.22% (37)	10,320	745 (2)	11/30/05
Florida Mall, The	8.65% (39)	75,000	6,488 (2)	12/1/98
Gaitway Plaza	7.22% (37)	7,350	531 (2)	11/30/05
Grapevine Mills	7.07% (40)	112,096	7,924 (2)	4/25/01
Great Northeast Plaza	9.04%	17,812	1,744	6/1/06
Indian River Commons	7.58%	8,399	637 (41)	11/1/04
Indian River Mall	7.58%	46,602	3,532 (41)	11/1/04
Lakeland Square	7.26%	52,961	4,368	12/22/03
Lakeline Mall	7.65%	73,620	6,300	5/1/07
Lakeline Plaza - 1	6.09% (42)	14,000	853 (2)	6/6/02
Northfield Square	9.52%	24,330	2,575	4/1/00
Ontario Mills - 1	7.37% (7) (43)	50,000	3,685 (2)	5/7/02
Ontario Mills - 2	7.21% (7) (44)	20,000	1,442 (2)	5/7/02
Ontario Mills - 3	7.46% (19) (44)	50,000	3,730 (2)	5/7/02
Ontario Mills - 4	0.00% (45)	4,450	0 (2)	12/28/09
Palm Beach Mall	8.21%	51,360	5,072	12/15/02
Plaza at Buckland Hills, The	7.22% (37)	17,680	1,276 (2)	11/30/05
Ridgewood Court	7.22% (37)	7,980	576 (2)	11/30/05
Royal Eagle Plaza	7.22% (37)	7,920	572 (2)	11/30/05
Seminole Towne Center	6.88%	70,500	4,850 (2)	1/1/06
Smith Haven Mall	7.86%	115,000	9,039 (2)	6/1/06
Source, The	7.07% (40)	108,428	7,665 (2)	7/16/01
Tower Shops, The	7.72% (6)	15,755	1,216 (2)	3/13/99
Village Park Plaza	7.22% (37)	8,960	647 (2)	11/30/05
West Town Corners	7.22% (37)	10,330	746 (2)	11/30/05
West Town Mall	6.90%	76,000	5,244 (2)	5/1/08
Westchester, The	8.74%	153,234	14,478	9/1/05
Westland Park Plaza	7.22% (37)	4,950	357 (2)	11/30/05
Willow Knolls Court	7.22% (37)	6,490	469 (2)	11/30/05
Yards Plaza, The	7.22% (37)	8,270	597 (2)	11/30/05

Total Joint Venture Properties Indebtedness		$1,888,512 (46)		
		===========		

(1) Loans secured by these ten properties are cross-collateralized and cross-defaulted. The aggregate principal amount of the loans is $196,521, with an annual debt service of $13,295, and weighted average interest rate of 6.77%. The interest rate and maturity date of eight of these loans were reset in October 1997 and all ten require monthly payments of interest only.
(2) Requires monthly payments of interest only.
(3) These ten properties are cross-defaulted.
(4) On January 31, 1997, the Operating Partnership closed on a restructure of these loans, which included repaying the Irving Mall loan, paying $21,000 to remove the contingent interest feature and paying down a total of $3,900 on two other Property loans with the same lender.
(5) Loans secured by these four properties are cross-collateralized and cross-defaulted. The aggregate principal amount of the loans is $182,624, with an annual debt service of $15,905, and an interest rate of 7.0% except for Tippecanoe Mall, which bears interest at 8.45%. During the term of these loans, there is amortization of a portion of the principal amount.
(6) LIBOR + 2.000%.
(7) LIBOR + 1.000%.
(8) LIBOR Capped at 5.000%.
(9) LIBOR + 1.500%.
(10) LIBOR + 0.650%.
(11) LIBOR Capped at 8.350%.
(12) LIBOR + 0.300%.
(13) LIBOR Capped at 11.530%. On January 6, 1998, through an interest rate protection agreement, the interest rate was effectively fixed at an all-in-one rate of 6.19%.
(14) LIBOR + 0.550%.
(15) LIBOR Capped at 8.700%.
(16) LIBOR + 0.500%.
(17) LIBOR Swapped at 7.242%.
(18) LIBOR + 1.375%.
(19) LIBOR + 1.250%.
(20) Lender also participates in a percentage of gross revenues above a specified base.
(21) July 23, 2000 is the earliest date on which the lender may call the bonds.
(22) On September 2, 1997, a refinancing was completed of $453 million of commercial mortgage pass through certificates and a $48 million mortgage loan, resulting in releases of mortgages encumbering 18 of the Properties. The refinancing was funded, in part, with the proceeds of this $225 million loan, which is secured by cross-collateralized mortgages encumbering seven of the Properties (Bay Park Square, Boardman Plaza, Cheltenham Square, De Soto Square, Upper Valley Mall, Washington Square and West Ridge Mall).
(23) LIBOR + 0.365%.
(24) Minimum LIBOR Cap at 12.553%.
(25) $1,250,000 unsecured revolving credit facility. Currently, bears interest at LIBOR + 0.65% and provides for different pricing based upon the Operating Partnership's investment grade rating. As of 12/31/97 $284,300 was available, after outstanding borrowings and letters of credit.
(26) Requires semi-annual payments of interest only.
(27) LIBOR + 0.750%. In March of 1998, the interest rate was reduced to LIBOR + 0.65%.
(28) LIBOR + 0.750%. In January 1998, through an interest rate protection agreement, the interest rate was effectively fixed at 6.14% through maturity.
(29) Includes minority interest partners' share ($132,824) of total consolidated indebtedness.
(30) As defined in the accompanying consolidated financial statments, Joint Venture Properties are those accounted for using the equity method of accounting.
(31) LIBOR + 1.300%.
(32) Bank of Tokyo CD Rate + 0.900%.
(33) PRIME + 1.250%.
(34) LIBOR + 1.100%.
(35) LIBOR + 0.440%.
(36) LIBOR Capped at 8.810%.
(37) Rate is fixed at 7.22% through December 1998 and thereafter the rate is the greater of 7.22% or 2.0% over the then current yield of a six month treasury bill selected by the lender.
(38) LIBOR + 0.700%.
(39) Commercial Paper rate + 0.750%.
(40) LIBOR + 1.350%.
(41) Loans require monthly interest payments only until they begin amortizing November, 2000.
(42) LIBOR + 0.375%.
(43) LIBOR Swapped at 6.370%.
(44) LIBOR Swapped at 6.210%.
(45) Beginning January 2000, this note will bear interest at 6.00%.
(46) Includes outside partners' share ($1,117,736) of indebtedness.

Item 3. Legal Proceedings

Carlo Angostinelli et al. v. DeBartolo Realty Corp. et al. On October 16, 1996, a complaint was filed in the Court of Common Pleas of Mahoning County, Ohio, captioned Carlo Angostinelli et al. v. DeBartolo Realty Corp. et al. The named defendants are SD Property Group, Inc., a 99%-owned subsidiary of the Company, and DPMI, and the plaintiffs are 27 former employees of the defendants. In the complaint, the plaintiffs alleged that they were recipients of deferred stock grants under the DRC stock incentive plan (the "DRC Plan") and that these grants immediately vested under the DRC Plan's "change in control" provision as a result of the DRC Merger. Plaintiffs asserted that the defendants' refusal to issue them approximately 661,000 shares of DRC common stock, which is equivalent to approximately 450,000 shares of common stock of the Company computed at the 0.68 Exchange Ratio used in the DRC Merger, constituted a breach of contract and a breach of the implied covenant of good faith and fair dealing under Ohio law. Plaintiffs sought damages equal to such number of shares of DRC common stock, or cash in lieu thereof, equal to all deferred stock ever granted to them under the DRC Plan, dividends on such stock from the time of the grants, compensatory damages for breach of the implied covenant of good faith and fair dealing, and punitive damages. The complaint was served on the defendants on October 28, 1996. The plaintiffs and the Company each filed motions for summary judgment. On October 31, 1997, the Court entered a judgment in favor of the Company granting the Company's motion for summary judgment. The plaintiffs have appealed this judgment and the appeal is pending. While it is difficult for the Company to predict the ultimate outcome of this action, based on the information known to the Company to date, it is not expected that this action will have a material adverse effect on the Company or the Operating Partnership.

Roel Vento et al v. Tom Taylor et al. A subsidiary of the Operating Partnership is a defendant in litigation entitled Roel Vento et al v. Tom Taylor et al, in the District Court of Cameron County, Texas, in which a judgment in the amount of $7.8 million has been entered against all defendants. This judgment includes approximately $6.5 million of punitive damages and is based upon a jury's findings on four separate theories of liability including fraud, intentional infliction of emotional distress, tortuous interference with contract and civil conspiracy arising out of the sale of a business operating under a temporary license agreement at Valle Vista Mall in Harlingen, Texas. The Operating Partnership is seeking to overturn the award and has appealed the verdict. The Operating Partnership's appeal is pending. Although the Operating Partnership is optimistic that it may be able to reverse or reduce the verdict, there can be no assurance thereof. Management, based upon the advice of counsel, believes that the ultimate outcome of this action will not have a material adverse effect on the Operating Partnership.

Browning-Ferris Industries of Illinois, et al. v. Richard Ter Maat, et al. v. Craig J. Cain, et al., Case No. 92 C 20259. On April 4, 1994, a third-party action was filed by Richard Ter Maat and five other parties (collectively referred to as "Third-Party Plaintiffs") named as defendants in the above referenced litigation, which had begun in 1992, against Machesney Park Associates (a predecessor to the Operating Partnership) (the "Affiliate") and approximately 74 other parties (collectively referred to as "Third-Party Defendants"). That third-party action alleged generally that the Third-Party Defendants are liable under the Comprehensive Environmental response, Compensation and Liability Act of 1980, 42 U.S.C. section 9601 et seq., and under Illinois statutory and common law for certain response costs expended and to be expended by Third-Party Plaintiffs in connection with the claims asserted by Browning-Ferris Industries of Illinois and approximately 20 other parties (collectively referred to as "Plaintiffs") against the Third-Party Plaintiffs. In the original lawsuit, Plaintiffs sought reimbursement of response costs they allegedly incurred and will incur in response to the release or threat of release of hazardous substances from the M.I.G./Dewane Landfill located one mile east of the City of Belvidere, in Boone County, Illinois (the "Site"), and declaratory judgment on liability against Defendants for such response costs. To date, the Plaintiffs have alleged response costs in excess of $5.0 million in connection with the Site. In February 1996, the Affiliate settled this pending litigation by the payment of $40,000 to the original Plaintiffs. Pursuant to that settlement, the Operating Partnership agreed that it would take part in a nonbinding arbitration or mediation at sometime in the future to allocate expenses incurred in remediating the Site. No such arbitration or mediation has yet been instituted. In addition, the Operating Partnership has made a demand upon its insurer for indemnification with respect to the claims asserted against the Operating Partnership in this matter. Management, based upon the advice of counsel, believes that the ultimate outcome of this action will not have a material adverse effect on the Operating Partnership.

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

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

None.

Part II

Item 5. Market for Registrant and Related Unitholder Matters

There is no established public trading market for the Operating Partnership's Units or preferred units (all of which are owned by the Company). The following table sets forth for the periods indicated, the distributions declared on the Units:

	Declared Distribution
1996	
1st Quarter 1996	$0.4925
2nd Quarter 1996	$0.4925
3rd Quarter 1996	$0.1515 (1)
4th Quarter 1996	$0.4925
1997	
1st Quarter 1997	$0.4925
2nd Quarter 1997	$0.5050
3rd Quarter 1997	$0.5050
4th Quarter 1997	$0.5050

(1) Represents a distribution declared in the third quarter of 1996 related to the DRC Merger, designated to align the time periods of distribution payments of the merged entities. The current annual distribution rate is $2.02 per Unit.

Holders

The number of holders of Units was 132 as of March 6, 1998.

Unregistered Sales of Equity Securities

The Operating Partnership did not issue any equity securities that were not required to be registered under the Securities Act of 1933, as amended (the "Act") during the fourth quarter of 1997, except as follows: On November 14, 1997, the Operating Partnership issued 841,114 Units in connection with the acquisition of the remaining ownership interest of SCA. (see Note 3 to the financial statements) The foregoing transaction was exempt from registration under the Act in reliance on Section 4(2).

Item 6. Selected Financial Data

The following table sets forth selected consolidated financial data for the Operating Partnership and combined historical financial data of Simon Property Group (the "Predecessor" of SPG, LP). The financial statements of the Operating Partnership for periods after the DRC Merger reflect the reverse acquisition of DeBartolo Realty Partnership, L.P. by the Company using the purchase method of accounting. The financial statements for all pre-merger comparative periods reflect the financial statements of SPG, LP the predecessor for accounting purposes to SDG, LP. All references herein to the Operating Partnership are to SDG, LP or SPG, LP as the case may be. The financial data should be read in conjunction with the financial statements and notes thereto and with Management's Discussion and Analysis of Financial Condition and Results of Operations.

Other data management believes is important in understanding trends in the Operating Partnership's business is also included in the table.

	The Operating Partnership					Predecessor
	For the Year Ended December 3l,				December 20 to December 31,	January 1 to December 19,
	1997(1)	1996(1)	1995(1)	1994	1993	1993
OPERATING DATA:	(in thousands, except per Unit data)					
Total revenue	$1,054,167	$ 747,704	$ 553,657	$473,676	$ 18,424	$405,869
Income before extraordinary items	203,133	134,663	101,505	60,308	8,707	6,912
Net income (loss) available to Unitholders	$ 173,943	$ 118,448	$ 96,730	$ 42,328	$(21,774)	$ 33,101
BASIC EARNINGS PER UNIT (2):						
Income before extraordinary items	$ 1.08	$ 1.02	$ 1.08	$ 0.71	$ 0.11	N/A
Extraordinary items	--	(0.03)	(0.04)	(0.21)	(0.39)	N/A
Net income (loss)	$ 1.08	$ 0.99	$ 1.04	$ 0.50	$ (0.28)	N/A
Weighted average Units outstanding	161,023	120,182	92,666	84,510	78,447	N/A
DILUTED EARNINGS PER UNIT (2):						
Income before extraordinary items	$ 1.08	$ 1.01	$ 1.08	$ 0.71	$ 0.11	N/A
Extraordinary items	--	(0.03)	(0.04)	(0.21)	(0.39)	N/A
Net income (loss)	$ 1.08	$ 0.98	$ 1.04	$ 0.50	$ (0.28)	N/A
Diluted weighted average Units outstanding	161,407	120,317	92,776	84,712	78,454	N/A
Distributions per Unit (3)	$ 2.01	$ 1.63	$ 1.97	$ 1.90	-	N/A
BALANCE SHEET DATA:						
Cash and cash equivalents	$ 109,699	$ 64,309	$ 62,721	$ 105,139	$ 110,625	N/A
Total assets	7,662,667	5,895,910	2,556,436	2,316,860	1,793,654	N/A
Mortgages and other indebtedness	5,077,990	3,681,984	1,980,759	1,938,091	1,455,884	N/A
Limited partners' interest (4)	-	-	908,764	909,306	843,373	N/A
Partners' equity (deficit)	$2,251,299	$1,945,174	$(589,126)	$(807,613)	$(791,820)	N/A
OTHER DATA:						
Cash flow provided by (used in):						
Operating activities	$ 370,907	$ 236,464	$ 194,336	$ 128,023	N/A	N/A
Investing activities	(1,243,804)	(199,742)	(222,679)	(266,772)	N/A	N/A
Financing activities	918,287	(35,134)	(14,075)	133,263	N/A	N/A
Funds from Operations (FFO) (5)	$ 415,128	$ 281,495	$ 197,909	$ 167,761	N/A	N/A

Notes

(1) Note 3 to the accompanying financial statements describes the DRC Merger, which occurred on August 9, 1996, and the 1997, 1996, and 1995 real estate acquisitions and development.

(2) Per Unit data is reflected only for the Operating Partnership, because the historical combined financial statements of the Predecessor are a combined presentation of partnerships and corporations.

(3) Represents distributions declared per period. A distribution of $0.1515 per Unit was declared on August 9, 1996, in connection with the DRC Merger, designated to align the time periods of distributions of the merged companies. The current annual distribution rate is $2.02 per Unit.

(4) See Note 11 for discussion regarding the accounting for Limited Partners' Interest.

(5) Please refer to Management's Discussion and Analysis of Financial Condition and Results of Operations for a definition of Funds from Operations.

Item 7. 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. Certain statements made in this report may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Operating Partnership to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, which will, among other things, affect demand for retail space or retail goods, availability and creditworthiness of prospective tenants, lease rents and the terms and availability of financing; adverse changes in the real estate markets including, among other things, competition with other companies and technology; risks of real estate development and acquisition; governmental actions and initiatives; and environmental/safety requirements.

Overview

The financial results reported reflect the merger completed on August 9, 1996 (the "DRC Merger") of Simon Property Group, Inc. and DeBartolo Realty Corporation ("DRC"), in accordance with the purchase method of accounting, valued at $3.0 billion. The DRC Merger resulted in the addition of 49 regional malls, 11 community centers and 1 mixed-use property. These properties included 47,052,267 square feet of retail space gross leasable area ("GLA") and 558,636 of office GLA. Of these properties, 40 regional malls, 10 community centers and the mixed-use property are being accounted for using the consolidated method of accounting. The remaining properties are being accounted for using the equity method of accounting.

On September 29, 1997, the Operating Partnership completed its cash tender offer for all of the outstanding shares of beneficial interests of The Retail Property Trust ("RPT"). RPT owned 98.8% of Shopping Center Associates ("SCA"), which owned or had interests in twelve regional malls and one community center, comprising approximately twelve million square feet of GLA in eight states. Following the completion of the tender offer, the SCA portfolio was restructured. The Operating Partnership exchanged its 50% interests in two SCA properties to a third party for similar interests in two other SCA properties, in which it had 50% interests, with the result that SCA now owns interests in a total of eleven properties. Effective November 30, 1997, the Operating Partnership also acquired the remaining 50% ownership interest in another of the SCA properties. In addition, an affiliate of the Operating Partnership acquired the remaining 1.2% interest in SCA. At the completion of these transactions, the Operating Partnership directly or indirectly now owns 100% of ten of the eleven SCA properties, and 50% of the remaining property.

In addition, the Operating Partnership acquired ownership interests in or commenced operations of several other Properties throughout the comparative periods and, as a result, increased the number of Properties it accounts for using the consolidated method of accounting (the "Property Transactions"). The following is a listing of such transactions: On February 23, 1995, the Operating Partnership acquired an additional 50% interest in White Oaks Mall, increasing its ownership to 77%. On August 1, 1995, the Operating Partnership purchased the remaining 50% ownership in Crossroads Mall. On September 25, 1995, the Operating Partnership acquired the remaining 55% ownership in Knoxville Center. On April 11, 1996, the Operating Partnership acquired the remaining 50% economic ownership interest in Ross Park Mall. On July 31, 1996, the Operating Partnership opened the wholly-owned Cottonwood Mall in Albuquerque, New Mexico. On August 29, 1997, the Operating Partnership opened the 55%-owned, $89 million phase II expansion of The Forum Shops at Caesar's. (see "Liquidity and Capital Resources" for additional information regarding these transactions.)

Results of Operations

Year Ended December 31, 1997 vs. Year Ended December 31, 1996

Total revenue increased $306.5 million or 41.0% in 1997 as compared to 1996. This increase is primarily the result of the DRC Merger ($234.1 million), the RPT acquisition ($30.6 million) and the Property Transactions ($28.4 million). Excluding these transactions, total revenues increased $13.4 million, which includes a $15.4 million increase in minimum rent and a $7.1 million increase in tenant reimbursements, partially offset by a $7.5 million decrease in other income. The $15.4 million increase in minimum rents results from increased occupancy levels, the replacement of expiring tenant leases with renewal leases at higher minimum base rents, and a $4.4 million increase in rents from tenants operating under license agreements. The $7.1 million increase in tenant reimbursements is partially offset by a net increase in recoverable expenses. The $7.5 million decrease in other income is primarily the result of decreases in lease settlement income ($3.0 million), interest income ($1.3 million) and gains from sales of peripheral properties ($1.7 million).

Total operating expenses increased $160.9 million, or 38.7%, in 1997 as compared to 1996. This increase is primarily the result of the DRC Merger ($113.5 million), the RPT acquisition ($15.9 million), the Property Transactions ($17.3 million), and the increase in depreciation and amortization ($10.1 million), primarily due to an increase in depreciable real estate realized through renovation and expansion activities.

Interest expense increased $85.6 million, or 42.4% in 1997 as compared to 1996. This increase is primarily as a result of the DRC Merger ($61.1 million), the RPT acquisition ($13.9 million) and the Property Transactions ($9.1 million).

The $0.1 million gain from extraordinary items in 1997 is the net result of gains realized on the forgiveness of debt ($31.1 million) and the write-off of net unamortized debt premiums ($8.4 million), partially offset by the acquisition of the contingent interest feature on four loans ($21.0 million) and prepayment penalties and write-offs of mortgage costs associated with early extinguishments of debt ($18.4 million). The $3.5 million extraordinary loss in 1996 is the result of write-offs of mortgage costs associated with early extinguishments of debt.

Income (loss) from unconsolidated entities increased from $9.5 million in 1996 to $19.2 million in 1997, resulting from an increase in the Operating Partnership's share of M.S. Management Associates Inc.'s (the "Management Company") income ($5.0 million) and an increase in its share of income from partnerships and joint ventures ($4.6 million). The increase in Management Company income is primarily the result of income realized through marketing initiatives ($2.0 million) and the Operating Partnership's share of the Management Company's gains on sales of peripheral property ($1.9 million). The increase in the Operating Partnership's share of income from partnerships and joint ventures is primarily the result of the DRC Merger ($4.9 million), the RPT acquisition ($3.2 million), and the nonconsolidated joint-venture Properties acquired or commencing operations during 1997 ($5.0 million), partially offset by the increase in the amortization of the excess of the Operating Partnership's investment over its share of the equity in the underlying net assets of unconsolidated joint-venture Properties ($8.8 million).

Net income was $203.2 million in 1997, as compared to $131.1 million in 1996, reflecting an increase of $72.0 million, for the reasons discussed above, and was allocated to the Company based on the Company's preferred unit preference and ownership interest in the Operating Partnership during the period.

Preferred unit requirement increased by $16.6 million to $29.2 million in 1997 as a result of the Company's issuance of $200 million of 8 3/4% Series B cumulative redeemable preferred stock on September 27, 1996 and $150 million of 7.89% Series C Cumulative Step-Up Premium RateSM Preferred Stock on July 9, 1997. The net proceeds from the preferred stock issuances were contributed to the Operating Partnership in exchange for preferred units of partnership interest ("Preferred Units") with terms substantially identical to the preferred stock issued by the Company. This increase was partially offset by a reduction in preferred distributions ($2.0 million) resulting from the conversion of the $100 million 8 1/8% Series A Preferred Units into 3,809,523 units of partnership interest of the Operating Partnership ("Units") on November 11, 1997.

Year Ended December 31, 1996 vs. Year Ended December 31, 1995

Total revenue increased $194.0 million, or 35.0%, in 1996 as compared to 1995. Of this increase, $155.7 million and $37.7 million are attributable to the DRC Merger and the Property Transactions, respectively. The remaining increase includes net increases in minimum rent, lease settlements and miscellaneous income of $9.3 million, $1.8 million and $2.3 million, respectively, partially offset by a net decrease in tenant reimbursements of $11.8 million. The minimum rent increase results from increases of $1.50 and $0.36 in average base minimum rents per square foot for regional mall stores and community shopping centers, respectively. Regional mall store leases executed during 1996 were $4.86 per square foot greater than leases expiring; community shopping center leases were $2.02 greater.

Total operating expenses increased $113.7 million, or 37.6%, in 1996 as compared to 1995. Of this increase, $85.1 million and $18.6 million are the result of the DRC Merger (including $7.2 million of integration costs) and the Property Transactions, respectively. The remaining $10.0 million increase is primarily the result of a net increase in depreciation and amortization ($8.9 million).

Interest expense increased $52.0 million, or 34.6%, to $202.2 million for 1996 as compared to $150.2 million for 1995. Of this increase, $41.1 million and $15.4 million are attributable to the DRC Merger and the Property

Transactions, respectively. In addition, the Operating Partnership realized incremental interest expenses in 1996 related to borrowings used to acquire additional ownership interests in and/or make equity investments in unconsolidated joint venture properties of $4.9 million. Offsetting these increases were interest savings realized as a result of restructuring the Operating Partnership's credit facilities, from the proceeds of the Company's 6,000,000 share common stock offering on April 19, 1995, and from the proceeds of the Series A preferred stock offering and a portion ($34.4 million) of the proceeds of the Series B preferred stock offering, which were used to pay down debt (described under "Financing and Debt").

Income (loss) from unconsolidated entities increased from $1.4 million in 1995 to $9.5 million in 1996, primarily resulting from an increase in the Operating Partnership's share of the Management Company income ($9.2 million), partially offset by a decrease in its share of income from partnerships and joint ventures ($1.1 million). The increase in Management Company income is primarily the result of the DRC Merger ($4.4 million) and the Management Company's losses in 1995 related to the settlement of a mortgage receivable ($3.9 million) and the liquidation of a partnership investment ($1.0 million).

Extraordinary items of $3.5 million in 1996 and $3.3 million in 1995 result from write-offs of mortgage costs associated with early extinguishments of debt.

Net income increased from $98.2 million in 1995 to $131.1 million in 1996, an increase of $32.9 million, for the reasons discussed above, and was allocated to the Company based on the Company's ownership interest during the period.

Preferred Unit requirement increased by $11.2 million in 1996 as a result of the Company's issuance of $100 million of 8 1/8% Series A convertible preferred stock on October 27, 1995, and $200 million of 8 3/4% Series B cumulative redeemable preferred stock on September 27, 1996, the proceeds of which were contributed to the Operating Partnership in exchange for Preferred Units with terms substantially identical to the preferred stock issued by the Company.

Liquidity and Capital Resources

As of December 31, 1997, the Operating Partnership's balance of unrestricted cash and cash equivalents was $109.7 million. In addition to its cash balance, the Operating Partnership has a $1.25 billion unsecured revolving credit facility (the "Credit Facility") which had $284.3 million available after outstanding borrowings and letters of credit at December 31, 1997. The Operating Partnership and the Company also have access to public equity and debt markets. The Operating Partnership has a debt shelf registration statement currently effective, under which $850 million in debt securities may be issued. The Company has an equity shelf registration statement currently effective, under which $950 million in equity securities may be issued.

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 Unitholders. Sources of capital for nonrecurring capital expenditures, such as major building renovations and expansions, as well as for scheduled principal payments, including balloon payments, on outstanding indebtedness are expected to be obtained from: (i) excess cash generated from operating performance; (ii) working capital reserves; (iii) additional debt financing; and (iv) additional equity raised in the public markets.

Sensitivity Analysis. The Operating Partnership's future earnings, cash flows and fair values relating to financial instruments is primarily dependent upon prevalent market rates of interest, such as LIBOR. Based upon consolidated indebtedness and interest rates at December 31, 1997, a 1% increase in the market rates of interest would decrease future earnings and cash flows by approximately $14 million, and would decrease the fair value of debt by approximately $505 million. A 1% decrease in the market rates of interest would increase future earnings and cash flows by approximately $14 million, and would increase the fair value of debt by approximately $683 million.

Financing and Debt

At December 31, 1997, the Operating Partnership had consolidated debt of $5,078.0 million, of which $3,467.6 million is fixed-rate debt bearing interest at a weighted average rate of 7.4% and $1,610.4 million is variable-rate debt bearing interest at a weighted average rate of 6.4%. As of December 31, 1997, the Operating Partnership had interest rate protection agreements related to $430.4 million of consolidated variable-rate debt. In addition, interest rate protection agreements which effectively fix the interest rates on an additional $148 million of consolidated variable-rate debt were obtained in January of 1998. The Operating Partnership's hedging activity as a result of these interest rate protection agreements resulted in net interest savings of $1.6 million for the year ended December 31, 1997. This did not materially impact the Operating Partnership's weighted average borrowing rates.

Scheduled principal payments of consolidated mortgage indebtedness over the next five years is $2,638 million, with $2,442 million thereafter. The Operating Partnership's ratio of consolidated debt-to-market capitalization was 46.0% and 41.5% at December 31, 1997 and 1996, respectively.

The following summarizes significant financing and refinancing transactions completed in 1997:

Secured Indebtedness. On January 31, 1997, the Operating Partnership completed a refinancing transaction involving debt on four wholly-owned Properties. The transaction consisted of the payoff of one loan totaling $43.4 million, a restatement of the interest rate on the three remaining loans, the acquisition of the contingent interest feature on all four loans for $21.0 million, and $3.9 million of principal reductions on two additional loans. This transaction, which was funded using the Credit Facility, resulted in an extraordinary loss of $23.2 million, including the write-off of deferred mortgage costs of $2.2 million.

On May 15, 1997, the Operating Partnership refinanced approximately $140 million in existing debt on The Forum Shops at Caesar's. The new debt consists of three classes of notes totaling $180 million, with $90 million bearing interest at 7.125% and the other $90 million bearing interest at LIBOR plus 0.30%, all of which will mature on May 15, 2004. Approximately $40 million of the borrowings were placed in escrow to pay for construction costs required in connection with the development of the expansion of this project, which opened on August 29, 1997. As of December 31, 1997, $8.6 million remains in escrow.

On June 5, 1997, the Operating Partnership closed a $115 million construction loan for The Shops at Sunset Place. The loan initially bears interest at LIBOR plus 1.25% and matures on June 30, 2000, with two one-year extensions available.

On September 2, 1997, the Operating Partnership completed a refinancing of $453 million of commercial mortgage pass through certificates and a $48 million mortgage loan, resulting in releases of mortgages encumbering 18 of the Properties. The Operating Partnership funded this refinancing with the proceeds of a $225 million secured loan and borrowings of $294 million under the Credit Facility, which were later reduced with the proceeds from the sale of $180 million of notes issued on September 10, 1997, as described below. Subsequently, on December 22, 1997, the Operating Partnership retired the $225 million secured loan with the net proceeds from a $225 million series of multiclass mortgage pass-through certificates. This new facility includes six classes of certificates cross-collateralized by the same seven Properties as the original $225 million secured loan and matures on December 19, 2004. Five of the six classes covering $175 million bear fixed interest rates ranging from 6.716% to 8.233%, with the remaining $50 million class bearing interest at LIBOR plus 0.365%.

On September 4, 1997, the Operating Partnership transferred ownership of one Property and paid $6.6 million to its lender, fully satisfying the property's mortgage note payable of $42 million. This property no longer met the Operating Partnership's criteria for its ongoing strategic plan. The Operating Partnership recognized a gain on this transaction of approximately $31.1 million in the third quarter of 1997.

Credit Facility. During 1997, the Operating Partnership obtained several improvements to its Credit Facility. The Credit Facility agreement was amended to increase the borrowing limit to $1.25 billion and reduce the interest rate from LIBOR plus 0.90% to LIBOR plus 0.65%. In addition, the Credit Facility's competitive bid feature, which has further reduced interest costs, was increased from $150 million to $625 million.

Medium Term Notes. On May 15, 1997, the Operating Partnership established a Medium-Term Note ("MTN") program. On June 24, 1997, the Operating Partnership completed the sale of $100 million of notes under the MTN program. The notes sold bear interest at 7.125% and have a stated maturity of June 24, 2005. The net proceeds of this sale were used primarily to pay down the Credit Facility. On September 10, 1997, the Operating Partnership issued an additional $180 million principal amount of notes under its MTN program, which mature on September 20, 2007 and bear interest at 7.125% per annum. The Operating Partnership used the net proceeds of this offering to pay down the borrowings made under the Credit Facility.

Equity Financings. On July 9, 1997 the Company sold 3,000,000 shares of 7.89% Series C Cumulative Step-Up Premium RateSM Preferred Stock (the "Series C Preferred Shares") in a public offering at $50.00 per share. Beginning October 1, 2012, the rate increases to 9.89% per annum. The Company intends to redeem the Series C Preferred Shares prior to October 1, 2012. The Company contributed the net proceeds of this offering of approximately $146 million to the Operating Partnership in exchange for preferred units with terms identical to the Series C Preferred Shares. The Operating Partnership used the net proceeds for the purchase of additional ownership interest in West Town Mall, to pay down the Credit Facility and for general working capital purposes.

During 1997, the Company and the Operating Partnership issued 8,051,924 additional shares of common stock and 876,712 additional Units, respectively, in public and private offerings, at prices ranging from $30.09 to $33.25 per share/Unit, and generating net proceeds of approximately $286 million. The proceeds of such offerings were used primarily to acquire additional ownership interests in Properties and to repay existing indebtedness.

Unsecured Notes. On July 17, 1997, the Operating Partnership completed a $250 million public offering, of two tranches of its seven-year and twelve-year non-convertible senior unsecured debt securities. The first tranche was for $100 million at 6 3/4% with a maturity of July 15, 2004. The second tranche was for $150 million at 7% with a maturity of July 15, 2009. The notes pay interest semi-annually, and contain covenants relating to minimum leverage, EBITDA and unencumbered EBITDA ratios.

On October 15, 1997, the SEC declared effective the Operating Partnership's registration statement, which provides for the offering, from time to time, of up to $1 billion aggregate public offering price of nonconvertible investment grade unsecured debt securities of the Operating Partnership. The net proceeds of such offerings may be used to fund property acquisition or development activity, retire existing debt or for any other purpose deemed appropriate by the Operating Partnership. Subsequently, on October 22, 1997, the Operating Partnership completed the sale of $150 million of its eight-year non-convertible senior unsecured debt securities under this new $1 billion debt shelf registration. The notes bear interest at 6 7/8%, and mature on October 27, 2005. The notes pay interest semi-annually, and contain covenants relating to minimum leverage, EBITDA and unencumbered EBITDA ratios. The Operating Partnership used $114.8 million of the net proceeds of approximately $147 million, along with an escrow refund of approximately $4 million to retire existing mortgages on Miller Hill Mall, Muncie Mall, and Towne West Square, with the remaining proceeds going to reduce the amount outstanding on the Credit Facility.

Other. During 1997, in connection with the RPT acquisition, the Operating Partnership assumed consolidated mortgages of $123.5 million, unsecured debt totaling $275.0 million and a pro-rata share of joint venture mortgage indebtedness of $76.8 million.

Acquisitions and Investment

Management continues to actively review and evaluate a number of individual property and portfolio acquisition opportunities. Management believes that funds on hand, amounts available under the Credit Facility, together with the ability to issue shares of common stock 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.

On June 16, 1997, the Operating Partnership purchased 1,408,450 shares of common stock of Chelsea GCA Realty, Inc. ("Chelsea"), a publicly traded REIT, for approximately $50 million using borrowings from the Credit Facility. The shares purchased represent approximately 9.2% of Chelsea's outstanding common stock, and had a market value of $53.8 million at December 31, 1997. In connection with this transaction the Operating Partnership and Chelsea have formed a strategic alliance to develop and acquire manufacturer's outlet shopping centers with 500,000 square feet or more of GLA in the United States.

On July 10, 1997, the Operating Partnership acquired an additional 48% interest in West Town Mall in Knoxville, Tennessee for $67.4 million and 35,598 Units valued at approximately $1.1 million. This transaction increased the Operating Partnership's ownership of West Town Mall to 50%.

On August 8, 1997, a subsidiary of the Operating Partnership acquired a 50% interest in a trust that owns Dadeland Mall, a 1.4 million square-foot super-regional mall in Miami, Florida for approximately $128 million. A portion of the purchase price was paid in the form of 658,707 shares of the Company's common stock, valued at approximately $20 million. The remaining portion of the purchase price was financed using borrowings from the Credit Facility.

As described previously, during 1997 the Operating Partnership completed the purchase of RPT and its subsidiary SCA, which owned or had interests in twelve regional malls and one community center, comprising approximately twelve million square feet of GLA in eight states. The Operating Partnership exchanged its 50% interests in two SCA properties to a third party for similar interests in two other SCA properties, in which it had 50% interests, with the result that SCA now owns interests in a total of eleven properties. Effective November

30, 1997, the Operating Partnership also acquired the remaining 50% ownership interest in another of the SCA properties. The Operating Partnership now owns 100% of ten of the eleven SCA properties acquired, and a noncontrolling 50% interest in the remaining property. The total cost for the acquisition of RPT and related transactions is estimated at $1.3 billion, including shares of the Company's common stock valued at approximately $50 million, Units valued at approximately $25.3 million, the assumption of $398.5 million of consolidated indebtedness and the Operating Partnership's $76.8 million pro rata share of joint venture indebtedness.

On December 29, 1997, the Operating Partnership formed a joint venture partnership with The Macerich Company ("Macerich") to acquire a portfolio of twelve regional malls comprising approximately 10.7 million square feet of GLA. This transaction closed on February 27, 1998 at a total purchase price of $974.5 million, including the assumption of $485.0 million of indebtedness. The Operating Partnership and Macerich were each responsible for one half of the purchase price, including indebtedness assumed and each assumed leasing and management responsibilities for six of the regional malls. The Operating Partnership funded its share of the cash due at closing with a new six-month $242.0 million unsecured loan which bears interest at 6.42%. The Operating Partnership owns 50% of this joint venture.

On December 30, 1997, the Operating Partnership acquired The Fashion Mall at Keystone at the Crossing, a 651,671 square-foot regional mall, along with an adjacent 29,140 square-foot community center, in Indianapolis, Indiana for $124.5 million, including the assumption of a $64.8 million mortgage. These Properties are wholly-owned by the Operating Partnership.

On December 31, 1997, the Operating Partnership acquired the remaining 30% ownership interest in Virginia Center Commons as well as the management contract on that Property for a total of $2.3 million. The Operating Partnership now owns 100% of this Property.

On January 26, 1998, the Operating Partnership acquired Cordova Mall in Pensacola, Florida for $87.3 million, which included the assumption of a $28.9 million mortgage and 1,713,016 Units, valued at approximately $55.5 million. This 874,000 square-foot regional mall is wholly-owned by the Operating Partnership.

See Note 3 to the consolidated financial statements for 1996 and 1995 acquisition activity.

Development Activity

Development activities are an ongoing part of the Operating Partnership's business. The Operating Partnership opened one new regional mall, two value-oriented super-regional malls and one new community shopping center during 1997. On September 5, 1997, the Operating Partnership opened The Source, a 730,000 square-foot regional mall in Westbury (Long Island), New York. On October 31, 1997 the Operating Partnership opened Grapevine Mills, a 1.2 million square feet value-oriented super-regional mall in Grapevine (Dallas/Fort Worth), Texas, and on November 20, 1997, the Operating Partnership opened Arizona Mills, a 1.2 million square-foot value-oriented super-regional mall in Tempe, Arizona. In March 1997, the Operating Partnership opened Indian River Commons, a 260,000 square-foot community shopping center in Vero Beach, Florida, which is immediately adjacent to an existing regional mall Property. The Operating Partnership has joint venture partners on each of these Properties and accounts for them using the equity method of accounting.

Construction also continues on the following projects:

* The Shops at Sunset Place, a destination-oriented retail and entertainment project containing approximately 510,000 square feet of GLA is scheduled to open in October of 1998 in South Miami, Florida. The Operating Partnership owns 75% of this $149 million project. Construction financing of $115 million closed on this property in June 1997. The loan initially bears interest at LIBOR plus 125 basis points and matures on June 30, 2000.
* Muncie Plaza, a 196,000 square-foot community center project, is scheduled to open in April of 1998 in Muncie, Indiana, adjacent to Muncie Mall. This approximately $14 million project is wholly-owned by the Operating Partnership.
* Lakeline Plaza, a 380,000 square-foot community center project, is scheduled to open in two phases in May and November of 1998 in Austin, Texas, adjacent to Lakeline Mall. On January 30, 1998, the Operating Partnership increased its ownership interest in this approximately $34 million project from 50% to 65%.

In addition, the Operating Partnership is in the preconstruction development phase on a new value-oriented super-regional mall, a factory outlet center and a new community center project. Concord Mills, an approximately $200 million development, is scheduled to open in 1999. This 1,400,000 square-foot value-oriented super-regional mall development project is 50%-owned by the Operating Partnership. Houston Premium Outlets is a 462,000 square-foot factory outlet project in Houston, Texas. This approximately $89 million project, of which the Operating Partnership has a 50% ownership interest in, is scheduled to begin construction in 1998 and open in 1999. The Shops at North East Mall, an approximately $55 million development, which is immediately adjacent to North East Mall, an existing regional mall in the Company's portfolio, is scheduled to open in Hurst, Texas, in 1999. This 391,000 square-foot development project is wholly-owned by the Operating Partnership.

Strategic Expansions and Renovations

A key objective of the Operating Partnership is to increase the profitability and market share of the Properties through the completion of strategic renovations and expansions. In 1997, the Operating Partnership completed construction and opened fourteen major expansion and/or renovation projects: Alton Square in Alton, Illinois; Aventura Mall in Miami, Florida; Chautauqua Mall in Jamestown, New York; Columbia Center in Kennewick, Washington; The Forum Shops at Caesar's in Las Vegas, Nevada; Knoxville Center in Knoxville, Tennessee; La Plaza in McAllen, Texas; Muncie Mall in Muncie, Indiana; Northfield Square in Bradley, Illinois; Northgate Mall in Seattle, Washington; Orange Park Mall in Jacksonville, Florida; Paddock Mall in Ocala, Florida; Richmond Square in Richmond, Indiana; and Southern Park Mall in Youngstown, Ohio.

The Operating Partnership currently has four major expansion projects under construction, and is in the preconstruction development stage with two additional major expansion projects. The aggregate cost of the projects is approximately $208 million.

* A 255,000 square-foot small shop expansion and the addition of a 24-screen AMC Theatre complex to Aventura Mall in Miami, Florida, are scheduled to open in March 1998. Lord & Taylor, Macy's, JCPenney and Sears are also expanding at this Property. In addition, the Operating Partnership added a Bloomingdales to this project in November of 1997. The Operating Partnership has a 33% ownership interest in this project.
* A 180,000 square-foot small shop expansion of The Florida Mall in Orlando, Florida, as well as the addition of Burdines, is scheduled for completion in the winter of 1999. The Operating Partnership has a 50% ownership interest in this project. Dillard's, Gayfers, JCPenney and Sears are also expanding.
* A 68,000 square-foot small shop expansion of Prien Lake Mall in Lake Charles, Louisiana, as well as the addition of Dillard's and Sears, is scheduled for completion in the winter of 1998. The Operating Partnership owns 100% of Prien Lake Mall.

The Operating Partnership has a number of smaller renovation and/or expansion projects currently under construction aggregating approximately $105 million, of which the Operating Partnership's share is approximately $100 million. In addition, preconstruction development continues on a number of project expansions, renovations and anchor additions at additional properties. The Operating Partnership expects to commence construction on many of these projects in the next 12 to 24 months.

It is anticipated that these projects will be financed principally with access to debt and equity markets, existing credit facilities and cash flow from operations.

Capital Expenditures

Capital expenditures, excluding acquisitions, were $330.9 million, $211.4 million and $102.9 million for the periods ended December 31, 1997, 1996 and 1995, respectively.

	1997	1996	1995
New Developments	$ 79.9	$ 80.1	$ 29.7
Renovations and Expansions	196.6	86.3	38.9
Tenant Allowances--Retail	36.7	24.0	17.2
Tenant Allowances--Offices	1.2	6.1	4.3
Capital Expenditures Recoverable from Tenants	12.9	11.4	8.0
Other	3.6	3.5	4.8
Total	$ 330.9	$ 211.4	$ 102.9

Distributions

The Operating Partnership declared distributions on its Units in 1997 aggregating $2.01 per Unit. On January 23, 1998, the Operating Partnership declared a distribution of $0.5050 per Unit payable on February 20, 1998, to Unitholders of record on February 6, 1998. The current annual distribution rate is $2.02 per Unit. For federal income tax purposes, 35% of the 1997 Unit distributions and 64% of the 1996 Unit distributions represented a return of capital. Future distributions will be determined based on actual results of operations and cash available for distribution.

Investing and Financing Activities

Cash used in investing activities for the year ended December 31, 1997 of $1,243.8 million is primarily the result of acquisitions of $980.4 million, $305.2 million of capital expenditures, advances to the Management Company of $18.4 million and other investing activities of $55.4 million, including $50.0 million for the purchase of Chelsea stock, partially offset by net distributions from unconsolidated entities of $97.7 million and cash received from the acquisition of RPT of $19.7 million. Cash paid for acquisitions includes $745.5 million for the RPT acquisition and related transactions, $108.0 million for Dadeland Mall, $66.3 million for West Town Mall and $60.6 million for the acquisition of The Fashion Mall at Keystone at the Crossing and Keystone Shoppes. Capital expenditures includes development costs of $62.6 million, including $31.0 million at The Shops at Sunset Place, $11.3 million at Muncie Plaza, $7.0 million at Cottonwood Mall and $11.2 million for the acquisition of the land ($9.2 million) and other development costs ($2.0 million) at The Shops at North East Mall. Also included in capital expenditures is renovation and expansion costs of approximately $191.6 million, including $34.7 million, $15.6 million, $15.1 million, $12.2 million, and $10.6 million for the phase II expansion of Forum Shops at Caesar's, Miami International Mall, Northgate Mall, Charles Towne Square and Knoxville Center, respectively, and tenant costs and other operational capital expenditures of approximately $51.0 million. Net distributions from unconsolidated entities is primarily due to reimbursements of $70.1 million and $38.8 million from Dadeland Mall and West Town Mall, respectively, as a result of mortgages obtained on those Properties during 1997.

Cash received from financing activities for the year ended December 31, 1997 of $918.3 million includes contributions from the Company of the net proceeds from the sales its common stock and Series C preferred stock of $344.4 million and net borrowings of $945.5 million, partially offset by partnership distributions of $350.4 million and $21.0 million for the retirement of a contingent interest feature on four mortgage loans. Net borrowings were used primarily to fund the acquisition of RPT and the related transactions ($757.0 million), other acquisitions ($180.0 million) and development and investment activity.

Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")

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 Properties increased from $346.7 million in 1993 to $940.0 million in 1997, representing a compound annual growth rate of 28.3%. Of this growth, $336.8 million, or 56.8%, is a result of the DRC Merger and $34.5 million or 5.8% is a result of the RPT acquisition. The remaining growth in total EBITDA reflects the addition of GLA to the Portfolio Properties through property acquisitions, developments and expansions, increased rental rates, increased tenant sales, improved occupancy levels and effective control of operating costs. During this period, the operating profit margin increased from 58.6% to 64.4%. This improvement is also primarily attributable to aggressive leasing of new and existing space and effective control of operating costs.

The following summarizes total EBITDA for the Portfolio Properties and the operating profit margin of such properties, which is equal to total EBITDA expressed as a percentage of total revenue:

	For the Year Ended December 31,				
	1997	1996	1995	1994	1993
	(in thousands)				
EBITDA of consolidated Properties	$677,930	$467,292	$343,875	$290,243	$244,397
EBITDA of unconsolidated Properties	262,098	148,030	93,673	96,592	102,282
Total EBITDA of Portfolio Properties (1)	$940,028	$615,322	$437,548	$386,835	$346,679
EBITDA after minority interest (2)	$746,842	$497,215	$357,158	$307,372	$256,169
Increase in total EBITDA from prior period	52.8%	40.6%	13.1%	11.6%	9.5%
Increase in EBITDA after minority interest from prior period	50.2%	39.2%	16.2%	20.0%	12.4%
Operating profit margin of the Portfolio Properties	64.4%	62.5%(3)	63.1%	61.9%	58.6%

(1) On a pro forma basis, assuming the DRC Merger and the RPT acquisition and related transactions had occurred on January 1, 1996, EBITDA would be $1,019 million and $911 million in 1997 and 1996, respectively, representing an 11.8% growth.

(2) EBITDA after minority interest represents earnings before interest, taxes, depreciation and amortization for all Properties after distribution to the third-party joint ventures' partners.

(3) The 1996 operating profit margin, excluding the $7.2 million merger integration costs, is 63.2%.

Funds from Operations ("FFO")

FFO, as defined by NAREIT, means the consolidated net income of the Operating Partnership and its subsidiaries without giving effect to real estate related 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. The Operating Partnership's method of calculating FFO may be different from the methods used by other REITS. 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 nonrental real estate assets are no longer to be added back to net income in arriving at FFO. This modification was adopted by the Operating Partnership beginning in 1996. Additionally the FFO for prior periods has been restated to reflect the modification in order to make the amounts comparative. Under the previous definition, FFO for the year ended December 31, 1995 was $208.3 million.

The following summarizes FFO of the Operating Partnership and reconciles income before extraordinary items to FFO for the periods presented:

	For the Year Ended December 31,		
	1997	1996	1995
(in thousands)			
FFO of the Operating Partnership	$ 415,128	$ 281,495	$ 197,909
Increase in FFO from prior period	47.5%	42.2%	18.0%
Reconciliation:			
Income before extraordinary items	$ 203,133	$ 134,663	$ 101,505
Plus:			
Depreciation and amortization from consolidated properties	200,084	135,226	92,274
The Operating Partnership's share of depreciation and amortization and extraordinary items from unconsolidated affiliates	46,760	20,159	6,466
Merger integration costs	--	7,236	--
The Operating Partnership's share of (gains) or losses on sales of real estate	(20)	(88)	2,054
Less:			
Minority interest portion of depreciation, and amortization and extraordinary items	(5,581)	(3,007)	(2,900)
Preferred Unit requirement	(29,248)	(12,694)	(1,490)
FFO of the Operating Partnership	$ 415,128	$ 281,495	$ 197,909

Portfolio Data

Operating statistics give effect to the DRC Merger and are based upon the business and properties of the Operating Partnership and DRC on a combined basis for all periods presented. The purpose of this presentation is to provide a more comparable set of statistics on the portfolio as a whole. The following statistics exclude Charles Towne Square, Richmond Town Square and Mission Viejo Mall, which are all undergoing extensive redevelopment. The value-oriented super-regional mall category consists of Arizona Mills, Grapevine Mills and Ontario Mills.

Aggregate Tenant Sales Volume and Sales per Square Foot. From 1994 to 1997, total reported retail sales at mall and freestanding GLA owned by the Operating Partnership ("Owned GLA") in the regional malls and value-oriented super-regional malls, and all reporting tenants at community shopping centers increased 25.3% from $7,611 million to $9,539 million, a compound annual growth rate of 7.8%. 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.

The following illustrates the total reported sales of tenants at Owned GLA:

Year Ended December 31,	Total Tenant Sales (in millions)	Annual Percentage Increase
1997	$ 9,539	20.4%
1996	7,921	3.6
1995	7,649	0.5
1994	7,611	4.7

Regional mall sales per square foot increased 8.8% in 1997 to $315 as compared to $290 in 1996. In addition, sales per square foot of reporting tenants operating for at least two consecutive years ("Comparable Sales") increased from $298 to $318, or 6.7%, from 1996 to 1997. The Operating Partnership believes its strong sales growth in 1997 is the result of its aggressive retenanting efforts and the redevelopment of many of the Properties. Sales per square foot at the community shopping centers decreased in 1997 to $183 as compared to $187 in 1996. Sales statistics for value-oriented super-regional malls are not provided as this category is comprised of new malls with insufficient history to provide meaningful comparisons.

Occupancy Levels. Occupancy levels for regional malls increased from 84.7% at December 31, 1996, to 87.3% at December 31, 1997. Occupancy levels for value-oriented super-regional malls was 93.8% at December 31, 1997. Occupancy levels for community shopping centers decreased slightly, from 91.6% at December 31, 1996, to 91.3% at December 31, 1997. Owned GLA has increased 10.7 million square feet from December 31, 1996, to December 31, 1997, primarily as a result of the RPT acquisition, the acquisitions of Dadeland Mall, The Fashion Center at Keystone at the Crossing, and Keystone Shoppes and the 1997 Property openings.

	Occupancy Levels		
December 31,	Regional Malls	Value-Oriented Regional Malls	Community Shopping Centers
1997	87.3%	93.8%	91.3%
1996	84.7	N/A	91.6
1995	85.5	N/A	93.6
1994	85.6	N/A	93.9

Tenant Occupancy Costs. Tenant occupancy costs as a percentage of sales increased slightly from 11.4% in 1996 to 11.5% in 1997 in the regional mall portfolio, excluding the SCA Properties. A tenant's ability to pay rent is affected by the percentage of its sales represented by occupancy costs, which consist of rent and expense recoveries. As sales levels increase, if expenses subject to recovery are controlled, the tenant can pay higher rent. Management believes the Operating Partnership is one of the lowest-cost providers of retail space, which has permitted the rents in both regional malls and community shopping centers to increase without raising a tenant's total occupancy cost beyond its ability to pay. Management believes continuing efforts to increase sales while controlling property operating expenses will continue the trend of increasing rents at the Properties.

Average Base Rents. Average base rents per square foot of mall and freestanding Owned GLA at regional malls increased 28.7%, from $18.37 in 1994 to $23.65 in 1997. Average base rents per square foot of Owned GLA at value-oriented super-regional malls was $16.20 in 1997. In community shopping centers, average base rents of Owned GLA increased 4.5%, from $7.12 in 1994 to $7.44 in 1997.

The following highlights this trend:

	Average Base Rent per Square Foot Mall and Freestanding Stores at:					
Year Ended December 31,	Regional Malls	% Change	Value-Oriented Regional Malls	% Change	Community Shopping Centers	% Change
1997	$23.65	14.4%	$16.20	N/A	$7.44	(2.7%)
1996	20.68	7.8	N/A	N/A	7.65	4.9
1995	19.18	4.4	N/A	N/A	7.29	2.4
1994	18.37	3.8	N/A	N/A	7.12	N/A

Inflation

Inflation has remained relatively low during the past four years and has had a minimal impact on the operating performance of the Properties. Nonetheless, substantially all of the tenants' leases contain provisions designed to lessen the impact of inflation. Such provisions include clauses enabling the 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.

Year 2000 Costs

Management continues to assess the impact of the Year 2000 Issue on its reporting systems and operations. The Year 2000 Issue exists because many computer systems and applications abbreviate dates by eliminating the first two digits of the year, assuming that these two digits would always be "19". Unless corrected, this shortcut would cause problems when the century date occurs. On that date, some computer programs may misinterpret the date January 1, 2000 as January 1, 1900. This could cause systems to incorrectly process critical financial and operational information, or stop processing altogether.

To help facilitate the Operating Partnership's continued growth, substantially all of the computer systems and applications in use in its home office in Indianapolis have been, or are in the process of being, upgraded and modified. The Operating Partnership is of the opinion that, in connection with those upgrades and modifications, it has addressed applicable Year 2000 Issues as they might affect the computer systems and applications located in its home office. The Operating Partnership continues to evaluate what effect, if any the Year 2000 Issue might have at its Portfolio Properties. The Operating Partnership anticipates that the process of reviewing this issue at the Portfolio Properties and the implementation of solutions to any Year 2000 Issue which it may discover will require the expenditure of sums which the Operating Partnership does not expect to be material. Management expects to have all systems appropriately modified before any significant processing malfunctions could occur and does not expect the Year 2000 Issue will materially impact the financial condition or operations of the Operating Partnership.

Definitive Merger Agreement

Effective February 18, 1998, the Company and Corporate Property Investors ("CPI") signed a definitive agreement to merge the two companies. The merger is expected to be completed in the third quarter of 1998 and is subject to approval by the shareholders of the Company as well as customary regulatory and other conditions. A majority of the CPI shareholders have already approved the transaction. Under the terms of the agreement, the shareholders of CPI will receive, in a reverse triangular merger, consideration valued at $179 for each share of CPI common stock held consisting of $90 in cash, $70 in the Company's common stock and $19 worth of 6.5% convertible preferred stock. The common stock component of the consideration is based upon a fixed exchange ratio using the Company's February 18, 1998 closing price of $33 5/8 per share, and is subject to a 15% symmetrical collar based upon the price of the Company's common stock determined at closing. In the event the Company's common stock price at closing is outside the parameters of the collar, an adjustment will be made in the cash component of consideration. The total purchase price, including indebtedness which would be assumed, is estimated at $5.8 billion.

Seasonality

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

Item 7A. Qualitative and Quantitative Disclosure About Market Risk

Reference is made to Item 7 of this Form 10-K under the caption "Liquidity and Capital Resources".

Item 8. Financial Statements and Supplementary Data

Reference is made to the Index to Financial Statements contained in Item 14.

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

None.

Part III

Item 10. Directors and Executive Officers of the Registrant

The general partners of the Operating Partnership are the Company and SD Property Group, Inc., a majority owned subsidiary of the Company. SD Property Group, Inc. is the managing general partner of the Operating Partnership. The directors and executive officers of the Company also hold the same offices with SD Property Group, Inc. The information required by this item is incorporated herein by reference to the Company's Form 10-K/A (Amendment No. 2) and is included under the caption "EXECUTIVE OFFICERS OF THE REGISTRANT" in Part I hereof.

Item 11. Executive Compensation

The information required by this item is incorporated herein by reference to the Company's Form 10-K/A (Amendment No. 2).

Item 12. Security Ownership of Certain Beneficial Owners and Management

The information required by this item is incorporated herein by reference to the Company's Form 10-K/A (Amendment No. 2).

Item 13. Certain Relationships and Related Transactions

The information required by this item is incorporated herein by reference to the Company's Form 10-K/A (Amendment No. 2).

Part IV

Item 14. Exhibits, Financial Statements, Schedules and Reports on Form 8-K

(a) (1) Financial Statements

Report of Independent Public Accountants
Simon DeBartolo Group, L.P. Consolidated Balance Sheets as of December 31, 1997 and 1996
Simon DeBartolo Group, L.P. Consolidated Statements of Operations for the years ended December 31, 1997, 1996 and 1995
Simon DeBartolo Group, L.P. Consolidated Statements of Changes in Partners' Equity for the years ended December 31, 1997, 1996 and 1995
Simon DeBartolo Group, L.P. Consolidated Statements of Cash Flows for the years ended December 31, 1997, 1996 and 1995

Notes to Financial Statements

(2) Financial Statement Schedules

Report of Independent Public Accountants
Schedule III - Schedule of Real Estate and Accumulated Depreciation
Notes to Schedule III

(3) Exhibits

The Exhibit Index attached hereto is hereby incorporated by reference to this Item.

(b) Reports on Form 8-K

Two Forms 8-K were filed during the fourth quarter ended December 31, 1997.

On October 14, 1997. Under Item 5 - Other Events, the Operating Partnership reported that it completed its cash tender offer to purchase all of the outstanding beneficial interests in The Retail Property Trust. In addition, under Item 7 - Financial Statements and Exhibits, the Operating Partnership included, as an exhibit, a press release which outlined additional information regarding the offer.

On October 27, 1997. Under Item 5 - Other Events, the Operating Partnership reported the offering and sale of $150 million aggregate principal amount of its 6 7/8% Notes due October 27, 2005. In addition, under Item 7 - Financial Statements and Exhibits, the Operating Partnership made available, in the form of exhibits, certain documents relating to the issuance of these notes.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To Simon DeBartolo Group, Inc.:

We have audited the accompanying consolidated balance sheets of SIMON DeBARTOLO GROUP, L.P. (a Delaware limited partnership) and subsidiaries as of December 31, 1997 and 1996, and the related consolidated statements of operations, partners' equity and cash flows for each of the three years in the period ended December 31, 1997. These financial statements are the responsibility of the Operating Partnership'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 financial statements referred to above present fairly, in all material respects, the consolidated financial position of Simon DeBartolo Group, L.P. and subsidiaries as of December 31, 1997 and 1996, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1997, in conformity with generally accepted accounting principles.

ARTHUR ANDERSEN LLP

Indianapolis, Indiana
February 17, 1998

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

	December 31, 1997	December 31, 1996
ASSETS:		
Investment properties, at cost	$6,867,354	$5,301,021
Less - accumulated depreciation	461,792	279,072
	6,405,562	5,021,949
Cash and cash equivalents	109,699	64,309
Restricted cash	8,553	6,110
Tenant receivables and accrued revenue, net	188,359	166,119
Notes and advances receivable from Management Company and affiliate	93,809	75,452
Investment in partnerships and joint ventures, at equity	612,140	394,409
Investment in Management Company and affiliates	3,192	0
Other investment	53,785	0
Deferred costs and other assets	164,413	138,492
Minority interest	23,155	29,070
Total assets	$7,662,667	$5,895,910
LIABILITIES:		
Mortgages and other indebtedness	$5,077,990	$3,681,984
Accounts payable and accrued expenses	245,121	170,203
Cash distributions and losses in partnerships and joint ventures, at equity	20,563	17,106
Investment in Management Company and affiliates	0	8,567
Other liabilities	67,694	72,876
Total liabilities	5,411,368	3,950,736
COMMITMENTS AND CONTINGENCIES (Note 14)		
PARTNERS' EQUITY:		
Preferred units, 11,000,000 and 12,000,000 units outstanding, respectively	339,061	292,912
General Partner, 109,643,001 and 96,880,415 units outstanding, respectively	1,231,031	1,017,333
Limited Partners, 61,850,762 and 60,974,050 units outstanding, respectively	694,437	640,283
Unamortized restricted stock award	(13,230)	(5,354)
Total partners' equity	2,251,299	1,945,174
Total liabilities and partners' equity	$7,662,667	$5,895,910

The accompanying notes are an integral part of these statements.

Statements of Operations
Simon DeBartolo Group, L.P. Consolidated

(Dollars in thousands, except per unit amounts)

	For the Year Ended December 31, 1997	1996	1995
REVENUE:			
Minimum rent	$641,352	$438,089	$307,857
Overage rent	38,810	30,810	23,278
Tenant reimbursements	322,416	233,974	192,994
Other income	51,589	44,831	29,528
	1,054,167	747,704	553,657
EXPENSES:			
Property operating	176,846	129,094	96,851
Depreciation and amortization	200,900	135,780	92,739
Real estate taxes	98,830	69,173	53,941
Repairs and maintenance	43,000	31,779	24,614
Advertising and promotion	32,891	24,756	18,888
Merger integration costs	0	7,236	0
Provision for credit losses	5,992	3,460	2,858
Other	18,678	14,914	12,630
	577,137	416,192	302,521
OPERATING INCOME	477,030	331,512	251,136
INTEREST EXPENSE	287,823	202,182	150,224
INCOME BEFORE MINORITY INTEREST	189,207	129,330	100,912
MINORITY INTEREST	(5,270)	(4,300)	(2,681)
GAINS ON SALES OF ASSETS, NET	20	88	1,871
INCOME BEFORE UNCONSOLIDATED ENTITIES	183,957	125,118	100,102
INCOME FROM UNCONSOLIDATED ENTITIES	19,176	9,545	1,403
INCOME BEFORE EXTRAORDINARY ITEMS	203,133	134,663	101,505
EXTRAORDINARY ITEMS	58	(3,521)	(3,285)
NET INCOME	203,191	131,142	98,220
PREFERRED UNIT REQUIREMENT	(29,248)	(12,694)	(1,490)
NET INCOME AVAILABLE TO UNITHOLDERS	$173,943	$118,448	$96,730
NET INCOME AVAILABLE TO UNITHOLDERS ATTRIBUTABLE TO:			
General Partner	$107,989	$72,561	$57,781
Limited Partners	65,954	45,887	38,949
	$173,943	$118,448	$96,730
BASIC EARNINGS PER UNIT:			
Income before extraordinary items	$1.08	$1.02	$1.08
Extraordinary items	--	(0.03)	(0.04)
Net income	$1.08	$0.99	$1.04
DILUTED EARNINGS PER UNIT:			
Income before extraordinary items	$1.08	$1.01	$1.08
Extraordinary items	--	(0.03)	(0.04)
Net income	$1.08	$0.98	$1.04

The accompanying notes are an integral part of these statements.

Statements of Partners' Equity
Simon DeBartolo Group, L.P. Consolidated

(Dollars in thousands)

	Preferred Units	General Partner	Limited Partner	Unamortized Restricted Stock Award	Total Partners' Equity	Limited Partners' Equity Interest
Balance at December 31, 1994	$0	($807,613)	$0	$0	($807,613)	$909,306
General Partner Contributions (9,470,977 units)		216,545			216,545	
Limited Partners' Contributions (120,000 units)					0	(16,869)
Preferred unit contributions, net of issuance costs (4,000,000 units)	99,923				99,923	
Acquisition of Limited Partners' interest and other (333,462 and 334,522 units, respectively)		5,036			5,036	(301)
Stock incentive program (143,311 units)		3,608		(3,605)	3	
Amortization of stock incentive				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 11)		42,848			42,848	(42,848)
Net income	1,490	57,781			59,271	38,949
Distributions	(1,490)	(110,532)			(112,022)	(73,508)
Balance at December 31, 1995	99,923	(686,362)	0	(2,687)	(589,126)	908,764
1996 Adjustment to reflect limited partners' interest at Historical Value (Note 11)		822,072	86,692		908,764	(908,764)
	99,923	135,710	86,692	(2,687)	319,638	0 =========
General Partner Contributions (442,225 units)		10,518			10,518	
Units issued in connection with Merger (37,877,965 and 23,219,012 units, respectively)		922,379	565,448		1,487,827	
Other unit issuances (472,410 units)			275		275	
Preferred units issued, net of issuance costs (8,000,000 units)	192,989				192,989	
Stock incentive program (200,030 units)		4,751		(4,751)	0	
Amortization of stock incentive				2,084	2,084	
Adjustment to allocate net equity of the Operating Partnership		(14,382)	14,382		0	
Net income	12,694	72,561	45,887		131,142	
Distributions	(12,694)	(114,142)	(72,401)		(199,237)	
Other		(62)			(62)	
Balance at December 31, 1996	292,912	1,017,333	640,283	(5,354)	1,945,174	
General Partner Contributions (6,311,273 units)		200,920			200,920	
Units issued in connection with						

acquisitions (2,193,037 and 876,712, respectively)		70,000	26,408		96,408
Stock incentive program (448,753 units)		14,016		(13,262)	754
Amortization of stock incentive				5,386	5,386
Preferred units issued, net of issuance costs (3,000,000 units)	146,072				146,072
Conversion of 4,000,000 Series A preferred units into 3,809,523 common units	(99,923)	99,923			0
Adjustment to allocate net equity of the Operating Partnership		(82,869)	82,869		0
Unrealized gain on long-term investments		2,420	1,365		3,785
Net income	29,248	107,989	65,954		203,191
Distributions	(29,248)	(198,701)	(122,442)		(350,391)
Balance at December 31, 1997	$339,061	$1,231,031	$694,437	($13,230)	$2,251,299

The accompanying notes are an integral part of these statements.

Statements of Cash Flows
Simon DeBartolo Group, L.P. Consolidated

(Dollars in thousands)

	For the Year Ended December 31, 1997	1996	1995
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 203,191	$ 131,142	$ 98,220
Adjustments to reconcile net income to net cash provided by operating activities-			
Depreciation and amortization	208,539	143,582	101,262
Extraordinary items	(58)	3,521	3,285
Gains on sales of assets, net	(20)	(88)	(1,871)
Straight-line rent	(9,769)	(3,502)	(1,126)
Minority interest	5,270	4,300	2,681
Equity in income of unconsolidated entities	(19,176)	(9,545)	(1,403)
Changes in assets and liabilities-			
Tenant receivables and accrued revenue	(23,284)	(6,422)	5,502
Deferred costs and other assets	(30,203)	(12,756)	(14,290)
Accounts payable, accrued expenses and other liabilities	36,417	(13,768)	2,076
Net cash provided by operating activities	370,907	236,464	194,336
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisitions	(980,427)	(56,069)	(88,272)
Capital expenditures	(305,178)	(195,833)	(98,220)
Cash from DRC Merger, acquisitions and consolidation of joint ventures, net	19,744	37,053	4,346
Change in restricted cash	(2,443)	1,474	0
Proceeds from sale of assets	599	399	2,550
Investments in unconsolidated entities	(47,204)	(62,096)	(22,180)
Distributions from unconsolidated entities	144,862	36,786	6,214
Investments in and advances (to)/from Management Company	(18,357)	38,544	(27,117)
Other investing activities	(55,400)	0	0
Net cash used in investing activities	(1,243,804)	(199,742)	(222,679)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Partnership contributions	344,438	201,704	242,377
Partnership distributions	(350,391)	(257,403)	(177,726)
Minority interest distributions, net	(219)	(5,115)	(3,680)
Mortgage and other note proceeds, net of transaction costs	2,976,222	1,293,582	456,520
Mortgage and other note principal payments	(2,030,763)	(1,267,902)	(531,566)
Other refinancing transaction	(21,000)	0	0
Net cash provided by (used in) financing activities	918,287	(35,134)	(14,075)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	45,390	1,588	(42,418)
CASH AND CASH EQUIVALENTS, beginning of period	64,309	62,721	105,139
CASH AND CASH EQUIVALENTS, end of period	$ 109,699	$ 64,309	$ 62,721

The accompanying notes are an integral part of these statements.

(Dollars in thousands, except per share/unit amounts)

1. Organization

Simon DeBartolo Group, L.P. ("the Operating Partnership") is a subsidiary partnership of Simon DeBartolo Group, Inc. (the "Company"). The 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. The Company, formerly known as Simon Property Group, Inc., is a self-administered and self-managed real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code"). On August 9, 1996, the Company acquired the national shopping center business of DeBartolo Realty Corporation ("DRC"), The Edward J. DeBartolo Corporation and their affiliates as the result of the DRC Merger. (see Note 3)

On December 31, 1997, Simon Property Group, L.P., a Delaware limited partnership ("SPG, LP"), merged (the "Partnership Merger") into the Operating Partnership. Prior to the Partnership Merger, the Operating Partnership and the Company held all of the partnership interests of SPG, LP, which held interests in certain of the Portfolio Properties (as defined below). As a result of the Partnership Merger, the Operating Partnership now directly or indirectly owns or holds interests in all of the Portfolio Properties and directly holds substantially all of the economic interest in the Management Company (described below).

As of December 31, 1997, the Operating Partnership owns or holds an interest in 202 income-producing properties, which consist of 120 regional malls, 72 community shopping centers, three specialty retail centers, four mixed-use properties and three value-oriented super-regional malls in 33 states (the "Properties"). The Operating Partnership also owns interests in one specialty retail center and two community centers currently under construction and nine parcels of land held for future development (collectively, the "Development Properties", and together with the Properties, the "Portfolio Properties"). At December 31, 1997 and 1996, the Company's ownership interest in the Operating Partnership was 63.9% and 61.4%, respectively. The Operating Partnership also holds substantially all of the economic interest in M.S. Management Associates, Inc. (the "Management Company"). See Note 7 for a description of the activities of the Management Company.

The Operating Partnership is subject to risks incidental 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 Operating Partnership's regional malls and community shopping centers rely heavily upon anchor tenants. As of December 31, 1997, 248 of the approximately 715 anchor stores in the Properties were occupied by three retailers. An affiliate of one of these retailers is a limited partner in the Operating Partnership and the Chief Operating Officer of another of these retailers is a director of the Company.

2. Basis of Presentation

The accompanying consolidated financial statements of the Operating Partnership include all accounts of all entities owned or controlled by the Operating Partnership. All significant intercompany amounts have been eliminated. The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles, which requires management to make estimates and assumptions that affect the reported amounts of the Operating Partnership's assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported periods. Actual results could differ from these estimates.

Properties which are wholly-owned ("Wholly-Owned Properties") or owned less than 100% and are controlled by the Operating Partnership ("Minority Interest Properties") are accounted for using the consolidated method of accounting. 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 noncontrolling 14.7% to 50.0% ownership interests ("Joint Venture Properties") and the investment in the Management Company (see Note 7) 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.

Net operating results of the Operating Partnership are allocated after preferred distributions (see Note 11), based on its partners' ownership interests. The Company's weighted average ownership interest in the Operating Partnership during 1997, 1996 and 1995 was 62.1%, 61.2% and 60.3%, respectively. At December 31, 1997 and 1996, the Company's ownership interest was 63.9% and 61.4%, respectively.

The deficit minority interest balance in the accompanying Consolidated Balance Sheets represents outside partners' interests in the net equity of certain 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. The DRC Merger and Real Estate Acquisitions and Developments

The DRC Merger

On August 9, 1996, the Company acquired the national shopping center business of DRC for an aggregate value of $3.0 billion (the "DRC Merger"). The acquired portfolio consisted of 49 regional malls, 11 community centers and 1 mixed-use Property. These Properties included 47,052,267 square feet of retail space gross leasable area ("GLA") and 558,636 of office GLA. Pursuant to the DRC Merger, the Company acquired all the outstanding common stock of DRC (55,712,529 shares), at an exchange ratio of 0.68 shares of the Company's common stock for each share of DRC common stock (the "Exchange Ratio"). A total of 37,873,965 shares of the Company's common stock was issued by the Company, to the DRC shareholders. DRC and the acquisition subsidiary merged. DRC became a 99.9% subsidiary of the Company and changed its name to SD Property Group, Inc. This portion of the transaction was valued at approximately $923,179, based upon the number of DRC shares of common stock acquired (55,712,529 shares), the Exchange Ratio and the last reported sales price of the Company's common stock on August 9, 1996 ($24.375). In connection therewith, the Company changed its name to Simon DeBartolo Group, Inc.

In connection with the DRC Merger, the general and limited partners of SPG, LP contributed 49.5% (47,442,212 units of partnership interest) of the total outstanding units of partnership interest ("Units") 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 was changed to Simon DeBartolo Group, L.P. ("SDG, LP"). As used herein, the term Units does not include units of partnership interest entitled to preferential distribution of cash ("Preferred Units") (see Note 11). The Company retained a 50.5% partnership interest (48,400,641 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 38.0% (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' 38.0% 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 $566,900). The Units of SDG, LP may under certain circumstances be exchangeable for common 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), the Exchange Ratio and the last reported sales price per share of the Company'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 DRC 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 became the managing general partner of SPG, LP with 24.3% (37,873,965 Units in SPG, LP) of the outstanding partnership Units in SPG, 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 DRC 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 DRC 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 $1.5 billion, including related transaction costs. The purchase price was allocated to the fair value of the assets and liabilities. Final adjustments to the purchase price allocation were not completed until 1997, however no material changes were recorded in 1997.

Although the Company was the accounting acquirer, SDG, LP (formerly DRP, LP) became the primary operating partnership through which the business of the Company is being conducted. As a result of the DRC 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 was absorbed by public Company costs and related expenses incurred by the Company. However, because the Company was the accounting acquirer and, upon completion of the DRC Merger, acquired majority control of SDG, LP; SPG, LP is the predecessor to SDG, LP for financial reporting purposes. Accordingly, the financial statements of SDG, LP for the post-Merger periods reflect the reverse acquisition of DRP, LP by the Company and for all pre-Merger comparative periods, the financial statements of SDG, LP reflect the financial statements of SPG, LP as the predecessor to SDG, LP for financial reporting purposes.

As described in Note 1, on December 31, 1997, SPG, LP merged into the Operating Partnership and as a result, the Operating Partnership now directly or indirectly owns or holds interests in all of the Portfolio Properties and directly holds substantially all of the economic interest in the Management Company.

Acquisitions

On January 26, 1998, the Operating Partnership acquired a regional mall in Pensacola, Florida for $87,283, which included Units valued at $55,523 and the assumption of $28,935 of mortgage indebtedness.

On September 29, 1997, the Operating Partnership completed its cash tender offer for all of the outstanding shares of beneficial interests of The Retail Property Trust ("RPT"). RPT owned 98.8% of Shopping Center Associates ("SCA"), which owned or had interests in twelve regional malls and one community center, comprising approximately twelve million square feet of GLA in eight states. Following the completion of the tender offer, the SCA portfolio was restructured. The Operating Partnership exchanged its 50% interests in two SCA properties to a third party for similar interests in two other SCA properties, in which it had 50% interests, with the result that SCA now owns interests in a total of eleven properties. Effective November 30, 1997, the Operating Partnership also acquired the remaining 50% ownership interest in another of the SCA properties. In addition, an affiliate of the Operating Partnership acquired the remaining 1.2% interest in SCA. At the completion of these transactions, the Operating Partnership now owns 100% of ten of the eleven SCA properties, and a noncontrolling 50% ownership interest in the remaining property. The total cost for the acquisition of RPT and related transactions is estimated at $1,300,000, which includes shares of common stock of the Company valued at approximately $50,000, Units valued at approximately $25,300, the assumption of $398,500 of consolidated indebtedness and the Operating Partnership's pro rata share of joint venture indebtedness of $76,750. Final adjustments to the purchase price allocation were not completed at December 31, 1997. While no material changes to the allocation are anticipated, changes will be recorded in 1998.

Also in 1997, the Operating Partnership acquired a 100% ownership interest in the Fashion Mall at Keystone at the Crossing, along with an adjacent community center, the remaining 30% ownership interest and management contract of Virginia Center Commons, a noncontrolling 50% ownership of Dadeland Mall and an additional noncontrolling 48% ownership interest of West Town Mall, increasing its total ownership interest to 50%. The Operating Partnership paid an aggregate purchase price of approximately $322,000 for these Properties, which included Units valued at $1,100, common stock of the Company valued at approximately $20,000 and the assumption of $64,772 of mortgage indebtedness, with the remainder paid in cash.

In 1996, the Operating Partnership acquired the remaining 50% ownership interest in two regional malls at an aggregate purchase price of $113,100 plus 472,410 Units.

During 1995, the Operating Partnership acquired the remaining ownership interest in two regional malls, an additional controlling 50% interest in a third mall and a controlling 75% ownership interest in a joint venture redevelopment project. The aggregate purchase price for the regional mall interests acquired included $18,500; 2,142,247 Units; and the assumption of $41,250 of mortgage indebtedness. The 75% interest in the redevelopment project was acquired for $11,406.

Developments

During 1997, the Operating Partnership opened four new Joint Venture Properties at an aggregate cost of approximately $550,000 (of which the Operating Partnership's share was approximately $206,000): Indian River Commons, an approximately 260,000 square-foot community center, which is immediately adjacent to an existing regional mall Property, opened in March of 1997; The Source, an approximately 730,000 square-foot regional mall opened in September; Grapevine Mills, a 1.2 million square-foot value-oriented super-regional mall, opened in October; and Arizona Mills, a 1.2 million square-foot value-oriented super-regional mall, opened in November.

During 1996, the Operating Partnership opened one new approximately $75,000 Wholly-Owned Property and three Joint Venture Properties at an aggregate cost of approximately $250,000 (of which the Operating Partnership's share was approximately $83,000): Cottonwood Mall, an approximately 750,000 square-foot wholly-owned regional mall opened in July; Ontario Mills, an approximately 1.3 million square-foot value oriented super-regional mall, opened in November; Indian River Mall, an approximately 750,000 square-foot regional mall, also opened in November; and The Tower Shops, an approximately 60,000 square-foot specialty retail center, opened in November as well.

The Operating Partnership also opened three new Joint Venture Properties during 1995 at an aggregate cost of approximately $370,000 (of which the Operating Partnership's share was approximately $133,000): Circle Centre, an approximately 800,000 square-foot regional mall, opened in September; Seminole Towne Center, an approximately 1.1 million square-foot regional mall, also opened in September; and Lakeline Mall, an approximately 1.1 million square-foot regional mall, opened in October.

Pro Forma

The following unaudited pro forma summary financial information combines the consolidated results of operations of the Operating Partnership as if the DRC Merger and the RPT acquisition had occurred as of January 1, 1996, and were carried forward through December 31, 1997. Preparation of the pro forma summary information was based upon assumptions deemed appropriate by the Operating Partnership. The pro forma summary information is not necessarily indicative of the results which actually would have occurred if the DRC Merger and the RPT acquisition had been consummated at January 1, 1996, nor does it purport to represent the future financial position and results of operations for future periods.

	Year Ended December 31, 1997	1996
Revenue	$ 1,172,082	$ 1,099,903
Net income available for Unitholders attributable to:		
General Partner	103,118	86,845
Limited Partners	63,006	54,690
Total	$ 166,124	$ 141,535
Net income per Unit	$ 1.02	$ 0.89
Net income per Unit - assuming dilution	$ 1.02	$ 0.89
Weighted average number of Units outstanding	163,186,832	159,449,229
Weighted average number of Units outstanding - assuming dilution	163,570,896	159,584,761

4. Summary of Significant Accounting Policies

Investment Properties

Investment Properties are recorded at cost (predecessor cost for Properties acquired from Melvin Simon, Herbert Simon and certain of their affiliates (the "Simons")). Investment Properties for financial reporting purposes are reviewed for impairment on a Property-by-Property basis whenever events or changes in circumstances indicate that the carrying value of investment Properties may not be recoverable. 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 fair value will be charged to income. The Operating Partnership adopted Statement of Financial Accounting Standards ("SFAS") No. 121 (Accounting for Impairment of

Long-Lived Assets and for Long-Lived Assets to be Disposed Of) on January 1, 1996. The adoption of this pronouncement had no impact on the accompanying consolidated financial statements.

Investment Properties include costs of acquisitions, development and predevelopment, construction, tenant allowances and 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, which is generally 35 years or the term of the applicable tenant's lease in the case of tenant inducements. Depreciation on tenant allowances and improvements is provided utilizing the straight-line method over the term 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 Operating Partnership during 1997, 1996 and 1995 was $11,589, $5,831 and $1,515, respectively.

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. Deferred costs consist of the following:

	December 31, 1997	December 31, 1996
Deferred financing costs	$ 72,348	$ 64,931
Leasing costs and other	121,060	97,380
	193,408	162,311
Lessaccumulated amortization	87,666	70,386
Deferred costs, net	$ 105,742	$ 91,925

Interest expense in the accompanying Consolidated Statements of Operations includes amortization of deferred financing costs of $8,338, $8,434 and $8,523 for 1997, 1996 and 1995, respectively, and has been reduced by amortization of debt premiums and discounts of $699, $632 and $0 for 1997, 1996 and 1995, respectively.

Revenue Recognition

The 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.

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 during 1997, 1996 and 1995 was as follows:

Year Ended	Balance at Beginning of Year	Provision for Credit Losses	Accounts Written Off	Balance at End of Year
December 31, l997	$ 7,918	$ 5,992	$ (106)	$ 13,804
December 31, l996	$ 5,485	$ 3,460	$(1,027)	$ 7,918
December 31, l995	$ 4,169	$ 2,858	$(1,542)	$ 5,485

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.

Taxable income of the Operating Partnership for the year ended December 31, 1997, is estimated to be $160,000 and was $164,008 and $100,915 for the years ended 1996 and 1995, respectively. 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 Operating Partnership's share of income or loss from the affiliated Management Company is excluded from the tax return of the Operating Partnership.

Per Unit Data

The Operating Partnership adopted SFAS No. 128 (Earnings Per Share) in the current period. Basic earnings 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 1997, 1996 and 1995 was 161,022,887; 120,181,895; and 92,666,469, respectively. In accordance with SFAS No. 128, diluted earnings per Unit is based on the weighted average number of Units outstanding combined with the incremental weighted average Units that would have been outstanding if all dilutive potential Units would have been converted into Units at the earliest date possible. The diluted weighted average number of Units used in the computation for 1997, 1996 and 1995 was 161,406,951; 120,317,426; and 92,776,083, respectively. Units may be exchanged for shares of common stock of the Company on a one-for-one basis in certain circumstances and therefore are not dilutive (see Note 11). The Preferred Units have not been considered in the computations of diluted earnings per Unit for any of the periods presented, as they did not have a dilutive effect. Accordingly, the increase in weighted average Units outstanding under the diluted method over the basic method in every period presented for the Operating Partnership is due entirely to the effect of outstanding options under both the Employee Plan and the Director Plan (see Note 12). There were no changes in earnings from basic earnings per Unit to diluted earnings per Unit for any of the periods presented.

It is the Operating Partnership's policy to accrue distributions when they are declared. The Operating Partnership declared distributions in 1997 aggregating $2.01 per Unit. In 1996 accrued distributions totaled $1.63 per Unit, which included a $0.1515 distribution on August 9, 1996, in connection with the DRC Merger, designated to align the time periods of distribution payments of the merged companies. The current annual distribution rate is $2.02 per Unit. The following is a summary of distributions per Unit declared in 1997 and 1996, which represented a return of capital measured using generally accepted accounting principles:

	For the Year Ended December 31,	
Distributions per Unit	1997	1996
From book net income	$ 1.08	$ 0.99
Representing return of capital	0.93	0.64
Total distributions	$ 2.01	$ 1.63

On a federal income tax basis, 35% of the 1997 distributions and 64% of the 1996 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 cash and cash equivalents. Cash equivalents are carried at cost, which approximates market value. Cash equivalents generally consist of commercial paper, bankers acceptances, Eurodollars, repurchase agreements and Dutch auction securities. Cash and cash equivalents do not include restricted cash of $8,553 and $6,110 as of December 31, 1997 and 1996, respectively. Cash is restricted at December 31, 1997 primarily to pay for construction costs for the phase II expansion of The Forum Shops at Caesar's, and in 1996 cash was restricted primarily for renovations, redevelopment and other activities of the 17 properties which collateralized the commercial pass-through certificates that were retired in 1997 (see Note 9).

Cash paid for interest, net of any amounts capitalized, during 1997, 1996 and 1995 were $282,501; $197,796; and $142,345, respectively.

Noncash Transactions

Please refer to Notes 3 and 11 for a discussion of noncash transactions.

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.

5. Investment Properties

Investment properties consist of the following:

	December 31, 1997	December 31, 1996
Land	$1,253,953	$1,003,221
Buildings and improvements	5,560,112	4,270,244
Total land, buildings and improvements	6,814,065	5,273,465
Furniture, fixtures and equipment	53,289	27,556
Investment properties at cost	6,867,354	5,301,021
Less-accumulated depreciation	461,792	279,072
Investment properties at cost, net	$6,405,562	$5,021,949

Building and improvements includes $158,609 and $86,461 of construction in progress at December 31, 1997 and 1996, respectively.

6. Investment in Partnerships and Joint Ventures

As of December 31, 1997 and 1996, the unamortized excess of the Operating Partnership's investment over its share of the equity in the underlying net assets of the partnerships and joint ventures ("Excess Investment") was approximately $364,119 and $232,927, respectively. This Excess Investment is being amortized generally over the life of the related Properties. Amortization included in income from unconsolidated entities for the years ended December 31, 1997 and 1996 was $13,878 and $5,127, respectively.

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

BALANCE SHEETS	DECEMBER 31, 1997	1996
ASSETS:		
Investment properties at cost, net	$2,734,686	$1,887,555
Cash and cash equivalents	101,582	61,267
Tenant receivables	87,008	58,548
Other assets	71,873	69,365
Total assets	$2,995,149	$2,076,735
LIABILITIES AND PARTNERS' EQUITY:		
Mortgages and other notes payable	$1,888,512	$1,121,804
Accounts payable, accrued expenses and other liabilities	212,543	213,394
Total liabilities	2,101,055	1,335,198
Partners' equity	894,094	741,537
Total liabilities and partners' equity	$2,995,149	$2,076,735
THE OPERATING PARTNERSHIP'S SHARE OF:		
Total assets	$1,009,691	$602,084
Partners' equity	$227,458	$144,376
Add: Excess Investment	364,119	232,927
Operating Partnership's net Investment in Joint Ventures	$591,577	$377,303

STATEMENTS OF OPERATIONS	FOR THE YEAR ENDED DECEMBER 31, 1997	1996	1995
REVENUE:			
Minimum rent	$256,100	$144,166	$83,905
Overage rent	10,510	7,872	2,754
Tenant reimbursements	120,380	73,492	39,500
Other income	19,364	11,178	13,980
Total revenue	406,354	236,708	140,139
OPERATING EXPENSES:			
Operating expenses and other	144,256	88,678	46,466
Depreciation and amortization	85,423	50,328	26,409
Total operating expenses	229,679	139,006	72,875
OPERATING INCOME	176,675	97,702	67,264
INTEREST EXPENSE	96,675	48,918	28,685
EXTRAORDINARY ITEMS	(1,925)	(1,314)	(2,687)
NET INCOME	$78,075	$47,470	$35,892
THIRD-PARTY INVESTORS' SHARE OF NET INCOME	55,507	38,283	30,752
THE OPERATING PARTNERSHIP'S SHARE OF NET INCOME	$22,568	$9,187	$5,140
AMORTIZATION OF EXCESS INVESTMENT	13,878	5,127	--
INCOME FROM UNCONSOLIDATED ENTITIES	$8,690	$4,060	$5,140

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 interests held by each general or limited partner or joint venturer, primarily due to partner preferences. The Operating Partnership receives substantially all of the economic benefit of Biltmore Square, Chesapeake Square, Northfield Square and Port Charlotte Town Center, resulting from advances made to these joint ventures.

7. Investment in Management Company

The Operating Partnership holds 80% of the outstanding common stock, 5% of the outstanding voting common stock, and all of the preferred stock of the Management Company. The remaining 20% of the outstanding common stock of the Management Company (representing 95% of the voting common stock) is owned directly by Melvin Simon, Herbert Simon and David Simon. The Management Company, including its consolidated subsidiaries, provides management, leasing, development, accounting, legal, marketing and management information systems services to one Wholly-Owned Property and 27 Minority Interest and Joint Venture Properties, Melvin Simon & Associates, Inc. ("MSA"), and certain other nonowned properties. Because the 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.

In connection with the DRC Merger, the Management Company purchased 95% of the voting stock (665 shares of common stock) of DeBartolo Properties Management, Inc. ("DPMI"), a DRC management company, for $2,500 in cash. DPMI provides architectural, design, construction and other services primarily to the Properties. During 1996, DPMI formed a captive insurance company, which provided property damage and general liability insurance for certain Properties in 1997 and 1996. The Operating Partnership paid a total of $9,628 and $2,383 to this wholly-owned subsidiary of the Management Company for insurance coverage during 1997 and 1996, respectively. The Management Company accounts for both DPMI and the captive insurance company using the consolidated method of accounting.

During 1995, the Management Company liquidated its interest in a partnership investment which held a 9.8-acre parcel of land, resulting in a loss of $958 to the Management Company. Further, an undeveloped two-acre parcel of land, for which the Management Company held a mortgage, was sold in December 1995, resulting in a loss of $3,949 for the Management Company.

Management, development and leasing fees charged to the Operating Partnership relating to the Minority Interest Properties were $8,343, $6,916 and $5,353 for the years ended December 31, 1997, 1996 and 1995, respectively. Architectural, contracting and engineering fees charged to the Operating Partnership for 1997 and 1996 were $67,258 and $21,650, respectively. Fees for services provided by the Management Company to MSA were $3,073, $4,000 and $4,572 for the years ended December 31, 1997, 1996 and 1995, respectively.

At December 31, 1997 and 1996, total notes receivable and advances due from the Management Company and consolidated affiliates were $93,809 and $75,452, respectively, which included $11,474 due from DPMI in 1997 and 1996. Unpaid interest income receivable from the Management Company at December 31, 1997 and 1996, was $485 and $0, respectively. All preferred dividends due from the Management Company were paid by December 31, 1997 and 1996.

Summarized consolidated financial information of the Management Company and a summary of the Operating Partnership's investment in and share of income (loss) from the Management Company follows.

	DECEMBER 31,	
BALANCE SHEET DATA:	1997	1996
Total assets	$137,750	$110,263
Notes payable to the Operating Partnership at 11%, due 2008	66,859	63,978
Shareholders' equity (deficit)	482	(11,879)
THE OPERATING PARTNERSHIP'S SHARE OF:		
Total assets	$128,596	$96,316
Shareholders' equity (deficit)	$3,088	$(13,567)

OPERATING DATA:	FOR THE YEAR ENDED DECEMBER 31, 1997	1996	1995
Total revenue	85,542	78,665	43,118
Operating Income	13,766	9,073	1,986
Net Income (Loss) Available for Common Shareholders	$12,366	$7,673	$(4,321)
The Operating Partnership's Share of Net Income (Loss) after intercompany profit elimination	$10,486	$5,485	$(3,737)

The Operating Partnership manages substantially all Wholly-Owned Properties and substantially all of the Minority Interest and Joint Venture Properties that were owned by DRC prior to the DRC Merger, and, accordingly, it reimburses the Administrative Services Partnership ("ASP"), a subsidiary of the Management Company, 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 Operating Partnership and 99% by the Management Company. The Management Company records costs net of amounts reimbursed by the Operating Partnership. Common costs are allocated based on payroll and related costs. In management's opinion, allocations under the cost-sharing arrangement are reasonable. The Operating Partnership's share of allocated common costs was $35,341, $29,262 and $21,874 for 1997, 1996 and 1995, respectively.

Amounts payable by the Operating Partnership under the cost-sharing arrangement and management contracts were $1,725 and $3,288 at December 31, 1997 and 1996, respectively, and are reflected in accounts payable and accrued expenses in the accompanying Consolidated Balance Sheets.

8. Other Investment

On June 16, 1997, the Operating Partnership purchased 1,408,450 shares of common stock of Chelsea GCA Realty, Inc. ("Chelsea"), a publicly traded REIT, for $50,000 using borrowings from the Operating Partnership's Credit Facility (see below). The shares purchased represent approximately 9.2% of Chelsea's outstanding common stock. In addition, the Operating Partnership and Chelsea announced that they have formed a strategic alliance to develop and acquire manufacturer's outlet shopping centers with 500,000 square feet or more of GLA in the United States. In accordance with SFAS No. 115 "Accounting for Certain Investments in Debt and Equity Securities", the Operating Partnership's shares of Chelsea stock are classified as `available-for-sale securities'. Accordingly, the investment is being reflected at its market value of $53,785, as of December 31, 1997, in the accompanying consolidated balance sheets in other investments. Management currently does not intend to sell these securities. The unrealized gain of $3,785 is reflected in partners' equity.

9. Indebtedness

Mortgages and other notes payable consist of the following:

	December 31, 1997	December 31, 1996
FIXED-RATE DEBT		
Mortgages, net	$2,006,552	$2,076,428
Unsecured public notes, net	905,547	249,161
Medium-term notes, net	279,229	--
Commercial mortgage pass-through certificates, net	175,000	377,650
6 3/4% Putable Asset Trust Securities, net	101,297	101,472
Total fixed-rate debt	3,467,625	2,804,711
VARIABLE-RATE DEBT		
Mortgages, net	451,820	561,985
Credit facility	952,000	230,000
Unsecured term loans	133,000	--
Commercial mortgage pass-through certificates, net	50,000	85,288
Construction loan	23,545	--
Total variable-rate debt	1,610,365	877,273
Total mortgages and other notes payable	$5,077,990	$3,681,984

Fixed-Rate Debt

Mortgage Loans & Other Notes. The fixed-rate mortgage loans bear interest ranging from 5.81% to 10.00% (weighted average of 7.71% at December 31, 1997), require monthly payments of principal and/or interest and have various due dates through 2027 (average maturity of 6.5 years). Certain of the Properties are pledged as collateral to secure the related mortgage note. The fixed and variable mortgage notes are nonrecourse and certain ones have partial guarantees by affiliates of approximately $583,158. Certain of the Properties are cross-defaulted and cross-collateralized as part of a group of properties. Under certain of the cross-default provisions, a default under any mortgage included in the cross-defaulted package may constitute a default under all such mortgages and may lead to acceleration of the indebtedness due on each Property within the collateral package. Certain of the Properties are subject to financial performance covenants relating to debt-to-market capitalization, minimum earnings before interest, taxes, depreciation and amortization ("EBITDA") ratios and minimum equity values.

Unsecured Notes. The Operating Partnership has consolidated nonconvertible investment-grade unsecured debt securities aggregating $905,547 (the "Notes") at December 31, 1997. The Notes pay interest semiannually, and bear interest rates ranging from 6.75% to 7.625% (weighted average of 6.95%), and have various due dates through 2009 (average maturity of 8.2 years). Certain of the Notes are guaranteed by the Operating Partnership and contain leverage ratios and minimum EBITDA and unencumbered EBITDA ratios.

The Operating Partnership currently has $850,000 remaining available for issuance on its debt shelf registration statement.

Medium-Term Notes. On May 15, 1997, the Operating Partnership established a Medium-Term Note ("MTN") program. On June 24, 1997, the Operating Partnership completed the sale of $100,000 of notes under the MTN program, which bear interest at 7.125% and have a stated maturity of June 24, 2005. On September

10, 1997, the Operating Partnership issued an additional $180,000 principal amount of notes under its MTN program. These notes mature on September 20, 2007 and bear interest at 7.125% per annum. The net proceeds from each of these sales were used primarily to pay down the Credit Facility (defined below).

Commercial Mortgage Pass-Through Certificates. Prior to September 2, 1997, DeBartolo Capital Partnership ("DCP"), a Delaware general partnership whose interest is owned 100% by affiliated entities, held commercial mortgage pass-through certificates in the face amount of approximately $453,000. This debt was secured by assets of 17 of the Wholly-Owned Properties. On September 2, 1997, the Operating Partnership refinanced these certificates along with a $48,000 mortgage loan, resulting in releases of mortgages encumbering 18 of the Properties.

The Operating Partnership subsequently issued a series of six classes of commercial mortgage pass-through certificates cross-collaterallized by seven of such Properties, which matures on December 19, 2004. Five of the six classes totaling $175,000 bear fixed interest rates ranging from 6.716% to 8.233%, with the remaining $50,000 class bearing interest at LIBOR plus 0.365%. In addition, the Operating Partnership used the net proceeds from the sale of the $180,000 MTN's described above and net borrowings under the Credit Facility of approximately $114,000 to retire the original certificates and the $48,000 mortgage loan.

6 3/4% Putable Asset Trust Securities (PATS). The PATS, issued December 1996, pay interest semiannually at 6.75% and mature in 2003. These notes contain leverage ratios and minimum EBITDA and unencumbered EBITDA ratios.

Variable-Rate Debt

Mortgages and Other Notes. The variable-rate mortgage loans and other notes bear interest ranging from 6.00% to 7.74% (weighted average of 6.58% at December 31, 1997) and are due at various dates through 2004 (average maturity of 2.5 years). Certain of the Properties are subject to collateral, cross-default and cross-collateral agreements, participation agreements or other covenants relating to debt-to-market capitalization, minimum EBITDA ratios and minimum equity values.

Credit Facility. The Operating Partnership has a $1,250,000 unsecured revolving credit facility (the "Credit Facility") which initially matures in September of 1999, with a one-year extension available at the option of the Operating Partnership. The Credit Facility bears interest at LIBOR plus 65 basis points. The maximum and average amounts outstanding during 1997 under the Credit Facility were $952,000 and $461,362, respectively. The Credit Facility is primarily used for funding acquisition, renovation and expansion and predevelopment opportunities. At December 31, 1997, the Credit Facility had an effective interest rate of 6.56%, with $284,300 available after outstanding borrowings and letters of credit. The Credit Facility contains financial covenants relating to a capitalization value, minimum EBITDA and unencumbered EBITDA ratios and minimum equity values.

Unsecured Term Loans. The Operating Partnership has two unsecured term loans outstanding at December 31, 1997. On June 30, 1997, the Operating Partnership closed a $70,000 unsecured term loan which bears interest at LIBOR plus 0.75% and matures on September 29, 1998. On September 17, 1997, the Operating Partnership retired a $63,000 mortgage loan secured by Lincolnwood Towne Center with a second unsecured term loan, which bears interest at LIBOR plus 0.75% and matures on January 31, 1999.

Debt Maturity and Other

As of December 31, 1997, scheduled principal repayments on indebtedness were as follows:

1998	$ 390,835
1999	1,209,011
2000	291,740
2001	250,091
2002	496,321
Thereafter	2,442,335
Total principal maturities	5,080,333
Net unamortized debt premiums	(2,343)
Total mortgages and other notes payable	$ 5,077,990

Debt premiums and discounts are being amortized over the terms of the related debt instruments. Certain mortgages and notes payable may be prepaid but are generally subject to a prepayment of a yield-maintenance premium.

The unconsolidated partnerships and joint ventures have $1,888,512 and $1,121,804 of mortgages and other notes payable at December 31, 1997 and 1996, respectively. The Operating Partnership's share of this debt was $770,776 and $448,218 at December 31, 1997 and 1996, respectively. This debt becomes due in installments over various terms extending to December 28, 2009, with interest rates ranging from 6.09% to 9.75% (weighted average rate of 7.34% at December 31, 1997). The debt matures $228,626 in 1998; $20,490 in 1999; $222,076 in 2000; $228,475 in 2001; $310,681 in 2002; and $878,164 thereafter.

The $58 net extraordinary gain in 1997 results from a $31,136 gain realized on the forgiveness of debt and an $8,409 gain from write-offs of net unamortized debt premiums, partially offset by the $21,000 acquisition of the contingent interest feature on four loans, and $18,487 of prepayment penalties and write-offs of mortgage costs associated with early extinguishments of debt. In addition, net extraordinary losses resulting from the early extinguishment or refinancing of debt of $3,521 and $3,285 were incurred for the years ended December 31, 1996 and 1995, respectively.

Interest Rate Protection Agreements

The 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 mortgages and other notes payable. Cap arrangements, which effectively limit the amount by which variable interest rates may rise, have been entered into for $380,379 principal amount of consolidated debt and cap LIBOR at rates ranging from 5.0% to 16.765% through the related debt's maturity. One swap arrangement, which effectively fixes the Operating Partnership's interest rates on the respective borrowings, has been entered into for $50,000 principal amount of consolidated debt, which matures September 2001. In addition, interest rate protection agreements which effectively fix the interest rates on an additional $148,000 of consolidated variable-rate debt were obtained in January of 1998. Costs of the caps ($7,580) are amortized over the life of the agreements. The unamortized balance of the cap arrangements was $2,006 as of December 31, 1997. The Operating Partnership's hedging activity as a result of interest swaps and caps resulted in net interest savings of $1,586, $2,165 and $3,528 for the years ended December 31, 1997, 1996 and 1995, respectively. This did not materially impact the Operating Partnership's weighted average borrowing rate.

Fair Value of Financial Instruments

The carrying value of variable-rate mortgages and other loans represents their fair values. The fair value of fixed-rate mortgages and other notes payable was approximately $3,900,000 and $3,000,000 at December 31, 1997 and 1996, respectively. The fair value of the interest rate protection agreements at December 31, 1997 and 1996, was ($692) and $5,616, respectively. At December 31, 1997 and 1996, the estimated discount rates were 6.66% and 7.25%, respectively.

10. Rentals under Operating Leases

The Operating Partnership receives rental income from the leasing of retail and mixed-use space under operating leases. Future minimum rentals to be received under noncancelable 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, 1997, are as follows:

1998	$ 623,652
1999	580,561
2000	521,398
2001	469,331
2002	420,169
Thereafter	1,768,777
	$ 4,383,888

Approximately 2.9% of future minimum rents to be received are attributable to leases with JCPenney Company, Inc., an affiliate of a limited partner in the Operating Partnership.

11. Partners' Equity

As described in Note 3, in connection with the DRC Merger on August 9, 1996, the Operating Partnership issued 37,877,965 Units to its non-managing general partner, the Company, and 23,219,012 Units to limited partners.

On September 19, 1997, the Company issued 4,500,000 shares of its common stock in a public offering. The Company contributed the net proceeds of approximately $146,800 to the Operating Partnership in exchange for an equal number of Units. The Operating Partnership used the net proceeds to retire a portion of the outstanding balance on the Credit Facility.

On November 11, 1997, the Operating Partnership issued 3,809,523 Units upon the conversion of all of the outstanding 8.125% Series A Preferred Units.

On September 27, 1996, the Company completed a $200,000 public offering of 8,000,000 shares of Series B cumulative redeemable preferred stock ("Series B Preferred Stock"), generating net proceeds of approximately $193,000. Dividends on the Series B Preferred Stock are paid quarterly in arrears at 8.75% per annum. The Company may redeem the Series B Preferred Stock any time on or after September 29, 2006, at a redemption price of $25.00 per share, plus accrued and unpaid dividends. The redemption price (other than the portion thereof consisting of accrued and unpaid dividends) is payable solely out of the sale proceeds of other capital shares of the Company, which may include other series of preferred shares. The Company contributed the proceeds to the Operating Partnership in exchange for Preferred Units, the economic terms of which are substantially identical to the Series B Preferred Stock. The Operating Partnership pays a preferred distribution to the Company equal to the dividends paid on the Series B Preferred Stock.

On July 9, 1997, the Company sold 3,000,000 shares of 7.89% Series C Cumulative Step-Up Premium RateSM Preferred Stock (the "Series C Preferred Stock") in a public offering at $50.00 per share. Beginning October 1, 2012, the rate increases to 9.89% per annum. The Company intends to redeem the Series C Preferred Stock prior to October 1, 2012. The Series C Preferred Stock is not redeemable prior to September 30, 2007. Beginning September 30, 2007, the Series C Preferred Stock may be redeemed at the option of the Company in whole or in part, at a redemption price of $50.00 per share, plus accrued and unpaid distributions, if any, thereon. The redemption price of the Series C Preferred Stock may only be paid from the sale proceeds of other capital stock of the Company, which may include other classes or series of preferred stock. Additionally, the Series C Preferred Stock has no stated maturity and is not subject to any mandatory redemption provisions, nor is it convertible into any other securities of the Company. The Company contributed the net proceeds of this offering of approximately $146,000 to the Operating Partnership in exchange for Preferred Units, the economic terms of which are substantially identical to the Series C Preferred Stock. The Operating Partnership used the proceeds to increase its ownership interest in West Town Mall (see Note 3), to pay down the Credit Facility and for general working capital purposes. The Operating Partnership pays a preferred distribution to the Company equal to the dividends paid on the Series C Preferred Stock.

Exchange Rights

The former limited partners in SPG, LP had 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 had selected to use cash, the Company would have caused SPG, LP to redeem the Units. The amount of cash to be paid if the exchange right was exercised and the cash option was selected would have been based on the trading price of the Company's common stock at that time. In the periods when the Operating Partnership did not control whether cash would be used to settle the limited partners' exchange rights, the limited partners' equity interest was excluded from partners' equity and was reflected in the consolidated balance sheet at redemption value.

In connection with the DRC Merger, the Operating Partnership agreement was amended eliminating the exchange right provision. However, the limited partners in SPG, LP exchanged their interest for Units in the Operating Partnership. The Operating Partnership extended rights to its limited partners similar to the rights previously held by the limited partners of SPG, LP. However, 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. As a result of these arrangements, the limited partners' equity interest in the Operating Partnership has been included as partners' equity at historical carrying value. Previous adjustments to exclude limited partners' equity interest from partners' equity have been reversed.

The Operating Partnership has the right to issue Units and Preferred Units under certain circumstances. As of December 31, 1997, the Company has reserved 61,850,762 shares of common stock for issuance upon the exchange of Units.

12. Stock Option Plans

The Company and the 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 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 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.

SFAS No. 123, "Accounting for Stock-Based Compensation," 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 of net income and earnings per Unit as if the fair value method had been applied. The Operating Partnership has elected to account for stock-based compensation programs using the intrinsic value method consistent with existing accounting policies. The impact on pro forma net income and earnings per Unit as a result of applying the fair value method was not material.

The fair value at date of grant for options granted during the years ended December 31, 1997, 1996 and 1995 was $3.18, $2.13 and $2.06 per option, respectively. The fair value of the options at the date of grant was estimated using the Black-Scholes option pricing model with the following assumptions:

	December 31, 1997	1996	1995
Expected Volatility	17.63%	17.48%	17.86%
Risk-Free Interest Rate	6.82%	6.63%	6.82%
Dividend Yield	6.9%	7.5%	7.9%
Expected Life	10 years	10 years	10 years

The weighted average remaining contract life for options outstanding as of December 31, 1997 was 6.1 years.

Information relating to the Stock Option Plans from January 1, 1995 through December 31, 1997 is as follows:

	Director Plan		Employee Plan	
	OPTIONS	OPTION PRICE PER SHARE	OPTIONS	OPTION PRICE PER SHARE
SHARES UNDER OPTION AT DECEMBER 31, 1994	40,000	$22.25 - $27.00	2,070,147	$22.25 - $25.25
Granted	15,000	24.9375	--	N/A
Exercised	--	--	(6,876)	23.44
Forfeited	--	--	(49,137)	23.60 (1)
SHARES UNDER OPTION AT DECEMBER 31, 1995	55,000	$22.25 - 27.00	2,014,134	$22.25 - 25.25
Granted	44,080	23.50 (1)	--	N/A
Exercised	(5,000)	22.25	(367,151)	23.33 (1)
Forfeited	(9,000)	25.52 (1)	(24,000)	24.21 (1)
SHARES UNDER OPTION AT DECEMBER 31, 1996	85,080	$15 - 27.38	1,622,983	$22.25 - 25.25
Granted	9,000	29.3125	--	N/A
Exercised	(8,000)	23.62 (1)	(361,902)	23.29 (1)
Forfeited	--	N/A	(13,484)	23.99 (1)
SHARES UNDER OPTION AT DECEMBER 31, 1997	86,080	$15 - 27.38	1,247,597	$22.25 - 25.25
OPTIONS EXERCISABLE AT DECEMBER 31, 1997	77,080	23.96 (1)	1,247,597	$22.90 (1)
SHARES AVAILABLE FOR GRANT AT DECEMBER 31, 1997	920		1,611,474	

(1) Represents the weighted average price.

Stock Incentive Programs

Two stock incentive programs are currently in effect.

In October 1994, under the Employee Plan of the Company and the Operating Partnership, the Company's Compensation Committee approved a five-year stock incentive program (the "Stock Incentive Program"), under which shares of restricted common stock of the Company were granted to certain employees at no cost to those employees. A percentage of each of these restricted stock grants can be earned and awarded each year if the Company attains certain growth targets measured in Funds From Operations, as those growth targets may be established by the Company's Compensation Committee from time to time. Any restricted stock earned and awarded vests in four installments of 25% each on January 1 of each year following the year in which the restricted stock is deemed earned and awarded.

In 1994, and prior to the DRC Merger, DRC also established a five-year stock incentive program (the "DRC Plan") under which shares of restricted common stock were granted to certain DRC employees at no cost to those employees. The DRC Plan also provided that this restricted stock would be earned and awarded based upon DRC's attainment of certain economic goals established by the Compensation Committee of DRC's Board of Directors. At the time of the DRC Merger, the Company and the Operating Partnership agreed to assume the terms and conditions of the DRC Plan and the economic criteria upon which restricted stock under both the Stock Incentive Program and the DRC Plan would be deemed earned and awarded were aligned with one another. Further, other terms and conditions of the DRC Plan and Stock Incentive Program were modified so that beginning with calendar year 1996, the terms and conditions of these two programs are substantially the same. It should be noted that the terms and conditions concerning vesting of the restricted stock grant to the Company's President and Chief Operating Officer, a former DRC employee, are different from those established by the DRC Plan and are specifically set forth in the employment contract between the Company and such individual.

In March 1995, an aggregate of 1,000,000 shares of restricted stock was granted to 50 executives, subject to the performance standards, vesting requirements and other terms of the Stock Incentive Program. Prior to the DRC Merger, 2,108,000 shares of DRC common stock were deemed available for grant to certain designated employees of DRC, also subject to certain performance standards, vesting requirements and other terms of the DRC Plan. During 1997, 1996 and 1995, a total of 448,753; 200,030; and 144,196 shares of common stock of the Company, respectively, net of forfeitures, were deemed earned and awarded under the Stock Incentive Program and the DRC Plan. Approximately $5,386; $2,084; and $918 relating to these programs were amortized in 1997, 1996 and 1995, respectively. The cost of restricted stock grants, based upon the stock's fair market value at the time such stock is earned, awarded and issued, is charged to partners' equity and subsequently amortized against earnings of the Operating Partnership over the vesting period.

13. Employee Benefit Plan

The Operating Partnership and affiliated entities maintain a tax-qualified retirement 401(k) savings plan. Under the plan, eligible employees can participate in a cash or deferred arrangement permitting them to defer up to a maximum of 12% of their compensation, subject to certain limitations. Participants' salary deferrals are matched at specified percentages, and the plan provides annual contributions of 3% of eligible employees' compensation. The Operating Partnership contributed $2,727; $2,350; and $1,716 to the plans in 1997, 1996 and 1995, respectively.

Except for the 401(k) plan, the Operating Partnership offers no other postretirement or postemployment benefits to its employees.

14. Commitments and Contingencies

Litigation

Carlo Angostinelli et al. v. DeBartolo Realty Corp. et al. On October 16, 1996, a complaint was filed in the Court of Common Pleas of Mahoning County, Ohio, captioned Carlo Angostinelli et al. v. DeBartolo Realty Corp. et al. The named defendants are SD Property Group, Inc., a 99%-owned subsidiary of the Company, and DPMI, and the plaintiffs are 27 former employees of the defendants. In the complaint, the plaintiffs alleged that they were recipients of deferred stock grants under the DRC stock incentive plan (the "DRC Plan") and that these grants immediately vested under the DRC Plan's "change in control" provision as a result of the DRC Merger. Plaintiffs asserted that the defendants' refusal to issue them approximately 661,000 shares of DRC common stock, which is equivalent to approximately 450,000 shares of common stock of the Company computed at the 0.68 Exchange Ratio used in the DRC Merger, constituted a breach of contract and a breach of the implied covenant of good faith and fair dealing under Ohio law. Plaintiffs sought damages equal to such number of shares of DRC common stock, or cash in lieu thereof, equal to all deferred stock ever granted to them under the DRC Plan, dividends on such stock from the time of the grants, compensatory damages for breach of the implied covenant of good faith and fair dealing, and punitive damages. The complaint was served on the defendants on October 28, 1996. The plaintiffs and the Company each filed motions for summary judgment. On October 31, 1997, the Court entered a judgment in favor of the Company granting the Company's motion for summary judgment. The plaintiffs have appealed this judgment and the appeal is pending. While it is difficult for the Company to predict the ultimate outcome of this action, based on the information known to the Company to date, it is not expected that this action will have a material adverse effect on the Company or the Operating Partnership.

Roel Vento et al v. Tom Taylor et al. A subsidiary of the Operating Partnership is a defendant in litigation entitled Roel Vento et al v. Tom Taylor et al, in the District Court of Cameron County, Texas, in which a judgment in the amount of $7,800 has been entered against all defendants. This judgment includes approximately $6,500 of punitive damages and is based upon a jury's findings on four separate theories of liability including fraud, intentional infliction of emotional distress, tortuous interference with contract and civil conspiracy arising out of the sale of a business operating under a temporary license agreement at Valle Vista Mall in Harlingen, Texas. The Operating Partnership is seeking to overturn the award and has appealed the verdict. The Operating Partnership's appeal is pending. Although the Operating Partnership is optimistic that it may be able to reverse or reduce the verdict, there can be no assurance thereof. Management, based upon the advice of counsel, believes that the ultimate outcome of this action will not have a material adverse effect on the Operating Partnership.

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

Lease Commitments

As of December 31, 1997, a total of 31 of the Properties are subject to ground leases. The termination dates of these ground leases range from 1998 to 2087. These ground leases generally require payments by the 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 Operating Partnership for the years ended December 31, 1997, 1996 and 1995, was $10,511, $8,506 and $6,700, respectively.

Future minimum lease payments due under such ground leases for each of the next five years ending December 31 and thereafter are as follows:

1998	$ 7,208
1999	7,218
2000	7,280
2001	7,378
2002	7,658
Thereafter	492,270
	$ 529,012

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 the 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.

15. Quarterly Financial Data (Unaudited)

Summarized quarterly 1997 and 1996 data is as follows:

	First Quarter	Second Quarter	Third Quarter (1)	Fourth Quarter	Total
1997					
Total revenue	$242,414	$245,055	$259,783	$310,222	$1,057,474
Operating income	111,706	114,455	117,572	133,297	477,030
Income before extraordinary items	43,062	48,413	54,286	57,372	203,133
Net income available to Unitholders	13,409	40,539	72,400	47,595	173,943
Net income before extraordinary items per Unit (2)	0.23	0.27	0.28	0.29	1.08
Net income per Unit (2)	0.08	0.26	0.45	0.28	1.08
Weighted Average Units Outstanding	157,946,908	158,494,224	159,795,424	167,760,629	161,022,887
Net income before extraordinary items per Unit - assuming dilution (2)	0.23	0.27	0.28	0.29	1.08
Net income per Unit - assuming dilution (2)	$0.08	$0.26	0.45	0.28	$1.08
Weighted Average Units Outstanding - Assuming Dilution	158,343,827	158,337,889	160,180,477	168,146,728	161,406,951
1996					
Total revenue	$139,444	$143,761	$202,436	$262,063	$747,704
Operating income	61,073	63,051	82,715	124,673	331,512
Income before extraordinary items	23,832	23,968	28,839	58,024	134,663
Net income available to Unitholders	21,536	21,937	24,085	50,890	118,448
Net income before extraordinary items per Unit (2)	0.23	0.23	0.20	0.33	1.02
Net income per Unit (2)	0.23	0.23	0.18	0.32	0.99
Weighted Average Units Outstanding	95,664,804	95,842,853	131,056,267	157,632,609	120,181,895
Net income before extraordinary items per Unit - assuming dilution (2)	0.23	0.23	0.20	0.33	1.01
Net income per Unit - assuming dilution (2)	$0.23	$0.23	$0.18	$0.32	$0.98
Weighted Average Units Outstanding - Assuming Dilution	95,686,946	95,882,210	131,174,020	157,946,730	120,317,426

(1) The third quarter of 1997 reflects the amounts as amended in Form 10-Q/A.

(2) Primarily due to the cyclical nature of earnings available to Unitholders and the issuance of additional Units during the periods, the sum of the quarterly earnings per Unit varies from the annual earnings per Unit.

16. Subsequent Events (Unaudited)

Proposed CPI Merger

Effective February 18, 1998, the Company and Corporate Property Investors ("CPI") signed a definitive agreement to merge the two companies. The merger is expected to be completed by the end of the third quarter of 1998 and is subject to approval by the shareholders of the Company as well as customary regulatory and other conditions. A majority of the CPI shareholders have already approved the transaction. Under the terms of the agreement, the shareholders of CPI will receive, in a reverse triangular merger, consideration valued at $179 for each share of CPI common stock held consisting of $90 in cash, $70 in the Company's common stock and $19 worth of 6.5% convertible preferred stock. The common stock component of the consideration is based upon a fixed exchange ratio using the Company's February 18, 1998 closing price of $33 5/8 per share, and is subject to a 15% symmetrical collar based upon the price of the Company's common stock determined at closing. In the event the Company's common stock price at closing is outside the parameters of the collar, an adjustment will be made in the cash component of consideration. The total purchase price, including indebtedness which would be assumed, is estimated at $5.8 billion.

Macerich Partnership

On February 27, 1998, the Operating Partnership, in a joint venture partnership with The Macerich Company ("Macerich"), acquired a portfolio of twelve regional malls comprising approximately 10.7 million square feet of GLA at a purchase price of $974,500, including the assumption of $485,000 of indebtedness. The Operating Partnership and Macerich, as 50/50 partners in the joint venture, were each responsible for one half of the purchase price, including indebtedness assumed and each assumed leasing and management responsibilities for six of the regional malls.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS
ON SCHEDULE

To Simon DeBartolo Group, Inc.:

We have audited, in accordance with generally accepted auditing standards, the consolidated financial statements of SIMON DeBARTOLO GROUP, L.P. included in this Form 10-K, and have issued our report thereon dated February 17, 1998. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule, "Schedule III: Real Estate and Accumulated Depreciation", as of December 31, 1997, is the responsibility of the Operating Partnership's management and is presented for purposes of complying with the Securities and Exchange Commission's 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,
February 17, 1998

SIMON DeBARTOLO GROUP, INC.
REAL ESTATE AND ACCUMULATED DEPRECIATION
December 31, 1997

SCHEDULE III

(Dollars in thousands)

		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	Buildings and Improvements	Total	Accumulated Depreciation	Date of Construction
REGIONAL MALLS										
Alton Square, Alton, IL	$0	$154	$7,641	$0	$11,825	$154	$19,466	$19,620	$1,508	1993 (Note 3)
Amigoland Mall, Brownsville, TX	0	1,045	4,518	0	986	1,045	5,504	6,549	1,426	1974
Anderson Mall, Anderson, SC	19,000	1,838	18,122	1,363	2,197	3,201	20,319	23,520	3,698	1972
Barton Creek Square, Austin, TX	62,868	4,413	20,699	771	18,893	5,184	39,592	44,776	6,659	1981
Battlefield Mall, Springfield, MO	49,730	4,040	29,783	3,225	32,636	7,265	62,419	69,684	9,131	1976
Bay Park Square, Green Bay, WI	24,848	6,997	25,623	0	193	6,997	25,816	32,813	1,051	1996 (Note 4)
Bergen Mall, Paramus, NJ	0	11,020	92,541	0	4,569	11,020	97,110	108,130	3,471	1996 (Note 4)
Biltmore Square, Asheville, NC	27,534	10,907	19,315	0	793	10,907	20,108	31,015	831	1996 (Note 4)
Boynton Beach Mall, Boynton Beach, FL	0	33,758	67,710	0	1,789	33,758	69,499	103,257	2,805	1996 (Note 4)
Broadway Square, Tyler, TX	0	11,470	32,450	0	1,586	11,470	34,036	45,506	3,133	1994 (Note 3)
Brunswick Square, East Brunswick, NJ	0	8,436	55,838	0	935	8,436	56,773	65,209	2,284	1996 (Note 4)
Castleton Square, Indianapolis, IN	0	45,011	80,963	0	1,234	45,011	82,197	127,208	3,309	1996 (Note 4)
Charlottesville Fashion Square, Charlottesville, VA	0	0	55,115	0	0	0	55,115	55,115	393	1997 (Note 4)
Chautauqua Mall, Jamestown, NY	0	3,258	9,641	0	10,106	3,258	19,747	23,005	474	1996 (Note 4)
Cheltenham Square, Philadelphia, PA	34,226	14,226	43,799	0	1,371	14,226	45,170	59,396	1,883	1996 (Note 4)
Chesapeake Square, Chesapeake, VA	49,490	11,533	70,461	0	398	11,533	70,859	82,392	2,866	1996 (Note 4)
Cielo Vista Mall, El Paso, TX	57,938	1,307	18,512	608	13,461	1,915	31,973	33,888	7,087	1974
College Mall, Bloomington, IN	42,936	1,012	16,245	722	16,995	1,734	33,240	34,974	6,530	1965
Columbia Center, Kennewick, WA	42,867	27,170	58,185	0	4,522	27,170	62,707	89,877	2,416	1996 (Note 4)
Cottonwood Mall, Albuquerque, NM	0	14,010	69,173	0	983	14,010	70,156	84,166	5,507	1993
Crossroads Mall, Omaha, NE	41,440	884	37,293	409	22,290	1,293	59,583	60,876	4,547	1994 (Note 3)
Crystal River Mall, Crystal River, FL	16,000	11,679	14,252	0	2,376	11,679	16,628	28,307	574	1996 (Note 4)
DeSoto Square, Bradenton, FL	38,880	9,531	52,716	0	2,658	9,531	55,374	64,905	2,235	1996 (Note 4)
Eastern Hills Mall, Buffalo, NY	0	15,444	47,604	0	468	15,444	48,072	63,516	1,952	1996 (Note 4)
Eastland Mall, Tulsa, OK	30,000	3,124	24,035	518	6,106	3,642	30,141	33,783	4,525	1986
Edison Mall, Fort Myers, FL	41,000	13,618	108,215	0	0	13,618	108,215	121,833	773	1997 (Note 4)
Fashion Mall at Keystone at the Crossing, Indianapolis, IN	64,772	0	112,952	0	0	0	112,952	112,952	0	1997 (Note 4)
Forest Mall, Fond Du Lac, WI	12,800	754	4,498	0	2,334	754	6,832	7,586	1,431	1973
Forest Village Park, Forestville, MD	20,600	1,212	4,625	757	3,694	1,969	8,319	10,288	1,562	1980
Fremont Mall, Fremont, NE	0	26	1,280	265	2,156	291	3,436	3,727	392	1983
Golden Ring Mall, Baltimore, MD	29,750	1,130	8,955	572	8,459	1,702	17,414	19,116	3,523	1974 (Note 3)
Great Lakes Mall, Cleveland, OH	62,018	14,608	100,362	0	2,166	14,608	102,528	117,136	4,152	1996 (Note 4)
Greenwood Park Mall, Greenwood, IN	35,960	2,606	23,500	5,275	52,357	7,881	75,857	83,738	11,534	1977
Gulf View Square, Port Richey, FL	38,157	13,689	39,997	0	401	13,689	40,398	54,087	1,633	1996 (Note 4)
Heritage Park, Midwest City, OK	0	598	6,213	0	1,487	598	7,700	8,298	1,581	1978
Hutchinson Mall, Hutchison, KS	11,523	1,777	18,427	0	2,903	1,777	21,330	23,107	3,658	1985
Independence Center, Independence, MO	0	5,539	45,822	0	2,888	5,539	48,710	54,249	4,386	1994 (Note 3)
Ingram Park Mall, San Antonio, TX	55,580	820	17,182	169	13,083	989	30,265	31,254	5,832	1979
Irving Mall, Irving, TX	0	6,736	17,479	2,539	12,858	9,275	30,337	39,612	7,248	1971
Jefferson Valley Mall, Yorktown Heights, NY	50,000	4,869	30,304	0	2,910	4,869	33,214	38,083	5,690	1983
Knoxville Center, Knoxville, TN	0	5,269	22,965	3,712	30,601	8,981	53,566	62,547	4,064	1984
La Plaza, McAllen, TX	50,044	2,194	9,828	0	2,763	2,194	12,591	14,785	2,157	1976
Lafayette Square, Indianapolis, IN	0	25,546	43,294	0	4,503	25,546	47,797	73,343	1,813	1996 (Note 4)
Laguna Hills Mall, Laguna	0	28,074	56,436	0	0	28,074	56,436	84,510	401	1997 (Note 4)

Hills, CA									
Lima Mall, Lima, OH	19,166	7,910	35,495	0	586	7,910	36,081	43,991	1,476 1996 (Note 4)

Lincolnwood Town Center, Lincolnwood, IL	0	11,197	63,490	28	138	11,225	63,628	74,853	8,583	1990	
Longview Mall, Longview, TX	22,100	278	3,602	124	3,459	402	7,061	7,463	1,679	1978	
Machesney Park Mall, Rockford, IL	0	613	7,460	120	3,101	733	10,561	11,294	2,319	1979	
Markland Mall, Kokomo, IN	10,000	0	7,568	0	1,111	0	8,679	8,679	1,317	1983	
Mc Cain Mall, N. Little Rock, AR	26,059	0	9,515	0	6,326	0	15,841	15,841	3,873	1973	
Melbourne Square, Melbourne, FL	39,841	20,552	51,110	0	1,439	20,552	52,549	73,101	2,096	1996	(Note 4)
Memorial Mall, Sheboygan, WI	0	175	4,881	0	784	175	5,665	5,840	1,025	1980	
Menlo Park Mall, Edison, NJ		65,684	225,131	0	0	65,684	225,131	290,815	1,606	1997	(Note 4)
Miami International Mall, Miami, FL	47,009	18,685	69,959	12,687	3,146	31,372	73,105	104,477	13,352	1996	(Note 4)
Midland Park Mall, Midland, TX	22,500	704	9,613	0	4,646	704	14,259	14,963	2,818	1980	
Miller Hill Mall, Duluth, MN	0	2,537	18,114	0	1,893	2,537	20,007	22,544	3,443	1973	
Mission Viejo Mall, Mission Viejo, CA	0	9,139	54,445	0	12,536	9,139	66,981	76,120	2,206	1996	(Note 4)
Mounds Mall, Anderson, IN	0	0	2,689	0	1,702	0	4,391	4,391	1,077	1964	
Muncie Mall, Muncie, IN	0	210	5,964	49	18,913	259	24,877	25,136	2,152	1975	
North East Mall, Hurst, TX	22,201	1,440	13,473	784	16,158	2,224	29,631	31,855	1,942	1996	(Note 4)
North Towne Square, Toledo, OH	23,500	579	8,382	0	1,798	579	10,180	10,759	3,156	1980	
Northgate Mall, Seattle, WA	80,046	89,991	57,873	0	15,802	89,991	73,675	163,666	2,471	1996	(Note 4)
Northwoods Mall, Peoria, IL	0	1,202	12,779	1,449	19,429	2,651	32,208	34,859	6,078	1983	(Note 3)
Oak Court Mall, Memphis, TN		15,673	57,392	0	0	15,673	57,392	73,065	410	1997	(Note 4)
Orange Park Mall, Jacksonville, FL	0	13,345	65,173	0	10,759	13,345	75,932	89,277	5,986	1994	(Note 3)
Orland Square, Orland Park, IL	50,000	36,770	131,054	0	0	36,770	131,054	167,824	545	1997	(Note 4)
Paddock Mall, Ocala, FL	30,347	20,420	30,490	0	3,713	20,420	34,203	54,623	1,265	1996	(Note 4)
Port Charlotte Town Center, Port Charlotte, FL	46,102	5,561	59,381	0	34	5,561	59,415	64,976	2,404	1996	(Note 4)
Prien Lake Mall, Lake Charles, LA	0	1,926	2,829	731	11,386	2,657	14,215	16,872	1,187	1972	
Promenade, Woodland Hills, CA	0	13,072	14,487	0	0	13,072	14,487	27,559	103	1997	(Note 4)
Raleigh Springs Mall, Memphis, TN	0	9,137	28,604	0	554	9,137	29,158	38,295	1,193	1996	(Note 4)
Randall Park Mall, Cleveland, OH	33,879	4,421	52,456	0	2,106	4,421	54,562	58,983	2,170	1996	(Note 4)
Richardson Square, Dallas, TX	0	4,867	6,329	1,075	1,866	5,942	8,195	14,137	353	1996	(Note 4)
Richmond Square, Richmond, IN	0	3,410	11,343	0	7,928	3,410	19,271	22,681	566	1996	(Note 4)
Richmond Towne Square, Cleveland, OH	0	2,666	12,112	0	1,050	2,666	13,162	15,828	490	1996	(Note 4)
River Oaks Center, Calumet City, IL	32,500	30,884	102,357	0	0	30,884	102,357	133,241	413	1997	(Note 4)
Ross Park Mall, Pittsburgh, PA	60,000	14,557	50,995	9,617	46,014	24,174	97,009	121,183	6,089	1996	(Note 4)
South Hills Village, Pittsburgh, PA	0	23,453	126,887	0	0	23,453	126,887	150,340	302	1997	(Note 4)
South Park Mall, Shreveport, LA	24,748	855	13,691	74	2,531	929	16,222	17,151	3,615	1975	
Southern Park Mall, Youngstown, OH	0	16,982	77,774	97	11,506	17,079	89,280	106,359	3,387	1996	(Note 4)
Southgate Mall, Yuma, AZ	0	1,817	7,974	0	2,969	1,817	10,943	12,760	1,741	1988	(Note 3)
Southtown Mall, Ft. Wayne, IN	0	2,059	13,288	0	974	2,059	14,262	16,321	6,244	1969	
St Charles Towne Center Waldorf, MD	0	9,328	52,974	1,180	9,412	10,508	62,386	72,894	10,611	1990	
Summit Mall, Akron, OH	0	25,037	45,036	0	9,551	25,037	54,587	79,624	2,133	1996	(Note 4)
Sunland Park Mall, El Paso, TX	39,855	2,896	28,900	0	2,291	2,896	31,191	34,087	6,571	1988	
Tacoma Mall, Tacoma, WA	93,656	39,504	125,826	0	2,441	39,504	128,267	167,771	5,177	1996	(Note 4)
Tippecanoe Mall, Lafayette, IN	46,961	4,320	8,474	5,517	31,314	9,837	39,788	49,625	6,816	1973	
Towne East Square, Wichita, KS	56,767	9,495	18,479	2,042	8,372	11,537	26,851	38,388	6,082	1975	
Towne West Square, Wichita, KS	0	988	21,203	76	4,584	1,064	25,787	26,851	5,477	1980	
Treasure Coast Square, Jenson Beach, FL	53,953	11,124	73,108	0	1,296	11,124	74,404	85,528	2,972	1996	(Note 4)
Tyrone Square, St. Petersburg, FL	0	15,638	120,962	0	1,418	15,638	122,380	138,018	4,939	1996	(Note 4)
University Mall, Little Rock, AR	0	123	17,411	0	714	123	18,125	18,248	3,815	1967	

University Mall, Pensacola, FL	0	4,741	26,657	0	1,700	4,741	28,357	33,098	2,610	1994 (Note 3)
University Park Mall, South Bend, IN	59,500	15,105	61,466	0	6,539	15,105	68,005	83,110	14,721	1996 (Note 4)
Upper Valley Mall, Springfield, OH	30,940	8,422	38,745	0	439	8,422	39,184	47,606	1,607	1996 (Note 4)
Valle Vista Mall, Harlingen, TX	34,514	1,398	17,266	372	6,899	1,770	24,165	25,935	4,305	1983
Virginia Center Commons, Richmond, VA	0	9,765	63,098	1,839	397	11,604	63,495	75,099	2,853	1996 (Note 4)
Washington Square, Indianapolis, IN	33,541	20,146	41,248	0	546	20,146	41,794	61,940	1,703	1996 (Note 4)
West Ridge Mall, Topeka, KS	44,288	5,775	34,132	197	3,892	5,972	38,024	43,996	6,070	1988
White Oaks Mall, Springfield, IL	16,500	3,024	35,692	1,153	13,579	4,177	49,271	53,448	5,088	1977
Windsor Park Mall, San Antonio, TX	14,811	1,194	16,940	130	3,285	1,324	20,225	21,549	4,189	1976
Woodville Mall, Toledo, OH	0	1,830	4,454	0	339	1,830	4,793	6,623	221	1996 (Note 4)
COMMUNITY SHOPPING CENTERS										
- ------------------------										
Arvada Plaza, Arvada, CO	0	70	342	608	581	678	923	1,601	207	1966
Aurora Plaza, Aurora, CO	0	35	5,754	0	1,004	35	6,758	6,793	1,381	1966
Bloomingdale Court, Bloomingdale, IL	29,009	9,735	26,184	0	1,323	9,735	27,507	37,242	3,218	1987
Boardman Plaza, Youngstown, OH	18,277	8,189	26,355	0	1,479	8,189	27,834	36,023	1,087	1996 (Note 4)
Bridgeview Court, Bridgeview, IL	0	308	3,638	0	50	308	3,688	3,996	596	1988
Brightwood Plaza, Indianapolis, IN	0	65	128	0	256	65	384	449	93	1965
Buffalo Grove Towne Center, Buffalo Grove, IL	0	2,044	6,602	0	270	2,044	6,872	8,916	468	1988
Celina Plaza, El Paso, TX	0	138	815	0	13	138	828	966	144	1977
Century Mall, Merrillville, IN	0	2,190	9,589	0	1,376	2,190	10,965	13,155	2,792	1992 (Note 3)
Charles Towne Square, Charleston, SC	0	446	1,768	500	8,655	946	10,423	11,369	0	1976
Chesapeake Center, Chesapeake, VA	6,563	5,500	12,279	0	23	5,500	12,302	17,802	498	1996 (Note 4)
Cohoes Commons, Rochester, NY	0	1,698	8,426	0	80	1,698	8,506	10,204	1,765	1984
Countryside Plaza, Countryside, IL	0	1,243	8,507	0	548	1,243	9,055	10,298	1,856	1977
Eastgate Consumer Mall, Indianapolis, IN	22,929	425	4,722	187	2,868	612	7,590	8,202	2,935	1991 (Note 3)
Eastland Plaza, Tulsa, OK	0	908	3,709	0	11	908	3,720	4,628	506	1987
Forest Plaza, Rockford, IL	16,904	4,270	16,818	453	455	4,723	17,273	21,996	1,782	1985
Fox River Plaza, Elgin, IL	12,654	2,907	9,453	0	60	2,907	9,513	12,420	1,016	1985
Glen Burnie Mall, Glen Burnie, MD	0	7,422	22,778	0	2,265	7,422	25,043	32,465	930	1996 (Note 4)
Great Lakes Plaza, Cleveland, OH	0	1,027	2,025	0	3,073	1,027	5,098	6,125	226	1996 (Note 4)
Greenwood Plus, Greenwood, IN	0	1,350	1,792	0	4,221	1,350	6,013	7,363	766	1979 (Note 3)
Griffith Park Plaza, Griffith, IN	0	0	2,412	0	110	0	2,522	2,522	533	1979
Grove at Lakeland Square, The, Lakeland, FL	3,750	5,237	6,016	0	892	5,237	6,908	12,145	305	1996 (Note 4)
Hammond Square, Sandy Springs, GA	0	0	27	0	1	0	28	28	5	1974
Highland Lakes Center, Orlando, FL	14,377	13,950	18,490	0	314	13,950	18,804	32,754	769	1996 (Note 4)
Ingram Plaza, San Antonio, TX	0	421	1,802	4	22	425	1,824	2,249	449	1980
Keystone Shoppes , Indianapolis, IN	0	0	12,550	0	0	0	12,550	12,550	0	1997 (Note 4)
Knoxville Commons, Knoxville, TN	0	3,730	5,345	0	1,608	3,730	6,953	10,683	869	1990
Lake Plaza, Waukegan, IL	0	2,868	6,420	0	267	2,868	6,687	9,555	654	1986
Lake View Plaza, Orland Park, IL	22,169	4,775	17,586	0	445	4,775	18,031	22,806	1,806	1986
Lima Center Lima, OH	0	1,808	5,151	0	9	1,808	5,160	6,968	204	1996 (Note 4)
Lincoln Crossing, O'Fallon, IL	997	1,079	2,692	0	268	1,079	2,960	4,039	408	1990
Mainland Crossing, Galveston, TX	2,226	1,850	1,737	0	124	1,850	1,861	3,711	81	1996 (Note 4)
Maplewood Square, Omaha, NE	0	466	1,249	0	157	466	1,406	1,872	303	1987
Markland Plaza, Kokomo, IN	0	210	1,258	0	475	210	1,733	1,943	385	1975
Martinsville Plaza, Martinsville, VA	0	0	584	0	45	0	629	629	266	1980
Marwood Plaza, Indianapolis, IN	0	52	3,597	0	107	52	3,704	3,756	558	1962
Matteson Plaza, Matteson, IL	11,159	1,830	9,737	0	1,557	1,830	11,294	13,124	1,218	1988

Memorial Plaza, Sheboygan, WI	0	250	436	0	871	250	1,307	1,557	230	1966	
Mounds Mall Cinema, Anderson, IN	0	88	158	0	1	88	159	247	40	1975	
New Castle Plaza, New Castle, IN	0	128	1,621	0	547	128	2,168	2,296	460	1966	
North Ridge Plaza, Joliet, IL	0	2,831	7,699	0	374	2,831	8,073	10,904	898	1985	
North Riverside Park Plaza, N. Riverside, IL	7,671	1,062	2,490	0	254	1,062	2,744	3,806	617	1977	
Northland Plaza, Columbus, OH	0	4,490	8,893	0	360	4,490	9,253	13,743	897	1988	
Northwood Plaza, Fort Wayne, IN	0	304	2,922	0	362	304	3,284	3,588	670	1977	
Park Plaza, Hopkinsville, KY	0	300	1,572	0	24	300	1,596	1,896	299	1968	
Regency Plaza, St. Charles, MO	1,878	616	4,963	0	150	616	5,113	5,729	478	1988	
Sherwood Gardens, Salinas, CA	0	0	9,106	0	0	0	9,106	9,106	136	1997	(Note 4)
St. Charles Towne Plaza, Waldorf, MD	30,742	8,780	18,993	0	117	8,780	19,110	27,890	2,067	1987	
Teal Plaza, Lafayette, IN	0	99	878	0	2,712	99	3,590	3,689	148	1986	
Terrace at The Florida Mall, Orlando, FL	4,688	5,647	4,126	0	956	5,647	5,082	10,729	272	1996	(Note 4)
Tippecanoe Plaza, Lafayette, IN	0	265	440	305	4,728	570	5,168	5,738	579	1962	
University Center, South Bend, IN	0	2,388	5,214	0	46	2,388	5,260	7,648	2,197	1996	(Note 4)
Wabash Village, West Lafayette, IN	0	0	976	0	203	0	1,179	1,179	232	1976	
Washington Plaza, Indianapolis, IN	0	942	1,697	0	0	942	1,697	2,639	434	1996	(Note 4)
West Ridge Plaza, Topeka, KS	4,612	1,491	4,620	0	508	1,491	5,128	6,619	504	1988	
White Oaks Plaza, Springfield, IL	12,345	3,265	14,267	0	188	3,265	14,455	17,720	1,460	1986	
Wichita Mall, Wichita, KS	0	0	4,535	0	1,635	0	6,170	6,170	1,184	1981	
Wood Plaza, Fort Dodge, IA	0	45	380	0	760	45	1,140	1,185	216	1967	
SPECIALTY RETAIL CENTERS											
The Forum Shops at Caesars, Las Vegas, NV	175,000	0	72,866	0	57,655	0	130,521	130,521	12,508	1992	
Trolley Square, Salt Lake City, UT	27,141	4,899	27,539	263	3,661	5,162	31,200	36,362	4,353	1986	(Note 3)
MIXED-USE PROPERTIES											
New Orleans Centre/CNG Plaza, New Orleans, LA	0	3,679	41,231	0	725	3,679	41,956	45,635	1,670	1996	(Note 4)
O Hare International Center, Rosemont, IL	0	125	60,287	1	8,796	126	69,083	69,209	14,771	1986	
Riverway, Rosemont, IL	131,451	8,738	129,175	16	6,560	8,754	135,735	144,489	28,737	1988	
DEVELOPMENT PROJECTS											
Bowie Town Center, Bowie, MD		6,000	570	0	0	6,000	570	6,570	0		
Indian River Peripheral, Vero Beach, FL		826	57	0	0	826	57	883	0	1996	(Note 4)
Muncie Plaza, Muncie, IN		625	10,626			625	10,626	11,251	0		
North East Plaza, Hurst, TX		8,988	2,198	0	0	8,988	2,198	11,186	0		
The Shops at Sunset Place, Miami, FL	23,546	12,297	68,111	0	0	12,297	68,111	80,408	0		
Victoria Ward, Honolulu, HI	0	0	1,400	0	0	0	1,400	1,400	0		
Waterford Lakes, Orlando, FL	0	0	1,114	0	0	0	1,114	1,114	0		
Other	0	0	314	0	0	0	314	314			
	$2,705,333	$1,191,370	$4,802,609	$62,583	$757,503	$1,253,953	$5,560,112	$6,814,065	$448,353		

SIMON DeBARTOLO GROUP, L.P.

NOTES TO SCHEDULE III AS OF DECEMBER 31, 1997

(Dollars in thousands)

(1) Reconciliation of Real Estate Properties:

The changes in real estate assets for the years ended December 31, 1997, 1996 and 1995 are as follows:

	1997	1996	1995
Balance, beginning of year	$5,273,465	$2,143,925	$1,887,122
Acquisitions	1,238,909	2,843,287	32,547
Improvements	312,558	224,605	73,097
Disposals	(10,867)	(19,579)	(12,722)
Consolidation	--	81,227	163,881
Balance, close of year	$6,814,065	$5,273,465	$2,143,925

The aggregate net book value for federal income tax purposes as of December 31, 1997 was $4,745,605.

(2) Reconciliation of Accumulated Depreciation:

The changes in accumulated depreciation and amortization for the years ended December 31, 1997, 1996 and 1995 are as follows:

	1997	1996	1995
Balance, beginning of year	$270,637	$147,341	$ 68,222
Carryover of minority partners' interest in accumulated depreciation of DeBartolo Properties	--	13,505	--
Depreciation expense	183,357	120,565	79,126
Disposals	(5,641)	(10,774)	(7)
Balance, close of year	$448,353	$270,637	$147,341

Depreciation of the 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 and Improvements - typically 35 years
Tenant Inducements - shorter of lease term or useful life

(3) Initial cost represents net book value at December 20, 1993.

(4) Not developed/constructed by the Operating Partnership or the Simons. The date of construction represents acquisition date.

INDEX TO EXHIBITS

Exhibits

2.1 Agreement and Plan of Merger among SPG, Sub and DRC, dated as of March 26, 1996, as amended (included as Annex I to the Prospectus/Joint Proxy Statement filed as part of Form S-4 of Simon Property Group, Inc. (Registration No. 333-06933))
2.2 Amendment and supplement to Offer to Purchase for Cash all Outstanding Beneficial Interests in The Retail Property Trust (incorporated by reference to Exhibit 99.1 of the Form 8-K filed by the Operating Partnership on September 12, 1997)
2.3 (d) Merger agreement between SDG, LP and SPG, LP
2.4 (d) Purchase and Sale Agreement between The Equitable Life Assurance Society of the United States and SM Portfolio Partners
2.5 Agreement and Plan of Merger among the Company and Corporate Property Investors and Corporate Realty Consultants, Inc. (incorporated by reference to Exhibit 10.1 in the Form 8-K filed by the Company on February 24, 1998)
3.1 (c) Amended and Restated Charter
3.2 (c) Amended and Restated Bylaws, incorporated by reference to Annex VIII of the Company's Schedule 14A on May 8, 1996.
3.3 (c) Articles Supplementary with respect to the Series B Preferred Stock of the Company to the Amended and Restated Charter.
3.4 Articles Supplementary with respect to the Series C Preferred Stock of the Company to the Amended and Restated Charter. (incorporated by reference to Exhibit 4.1 of the Form 8-K filed by the Company on July 8, 1997)
3.5 (d) Articles Supplementary with respect to the conversion of the Series A Preferred Stock of the Company into Common Stock.
4.2 (a) Secured Promissory Note and Open-End Mortgage and Security Agreement from Simon Property Group, L.P. in favor of Principal Mutual Life Insurance Company (Pool 2).
4.3 (d) Second Amended and Restated Credit Agreement dated as of December 22, 1997 among the Operating Partnership and Morgan Guaranty Trust Company of New York, Union Bank of Switzerland and Chase Manhattan Bank as Lead Agents.
9.1 (a) Voting Trust Agreement, Voting Agreement and Proxy between MSA, on the one hand, and Melvin Simon, Herbert Simon and David Simon, on the other hand.
10.1 Fifth Amended and Restated Limited Partnership Agreement of Simon DeBartolo Group, L.P. (Incorporated by Reference to Exhibit 10.1.1 of the Company's Form S-4 (Registration No. 333-06933))
10.3 (a) Noncompetition Agreement dated as of December 1, 1993 between the Company and each of Melvin Simon and Herbert Simon.
10.4 (a) Noncompetition Agreement dated as of December 1, 1993 between the Company and David Simon.
10.5 (a) Restriction and Noncompetition Agreement dated as of December 1, 1993 among the Company and the Management Companies.
10.6 (a) Simon Property Group, L.P. Employee Stock Plan.
10.7 (a) Simon DeBartolo Group, Inc. Director Stock Option Plan.
10.8 (c) Restated Indemnity Agreement dated as of August 9, 1996 between the Company and its directors and officers.
10.9 (a) Option Agreement to acquire the Excluded Retail Properties. (Previously filed as Exhibit 10.10.)
10.10 (a) Option Agreement to acquire the Excluded PropertiesLand. (Previously filed as Exhibit 10.11.)
10.11 (a) Registration Rights Agreement dated as of December 1, 1993 between the Company, certain Limited Partners and certain other parties. (Previously filed as Exhibit 10.12.)
10.12 (a) Option Agreements dated as of December 1, 1993 between the Management Company and Simon Property Group, L.P. (Previously filed as Exhibit 10.20.)
10.13 (a) Option Agreement dated as of December 1, 1993 to acquire Development Land. (Previously filed as Exhibit 10.22.)
10.14 (a) Option Agreement dated December 1, 1993 between the Management Company and Simon Property Group, L.P. (Previously filed as Exhibit 10.25.)
10.15 (a) Option Agreement dated December 1, 1993 between Simon Enterprises, Inc. and Simon Property Group, L.P. (Previously filed as Exhibit 10.26.)
10.16 (a) Lock-Up Agreement dated December 20, 1993 between MSA and Simon Property Group, L.P. (Previously filed as Exhibit 10.27.)
10.17 (b) Operating Agreement of Summit Mall Company, L.L.C. dated February 23, 1995.
10.19 Partnership Agreement of DeBartolo Capital Partnership (the "Financing Partnership") (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(b).)
10.20 Amended and Restated Articles of Incorporation of DPMI (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(c).)
10.21 Amended and Restated Code of Regulations of DPMI (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(d).)
10.25 First Amendment to the Corporate Services Agreement between DRC and DPMI (Incorporated by reference to the 1995 DRC Form 10-K Exhibit 10.17.)
10.26 Service Agreement between EJDC and DPMI (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10.(f).)
10.27 Master Services Agreement between DRP, LP and DPMI (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(g).)
10.28 First Amendment to Master Services Agreement between DRP, LP and DPMI (Incorporated by reference to the 1995 DRC Form 10-K Exhibit 10.20.)
10.33 DRC 1994 Stock Incentive Plan (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(k).)
10.34 Purchase Option and Right of First Refusal Agreement between DRP, LP and Edward J. DeBartolo (for Northfield Square) (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(o).)
10.35 Indemnification Agreement between DRC and its directors and officers

(Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(u).)

10.36 Amendment to Indemnification Agreement between DRP, LP and the directors and officers of DPMI (Incorporated by reference to the 1995 DRC Form 10-K Exhibit 10.49.)

10.37 Indemnification Agreement between DRP, LP and the directors and officers of DPMI (Incorporated by reference to the 1995 DRC Form 10-K Exhibit 10.50.)

10.38 Indemnification Agreement between DPMI and its directors and officers (Incorporated by reference to the 1995 DRC Form 10-K Exhibit 10.51.)

10.43 Office Lease between DRP, LP and an affiliate of EJDC (Southwoods Executive Center) (Incorporated by reference to the 1995 DRC Form 10-K Exhibit 10.69.)

10.44 Sublease between DRP, LP and DPMI (Incorporated by reference to the 1995 DRC Form 10-K Exhibit 10.70.)

10.45 Purchase Option and Right of First Refusal Agreement between DRP, LP and Robinson Mall, Inc. (for The Mall at Robinson Town Center) (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(p)(1).)

10.46 Purchase Option and Right of First Refusal Agreement between DRP, LP and EJDC (for SouthPark Center Development Site) (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(p)(2).)

10.47 Purchase Option and Right of First Refusal Agreement between DRP, LP and Washington Mall Associates (for Washington, Pennsylvania Site) (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(p)(3).)

10.48 Purchase Option and Right of First Offer Agreement between DRP, LP and Cutler Ridge Mall, Inc. (for Cutler Ridge Mall) (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(q)(1).)

10.49 Purchase Option and Right of First Offer Agreement between DRP, LP and Almonte, Inc. (for Red Bird Mall) (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(q)(2).)

10.50 Purchase Option and Right of First Refusal Agreement between DRP, LP and DeBartolo-Stow Associates (for University Town Center) (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(r).)

10.51 Acquisition Option Agreement between DRP, LP and Coral Square Associates (for Coral Square) (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(s)(1).)

10.52 Acquisition Option Agreement between DRP, LP and Lakeland Square Associates (for Lakeland Square) (Incorporated by reference to the 1994 DRC Form 10-K Exhibit 10(s)(2).)

10.53 (c) Amended and Restated Articles of Incorporation of SD Property Group, Inc.

10.54 (c) Amended and Restated Regulations of SD Property Group, Inc.

10.55 (c) Indemnity Agreement by and between the Company and its new Directors, dated as of August 9, 1996

10.56 (c) Contribution Agreement, dated as of June 25, 1996, by and among DRC and the former limited partners of SPG, LP., excluding JCP Realty, Inc. and Brandywine Realty, Inc.

10.57 (c) JCP Contribution Agreement, dated as of August 8, 1996, by and among DRC and JCP Realty, Inc., and Brandywine Realty, Inc.

10.58 (c) Subscription Agreement by and between Day Acquisition Corp., and the Purchaser (as defined in this Exhibit)

10.59 (c) Amendment to Service Agreement dated as of August 9, 1996, between EJDC and DPMI

10.60 (c) Registration Rights Agreement (the "Agreement"), dated as of August 9, 1996, by and among the "Simon Family Members" (As defined in the Agreement), SPG, Inc., JCP Realty, Inc., Brandywine Realty, Inc., and the Estate of Edward J. DeBartolo Sr., Edward J. DeBartolo, Jr., Marie Denise DeBartolo York, and the Trusts and other entities listed on Schedule 2 of the Agreement, and any of their respective successors-in-interest and permitted assigns.

10.61 (c) Fourth Amendment to Purchase Option Agreement, dated as of July 15, 1996, between JCP Realty, Inc., and DRP, LP.

10.62 (d) Partnership Agreement of SM Portfolio Limited Partnership

10.63 (d) Limited Partnership Agreement of SDG Macerich Properties, L.P.

10.64 (d) Agreement of Limited Partnership of Simon Capital Limited Partnership

21.1 List of Subsidiaries.

23.1 Consent of Arthur Andersen LLP.

99.1 Agreement dated November 13, 1996 between Simon DeBartolo Group, Inc. and Simon DeBartolo Group, L.P. (Incorporated by reference to Amendment No. 3 of Form S-3 filed by Simon DeBartolo Group, L.P. and Simon Property Group, L.P. on November 20, 1996 under Registration No. 333-11491)

(a) Incorporated by reference to the exhibit with the same number (or as indicated) that was filed with the Company's Form 10-K for the fiscal year ended December 31, 1993.

(b) Incorporated by reference to the exhibit numbered as indicated that was filed with the Company's Form 10-K for the fiscal year ended December 31, 1995.

(c) Incorporated by reference to the exhibit numbered as indicated that was filed with the Company's Form 10-K for the fiscal year ended December 31, 1996.

(d) Incorporated by reference to the exhibit numbered as indicated that was filed with the Company's Form 10-K, as amended, for the fiscal year ended December 31, 1997.

EXHIBIT 21.1

List of Subsidiaries

Subsidiary	Jurisdiction
Charles Mall Company Limited Partnership	Maryland
DeBartolo Capital Partnership	Delaware
DeBartolo Properties, Inc.	Delaware
DeBartolo Properties II, Inc.	Delaware
DeBartolo Properties III, Inc.	Delaware
East Towne Mall Company Limited Partnership	Tennessee
Forestville Associates	Maryland
Forum Finance Corp	Delaware
Golden Ring Mall Company Limited Partnership	Indiana
Jefferson Valley Mall Limited Partnership	Delaware
Knoxville Developers Limited Partnership	Indiana
The Retail Property Trust	Massachusetts
Shopping Center Associates	Delaware
Simon Property Group (Delaware), Inc.	Delaware
Simon Property Group (Illinois), L.P.	Illinois
Simon Property Group (Texas), L.P.	Texas
SD Property Group, Inc.	Ohio
SDG Properties VII, Inc.	Delaware
SDG Dadeland Associates, Inc.	Delaware
SDG Dadeland Developers, Inc.	Delaware
SDG EQ Associates, Inc.	Delaware
SDG Orland, Inc.	Delaware
SDG Fashion Mall, Inc.	Delaware

EXHIBIT 23.1

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our reports, included in this Form 10-K, into Simon DeBartolo Group, L.P.'s previously filed Registration Statement File No. 333-33545-01.

ARTHUR ANDERSEN LLP

Indianapolis, Indiana,
July 17, 1998

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

1,000

12-MOS
DEC-31-1997
DEC-31-1997
109,699
0
202,163
(13,804)
0
0
6,867,354
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7,662,667
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5,077,990
0
339,061
11
1,217,790
7,662,667
0
1,054,167
0
571,145
0
5,992
287,823
203,133
203,133
203,133
0
58
0
137,237
1.08
1.08

The Registrant does not report using a classified balance sheet.
Includes limited parters' interest in the Operating Partnership.