



Washington Prime Group Announces Latest Redevelopment Project with Final Phase of Expansion at Scottsdale Quarter®

COLUMBUS, OH – Feb. 21, 2017 – Washington Prime Group Inc. (NYSE: WPG) today announced its most recent redevelopment effort, the next part of a significant expansion at Scottsdale Quarter located in Scottsdale, AZ. The first part of the expansion has been completed, comprising of the buildings on the north and south parcels with tenancy including American Girl and Design Within Reach, as well as luxury apartment homes and office space. The final component of the expansion will be comprised of approximately 300 new luxury apartment homes and 35,000 square feet of new street-level retail.

The new residential component will be led by Lennar Multi-Family Communities (“LMC”). In addition to the luxury apartment homes and street-level retail, the project will include a 10,000-square-foot indoor amenity complex and an outdoor, urban courtyard with pool and spa, roof-top terraces overlooking Scottsdale Quarter and the McDowell Mountains, and new onsite parking areas. LMC’s residents will have direct pedestrian access from the amenity complex deck to Scottsdale Quarter’s park-like public gathering space, The Quad, which features the largest pop-jet fountain in the region.

Lou Conforti, CEO and Director: “We are pleased to commence construction on the final expansion at Scottsdale Quarter. Teaming up with Lennar, a proven residential expert, allows us to focus upon what we do best: deliver differentiated retail to our guests. The critical mass of new multifamily and office space also provides a captive audience for our existing and prospective retail tenants. Lastly, having O’Connor as a partner in Scottsdale Quarter, as well as our other assets in the joint venture, provides us with a stalwart sounding board as we evaluate future redevelopment opportunities.”

Scottsdale Quarter is an opportunity for LMC to establish a strong presence in the last phase of one of Scottsdale’s most popular lifestyle shopping centers. The third phase of the expansion adds density to the center with a mix of office and residential components, but the cornerstone remains retail.

Richard Hunt, General Manager of Scottsdale Quarter: “We are excited to announce plans for the final expansion at Scottsdale Quarter. Our commitment to our guests and the City of Scottsdale continues to grow with each addition, bringing national retail and restaurants alongside celebrated local boutiques and eateries. We will expand upon our already diverse merchandise mix, solidifying Scottsdale Quarter as the premiere lifestyle destination in The Valley.”

Construction is expected to start later this year with tenants beginning to open in 2018. Once Washington Prime Group has signed leases for the new street-level retail, additional details will be announced related to estimated project costs and returns on investment. The funding for the expansion at Scottsdale Quarter will be shared pro rata with O’Connor Mall Partners, L.P. the partner in the Company’s joint venture that owns the property. O’Connor Mall Partners L.P. is an affiliate of O’Connor Capital Partners.

About Scottsdale Quarter

Scottsdale Quarter® is an open-air center where the vibe of the city meets the serenity of the desert. The hip, urban destination features one-of-a-kind retail, restaurant and entertainment options, as well as office space amid elegant, diverse architecture and lush landscaping. Restaurants, specialty and fashion retailers include Sephora, Restoration Hardware, Intermix, American Girl, Vince, Joie, iPic Theaters, NIKE,

Dominick's Steakhouse, Free People, Warby Parker, Apple Store, Eddie V's Prime Seafood, Flywheel and True Food Kitchen, among many others. The center continues to add tenants that further position Scottsdale Quarter as the premier shopping destination in the Valley. Learn more at www.scottsdalequarter.com.

About Washington Prime Group

Washington Prime Group Inc. is a retail REIT and a recognized leader in the ownership, management, acquisition and development of retail properties. The Company combines a national real estate portfolio with an investment grade balance sheet, leveraging its expertise across the entire shopping center sector to increase cash flow through rigorous management of assets and provide new opportunities to retailers looking for growth throughout the U.S. Trademark registration for the name Washington Prime Group is pending. Learn more at www.washingtonprime.com.

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Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 which represent the current expectations and beliefs of management of Washington Prime Inc. ("WPG") concerning the proposed transactions, the anticipated consequences and benefits of the transactions and the targeted close date for the transactions, and other future events and their potential effects on WPG, including, but not limited to, statements relating to anticipated financial and operating results, the company's plans, objectives, expectations and intentions, cost savings and other statements, including words such as "anticipate," "believe," "plan," "estimate," "expect," "intend," "will," "should," "may," and other similar expressions. Such statements are based upon the current beliefs and expectations of WPG's management, and involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of WPG to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, without limitation: changes in asset quality and credit risk; ability to sustain revenue and earnings growth; changes in political, economic or market conditions generally and the real estate and capital markets specifically; the impact of increased competition; the availability of capital and financing; tenant or joint venture partner(s) bankruptcies; the failure to increase mall store occupancy and same-mall operating income; risks associated with the acquisition, development, expansion, leasing and management of properties; changes in market rental rates; trends in the retail industry; relationships with anchor tenants; risks relating to joint venture properties; costs of common area maintenance; competitive market forces; the level and volatility of interest rates; the rate of revenue increases as compared to expense increases; the financial stability of tenants within the retail industry; the restrictions in current financing arrangements or the failure to comply with such arrangements; the liquidity of real estate investments; the impact of changes to tax legislation and WPG's tax positions; failure to qualify as a real estate investment trust; the failure to refinance debt at favorable terms and conditions; loss of key personnel; material changes in the dividend rates on securities or the ability to pay dividends on common shares or other securities; possible restrictions on the ability to operate or dispose of any partially-owned properties; the failure to achieve earnings/funds from operations targets or estimates; the failure to achieve projected returns or yields on development and investment properties (including joint ventures); expected gains on debt extinguishment; changes in generally accepted accounting principles or interpretations thereof; terrorist activities and international hostilities; the unfavorable resolution of legal proceedings; the impact of future acquisitions and divestitures; assets that may be subject to impairment charges; significant costs related to environmental issues; and other risks and uncertainties, including those detailed from time to time in WPG's statements and periodic reports filed with the Securities and Exchange Commission, including those described under "Risk Factors". The forward-looking statements in this communication are qualified by these risk factors. Each statement speaks only as of the date of this press release and WPG undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances. Actual results may differ materially from current projections, expectations, and plans, if any. Investors, potential investors and others should give careful consideration to these risks and uncertainties.

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