



## **THE HOWARD HUGHES CORPORATION® SELLS EQUITY STAKE IN 110 NORTH WACKER DRIVE FOR \$210 MILLION TO CALLAHAN CAPITAL PARTNERS AND OAK HILL ADVISORS**

March 30, 2022

*Sale Marks Highest Valuation for a Chicago Office Property Since 2015*

HOUSTON, March 30, 2022 /PRNewswire/ -- The Howard Hughes Corporation® (NYSE: [HHC](#)) has announced the sale of its equity interest in 110 North Wacker Drive, a 55-story, 1.5-million-square-foot Class-A office tower in Chicago, to Callahan Capital Partners and Oak Hill Advisors. The transaction involves the sale of 100% of the equity interest in 110 N. Wacker Development, LLC, by a limited liability company that HHC owns 90% of, for \$210 million, in the aggregate. Based on this sales price, the implied value of the office tower is more than \$1 billion, which would be the second-highest valuation of all time for a Chicago office property, and the highest valuation for an office property in Chicago since the sale of the Willis Tower in 2015.



110 North Wacker Drive (Nick Olivieri Photography)



110 North Wacker Drive along the Chicago River (Nick Ulivieri Photography)

Since opening in 2020, 110 North Wacker Drive has seen overwhelming market and tenant demand as it set a new standard for Class-A office development. The deal signals the strength of investor appetite for high-quality, modern amenity-rich buildings that offer tenants an outstanding work environment focused on health and wellness and technological innovation as workers continue to return to the office.

Co-developed by The Howard Hughes Corporation and Riverside Investment and Development Company, the 110 North Wacker Drive tower provided a huge value creation opportunity for HHC, who invested net cash into the building of \$13 million and realized net proceeds of approximately \$169 million over the four-year development timeline.

"The sale of 110 North Wacker Drive is a meaningful step in the execution of HHC's non-core asset dispositions," said David R. O'Reilly, Chief Executive Officer of The Howard Hughes Corporation. "The sale generates significant net proceeds, which we will reinvest back into new developments and use to repurchase shares as part of our stock buyback program."

Located on the Chicago River, 110 North Wacker Drive opened in October 2020 with a 45-foot lobby, numerous dining options and a secondary air-filtration system that was added during the pandemic. The space is over 82% leased by tenants including Bank of America along with numerous additional sector-leading tenants including leading real estate investment advisor Heitman, global investment bank Lincoln International, and top-10 Am Law 100 firms Jones Day and Morgan Lewis.

Eastdil Secured represented The Howard Hughes Corporation on the sale.

#### **About The Howard Hughes Corporation®**

The Howard Hughes Corporation owns, manages, and develops commercial, residential, and mixed-use real estate throughout the U.S. Its award-winning assets include the country's preeminent portfolio of master planned communities, as well as operating properties and development opportunities including: the Seaport in New York City; Downtown Columbia®, Maryland; The Woodlands®, The Woodlands Hills®, and Bridgeland® in the Greater Houston, Texas area; Summerlin®, Las Vegas; Ward Village® in Honolulu, Hawai'i; and Douglas Ranch in Phoenix. The Howard Hughes Corporation's portfolio is strategically positioned to meet and accelerate development based on market demand, resulting in one of the strongest real estate platforms in the country. Dedicated to innovative placemaking, the company is recognized for its ongoing commitment to design excellence and to the cultural life of its communities. The Howard Hughes Corporation is traded on the New York Stock Exchange as HHC. For additional information, visit [www.howardhughes.com](http://www.howardhughes.com)

#### **About Riverside Investment and Development**

Riverside Investment and Development Company is a multi-faceted real estate firm based out of Chicago, Illinois. Founded in 2010 by John O'Donnell, a longtime Chicago real estate veteran with more than 30 years and 40 million square feet of investment, development, and redevelopment experience, Riverside is focused on the pursuit of complex development and redevelopment opportunities. We aggressively manage risk via detailed front-end evaluation and planning, selective locational focus, and a willingness to form strategic relationships where appropriate for a particular transaction. Our relationships, which have been carefully cultivated over years of experience with local and national consultants, brokers, and other stakeholders. For additional information, visit [www.RiversideID.com](http://www.RiversideID.com).

#### **Safe Harbor Statement**

Statements made in this press release that are not historical facts, including statements accompanied by words such as "will,"

"believe," "expect," "enables," "realize," "plan," "intend," "assume," "transform" and other words of similar expression, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's expectations, estimates, assumptions, and projections as of the date of this release and are not guarantees of future performance. Actual results may differ materially from those expressed or implied in these statements. Factors that could cause actual results to differ materially are set forth as risk factors in The Howard Hughes Corporation's filings with the Securities and Exchange Commission, including its Quarterly and Annual Reports. The Howard Hughes Corporation cautions you not to place undue reliance on the forward-looking statements contained in this release. The Howard Hughes Corporation does not undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the date of this release.

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