



The Howard Hughes Corporation® Announces Closing Of New \$700 Million Term Loan

September 24, 2018

Company Refinances \$609 Million of Existing Debt into Flexible Longer-Term, Lower-Cost Facility

DALLAS, Sept. 24, 2018 /PRNewswire/ -- [The Howard Hughes Corporation](#)® (NYSE: HHC) announced today that it has closed on a secured, non-recourse corporate credit facility with loan proceeds of up to \$700 million, comprised of a \$615 million term loan and an \$85 million revolver. Additionally, The Howard Hughes Corporation will have the right to increase the revolver by \$50 million through the facility's accordion feature.

The new financing achieves several objectives for the Company including lowering its cost of capital while extending term, enhancing liquidity, and improving operational and financial flexibility. The five-year financing carries an interest rate of LIBOR + 1.65% and refinances approximately \$609 million of existing debt that carried a weighted average interest rate of LIBOR + 2.20% and a weighted average remaining term of 1.7 years. The initial amount drawn was \$615 million. The Howard Hughes Corporation hedged interest rate risk with a swap on the term loan portion of the facility through maturity.

"This new facility achieves our stated goals of both increasing our financial flexibility as well as reducing our weighted average cost of capital. By lowering our cost of funding, extending our maturity and adding a revolving component, this financing exemplifies our commitment to further improving our credit metrics," said David R. O'Reilly, Chief Financial Officer. "Further, we are pleased with the strong support that our lenders have shown in executing this transaction."

The initial collateral for this loan will include portions of Ward Village®, 10-70 Corporate Center, One Mall North, One Merriweather, 1725 and 1735 Hughes Landing®, The Westin at The Woodlands®, Embassy Suites at Hughes Landing®, Creekside Village® Green, Lakeland Village Center®, and 1701 Lake Robbins.

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 District NYC in New York; Columbia, Maryland; The Woodlands®, The Woodlands Hills, and Bridgeland® in the Greater Houston, Texas area; Summerlin®, Las Vegas; and Ward Village® in Honolulu, Hawai'i. 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.

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.

Contacts:

Investor Relations:
David O'Reilly, 214-741-7744

Chief Financial Officer
david.o'reilly@howardhughes.com

Cristina Carlson, 646-822-6910
VP, Corporate Communications and Public Relations
cristina.carlson@howardhughes.com

 View original content to download multimedia: <http://www.prnewswire.com/news-releases/the-howard-hughes-corporation-announces-closing-of-new-700-million-term-loan-300717374.html>

SOURCE The Howard Hughes Corporation