



PEARLRIDGE
CENTER

Washington Prime Group's Joint Venture with O'Connor Acquires 180,000 SF Section at Pearlridge Center

COLUMBUS, OH – Mar. 2, 2017 – Washington Prime Group Inc. (NYSE: WPG) today announced that the Company, together with O'Connor Mall Partners, L.P. ("O'Connor"), has acquired an additional section at Pearlridge Center located in Aiea, Hawaii, for a gross purchase price of \$70.0 million. Pearlridge Center is currently comprised of two distinct enclosed venues commonly referred to as Uptown and Downtown. The newly acquired 180,000-square-foot section, which is part of Uptown, is anchored by Ross Dress for Less and TJ Maxx and is 91% occupied.

Lou Conforti, CEO and Director stated: "This transaction results in the complete control of Pearlridge Center under one operator. Gaining control was quite important as we commence with the previously announced redevelopment project with our partner, O'Connor. Also appealing is the immediate accretion as we are acquiring a 91% occupied parcel anchored by TJ Maxx and Ross Dress for Less."

O'Connor is the partner in the Company's joint venture that owns the property. The Company's pro rata share of the purchase price is approximately \$35.7 million. The joint venture plans to place approximately \$40 million of secured debt on the property during the second quarter of 2017. Washington Prime Group has initially funded its share of the purchase price with funds from the Company's credit facility until the debt is placed.

Fred Paine, General Manager of Pearlridge Center added: "The consolidation of Pearlridge Center under one management and leasing team will streamline operations and further enhance the customer experience. We welcome the new Uptown tenants and look forward to providing our customers an enhanced mix of retail and dining options."

The Company announced in January 2017 a \$33 million redevelopment project at Pearlridge Center which includes a significant remodel of Downtown consisting of new tenants, a contemporary dining space, new interior and exterior finishes and updated entranceways. Also part of the overall redevelopment project are specialty grocery store Down to Earth, which will move to an expanded freestanding space; a Bank of Hawaii financial services center; Pieology; Five Guys Burgers and Fries; and innovative menswear retailer Lindbergh.

O'Connor Mall Partners, L.P., is an affiliate of O'Connor Capital Partners.

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About Pearlridge Center

Pearlridge Center is a 1.3 million-square-foot super-regional shopping center located in Aiea off of Kamehameha Highway. It is Hawaii's largest indoor retail center and features Oahu's only monorail system. The 55-acre property consists of Uptown and Downtown complexes offering more than 220 retail, dining and entertainment options. Learn more at www.pearlridgeonline.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. A trademark application has been filed with the U.S. Patent and Trademark Office for the name "Washington Prime Group" and is currently pending. Learn more at www.washingtonprime.com.

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 Group 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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