UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2003

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________.

Commission File No. 33-98136

CPG PARTNERS, L.P.
(Exact name of registrant as specified in its charter)

Delaware	**22-3258100**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

103 Eisenhower Parkway, Roseland, New Jersey 07068
(Address of principal executive offices - zip code)

(973) 228-6111
(Registrant's telephone number, including area code)

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 whether the registrant is an accelerated filer.
Yes___ No _X_

There are no outstanding shares of Common Stock or voting securities.

CPG Partners, L.P.

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Part I. Financial Information

CPG Partners, L.P.
Condensed Consolidated Balance Sheets
(In thousands, except per unit data)

	September 30, 2003 (Unaudited)	December 31, 2002
Assets:		
Rental properties:		
Land	**$ 300,559**	$ 266,461
Depreciable property	**1,777,573**	1,570,713
Total rental property	**2,078,132**	1,837,174
Accumulated depreciation	**(329,439)**	(284,239)
Rental properties, net	**1,748,693**	1,552,935
Cash and cash equivalents	**29,355**	22,551
Restricted cash-escrows	**5,716**	3,455
Tenant accounts receivable (net of allowance for doubtful accounts of $2,231 in 2003 and $2,593 in 2002)	**3,979**	7,762
Deferred rent receivable	**23,381**	18,778
Property held for sale	**3,500**	-
Investments in unconsolidated affiliates	**86,656**	47,997
Notes receivable-related parties	**2,168**	2,746
Deferred costs, net	**14,068**	16,706
Other assets	**36,040**	30,100
Total assets	**$ 1,953,556**	$ 1,703,030
Liabilities and partners' capital:		
Liabilities:		
Unsecured bank debt	**$ 183,035**	$ 103,035
Unsecured notes	**621,694**	621,330
Mortgage debt	**387,786**	306,455
Construction payables	**7,625**	8,046
Accounts payable and accrued expenses	**49,355**	43,570
Accrued distribution payable	**28,470**	4,927
Other liabilities	**20,332**	20,393
Total liabilities	**1,298,297**	1,107,756
Commitments and contingencies		
Partners' Capital:		
General partner units outstanding, 43,481 in 2003 and 41,485 in 2002	**521,768**	462,127
Limited partners' units outstanding 7,383 in 2003 and 7,563 in 2002	**75,317**	77,094
Preferred partner units outstanding, 1,300 in 2003 and 2002	**63,315**	63,315
Officer loan	**-**	(488)
Accumulated other comprehensive loss	**(5,141)**	(6,774)
Total partners' capital	**655,259**	595,274
Total liabilities and partners' capital	**$1,953,556**	$1,703,030

The accompanying notes are an integral part of the financial statements.

CPG Partners, L.P.
Condensed Consolidated Statements of Income
for the Three and Nine Months Ended September 30, 2003, and 2002
(Unaudited)
(In thousands, except per unit data)

	Three Months Ended September 30, 2003	Three Months Ended September 30, 2002	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2002
Base rent	**$ 63,850**	$46,490	**$183,086**	$127,349
Percentage rent	**6,705**	5,368	**15,831**	12,836
Expense reimbursements	**20,108**	16,048	**59,388**	42,975
Other income	**1,919**	2,980	**5,197**	8,171
Total revenues	**92,582**	70,886	**263,502**	191,331
Expenses:				
Operating and maintenance	**24,664**	19,203	**71,779**	52,987
Depreciation and amortization	**18,056**	15,002	**52,880**	42,097
General and administrative	**2,560**	1,557	**7,229**	4,995
Other	**1,324**	985	**4,353**	3,092
Total expenses	**46,604**	36,747	**136,241**	103,171

Income before unconsolidated investments, interest expense and discontinued operations	**45,978**	34,139	**127,261**	88,160
Income from unconsolidated investments	**3,125**	2,032	**7,071**	8,784
Loss from Chelsea Interactive	**(677)**	(3,790)	**(2,419)**	(10,266)
Interest expense	**(17,743)**	(13,098)	**(50,930)**	(33,691)
Gain on sale of unconsolidated investments	**-**	10,911	**-**	10,911
Income from continuing operations	**30,683**	30,194	**80,983**	63,898
Income from discontinued operations	**(23)**	331	**393**	815
Gain on sale of discontinued operations	**908**	-	**5,625**	-
Net income	**31,568**	30,525	**87,001**	64,713
Preferred unit requirement	**(2,296)**	(2,297)	**(6,888)**	(6,974)
Net income available to common unitholders	**$ 29,272**	$ 28,228	**$80,113**	$57,739
Net income to common unitholders:				
General partner	**$ 25,006**	$ 24,223	**$68,124**	$49,518
Limited partners	**4,266**	4,005	**11,989**	8,221
Total	**$ 29,272**	$ 28,228	**$80,113**	$57,739
Net income per common unit:				
General partner (including $0.02 and $0.12 net income from discontinued operations for the three and nine months ended September 30, 2003)	**$ 0.58**	$ 0.64	**$ 1.61**	$ 1.31
Limited partners (including $0.02 and $0.12 net income from discontinued operations for the three and nine months ended September 30, 2003)	**$ 0.58**	$ 0.64	**$ 1.61**	$ 1.31
Weighted average units outstanding:				
General partner	**43,304**	37,950	**42,302**	37,799
Limited partners	**7,389**	6,274	**7,464**	6,285
Total	**50,693**	44,224	**49,766**	44,084

The accompanying notes are an integral part of the financial statements.

CPG Partners, L.P.
Condensed Consolidated Statements of Cash Flows
for the Nine Months Ended September 30, 2003 and 2002
(Unaudited)

(In thousands)

	2003	2002
Cash flows from operating activities		
Net income	**$87,001**	$64,713
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**52,981**	42,229
Equity-in-earnings of unconsolidated investments in excess of distributions received	**(3,047)**	(2,148)
Loss from Chelsea Interactive	**-**	10,266
Loss on interest swap	**514**	-
Gain on sale of unconsolidated investment	**-**	(10,911)
Gain on sale of discontinued operations	**(5,625)**	-
Proceeds from non-compete receivable	**-**	4,300
Amortization of non-compete revenue	**-**	(3,852)
Additions to deferred lease costs	**(890)**	(603)
Other operating activities	**1,597**	(641)
Changes in assets and liabilities:		
Straight-line rents	**(5,485)**	(2,441)
Due from affiliates	**(676)**	(806)
Other assets	**(1,416)**	3,118
Deferred incentive compensation payout	**-**	(14,401)
Accounts payable and accrued expenses	**4,969**	(4,747)
Net cash provided by operating activities	**129,923**	84,076
Cash flows from investing activities		
Additions to rental properties	**(165,631)**	(133,502)
Net proceeds from sale of centers	**12,334**	6,873
Additions to investments in unconsolidated affiliates	**(33,954)**	(26,098)
Proceeds from sale of investments in affiliates	**-**	11,293
Additions to deferred development costs	**(737)**	(718)
Payments from related parties	**1,066**	1,085
Loans to related parties	**-**	(550)
Other investing activities	**-**	337
Net cash used in investing activities	**(186,922)**	(141,280)
Cash flows from financing activities		
Debt proceeds	**100,000**	233,324
Repayment of debt	**(29,906)**	(132,400)
Net proceeds from sale of the Company's common stock	**58,360**	5,089
Distributions	**(63,953)**	(48,851)
Redemption of preferred units	**-**	(9,654)
Additions to deferred financing costs	**(698)**	(1,215)
Net cash provided by financing activities	**63,803**	46,293
Net increase (decrease) in cash and cash equivalents	**6,804**	(10,911)
Cash and cash equivalents, beginning of period	**22,551**	24,604
Cash and cash equivalents, end of period	**$29,355**	$13,693
Non-cash investing activities:		
Additions to rental properties on consolidation of properties previously held as investments in unconsolidated affiliates	-	$275,960
Non-cash financing activities:		
Assumption of mortgage loan payable on consolidation of properties previously held as investments in unconsolidated affiliates	-	$228,026

Assumption of mortgage loans payable	$89,490	-

The accompanying notes are an integral part of the financial statements.

CPG Partners, L.P.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Organization and Basis of Presentation

CPG Partners, L.P. (the “Operating Partnership” or “OP”) which commenced operations on November 2, 1993 specializes in owning, developing, leasing, marketing and managing upscale and fashion-oriented manufacturers’ outlet centers. As of September 30, 2003, the OP wholly or partially owned 61 centers in 31 states and Japan containing approximately 16.1 million square feet of gross leasable area (“GLA”). The OP’s portfolio is comprised of 30 Premium Outlet centers containing 10.3 million square feet of GLA (the “Premium Properties”) and 31 other retail centers containing approximately 5.8 million square feet of GLA (“Other Properties”) (collectively the “Properties”). The OP’s Premium Properties generated approximately 76% and 86% of the OP’s retail real estate net operating income for the nine months ended September 30, 2003, and 2002, respectively. The Premium Properties generally are located near metropolitan areas including New York City, Los Angeles, Boston, Chicago, Washington, D.C., San Francisco, Sacramento, Atlanta, Dallas, Tokyo and Osaka, Japan. Some Premium Properties are also located within 20 miles of major tourist destinations including Palm Springs, the Napa Valley, Orlando, Las Vegas and Honolulu.

The sole general partner in the OP, Chelsea Property Group, Inc. (the “Company”) is a self-administered and self-managed Real Estate Investment Trust (REIT).

The financial statements contain the accounts of the Operating Partnership and its majority owned subsidiaries. Such subsidiaries represent partnerships in which the OP has greater than a 50% ownership interest and the ability to maintain operational control. All significant intercompany transactions and accounts have been eliminated in consolidation.

Common ownership of the OP as of September 30, 2003, was approximately as follows:

	Number of units	% of total units
General Partner	43,481,000	85.5%
Limited Partners	7,383,000	14.5%
Total	50,864,000	100.0%

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by accounting principles generally accepted in the United States for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included. Operating results for the nine-month period ended September 30, 2003, are not necessarily indicative of the results that may be expected for the year ending December 31, 2003. The balance sheet at December 31, 2002 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. These financial statements should be read in conjunction with the consolidated financial statements and accompanying notes included in the OP’s Annual Report on Form 10-K for the year ended December 31, 2002.

Certain amounts in the prior year financial statements have been reclassified to conform to current year presentation.

1. Organization and Basis of Presentation (continued)

In August 2001, the FASB issued Statement of Financial Accounting Standards No. 143, “*Accounting for Asset Retirement Obligations*” (“SFAS 143”) which was effective January 1, 2003. SFAS 143 requires the recording of the fair value of a liability for an asset retirement obligation in the period in which it is incurred. See note 3 to financial statements for discussion related to the estimated future costs to be incurred in connection with the future operations of Chelsea Interactive.

In November 2002, the FASB issued Interpretation No. 45, *Guarantor’s Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others* (“FIN 45”). FIN 45 requires certain guarantees to be recorded at fair value, instead of recording a liability only when a loss is probable and reasonably estimatable, as those terms are defined in FASB Statement No. 5, *Accounting for Contingencies*. FIN 45 also requires a guarantor to make significant new disclosures, even when the likelihood of making any payments under the guarantee is remote. The disclosure requirements of FIN 45 are effective for financial statements of interim or annual periods ending after December 15, 2002. The OP adopted the disclosure provisions of FIN

45 effective December 31, 2002. FIN 45's initial recognition and initial measurement provisions are applicable on a prospective basis to guarantees issued or modified after December 31, 2002.

In January 2003, the FASB issued Interpretation No. 46, *Consolidation of Variable Interest Entities* ("FIN 46"). FIN 46 clarifies the application of existing accounting pronouncements to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. The provisions of FIN 46 are effective for all variable interest entities created after January 31, 2003. The OP has not created any variable interest entities subsequent to January 31, 2003. The provisions of FIN 46 are effective beginning in the fourth quarter for variable interest entities created before January 31, 2003. The OP is currently evaluating whether it has any variable interest entities.

2. Acquisitions and Dispositions

Acquisitions

In August 2003, the OP acquired Belz Factory Outlet World – Las Vegas ("Las Vegas"), a 477,000 square-foot outlet center in Las Vegas, Nevada, for $104.0 million including the assumption of a $24.4 million 8.12% mortgage loan due 2012. As part of the transaction, the OP also acquired Belz Factory Outlet World – Lakeland ("Lakeland") (collectively, the"Belz Properties"), a 319,000 square-foot outlet center near Memphis, Tennessee, for an additional $3.5 million. The Lakeland property is being marketed for sale. The OP is in the process of determining the purchase price allocation and is considering the fair value of the in-place leases, land and building.

In June 2003, the OP purchased The Crossings Factory Stores, a 390,000 square-foot outlet center located in Tannersville, Pennsylvania, for $111.3 million, including closing costs, and assumed a $60.7 million 5.85% mortgage loan due 2013. An additional $5.0 million will be due to the sellers upon the completion of a 21,000 square-foot expansion scheduled to open in late 2004, subject to permits. The OP is in the process of determining the purchase price allocation and is considering the fair value of the in-place leases, land and building.

Dispositions

In September 2003, the OP realized a gain of approximately $0.9 million from the sale of one of its non-core properties, the former Factory Stores of America at Mesa, Arizona ("Mesa property"). Revenues and expenses connected with the Mesa property have been reclassified to discontinued operations in the period of sale and comparable periods in the accompanying financial statements.

In June 2003, the OP sold a 23,000 square-foot Premium Outlet center located in St. Helena, California for $7.4 million, resulting in a gain of approximately $4.7 million. The center partially secured a mortgage note due April 2010 and $5.0 million of the sales proceeds were used to pay down the mortgage loan. The aggregate revenues and net income of the sold property were $0.4 million and $0.2 million, respectively for the nine months ended September 30, 2003. Revenues and expenses related to the St. Helena property have been reclassified to discontinued operations in the period of sale and comparable periods in the accompanying financial statements.

3. Investments in Affiliates

The OP holds several non-controlling interests in domestic and international joint ventures accounted for under the equity method. Equity in earnings or losses of these affiliates and related management advisory, license, leasing and guarantee fees earned are included in income from unconsolidated investments in the accompanying financial statements.

As of September 30, 2003, the OP's interests in joint ventures included a 40% interest in Chelsea Japan Co., Ltd. ("Chelsea Japan"), a 50% interest in two Premium Outlet centers with Simon Property Group, Inc. ("Simon"), a 50% interest in a strategic alliance with Sordo Madaleno y Asociados and affiliates ("Chelsea Mexico"), minority interests in various outlet centers and development projects in Europe operated by Value Retail PLC ("Value Retail") and 100% of the non-voting preferred stock and 50% of the non-voting common stock of Chelsea Interactive, representing 40% of the total common stock.

3. Investments in Affiliates (continued)

In March 2003, Chelsea Japan opened the 180,000 square-foot first phase of Sano Premium Outlets, located 40 miles north of Tokyo. Chelsea Japan has two other centers: Gotemba Premium Outlets, located west of Tokyo, is a 390,000 square-foot center, including a 170,000 square-foot expansion that opened in July 2003; Rinku Premium Outlets, located near Osaka, is a 250,000 square-foot center including a 70,000 square-foot expansion that opened in March 2002.

In June 2002, the OP and Simon entered into a 50/50 joint venture to develop and operate Las Vegas Premium Outlets, a 435,000 square-foot single-phase outlet center located in Las Vegas, Nevada, which opened on August 1, 2003. The OP is responsible for financing its 50% share of development costs, or approximately $48.0 million. As of September 30, 2003, the OP had contributed $40.5 million and capitalized interest and other costs of $3.8 million.

In August 2002, the OP and Simon entered into a 50/50 joint venture to develop and operate Chicago Premium Outlets, a 438,000 square-foot single-phase outlet center located in Aurora, Illinois, scheduled to open in mid-2004. The OP is responsible for financing its 50% share of the development costs, or approximately $46.0 million. As of September 30, 2003, the OP had contributed $19.4 million and capitalized interest and other costs of $1.4 million.

As of September 30, 2003, the OP had incurred approximately $2.0 million of pre-development and other costs related to the formation of the Mexico joint venture.

As of September 30, 2003, the OP had minority interests ranging from 3% to 8% in several outlet centers and outlet development projects in Europe. In July 2002, the OP sold approximately 45% of its holdings in Value Retail to a third party for $11.4 million, resulting in a gain of $10.9 million which was recorded as a gain on sale of unconsolidated investment in the accompanying financial statements.

At December 31, 2002, the OP recognized an impairment loss equal to the net book value of its investment in Chelsea Interactive. The OP believes that it will not be able to recover the net book value of its investment in Chelsea Interactive through future cash flows before reaching the OP's $60.0 million funding limit. Through September 30, 2003, the OP had funded $54.8 million and anticipates that the $5.2 million funding balance may be used to further develop the platform and/or to fund operating cash shortfalls and potential costs related to the disposal or discontinuance of the business. A $0.7 million and $2.4 million funding loss was reported for the three and nine months ended September 30, 2003, respectively. Future funding by the OP will be reported, as a loss in the period funding is required. The OP has signed a joint venture agreement with a third party to restructure Chelsea Interactive, subject to the satisfaction of certain conditions. There can be no assurance that this joint venture will be successful or that Chelsea Interactive will be able to continue as a going concern.

The following is a summary of investments in and amounts due from affiliates at September 30, 2003 (in thousands):

	Chelsea Japan	Simon Ventures	Chelsea Mexico	Other	Total
Balance December 31, 2002	$12,471	$31,919	$ -	$3,607	$47,997
Additional investment	639	32,192	2,022	25	34,878
Income from unconsolidated investments	6,069	1,002	-	-	7,071
Distribution and fees	(3,849)	(1,131)	-	-	(4,980)
Advances (net)	517	1,163	-	10	1,690
Balance September 30, 2003	$15,847	$65,145	$2,022	$3,642	$86,656

3. Investments in Affiliates (continued)

The OP's share of income (loss) before depreciation, depreciation expense and income (loss) from unconsolidated investments for the three and nine months ended September 30, 2003, and 2002, is as follows (in thousands):

For the Three Months Ended September 30,

	2003			2002		
	Income(loss) before Depreciation	Depr.	Income (loss) from Unconsol. Investments	Income (loss) before Depreciation	Depr.	Income (loss) from Unconsol. Investments
Chelsea Japan	$3,101	$ 978	$2,123	$1,532	$ 471	$ 1,061
F/C (1)	-	-	-	1,369	400	969
S/C Las Vegas	1,201	199	1,002	2	-	2
Total	$4,302	$1,177	$3,125	$2,903	$871	$ 2,032
Chelsea Interactive	($677)	$ -	($677)	($1,594)	$2,196	($3,790)

For the Nine Months Ended September 30,

	2003			2002		
	Income (loss) before Depreciation	Depr.	Income (loss) from Unconsol. Investments	Income (loss) before Depreciation	Depr.	Income (loss) from Unconsol. Investments
Chelsea Japan	$8,340	$2,271	$6,069	$ 4,419	$1,303	$ 3,116
F/C (1)	-	-	-	6,178	1,847	4,331
Simon-Orlando(2)	-	-	-	1,833	523	1,310
S/C Las Vegas	1,201	199	1,002	27	-	27
Total	$9,541	$2,470	$7,071	$12,457	$3,673	$ 8,784

Chelsea Interactive.	($2,419)	$ -	($2,419)	($4,502)	$5,764	($10,266)

(1) In August 2002, the OP became the sole owner of four Premium centers by acquiring the remaining 51% undivided interest in the F/C Acquisition Holdings, LLC joint venture, and consolidated the operations and balance sheet from the buyout date.

(2) During the three months ended March 31, 2002, the OP had a 50% interest in Orlando Premium Outlets through a 50/50 joint venture with Simon. In April 2002, the OP became the sole owner of Orlando Premium Outlets by acquiring the remaining 50% undivided ownership interest from Simon, and consolidated the operations and balance sheet from the buyout date.

Notes to Condensed Consolidated Financial Statements
(Unaudited)

3. Investments in Affiliates (continued)

Condensed financial information as of September 30, 2003, and December 31, 2002, and for the three and nine months ended September 30, 2003, and 2002 for investments in unconsolidated affiliates is as follows (in thousands):

	Retail	Chelsea Interactive
Property, plant and equipment (net)		
September 30, 2003	$252,230	$ -
December 31, 2002 (3)	140,057	31,409
Total assets		
September 30, 2003	327,172	-
December 31, 2002 (3)	190,157	33,295
Long term debt (4)		
September 30, 2003	114,896	-
December 31, 2002	75,139	-
Total liabilities		
September 30, 2003	192,566	1,549
December 31, 2002	119,886	1,548
Net income (loss)		
Three months ended:		
September 30,	4,113	-
September 30, 2002 (1)	2,501	(3,790)
Nine months ended:		
September 30, 2003	7,213	-
September 30, 2002 (1) (2)	11,549	(11,127)
OP's share of net income (loss)		
Three months ended:		
September 30, 2003	1,807	(677)
September 30, 2002 (1)	1,115	(3,790)
Nine months ended:		
September 30, 2003	3,047	(2,419)
September 30, 2002 (1) (2)	5,374	(10,266)
Fee income		
Three months ended:		
September 30, 2003	1,318	-
September 30, 2002 (1)	915	-
Nine months ended:		
September 30, 2003	4,024	-
September 30, 2002 (1) (2)	3,383	-

(1) In August 2002, the OP became the sole owner of four Premium centers by acquiring the remaining 51% undivided interest in the F/C Acquisition Holdings, LLC joint venture and consolidated the operations and balance sheet from the buyout date.

(2) During the three months ended March 31, 2002, the OP had a 50% interest in Orlando Premium Outlets through a 50/50 joint venture with Simon. In April 2002, the OP became the sole owner of Orlando Premium Outlets by acquiring the remaining 50% undivided ownership interest from Simon, and consolidated the operations and balance sheet from the buyout date.

(3) At December 31, 2002, Chelsea Interactive recorded an impairment loss equal to the carrying amount of its net assets.

(4) Long-term debt in 2003 and 2002 consists of borrowings related to Chelsea Japan.

Notes to Condensed Consolidated Financial Statements
(Unaudited)

4. Non-Compete Agreement

The OP recognized income from its non-compete agreement with The Mills Corporation of $1.3 and $3.9 million during the three and nine months ended September 30, 2002, which is included in other income in the accompanying financial statements.

5. Debt

Unsecured Bank Debt

The OP has a $200.0 million senior unsecured bank line of credit (the “Senior Credit Facility”) with an expiration date of March 31, 2005, which the OP has the right to extend until March 31, 2006. The Senior Credit Facility bears interest on the outstanding balance, payable monthly, at a rate equal to the London Interbank Offered Rate (“LIBOR”) plus 0.95% (2.05% at September 30, 2003) or the prime rate, at the OP’s option. The LIBOR rate spread ranges from 0.85% to 1.50% depending on the OP’s Senior Debt rating. The OP received a debt rating upgrade in July 2003, resulting in a reduction of the LIBOR rate spread to 0.95% from 1.05%. At September 30, 2003, $78.0 million was outstanding under the Senior Credit Facility.

The OP has a one-year $100.0 million unsecured bridge loan (the “Bridge Loan Facility”) due July 31, 2004 and has the right to extend the loan until January 31, 2005. The Bridge Loan Facility bears interest on the outstanding balance, payable monthly, at a rate equal to LIBOR plus 0.80% (1.91% at September 30, 2003). The LIBOR rate spread ranges from 0.70% to 1.35% depending on the OP’s Senior Debt rating.

The OP also has a $5.0 million term loan that carries the same interest rate and maturity as the Senior Credit Facility.

Unsecured Notes

A summary of the terms of the unsecured notes outstanding at September 30, 2003, and December 31, 2002, is as follows (in thousands):

	September 30, 2003	December 31, 2002	Effective Yield (1)
8.38% due August 2005	$ 49,945	$ 49,922	8.44%
7.25% due October 2007	124,866	124,841	7.39%
8.63% due August 2009	49,941	49,933	8.76%
8.25% due February 2011	148,927	148,817	8.40%
6.88% due June 2012	99,873	99,825	6.90%
6.00% due January 2013	148,142	147,992	6.18%
Total	$621,694	$621,330	

(1) Including discount on the notes

5. Debt (continued)

A summary of the terms of the mortgage debt outstanding at September 30, 2003, and December 31, 2002, and the related interest rate and Net Book Value (“NBV”) of the associated collateral as of September 30, 2003, are as follows (in thousands):

	September 30, 2003	December 31, 2002	Effective Interest Rate	NBV
Due July 2008 (1)	$165,505	$167,723	7.26%	$254,020
Due April 2010 (2)	61,725	67,250	7.26%	67,725
Due December 2012 (3)	25,993	-	6.29%	106,028
Due December 2012 (4)	70,727	71,482	7.67%	74,817
Due March 2013 (5)	63,836	-	5.10%	114,091
	$387,786	$306,455		$616,681

(1) The mortgage loan due July 2008 was consolidated as part of the August 2002 buyout of a joint venture partner's 51% interest in the F/C Acquisition joint venture. The mortgage calls for a $1.2 million fixed monthly debt service payment based on a 26-year amortization schedule. During the nine months ended September 30, 2003, the OP recognized $101,000 in debt discount amortization that is included in interest expense in the accompanying financial statements.

(2) Chelsea Financing entered into a $70.0 million mortgage loan due April 2010 originally secured by its four properties. On June 2, 2003 the OP sold one of the encumbered properties for $7.4 million with an NBV of $2.5 million. Proceeds of $5.0 million were used to pay down the mortgage loan. The loan bears interest equal to LIBOR plus 1.50% (2.61% at September 30, 2003) or prime rate plus 1.0% and calls for quarterly principal amortization of $0.25 million through April 2005 and thereafter $0.45 million per quarter until maturity. In December 2000, the OP entered into an interest rate swap agreement to hedge against unfavorable fluctuations in LIBOR rates by fixing the interest rate at 7.26% until January 2006. During the

nine months ended September 30, 2003, and 2002, the OP recognized interest expense of $2.3 million and $2.0 million, respectively on the hedge that is included in interest expense in the accompanying financial statements.

(3) The mortgage loan due December 2012 was assumed as part of an August 2003 acquisition. The stated interest rate of 8.12% was greater than that available to the OP for comparable debt. Consequently, the OP recognized a $1.9 million debt premium that will be amortized over the period of the loan, which reduces the effective interest rate to 6.29%. The mortgage loan calls for a $0.3 million fixed monthly debt service payment on a 17-year amortization schedule.

(4) The mortgage loan due December 2012 was assumed as part of a September 2001 acquisition. The loan calls for a $0.5 million fixed monthly debt service payment based on a 26-year amortization schedule. During the nine months ended September 30, 2003, and 2002, the OP recognized $0.2 million in debt premium amortization that is included in interest expense in the accompanying financial statements.

(5) The mortgage loan due March 2013 was assumed as part of a June 2003 acquisition. The stated interest rate of 5.85% was greater than that available to the OP for comparable debt. Accordingly, the OP recorded a $3.4 million debt premium that will be amortized over the period of the loan, which reduces the effective interest rate to 5.10%. The loan calls for a $0.4 million fixed monthly debt service payment on a 25-year amortization schedule.

Interest and loan costs of approximately $1.2 million and $0.8 million were capitalized as development costs during the three months ended September 30, 2003, and 2002, respectively; and approximately $3.4 million and $2.1 million during the nine months ended September 30, 2003, and 2002, respectively.

6. Financial Instruments: Derivatives and Hedging

The OP employs interest rate and foreign currency forwards or purchased options to hedge qualifying anticipated transactions. Gains and losses are deferred and recognized in net income in the same period that the underlying hedged transaction affects net income, expires or is otherwise terminated or assigned.

At September 30, 2003, the OP’s interest rate swap was reported at its fair value and classified as other liability of $5.8 million. At September 30, 2003, there were $5.4 million in deferred losses, recorded in accumulated other comprehensive loss, a parnter’s capital account. During the nine months ended September 30, 2003, the OP reclassified $0.5 million of other comprehensive loss to other expense as a result of its $5.0 million pay down of swapped mortgage debt in June 2003.

Hedge Type	Notional Value	Rate	Maturity	Fair Value
Swap, Cash Flow	$67.0 million	5.7625%	1/1/06	($5.8 million)

The notional value and fair value of the above hedge provides an indication of the extent of the OP’s involvement in financial derivative instruments at September 30, 2003, but does not represent exposure to credit, interest rate, foreign exchange or market risk.

7. Preferred Units

In September 1999, the OP completed a private sale of $65 million of Series B Cumulative Redeemable Preferred Units (“Preferred Units”) to an institutional investor. The private placement took the form of 1.3 million Preferred Units at a stated value of $50 each. The Preferred Units may be called at par on or after September 2004, have no stated maturity or mandatory redemption and pay a cumulative quarterly dividend at an annualized rate of 9.0%. The Preferred Units are exchangeable into Series B Cumulative Redeemable Preferred Stock of the Company after ten years.

8. Partner’s Capital

	General Partners Capital	Limited Partners' Capital	Preferred Partners' Capital	Officer Loan	Accum. Other Comp. Income (Loss)	Total Partners' Capital
Balance December 31, 2002..........	$ 462,127	$ 77,094	$ 63,315	$ (488)	$ (6,774)	$595,274
Net income..........................	70,626	16,375	-	-	-	87,001
Other comprehensive income / (loss)						
Foreign currency translation....	-	-	-	-	266	266
Interest rate swap..............	-	-	-	-	1,367	1,367
Total comprehensive income..........						88,634

Officer loan	-	-	-	488	-	488
Common distributions	(68,652)	(11,957)	-	-	-	(80,609)
Preferred distributions	(2,502)	(4,386)	-	-	-	(6,888)
Contributions (net of costs)	58,360	-	-	-	-	58,360
Transfer of limited partners' interest	1,809	(1,809)	-	-	-	-
Balance September 30, 2003	$ 521,768	$ 75,317	$ 63,315	$ -	$(5,141)	$655,259

9. Distributions

On September 11, 2003, the Board of Directors of the Company declared a $0.535 per unit distribution to unitholders of record on September 30, 2003. The distribution totaling $27.2 million was paid on October 14, 2003.

10. Income Taxes

No provision has been made for income taxes in the accompanying consolidated financial statements since such taxes, if any, are the responsibility of the individual partners.

11. Net Income Per Partnership Unit

Net income per partnership unit is determined by allocating net income to the general partner (including the general partner's preferred unit allocation) and the limited partners based on their weighted average partnership units outstanding during the respective periods presented.

Notes to Condensed Consolidated Financial Statements
(Unaudited)

12. Commitments and Contingencies

In connection with the Simon joint ventures, the OP has committed to provide 50% of the development costs, or approximately $48.0 million for Las Vegas Premium Outlets and $46.0 million for Chicago Premium Outlets. As of September 30, 2003, the OP had contributed $40.5 million and $19.4 million to the Las Vegas and Chicago projects, respectively.

Borrowings related to Chelsea Japan for which the Company and the OP have provided guarantees for repayment of debt as of September 30, 2003, are as follows:

Total Facility		Outstanding				
Yen	US $ Equivalent	Yen	US $ Equivalent	US $ Guarantee	Due Date	Interest Rate
4.0 billion (1)	$35.9 million	0.9 billion	$ 8.5 million	$ 8.5 million	2004	1.33%
3.8 billion (2)	34.1 million	3.4 billion	30.2 million	12.1 million	2015	2.20%
0.6 billion (2)	5.4 million	0.5 billion	4.8 million	1.9 million	2012	1.50%

1) Facility entered into by an equity investee of the OP that has a one-year extension option until April 1, 2005.

2) Facilities entered into by Chelsea Japan, secured by Gotemba and Rinku and 40% severally guaranteed by the OP.

In May 2002, the OP entered into a 50/50 joint venture agreement with Sordo Madaleno y Asociados and affiliates to jointly develop Premium Outlet centers in Mexico. Construction on the 230,000 square-foot first phase of Punta Norte Premium Outlets has commenced and the center is scheduled to open in late 2004. The OP is currently advancing its share of project costs up to $14 million to its joint venture partners on a recourse basis until certain title and other issues are resolved. As of September 30, 2003, the OP contributed $2.0 million for the project.

As of September 30, 2003, the OP had provided limited debt service guarantees of approximately $17.4 million to Value Retail and affiliates, under a standby facility for loans provided to Value Retail and affiliates to construct outlet centers in Europe. The standby facility, which has a maximum limit of $22.0 million, expired in November 2001, and outstanding guarantees, shall not survive more than five years after project completion.

At September 30, 2003, other assets include $8.5 million and accrued expenses and other liabilities include $12.8 million related to the 2002 deferred unit incentive program which may be paid to certain key officers in 2007.

The OP is not presently involved in any material litigation or, to its knowledge, is any material litigation threatened against the OP or its properties, other than routine litigation arising in the ordinary course of business. Management believes the cost incurred by the OP related to any of its litigation will not be material and have been adequately provided for in the consolidated financial statements.

13. Related Party Information

In 1999, the OP established a $6.0 million secured loan facility that will expire in June 2004 for the benefit of certain unitholders. Each borrower issued a note that is secured by OP units, bears interest at a rate of LIBOR plus 200 basis points per annum payable quarterly and is due by the facility expiration date. At September 30, 2003, the $2.2 million note receivable from related parties represents a loan made to a unitholder, who is also an officer of the OP. During the three months ended September 30, 2003, the OP received $1.1 million from a unitholder in full repayment of his loan. Effective June 2002, the OP changed its policy to eliminate new loans to directors and officers.

In August 1997, the OP and one of the Company’s directors entered into a Consulting Agreement pursuant to which the director agreed to perform services for the OP in connection with the development and operation of manufacturer’s outlet centers in Japan and Hawaii. The agreement provided for payments to the director of $10,000 per month and was terminated by the OP in December 1999. During the term of the agreement and for four years after the termination, the director will be entitled to deferred compensation of 1% of the development costs, up to a maximum amount of $0.5 million per project, on all projects in which he was involved in Japan or Hawaii either directly or as a result of Mitsubishi and/or Nissho Iwai committing to develop such project with the OP in Japan. Fees paid under this agreement totaled $0.3 million for the nine months ended September 30, 2003. These fees are included in investment in affiliates in the accompanying financial statements.

14. Segment Information

The OP is principally engaged in the development, ownership, acquisition and operation of manufacturers’ outlet centers and has determined that under SFAS No.131 “Disclosures About Segments of an Enterprise and Related Information” it has three reportable retail real estate segments: Premium domestic, other domestic and international. The OP evaluates real estate performance and allocates resources based on Net Operating Income (“NOI”) defined as total revenue less operating expenses. The primary sources of revenue are generated from tenant base rents, percentage rents and reimbursement revenue. Operating expenses primarily consist of common area maintenance, real estate taxes, promotional and general and administrative expenses. The retail real estate business segments meet the quantitative threshold for determining reportable segments.

14. Segment Information (continued)

(in thousands)	Premium Domestic	Other Domestic	International	Other	Total
	(1)	(1)(2)	(3)	(4)	
Total revenues					
Three months ended:					
September 30, 2003.........	$64,625	$27,898	$ -	$ 59	$92,582
September 30, 2002.........	58,088	11,416	-	1,382	70,886
Nine months ended:					
September 30, 2003.........	190,775	72,465	-	262	263,502
September 30, 2002.........	152,886	34,323	-	4,122	191,331
Interest income					
Three months ended:					
September 30, 2003.........	254	40	-	9	303
September 30, 2002.........	252	76	-	105	433
Nine months ended:					
September 30, 2003.........	761	54	-	102	917
September 30, 2002.........	792	140	-	276	1,208
Income (loss) from unconsolidated investments					
Three months ended:					
September 30, 2003.........	1,002	-	2,123	(677)	2,448
September 30, 2002.........	971	-	1,061	(3,790)	(1,758)
Nine months ended:					
September 30, 2003.........	1,002	-	6,069	(2,419)	4,652
September 30, 2002.........	5,643	-	3,141	(10,266)	(1,482)
NOI					
Three months ended:					
September 30, 2003.........	48,293	18,989	4,143	(2,723)	68,702
September 30, 2002.........	45,488	10,127	2,064	(6,323)	51,356
Nine months ended:					
September 30, 2003.........	140,298	48,717	10,659	(9,598)	190,076
September 30, 2002.........	122,527	20,777	5,915	(8,589)	140,630
Fixed asset additions					
Nine months ended:					
September 30, 2003.........	11,752	153,144	-	942	165,838
September 30, 2002.........	103,520	28,550	-	1,432	133,502
Total assets					
September 30, 2003.........	1,241,914	661,109	21,501	29,032	1,953,556
December 31, 2002..........	1,262,190	394,984	16,077	29,779	1,703,030

(1) Excludes revenue for St. Helena and Mesa properties, which were sold in June and September 2003, respectively.
(2) Approximately 15% and 25% of the GLA is occupied by and approximately 9% and 13% of annualized base rent is derived from one tenant during the 2003 and 2002 periods, respectively.
(3) Principally comprised of the Company's interest in Chelsea Japan.
(4) Includes corporate overhead assets and results from Chelsea Interactive.

Notes to Condensed Consolidated Financial Statements
(Unaudited)

14. Segment Information (continued)

Following is a reconciliation of net operating income to net income for the three and nine months ended September 30, 2003, and 2002 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
Segment NOI	**$68,702**	$51,356	**$190,076**	$140,630
Interest expense - consolidated	**(17,743)**	(13,098)	**(50,930)**	(33,691)
Interest expense - unconsolidated investments	**(268)**	(146)	**(601)**	(413)
Depreciation and amortization expense - consolidated	**(18,080)**	(15,045)	**(52,981)**	(42,229)
Depreciation and amortization expense - unconsolidated investments	**(1,177)**	(871)	**(2,470)**	(3,673)
Depreciation and amortization expense - Chelsea Interactive	**-**	(2,196)	**-**	(5,764)
Income tax - unconsolidated investments	**(774)**	(386)	**(1,718)**	(1,058)
Gain on sale of discontinued operations	**(908)**	-	**5,625**	-
Gain on sale of unconsolidated investment	**-**	10,911	**-**	10,911
Net income	**$31,568**	$30,525	**$87,001**	$64,713

15. Fair Value of Financial Instruments

The following disclosures of estimated fair value were determined by management, using available market information and appropriate valuation methodologies. Considerable judgment is necessary to interpret market data and develop estimated fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the OP could realize on disposition of the financial instruments. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

Cash equivalents, accounts receivable, accounts payable, and revolving credit facilities balances reasonably approximate their fair values due to the short maturities of these items. Mortgage debt and the unsecured notes payable have an estimated fair value based on discounted cash flow models of approximately $1.1 billion, which exceeds the book value by $100 million. Unsecured bank debt is carried at an amount, which reasonably approximates its fair value since it is a variable rate instrument whose interest rate reprices frequently.

Disclosure about fair value of financial instruments is based on pertinent information available to management as of September 30, 2003. Although management is not aware of any factors that would significantly affect the reasonable fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since such date and current estimates of fair value may differ significantly from the amounts presented herein.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion should be read in connection with the accompanying unaudited condensed consolidated financial statements and notes thereto. These financial statements include all adjustments, which in the opinion of management are necessary to reflect a fair statement of results for all interim periods presented, and all such adjustments are of a normal recurring nature.

General Overview

From October 1, 2002 to September 30, 2003, the OP grew by increasing rents at its operating centers, acquiring nine retail centers, developing two new joint venture centers and expanding two wholly-owned centers and one joint venture center. For the nine months ended September 30, 2003, base rents increased $55.7 million comprised of $5.0 million of growth from existing centers and $50.7 million from acquisitions and new development since October 1, 2002. The OP released or renewed approximately 1.3 million square feet of Premium Property GLA during the twelve months ended September 30, 2003, for which initial contractual cash rents under new leases were 13% higher than expiring leases. Investments in unconsolidated affiliates decreased $1.7 million for the nine months ended September 30, 2003. The decrease was due to the purchase and consolidation of partners’ interests in five centers during 2002 offset by earnings contributed largely from the expansion of one joint venture center and the opening of two new joint venture centers including one-time fees earned in 2003.

The OP operated GLA of 16.1 million square feet at September 30, 2003 and 12.5 million square feet at September 30, 2002. The OP’s Premium Properties portfolio consists of 30 wholly or partially-owned centers containing 10.3 million square feet of GLA at

September 30, 2003, and 27 wholly or partially-owned centers containing 8.4 million square feet of GLA at September 30, 2002. The OP's Other Properties consist of 31 wholly or partially owned centers containing 5.8 million square feet of GLA at September 30, 2003, and 27 wholly or partially owned centers containing 4.1 million square feet of GLA at September 30, 2002. Since October 1, 2002, the OP has added 3.6 million square feet ("sf") of net GLA and details are as follows:

Net GLA added since October 1, 2002 is detailed as follows:

	12 months ended September 30, 2003	9 months ended September 30, 2003	3 months ended December 31, 2002
Changes in GLA (sf in 000's):			
New centers developed:			
Las Vegas Premium Outlets (50% owned)	435	435	-
Sano Premium Outlets (40% owned)	180	180	-
	615	615	-
Centers expanded:			
Gotemba Premium Outlets (40% owned)..............	170	170	-
Desert Hills Premium Outlets.......................	23	-	23
Liberty Village Premium Outlets....................	23	-	23
Other..	(36)	(28)	(8)
Total centers expanded................................	180	142	38
Centers acquired:			
Belz Factory Outlet World - Las Vegas.............	477	477	-
Factory Outlet Village Osage Beach	391	-	391
The Crossings Factory Stores......................	390	390	-
St. Augustine Outlet Center.......................	329	-	329
Belz Factory Outlet World - Lakeland (1)	319	319	-
Outlets at Albertville............................	305	-	305
Factory Merchants Branson.........................	300	-	300
Jackson Outlet Village............................	292	-	292
Johnson Creek Outlet Center.......................	278	-	278
Total centers acquired................................	3,081	1,186	1,895
Centers sold:			
St. Helena Premium Outlets........................	(23)	(23)	-
Other Properties (2)..............................	(231)	(167)	(64)
Total centers sold....................................	(254)	(190)	(64)
Net GLA added during the period.......................	3,622	1,753	1,869
GLA at end of period..................................	16,139	16,139	14,386

(1) Acquired Lakeland in August 2003 in conjunction with the Las Vegas property. The Lakeland property is being marketed for sale.
(2) Consists of Factory Stores of America at Mineral Wells, Texas and Factory Stores of America at Mesa, Arizona.

Results of Operations

Comparison of the three months ended September 30, 2003 to the three months ended September 30, 2002.

Income from continuing operations was $30.7 million, representing an increase of $0.5 million or 1.6% for the three months ended September 30, 2003, from $30.2 million for the three months ended September 2002. The increase was driven by the acquisitions of six centers in 2002 and three centers in 2003, the buyout of ownership interest in four centers in 2002, higher rents from releasing and renewals, and a decrease in the loss from Chelsea Interactive, largely offset by a gain of $10.9 million, which reflects the sale of a portion of the OP's interest in Value Retail during July 2002 and partially due to increases in general and administrative, interest and other expenses.

Base rentals increased $17.4 million, or 37.3%, to $63.9 million for the three months ended September 30, 2003, from $46.5 million for the three months ended September 30, 2002, due to the acquisitions of nine centers, the buyout of partnership interest in four centers, higher average rents on releasing and renewals, and the expansion of two wholly-owned centers in late 2002.

Percentage rents rose $1.3 million, or 24.9%, to $6.7 million for the three months ended September 30, 2003, from $5.4 million for the three months ended September 30, 2002, primarily due to improved tenant sales, the acquisition of nine retail centers and the buyout of ownership interest in four centers in 2002.

Expense reimbursements, representing contractual recoveries from tenants of certain common area maintenance, operating, real estate tax and promotional and management expenses, increased $4.1 million, or 25.3% from $16.0 million for the three months ended September 30, 2002 to $20.1 million for three months ended September 30, 2003, due to the recovery of operating and maintenance costs from increased GLA. The average recovery of reimbursable expenses for the Premium Properties was 85.9% for the three months ended September 30, 2003 compared with 89.9% for the same period in 2002. The average recovery of reimbursable expenses for the Other Retail centers for the three months ended September 30, 2003 was 70.6%, compared with 57.7% for the three months ended September 30, 2002. The increase in average recovery from Other Retail centers was a result of the better recovery of expense reimbursement at centers acquired in 2002.

Other income decreased $1.1 million or 35.6% to $1.9 million for the three months ended September 30, 2003, from $3.0 million for the comparable period in 2002. The decrease was primarily due to the expiration of the non-compete agreement which included income recognition of $1.3 million in 2002, and decreased interest income from lower interest rates, partially offset by increased ancillary operating income from acquisitions of the nine centers, and the buyout of partner's interest in four centers.

Operating and maintenance expenses increased $5.5 million, or 28.4%, from $19.2 million for the three months ended September 30, 2002 to $24.7 million for the three months ended September 30, 2003, primarily due to costs related to increased GLA.

Depreciation and amortization expense was up $3.1 million, or an increase of 20.4%, from $15.0 million for the three months ended September 30, 2002 to $18.1 million for the three months ended September 30, 2003. The increase reflects additional expense incurred from the acquisitions of the nine centers and the buyouts of ownership interests during the second half of 2002.

General and administrative expense grew $1.0 million, or 64.4%, to $2.6 million for the three months ended September 30, 2003, from $1.6 million for the corresponding period in 2002, primarily due to increased cost for corporate governance, salaries and professional fees.

Other expenses increased $0.3 million, or 34.4%, from $1.0 million for the three months ended September 30, 2002 to $1.3 million for the three months ended September 30, 2003, due to increased reserve for bad debt and legal fees.

Income from unconsolidated investments was up $1.1 million or 53.8%, to $3.1 million for the three months ended September 30, 2003, from $2.0 million for the three months ended September 30, 2002, mainly due to higher earnings and management fees resulting from the openings of Sano and Las Vegas Premium Outlets and the expansion of Gotemba Premium Outlets, partially offset by the buyout of partners' interests in 2002.

The loss from Chelsea Interactive decreased $3.1 million, or 82.1%, to $0.7 million for the three months ended September 30, 2003, from a loss of $3.8 million for the three months ended September 30, 2002, due to the write-off of the OP's investment at December 31, 2002. The loss for the three months ended September 30, 2003 represents funding to Chelsea Interactive.

Gain on sale of unconsolidated investments of $10.9 million for the three months ended September 30, 2002 reflects the sale of a portion of the OP's interest in Value Retail.

Interest expense increased $4.6 million, or 35.5%, to $17.7 million for the three months ended September 30, 2003, from $13.1 million for the three months ended September 30, 2002 due to higher debt that financed acquisitions and buyouts of partners' interests.

Gain on sale of discontinued operations of $0.9 million for the three months ended September 30, 2003, reflects the sale of an other retail center in September 2003.

Results of Operations

Comparison of the nine months ended September 30, 2003 to the nine months ended September 30, 2002.

Income from continuing operations was $81.0 million, representing an increase of $17.1 million, or 26.7% for the nine months ended September 30, 2003, from $63.9 for the nine months ended September 2002. The increase was the result of the acquisitions of seven centers in 2002 and three centers in 2003, the expansion of two wholly-owned centers in late 2002, the buyout of ownership interests of five centers in 2002, higher rents from releasing and renewals, and reduced loss from Chelsea Interactive, partially offset by the sale of a portion of the OP's interest in Value Retail, as well as increases in general and administrative, interest and other expenses.

Base rentals increased $55.7 million, or 43.8%, to $183.1 million for the nine months ended September 30, 2003, compared with $127.4 million for the nine months ended September 30, 2002, due to the acquisitions of ten centers, the buyout of partnership interests in five centers, the expansion of two wholly-owned centers and higher average rents from releasing and renewals.

Percentage rents grew $3.0 million, or 23.3 %, to $15.8 million for the nine months ended September 30, 2003, from $12.8 million for the nine months ended September 30, 2002, primarily due to the acquisitions of ten retail centers, the buyout of ownership interests in five centers during 2002 and improved tenant sales.

Expense reimbursements, representing contractual recoveries from tenants of certain common area maintenance, operating, real estate tax and promotional and management expenses, increased $16.4 million, or 38.2%, to $59.4 million for the nine months ended September 30, 2003, from $43.0 million for the nine months ended September 30, 2002, due to the recovery of operating and maintenance costs from increased GLA. The average recovery of reimbursable expenses for the Premium Properties was 87.8% for the nine months ended September 30, 2003 compared with 88.4% for the corresponding period in 2002. The average recovery of reimbursable expenses for the Other Retail centers was 69.8% for the nine months ended September 30, 2003, compared with 55.1% for the nine months ended September 30, 2002. The increase in average recovery from Other Retail centers was a result of better recovery of expense reimbursements at centers acquired in 2002 and 2003.

Other income decreased $3.0 million or 36.4% to $5.2 million for the nine months ended September 30, 2003, from $8.2 million for the nine months ended September 30, 2002. The decrease was mainly due to the expiration of the non-compete agreement which included income recognition of $3.9 million in 2002 and a decrease in interest income from lower interest rates, partially offset by an increase in ancillary operating income and a gain from an outparcel sale in 2003.

Operating and maintenance expenses rose $18.8 million, representing an increase of 35.5%, from $53.0 million for the nine months ended September 30, 2002 compared to $71.8 million for the nine months ended September 30, 2003, primarily due to costs related to increased GLA.

Depreciation and amortization expense was up $10.8 million, or 25.6%, to $52.9 million for the nine months September 30, 2003, from $42.1 million for the nine months September 30, 2002. The additional expense is attributed to increased GLA.

General and administrative expense increased $2.2 million, or 44.7%, from $5.0 million for the nine months ended September 30, 2002 to $7.2 million for the nine months ended September 30, 2003, primarily due to increases in deferred unit incentive program accrual, salaries, corporate governance and professional fees.

Other expenses increased $1.3 million or 40.8% to $4.4 million for the nine months ended September 30, 2003, from $3.1 million for the same nine-month period last year. The increase was due to a non-cash charge of $0.5 million on an interest rate swap resulting from the pay down of a hedged mortgage loan in June 2003 related to the sale of St. Helena Premium Outlets, and increased reserve for bad debt and center rent expense.

Income from unconsolidated investments fell $1.7 million, or 19.5%, to $7.1 million for the nine months ended September 30, 2003, from $8.8 million for the nine months ended September 30, 2002, principally due to the buyouts of partners' interests in five centers which were previously held as unconsolidated investments, partially offset by the expansion of Gotemba Premium Outlets and the opening of Sano and Las Vegas Premium Outlets, which generated higher earnings and management fees, including one-time fees of $1.1 million from Chelsea Japan.

The loss from Chelsea Interactive declined $7.9 million, or 76.4%, to $2.4 million for the nine months ended September 30, 2003, from a loss of $10.3 million for the nine months ended September 30, 2002, due to the write-off of the OP's investment at December 31, 2002. The loss for the nine months ended September 30, 2003 represents funding to Chelsea Interactive.

Gain on sale of unconsolidated investment of $10.9 million for the nine months ended September 30, 2002 reflects the sale of a portion of the OP's interests in Value Retail.

Interest expense grew $17.2 million, or 51.2%, to $50.9 million for the nine months ended September 30, 2003, from $33.7 million for the nine months ended September 30, 2002, due to higher debt that financed acquisitions and buyouts of partners' interests.

Income from discontinued operations of $0.4 million for the nine months ended September 30, 2003 and gain on sale of discontinued operations of $5.6 million for the nine months ended September 30, 2003, relates to the sale of St. Helena Premium Outlets located in Napa Valley, California and Factory Stores of America located in Mesa, Arizona, sold in June and September 2003, respectively.

Liquidity and Capital Resources

The OP believes it has adequate financial resources to fund operating expenses, distributions, and planned development, construction and acquisition activities over the short term, which is less than 12 months and the long term, which is 12 months or more. Operating cash flow for the year ended December 31, 2002, of $128.2 million is expected to increase with a full year of operations from the five joint venture buyout centers and the 1.8 million square feet of GLA added during 2002 as well as the opening of approximately 800,000 square feet of new joint venture GLA in 2003 and recent acquisition activity. The OP has adequate funding sources to complete and open all current development projects from available cash, credit facilities and secured construction financing. The OP also has access to the public markets through its $800 million debt and the Company's $750 million equity shelf registration for funding or refinancing requirements.

Operating cash flow is expected to provide sufficient funds for distributions in accordance with REIT federal income tax requirements. In addition, the OP anticipates retaining sufficient operating cash to fund re-tenanting and lease renewal tenant improvement costs, as well as capital expenditures to maintain the quality of its centers, meet funding requirements of Chelsea Interactive and partially fund development projects.

Common distributions declared and recorded in 2003 were $80.6 million, or $1.605 per unit. The OP's dividend payout ratio as a percentage of net income before minority interest, gain or loss on sale or writedown of assets and depreciation and amortization (reduced by amortization of deferred financing costs, depreciation of non-real estate assets and preferred distributions ("FFO")) was 64.7%. The OP's senior unsecured bank line of credit ("Senior Credit Facility") limits aggregate distributions to the lesser of (i) 90% of FFO on an annual basis or (ii) 100% of FFO for any two consecutive quarters.

The OP's $200.0 million Senior Credit Facility expires in March 2005 (unless extended until March 2006), bears interest on the outstanding balance at an annual rate equal to the London Interbank Offered Rate ("LIBOR") plus 0.95% (2.05% at September 30, 2003) or the prime rate, at the OP's option, and has an annual facility fee of 0.125%. The LIBOR rate spread ranges from 0.85% to 1.50% depending on the OP's Senior Debt rating. The OP received a debt rating upgrade in July 2003, resulting in a reduction of the LIBOR rate spread to 0.95% from 1.05%. At September 30, 2003, $78.0 million was outstanding under the Senior Credit Facility.

During 2003, the OP completed two acquisition transactions valued at approximately $219.0 million. On June 12, 2003, the OP purchased The Crossings Factory Stores, a 390,000 square-foot outlet center located in Tannersville, Pennsylvania, for $111.3 million, including closing costs and the assumption of a $60.7 million 5.85% mortgage loan due 2013. In conjunction with The

Crossings Factory Stores acquisition, the OP completed an offering of 1.2 million shares of common stock at a price of $42.10 per share on June 18, 2003. Net proceeds after expenses of $49.4 million were used to fund substantially the entire cash portion of the acquisition.

On August 1, 2003, the OP acquired Belz Factory Outlet World – Las Vegas, a 477,000 square-foot outlet center in Las Vegas, Nevada, for $104.0 million including the assumption of a $24.4 million 8.12% mortgage loan due 2012. As part of the transaction, the OP also acquired Belz Factory Outlet World – Lakeland, a 319,000 square-foot outlet center near Memphis, Tennessee for an additional $3.5 million. The Lakeland property is being marketed for sale. The approximately $84.0 million cash portion of the overall transaction was financed with a $100.0 million one-year term loan facility at an annual interest rate of LIBOR plus 0.80% that is due on July 31, 2004 and extendible for six months until January 31, 2005 at the OP's option. The LIBOR rate spread ranges from 0.70% to 1.35% depending on the OP's Senior Debt rating. Surplus proceeds from the financing of approximately $16.0 million were used for general corporate purposes.

A summary of the maturity of the OP's contractual debt obligations (at par) as of September 30, 2003, is as follows (in thousands):

	Total	Less than One Year	1 to 3 Years	4 to 5 Years	After 5 Years
Unsecured bank debt	$ 183,035	$100,000	$83,035	$ -	$ -
Unsecured notes	625,000	-	50,000	125,000	450,000
Mortgage debt	377,356	2,170	17,086	171,154	186,946
Total	$ 1,185,391	$102,170	$150,121	$296,154	$636,946

Development activity as of September 30, 2003 includes domestic and international projects totaling 1.0 million square-feet. Domestically, projects include the single-phase 438,000 square-foot Chicago Premium Outlets scheduled to open in mid 2004; the 124,000 square-foot expansion of Albertville scheduled to be fully open by spring 2004. Internationally, projects underway include the 185,000 square-foot first phase of Tosu Premium Outlets near Fukuoka, Japan, scheduled to open in March 2004; and the 230,000 square-foot first phase of Punta Norte Premium Outlets in Mexico City scheduled to open in late 2004. The Chicago project is a 50/50 joint venture with Simon. The Tosu project is a development of Chelsea Japan Co., Ltd., the OP's 40%-owned Japanese joint venture. The Punta Norte project is a development of the OP's 50% owned Mexican joint venture. Other projects in various stages of development are expected to open in 2004 and beyond. There can be no assurance that these projects will be completed or opened, or that there will not be delays in opening or completion. All current development activity is fully financed either through project specific secured construction financing, the yen denominated line of credit, available cash or through the Senior Credit Facility. The OP will seek to obtain permanent financing once the projects are completed and income has been stabilized.

In connection with the Simon joint ventures, the OP has committed to provide 50% of the development costs, which are expected to be approximately $48.0 million for Las Vegas Premium Outlets and $46.0 million for Chicago Premium Outlets. As of September 30, 2003, the OP had contributed $40.5 million and $19.4 million to the Las Vegas and Chicago projects, respectively.

The OP has an agreement with Mitsubishi Estate Co., Ltd. and Nissho Iwai Corporation to jointly develop, own and operate premium outlet centers in Japan under the joint venture Chelsea Japan. Borrowings related to Chelsea Japan for which the Company and the OP have provided guarantees as of September 30, 2003, are as follows:

Total Facility		Outstanding				
Yen	US $ Equivalent	Yen	US $ Equivalent	US $ Guarantee	Due Date	Interest Rate
4.0 billion (1)	$35.9 million	0.9 billion	$ 8.5 million	$ 8.5 million	2004	1.33%
3.8 billion (2)	34.1 million	3.4 billion	30.2 million	12.1 million	2015	2.20%
0.6 billion (2)	5.4 million	0.5 billion	4.8 million	1.9 million	2012	1.50%

1) Facility entered into by an equity investee of the OP that has a one-year extension option until April 1, 2005.
2) Facilities entered into by Chelsea Japan, secured by Gotemba and Rinku and 40% severally guaranteed by the OP.

In May 2002, the OP entered into a 50/50 joint venture agreement with Sordo Madaleno y Asociados and affiliates to jointly develop Premium Outlet centers in Mexico. Construction on the 230,000 square-foot first phase of Punta Norte Premium Outlets has commenced and the center is scheduled to open in late 2004. The OP is currently advancing its share of project costs up to $14 million to its joint venture partners on a recourse basis until certain title and other issues are resolved. As of September 30, 2003, the OP contributed $2.0 million for the project.

At December 31, 2002, the OP recognized an impairment loss equal to the net book value of its investment in Chelsea Interactive. The OP believes that it will not be able to recover the net book value of its investment in Chelsea Interactive through future cash flows before reaching the OP's $60.0 million funding limit. Through September 30, 2003, the OP had funded $54.8 million and anticipates that the $5.2 million funding balance may be used to further develop the platform and to finance operating cash shortfalls and potential costs related to the disposal or discontinuance of the business. A $0.7 million and $2.4 million funding loss was reported for the three and nine months ended September 30, 2003, respectively. Future funding by the OP will be reported as a loss in the period funding is required. The OP has signed an agreement with a third party to restructure Chelsea Interactive, subject to the satisfaction of certain conditions. There can be no assurance that this joint venture will be successful or that Chelsea Interactive will be able to continue as a going concern.

The OP has minority interests ranging from 3% to 8% in several outlet centers and outlet development projects in Europe operated by Value Retail. The OP's total investment in Europe as of September 30, 2003, was $3.6 million. The OP has also provided $17.4 million in limited debt service guarantees under a standby facility for loans arranged by Value Retail to construct outlet centers in Europe. The standby facility for new guarantees, which has a maximum of $22.0 million, expired in November 2001 and outstanding guarantees shall not survive more than five years after project completion.

To achieve planned growth and favorable returns in both the short and long-term, the OP's financing strategy is to maintain a strong, flexible financial position by: (i) maintaining a conservative level of leverage; (ii) extending and sequencing debt maturity dates; (iii) managing exposure to floating interest rates; and (iv) maintaining liquidity. Management believes these strategies will continue to enable the OP to access a broad array of capital sources, including bank or institutional borrowings and secured and unsecured debt and equity offerings, subject to market conditions.

Net cash provided by operating activities was $129.9 million and $84.1 million for the nine months ended September 30, 2003, and 2002, respectively. The increase was primarily due to increased operating cash flow generated on the growth of the OP's GLA and decreased losses from Chelsea Interactive and the payout of the deferred incentive compensation in March 2002 and the receipt in January 2002 of the final non-compete installment. Net cash used in investing activities increased to $186.9 million from $141.3 for the nine months ended September 30, 2003, and 2002, respectively, primarily as a result of an increase in joint venture and wholly- owned property acquisition activity. Net cash provided by financing activities increased to $63.8 million from $46.3 million for the nine months ended September 30, 2003, and 2002, respectively. The increase was primarily a result of common stock issuance in 2003 and preferred stock redemptions in 2002 offset by increased distributions in 2003 and lower debt activity.

Funds from Operations

Management believes that funds from operations ("FFO") should be considered in conjunction with net income, as presented in the statements of income included elsewhere herein, to facilitate a clearer understanding of the operating results of the OP. The White Paper on Funds from Operations approved by the Board of Governors of NAREIT in October 1999 defines FFO as net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from debt restructuring and sales of properties, plus real estate related depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures. The OP believes that FFO is helpful to investors as a measure of the performance of an equity REIT because, along with cash flow from operating activities, financing activities and investing activities, it provides investors with an indication of the ability of the OP to incur and service debt, to make capital expenditures and to fund other cash needs. The OP computes FFO in accordance with the current standards established by NAREIT, which may not be comparable with FFO reported by other REITS that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently from the OP. FFO does not represent cash generated from operating activities in accordance with GAAP and should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of the OP's financial performance or to cash flow from operating activities (determined in accordance with GAAP) as a measure of the OP's liquidity, nor is it indicative of funds available to fund the OP's cash needs, including its ability to make cash distributions.

(In thousands, except per unit data):	Three Months Ended September 30, 2003	2002	Nine Months Ended September 30, 2003	2002
Net income to common unitholders......................	**$29,272**	$28,228	**$ 80,113**	$57,739
Add (deduct):				
Depreciation and amortization - wholly owned..........	**18,080**	15,045	**52,981**	42,229
Depreciation and amortization - joint ventures.........	**1,177**	871	**2,470**	3,673
Amortization of deferred financing costs and depreciation of non-rental real estate assets......	**(600)**	(573)	**(1,783)**	(1,741)
Gain on sale of discontinued operations................	**(908)**	-	**(5,625)**	-
Gain on sale of unconsolidated investment.............	**-**	(10,911)	**-**	(10,911)
FFO...	**$47,021**	$32,660	**$ 128,156**	$90,989
Average units outstanding	**50,693**	44,224	**49,766**	44,084
Distributions declared per unit........................	**$0.535**	$0.485	**$1.605**	$1.375

Recent Accounting Pronouncements

In November 2002, the FASB issued *Interpretation No. 45, Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others ("FIN 45")*. FIN 45 requires certain guarantees to be recorded at fair value, instead of recording a liability only when a loss is probable and reasonably estimatable, as those terms are defined in FASB Statement No. 5, Accounting for Contingencies. FIN 45 also requires a guarantor to make significant new disclosures, even when the likelihood of making any payments under the guarantee is remote. The disclosure requirements of FIN 45 are effective for financial statements of interim or annual periods ending after December 15, 2002. The OP adopted the disclosure provisions of FIN 45 effective December 31, 2002. FIN 45's initial recognition and initial measurement provisions are applicable on a prospective basis to guarantees issued or modified after December 31, 2002.

In January of 2003, the FASB issued *Interpretation No. 46, Consolidation of Variable Interest Entities ("FIN 46")*. FIN 46 clarifies the application of existing accounting pronouncements to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. The provisions of FIN 46 will be immediately effective for all variable interests in variable interest entities created after January 31, 2003. The OP has not created any variable interest entities subsequent to January 31, 2003. The provisions of FIN 46 are effective beginning in the fourth quarter for variable interest entities created before January 31, 2003. The OP is currently evaluating whether it has any variable interest entities.

Critical Accounting Policies and Estimates

The OP's discussion and analysis of its financial condition and results of operations are based upon the OP's consolidated financial statements which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires the OP to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. The OP bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The OP believes the following critical accounting policies affect its more significant judgments and estimates used in the preparation of its consolidated financial statements.

Bad Debt

The OP maintains an allowance for doubtful accounts for estimated losses resulting from the inability of its tenants to make required rent payments. If the financial condition of the OP's tenants were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The OP's allowance for doubtful accounts included in tenant accounts receivable totaled $2.2 million and $2.6 million at September 30, 2003, and December 31, 2002, respectively.

Valuation of Investments

On a periodic basis, management assesses whether there are any indicators that the value of real estate properties, including joint venture properties, may be impaired. If the carrying amount of the property is greater than the estimated expected future cash flow (undiscounted and without interest charges) of the asset, impairment has occurred. The OP will then record an impairment loss equal to the difference between the carrying amount and the fair value of the asset. The OP does not believe that the value of any of its rental properties was impaired at September 30, 2003. The OP currently believes that it will not be able to recover the net book value of its investment in Chelsea Interactive through future cash flows unless Chelsea Interactive is able to achieve positive cash flow before reaching the $60.0 million funding limit. Due to current market conditions and the costs of operating the platform, future funding by the OP will be reported as a loss in the period funding occurs. As of September 30, 2003, $54.8 million had been funded and $0.7 million and $2.4 million has been reported as a loss for the three and nine month periods then ended.

Economic Conditions

Substantially all leases contain provisions, including escalations of base rents and percentage rentals calculated on gross sales, to mitigate the impact of inflation. Inflationary increases in common area maintenance and real estate tax expenses are substantially reimbursed by tenants.

Virtually all tenants have met their lease obligations and the OP continues to attract and retain quality tenants. The OP intends to reduce operating and leasing risks by continually improving its tenant mix, rental rates and lease terms and by pursuing contracts with creditworthy upscale and national brand-name tenants.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The OP is exposed to changes in interest rates primarily from its floating rate debt arrangements. In December 2000, the OP implemented a policy to protect against interest rate and foreign exchange risk. The OP's primary strategy is to protect against this risk by using derivative transactions as appropriate to minimize the variability that floating rate interest and foreign currency fluctuations could have on cash flow. In December 2000, a wholly-owned subsidiary of the OP entered into an interest rate swap agreement effective January 2, 2001 with a financial institution for a notional amount of $69.3 million amortizing to $64.1 million to hedge against unfavorable fluctuations in the LIBOR rates of its secured mortgage loan facility. The hedge effectively produces a fixed rate of 7.2625% on the notional amount until January 1, 2006.

At September 30, 2003, a hypothetical 100 basis point adverse move (increase) in US Treasury and LIBOR rates applied to unhedged debt would adversely affect the OP's annual interest cost by approximately $1.8 million annually.

Following is a summary of the OP's debt obligations at September 30, 2003, (in thousands):

	Expected Maturity Date							
	2004	2005	2006	2007	2008	Thereafter	Total	Fair Value
Fixed Rate Debt:	$ -	$49,945	-	$124,866	$165,505	$607,439	$947,755	$1,061,755
Average Interest Rate:	-	8.38%	-	7.25%	6.99%	7.18%	7.22%	
Variable Rate Debt:	100,000	83,035	-	-	-	61,725	244,760	244,760
Average Interest Rate:	1.91%	2.05%	-	-	-	2.82%	2.19%	

Item 4. Controls and Procedures

The Company's chief executive officer and chief financial officer evaluated the effectiveness of our disclosure controls and procedures (as defined in rule 13a-14(c) under the Securities Exchange Act of 1934, as amended) as of September 30, 2003 and, based on that evaluation, concluded that, as of the end of the period covered by this report we had sufficient controls and procedures for recording, processing, summarizing and reporting information that is required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended, within the time periods specified in the SEC's rules and forms.

During the quarter ended September 30, 2003, there have not been any significant changes to our internal controls including any corrective actions with regard to significant deficiencies and material weaknesses or other factors that could significantly affect these controls.

CPG Partners, L.P.

Part II. Other Information

Item 6. Exhibits and Reports on Form 8-K

	Exhibit No.	**Description**
(a)	31	Section 302 Certifications
	32	Section 906 Certifications

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

CPG PARTNERS, L.P.

By: /s/Michael J. Clarke
Michael J. Clarke
Chief Financial Officer

Date: November 12, 2003

CERTIFICATION

I, David C. Bloom, Chief Executive Officer of Chelsea Property Group, Inc., the sole general partner of CPG Partners, L.P. (the "OP"), certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of the OP;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Intentionally Omitted

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to material affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2003

/s/ David C. Bloom
David C. Bloom
Chief Executive Officer

CERTIFICATION

I, Michael J. Clarke, Chief Financial Officer of Chelsea Property Group, Inc., the sole general partner of CPG Partners, L.P. (the "OP"), certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of the OP;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Intentionally Omitted

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to material affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2003

/s/ Michael J. Clarke
Michael J. Clarke
Chief Financial Officer

CERTIFICATION

I, David C. Bloom, Chief Executive Officer of Chelsea Property Group, Inc., the sole general partner of CPG Partners, L.P. ("the OP"), pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, do hereby certify as follows:

1. The quarterly report on Form 10-Q of the OP for the period ended September 30, 2003 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in such Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the OP.

IN WITNESS WHEREOF, I have executed this Certification this 12th day of November, 2003.

/s/ David C. Bloom
David C. Bloom
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Chelsea Property Group, Inc. and will be retained by Chelsea Property Group, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION

I, Michael J. Clarke, Chief Financial Officer of Chelsea Property Group, Inc., the sole general partner of CPG Partners, L.P. ("the OP"), pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, do hereby certify as follows:

1. The quarterly report on Form 10-Q of the OP for the period ended September 30, 2003 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in such Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the OP.

IN WITNESS WHEREOF, I have executed this Certification this 12th day of November, 2003.

/s/ Michael J. Clarke
Michael J. Clarke
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Chelsea Property Group, Inc. and will be retained by Chelsea Property Group, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.