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# **Tanger Outlet Centers and Simon Property Group Announce a Joint Venture to Develop a Tanger Outlet Center South of Houston, Texas**

## **Outlet Leaders to Form Partnership in Thriving Texas Market**

GREENSBORO, N.C. and INDIANAPOLIS, June 30, 2011 (GLOBE NEWSWIRE) -- Tanger Factory Outlet Centers, Inc., (NYSE:SKT) and Simon Property Group, Inc., (NYSE:SPG) announced today that they have entered into a definitive 50/50 joint venture agreement for the development, construction, leasing and management of a Tanger Outlet Center south of Houston, Texas.

Tanger Outlets (Texas City, TX) will be located approximately 30 miles south of Houston and 20 miles north of Galveston on the highly traveled Interstate 45 (100,000 vehicles per day), Exit 17 at Holland Road. Houston is currently the fourth largest U.S. city, the largest in the state of Texas, and is a major business, financial, science and technology center with a diverse economic base. Galveston is a popular Gulf Coast getaway destination with 32 miles of beaches, restaurants and top resort hotels, attracting over 5 million visitors each year.

When completed, the center will play host to over 90 brand name and designer outlet stores in the first phase of approximately 350,000 square feet. The center is on 55 acres with ample room for future expansion of approximately 120,000 square feet, for a total build out of approximately 470,000 square feet. It is anticipated that the announcement of tenants and ground breaking ceremonies will take place in July of 2011 with the Grand Opening taking place approximately 12 months after the start of construction.

"We believe that Tanger and Simon will jointly develop a successful outlet center on this highly visible location south of Houston," stated David Simon, Chairman and Chief Executive Officer of Simon Property Group, Inc.

Steven B. Tanger, President and Chief Executive Officer of Tanger Outlet Centers, Inc., commented, "The opportunity to build a Tanger Outlet Center south of Houston makes perfect sense. Our partnership with Simon will provide our retail partners with what we believe is the best location and strongest development. When built, we will offer residents and visitors to this region one of the nation's best brand name and designer outlet shopping centers with today's style and fashion trends at the best values every day."

The joint venture will be co-owned by Tanger and Simon and will be branded as Tanger Outlets. Simon will provide site development, construction supervision, and asset management to the venture; Tanger will provide management services and marketing to the joint venture. Both companies will provide leasing services.

It is anticipated that this high-quality outlet shopping center will generate over 400 construction positions during the construction phase, and approximately 900 full-time and part-time jobs in the area when completed.

#### About Simon Property Group

Simon Property Group, Inc. is an S&P 500 company and the largest public real estate company in the U.S. The Company currently owns or has an interest in 390 retail real estate properties comprising 262 million square feet of gross leasable area in North America, Europe and Asia. Simon Property Group is headquartered in Indianapolis, Indiana and employs more than 5,000 people worldwide. The Company's common stock is publicly traded on the NYSE under the symbol SPG. For further information, visit the Simon Property Group website at [www.simon.com](http://www.simon.com).

#### About Tanger Factory Outlet Centers, Inc.

Tanger Factory Outlet Centers, Inc., (NYSE:SKT) is a publicly-traded REIT headquartered in Greensboro, North Carolina that operates and owns, or has ownership interests in, a portfolio of 35 upscale outlet shopping centers in 23 states coast-to-coast, totaling approximately 10.7 million square feet, leased to over 2,200 stores that are operated by more than 370 different brand name companies. More than 160 million shoppers visit Tanger Outlet Centers annually. For more information on Tanger Outlet Centers, call 1-800-4-TANGER or visit our website at [www.tangeroutlet.com](http://www.tangeroutlet.com).

#### Forward Looking Information

This news release contains forward-looking statements within the meaning of federal securities laws. These statements include, but are not limited to, the development and opening of a new center, the timing of expected ground breaking and grand opening events, and management's beliefs, plans, estimates, intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. These forward-looking statements are subject to risks and uncertainties, and therefore, actual results could differ materially from those projected. For a more detailed discussion of the factors that affect the operating results of Tanger and Simon, interested parties should review each respective company's Annual Report on Form 10-K for the fiscal year ended December 31, 2010. Those factors include, but are not limited to, the risks associated with general economic and local real estate conditions, the company's ability to meet its obligations on existing indebtedness or refinance existing indebtedness on favorable terms, the availability and cost of capital, the company's ability to lease its properties or to meet its minimum pre-leasing hurdles on proposed new developments, the company's inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise, and competition.

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