UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 27, 2020

THE HOWARD HUGHES CORPORATION
(Exact name of registrant as specified in its charter)

Delaware		**36-4673192**
(State or other jurisdiction of incorporation)	**001-34856** (Commission File Number)	(I.R.S. Employer Identification No.)

One Galleria Tower
13355 Noel Road, 22nd Floor
Dallas, Texas 75240
(Address of principal executive offices)

Registrant's telephone number, including area code: **(214) 741-7744**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol(s)	Name of each exchange on which registered:
Common stock $0.01 par value per share	HHC	New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Item 2.02 Results of Operations and Financial Condition

On February 27, 2020, The Howard Hughes Corporation (the "Company") issued a press release announcing the Company's financial results for the fourth quarter ended December 31, 2019. A copy of this press release is attached hereto as Exhibit 99.1.

The information contained in this Current Report on Form 8-K pursuant to this "Item 2.02 Results of Operations and Financial Condition" is being furnished. This information shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section or shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, unless specifically identified therein as being incorporated by reference.

Item 7.01 Regulation FD Disclosure.

On February 27, 2020, the Company issued supplemental information for the fourth quarter ended December 31, 2019. The supplemental information contains key information about the Company. The supplemental information is attached hereto as Exhibit 99.2 and has been posted on our website at www.howardhughes.com under the "Investors" tab.

The information contained in this Current Report on Form 8-K pursuant to this "Item 7.01 Regulation FD Disclosure" is being furnished. This information shall not be deemed to be filed for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section or shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, unless specifically identified therein as being incorporated by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press release dated February 27, 2020 announcing the Company's financial results for the fourth quarter ended December 31, 2019.
99.2	Supplemental information for the fourth quarter ended December 31, 2019.

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 hereunto duly authorized.

THE HOWARD HUGHES CORPORATION

By: */s/* Peter F. Riley

Peter F. Riley

Senior Executive Vice President, Secretary and General Counsel

Date: February 27, 2020

Exhibit 99.1

PRESS RELEASE
Contact Information:
David R. O'Reilly
Chief Financial Officer
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The Howard Hughes Corporation® Reports Full-Year and Fourth Quarter 2019 Results

Exceptional full-year results across the Company, including 20% growth in Operating Assets NOI, record MPC land sales and meaningful progress on our Transformation Plan

Dallas, TX, February 27, 2020 – The Howard Hughes Corporation® (NYSE: HHC) (the "Company," "HHC" or "we") announced today operating results for the year and fourth quarter ended December 31, 2019. The financial statements, exhibits and reconciliations of non-GAAP measures in the attached Appendix and the Supplemental Information at Exhibit 99.2 provide further details of these results.

Full-Year Highlights

- Net income attributable to common stockholders increased to $74.0 million, or $1.71 per diluted share, for the year ended December 31, 2019, compared to $57.0 million, or $1.32 per diluted share, for the year ended December 31, 2018. This increase is despite approximately $34.3 million, or $0.79 per diluted share, of one-time expenses associated with retention and severance in connection with management changes and a corporate relocation.
- 20% in total net operating income ("NOI") growth from Operating Assets for the year ended December 31, 2019, over the prior year when including our share of NOI from equity investments.
- Experienced best year in the Company's history in MPC segment with land sales of $330.1 million and 26.9% growth in MPC earnings before tax ("EBT") to $257.6 million driven by a record number of acres sold and price per acre.
- Significant progress on announced Transformation Plan highlighted by:
    - Executed sales of three non-core assets, Cottonwood Mall, West Windsor and Bridges at Mint Hill, for a total of $95.5 million and recorded a $22.4 million net gain on sale of real estate and other assets.
    - Executed largest acquisition in Company history which included two Class AAA office towers with a combined 1.4 million square feet, a 125,801 square foot warehouse space and 9.3 acres of land in The Woodlands, TX, reinforcing our commitment to reinvest in our core MPCs.
    - Meaningful progress reducing run-rate General and administrative expenses that will materialize throughout 2020.
- Commenced construction on $154.1 million of multi-family, retail and office properties which, at stabilization, are expected to contribute $14.3 million to our projected annual stabilized NOI.
- In Ward Village, Hawaii, we broke ground on Kō'ula, which is 74.3% pre-sold, contracted to sell 467 condominium units during the year and, subsequent to year-end, launched public pre-sales of our newest project, Victoria Place, where as of February 21, 2020, we have executed contracts for 185 condominium units, or 53.0% of total units.
- Increased Seaport District segment revenues by $23.0 million to $55.6 million as of December 31, 2019, compared to the prior year period due to increases in both our existing businesses and new business openings such as The Fulton and Malibu Farm, as well as sponsorship and summer concert series revenue.

Highlights of our results for the years and three months ended December 31, 2019 and 2018 are summarized below. We are primarily focused on creating shareholder value by increasing our per-share net asset value. Often, the nature of our business results in short-term volatility in our Net income due to the timing of MPC land sales, recognition of condominium revenue and operating business pre-opening expenses, and, as such, we believe the following metrics are most useful in tracking our progress towards net asset value creation.

	Year Ended December 31,				Three Months Ended December 31,			
($ in thousands)	**2019**	**2018**	**Change**	**% Change**	**2019**	**2018**	**Change**	**% Change**
Operating Assets NOI								
Office	$ 85,773	$ 67,530	$ 18,243	27 %	$ 22,692	$ 17,394	$ 5,298	30 %
Retail	62,568	63,846	(1,278)	(2)%	14,612	15,290	(678)	(4)%
Multi-family	18,062	15,206	2,856	19 %	4,336	4,021	315	8 %
Hospitality	28,843	25,371	3,472	14 %	5,424	4,935	489	10 %
Other	10,374	146	10,228	7,005 %	(788)	1,493	(2,281)	(153)%
Company's share NOI (a)	10,943	8,096	2,847	35 %	2,123	1,952	171	9 %
Total Operating Assets NOI (b)	$ 216,563	$ 180,195	$ 36,368	20 %	$ 48,399	$ 45,085	$ 3,314	7 %
Projected stabilized NOI Operating Assets ($ in millions)	$ 367.3	$ 315.9	$ 51.4	16 %				
MPC								
Acres Sold - Residential	571	456	115	25 %	234	72	162	225 %
Acres Sold - Commercial	—	10	(10)	(100)%	—	6	(6)	(100)%
Price Per Acre - Residential	$ 571	$ 515	$ 56	11 %	$ 610	$ 418	$ 192	46 %
Price Per Acre - Commercial	$ —	$ 517	$ (517)	(100)%	$ —	$ 399	$ (399)	(100)%
MPC EBT	$ 257,586	$ 202,955	$ 54,631	27 %	$ 112,117	$ 30,617	$ 81,500	266 %
Seaport District NOI								
Historic District & Pier 17 - Landlord	$ (8,147)	$ (2,039)	$ (6,108)	(300)%	$ (2,991)	$ 707	$ (3,698)	523 %
Multi-Family	394	553	(159)	(29)%	91	190	(99)	(52)%
Hospitality	41	143	(102)	(71)%	—	73	(73)	(100)%
Historic District & Pier 17 - Managed Businesses	(7,172)	(4,985)	(2,187)	(44)%	(2,752)	(4,457)	1,705	38 %
Events, Sponsorships & Catering Business	(136)	850	(986)	(116)%	400	(28)	428	(1,529)%
Company's share NOI (a)	(710)	(713)	3	— %	(325)	(134)	(191)	(143)%
Total Seaport District NOI	$ (15,730)	$ (6,191)	$ (9,539)	154 %	$ (5,577)	$ (3,649)	$ (1,928)	53 %
Strategic Developments								
Condominium units contracted to sell (c)	108	103	5	5 %	26	54	(28)	(52)%

(a) Includes Company's share of NOI from non-consolidated assets
(b) Excludes properties sold or in redevelopment
(c) Includes units at our buildings that are open or under construction as of December 31, 2019

"Our final quarter of 2019 was marked by significant progress on our transformation plan commitments to sell non-core properties and to focus resources into the growth of our core MPC business. Our acquisition of The Woodlands Towers at The Waterway increases our office portfolio within the award-winning The Woodlands MPC by approximately 50% and reinforces our standing as the community's steward and largest stakeholder. Overall, our MPCs continue to rank among the top-selling communities in the country with Summerlin and Bridgeland again being ranked by RCLCO as the third and 12th highest selling master planned communities in the nation for 2019. Home sales, a leading indicator of future land purchases by home builders, are up 15% for the year across all our MPCs, and we had a 25% increase in residential acres sold this year over 2018 across our MPC segment.

“Further, we have made meaningful progress towards our goal of having rental NOI comfortably cover interest expense and steady-state corporate costs by realizing 20% growth in Operating Assets NOI over 2018 and making substantial progress in the reduction in our run rate general and administrative costs that will be realized throughout 2020.

“In Honolulu, we continued our momentum at Ward Village by delivering Ke Kilohana and beginning construction on Kō'ula, which was 74% pre-sold at year end. Demand to live in our community remains high as evidenced by sales at Kō'ula, and in January 2020, we began public pre-sales on Victoria Place, our seventh condominium project, which as of February 21st is already 53.0% presold.

“In New York, we continue to make substantial progress in accomplishing our vision for the Seaport District and have celebrated the openings of multiple retail and restaurant attractions throughout the year, including the critically acclaimed The Fulton, by Jean Georges. We remain confident in our vision for the Seaport District and the lasting impact it will make for years to come,” said Paul H. Layne, Chief Executive Officer.

Financial Results

Net income attributable to common stockholders increased to $74.0 million, or $1.71 per diluted share, and decreased to $(1.1) million, or $(0.03) per diluted share, for the year and three months ended December 31, 2019, respectively, compared to $57.0 million, or $1.32 per diluted share, and $37.3 million, or $0.86 per diluted share, for the year and three months ended December 31, 2018, respectively. The increase for the year ended December 31, 2019, is primarily attributable to higher MPC land sales; the increase in the Gain (loss) on sale or disposal of real estate and other assets, net due to the sales of non-core assets; higher Minimum rental and Selling profit from sales-type leases revenues in the Operating Assets segment and higher Other rental and property revenues in the Operating Assets and Seaport District segments. These increases are partially offset by higher operating expenses at all four segments; higher Interest expense at the Seaport District due to interest incurred on the 250 Water Street and Seaport District debt facilities and higher Depreciation and amortization expense as a result of properties being placed into service. The higher operating expenses at the Seaport District are primarily due to start-up costs associated with opening new businesses. The decrease in Net income attributable to common stockholders for the three months ended December 31, 2019, compared to the same period in 2018, is due to lower Condominium rights and units sales, net of costs due to the timing of closings and an increase in General and administrative expenses due to corporate restructuring costs and consulting fees for technology and data integration projects. The decrease was partially offset by higher Master Planned Communities land sales.

Key factors impacting our Funds from operations (“FFO”), Core funds from operations (“Core FFO”) and Adjusted FFO (“AFFO”) are discussed below.

	Year Ended December 31,		Three Months Ended December 31,	
(In thousands, except per share amounts)	**2019**	**2018**	**2019**	**2018**
Net income attributable to common stockholders	$ 73,956	$ 57,012	$ (1,100)	$ 37,261
Basic income per share:	$ 1.71	$ 1.32	$ (0.03)	$ 0.87
Diluted income per share:	$ 1.71	$ 1.32	$ (0.03)	$ 0.86
Funds from operations	$ 198,183	$ 179,718	$ 39,307	$ 74,606
FFO per weighted-average diluted share	$ 4.58	$ 4.16	$ 0.91	$ 1.72
Core FFO	$ 293,390	$ 248,239	$ 82,089	$ 99,392
Core FFO per weighted-average diluted share	$ 6.77	$ 5.74	$ 1.90	$ 2.30
AFFO	$ 283,961	$ 230,372	$ 79,250	$ 93,903
AFFO per weighted-average diluted share	$ 6.56	$ 5.33	$ 1.84	$ 2.17

FFO increased $18.5 million, or $0.42 per diluted share, for the year ended December 31, 2019, and decreased $35.3 million, or $0.81 per diluted share, for the three months ended December 31, 2019, compared to the same periods in 2018. The changes between periods are primarily attributable to the factors impacting net income discussed above.

Core FFO, our FFO adjusted to exclude the impact of certain non-cash and/or nonrecurring income and expense items, increased $45.2 million, or $1.03 per diluted share, for the year ended December 31, 2019, and decreased $17.3 million, or $0.40 per diluted share, for the three months ended December 31, 2019, compared to the same periods in 2018. Core FFO reflects the results of our core operations during these periods, as it is adjusted to exclude one-time costs such as Severance expense and Share-based compensation expense, both of which negatively impacted net income in 2019.

AFFO, our Core FFO adjusted to exclude recurring capital improvements and leasing commissions, increased $53.6 million, or $1.23 per diluted share, for the year ended December 31, 2019, and decreased $14.7 million, or $0.33 per diluted share, for the three months ended December 31, 2019, compared to the same periods in 2018, primarily due to the items mentioned in the FFO and Core FFO discussions above. Both periods were also impacted by lower tenant and capital improvements. Please reference FFO, Core FFO and AFFO as defined and reconciled to the closest GAAP measure in the Appendix to this release and the reasons why we believe these non-GAAP measures are meaningful to investors and a better indication of our overall performance.

Business Segment Operating Results

Operating Assets

In our Operating Assets segment, we increased NOI, including our share of NOI from equity investees and excluding properties sold or in redevelopment, by $36.4 million, or 20.2%, to $216.6 million in the year ended December 31, 2019, and by $3.3 million, or 7.4%, to $48.4 million in the three months ended December 31, 2019, compared to the same periods in 2018. The increases in NOI for the year and three months ended December 31, 2019, are primarily driven by increases of $18.2 million and $5.3 million in our office properties and $3.5 million and $0.5 million in our hospitality properties. The increases in our office and hospitality properties for the year and three months ended December 31, 2019, are mainly the result of increased occupancy as well as NOI generated from assets placed into service in 2019 and late 2018. Our other properties category also contributed $10.2 million to the increase in NOI for the year ended December 31, 2019, due to placing the Las Vegas Ballpark, the home of our Triple-A baseball team the Las Vegas Aviators, into service in March 2019. The increase in the three months ended December 31, 2019, compared to the same periods in 2018 was partially offset by a decrease of $2.3 million in our other properties category which is primarily attributable to ending the baseball season, leading to reduced ticket and concession revenue, while continuing to incur recurring operating expenses such as salaries and benefits which were not incurred in the prior year since the Las Vegas Ballpark was not yet placed in service.

Master Planned Communities

Our MPC segment revenues fluctuate each quarter given the nature of development and sale of land in these large-scale, long-term communities. As a result of this fluctuation, we believe full-year results are a better measurement of performance than quarterly results. During the year and three months ended December 31, 2019, our MPC segment EBT was $257.6 million and $112.1 million compared to $203.0 million and $30.6 million during the same periods in 2018, increases of 26.9% and 266.2%, respectively. The primary drivers of these changes are discussed below.

The $54.6 million increase in EBT for the year ended December 31, 2019, compared to the prior year period, was primarily attributable to an increase in superpad sales at Summerlin as well as increased single-family lot sales at Bridgeland, The Woodlands and The Woodlands Hills. Summerlin's superpad sales totaled 316 acres for the year ended December 31, 2019, compared to 241 acres in the prior year. Summerlin's superpads achieved a $648,000 price per acre for the year ended December 31, 2019, with the custom lots yielding $1,701,000 per acre, compared to $566,000 in the prior year period. Bridgeland's single-family lot sales totaled 773 for the year ended December 31, 2019, an increase of 24.7% over the prior year, and it achieved a $408,000 price per acre, compared to $385,000 in the prior year. Single-family lot sales at The Woodlands totaled 171 for the year ended December 31, 2019, compared to 146 for the same period in the prior year. Single-family price per acre at The Woodlands increased 11.5% to $689,000 for the year ended December 31, 2019, compared to the prior year period. Land sales revenues at The Woodlands Hills increased $2.2 million, or 24.9%, for the year ended December 31, 2019, compared to 2018. Residential acres sold increased to 40.2 acres in 2019 from 32.4 acres sold in 2018.

The $81.5 million increase in EBT for the three months ended December 31, 2019, compared to the prior year period was primarily driven by increased superpad sales at Summerlin and increased residential land sales at The Woodlands, partially offset by lower residential land sales at Bridgeland. Land sales revenues at Summerlin increased to $120.8 million, or 176.3 residential acres, compared $2.8 million, or 0.7 residential acres, in the prior year period. While The Woodlands sold fewer acres in the fourth quarter of 2019 compared to the prior year, the overall increase in land sales revenues was driven by a $985,000 residential price per acre for the three months ended December 31, 2019, an increase of $478,000 per acre from the prior year period primarily due to product mix and continuing demand. While Bridgeland also increased its residential price per acre by $46,000 per acre, or 12%, over the prior year period, the decrease in land sales revenues at Bridgeland was driven by fewer lots sold for the three months ended December 31, 2019, compared to the prior year period. Land sales revenues at The Woodlands Hills increased $0.5 million due to a higher quantity and change in the mix of lots sold for the three months ended December 31, 2019, compared to the prior year period. However, EBT at The Woodlands Hills decreased primarily due to lower Other land sales revenues due to funds received for a construction easement in 2018 that did not recur in 2019 and higher operating expenses.

Although they do not directly impact our results of operations, we believe ongoing strong underlying home sales will continue to drive demand for land in our MPCs. The rate of home sales at The Woodlands Hills, which commenced sales in the second quarter of 2018, increased 245.7% and 1,750.0% for the year and three months ended December 31, 2019, respectively, over the prior year periods. Bridgeland's home sales increased 49.3% and 70.7% for the year and three months ended December 31, 2019, respectively, over the prior year periods. We believe that the acceleration at both The Woodlands Hills and Bridgeland speak to their respective maturation as master planned communities as well as their thoughtful approach to conservation, recreation and transportation. While home sales decreased 7.0% and 17.9% in The Woodlands for the year and three months ended December 31, 2019, respectively, compared to the prior periods, home sales at Summerlin have increased 1.3% and 31.7% for the year and three months ended December 31, 2019, compared to the prior year period, evidencing continued strength.

Our MPCs have won numerous awards for design excellence and for community contribution. Summerlin and Bridgeland were again ranked by RCLCO, capturing third and 12th highest-selling master planned communities in the nation, respectively, for the year ended December 31, 2019. Summerlin was also recognized as "Master Planned Community of the Year" from the National Association of Homebuilders for 2019. The following summarizes home sales in our MPCs during the year and three months ended December 31, 2019.

	Net New Home Sales							
	Year Ended December 31,				Three Months Ended December 31,			
	2019	2018	Change	% Change	2019	2018	Change	% Change
The Woodlands	319	343	(24)	(7.0)%	64	78	(14)	(17.9)%
The Woodlands Hills	121	35	86	245.7 %	37	2	35	1,750.0 %
Bridgeland	739	495	244	49.3 %	198	116	82	70.7 %
Summerlin	1,292	1,276	16	1.3 %	303	230	73	31.7 %
Total	**2,471**	**2,149**	**322**	**15.0 %**	**602**	**426**	**176**	**41.3 %**

The Seaport District

In the Seaport District, we celebrated the openings of Seaport News, Fellow Barber, the catering kitchen that will service Pier 17, The Fulton by Jean-Georges, Garden Bar, Bar Wayō, Malibu Farm and The Lookout on Pier 17. We also sold out 30 concerts for the 2019 Summer Concert Series on The Rooftop at Pier 17®. In the fourth quarter, we opened Pier 17 Winterland for the second year in a row. Attendance and sales for Winterland skating were up approximately 68% and 137%, respectively, from the prior year. The increase in foot traffic and accompanying increase in revenue, as discussed in more detail below, demonstrates that the Seaport District is becoming recognized as a new culinary and entertainment destination in lower Manhattan.

Seaport District segment revenues increased by $23.0 million to $55.6 million and $2.6 million to $12.6 million for the year and three months ended December 31, 2019, respectively, compared to the same periods in 2018. The increases are due to both our existing businesses as well as new business openings. The increase in the twelve-month period was driven by Cobble & Co., Garden Bar, 10 Corso Como Retail and Café, The Fulton, the summer concert series and sponsorships. The increase in the three-month period was driven by The Fulton, Malibu Farm, Winterland and our catering businesses.

In the Seaport District segment, NOI, including our share of NOI from equity investees, decreased by $9.5 million to a net operating loss of $15.7 million and decreased by $1.9 million to a net operating loss of $5.6 million for the year and three months ended December 31, 2019, respectively, compared to the same periods in 2018. The decrease in NOI in the year-end period was driven by continued investment in the development of the Seaport District, particularly as it relates to funding start-up costs related to the retail, food and beverage and other operating businesses. Decreases of $6.1 million, $2.2 million and $1.0 million, in landlord operations, managed businesses, and events and sponsorships, respectively, compared to the prior year period were primary contributors to the decrease in NOI for the year ended December 31, 2019. The decrease for the three-month period compared to the prior year period was primarily attributable to a decrease of $3.7 million in landlord operations, partially offset by an increase of $1.7 million in our managed businesses for the three months ended December 31, 2019. Our landlord operations business represents physical real estate developed, owned and leased to third parties by HHC. We expect to continue to incur operating expenses in excess of rental revenues while the remaining available space is in lease-up. Our managed businesses include retail and food and beverage entities that we operate and own, either directly, through license agreements or in joint ventures. Our event and sponsorship businesses include our concert series; Winterland skating and bar; event catering; private events; and sponsorships from 11 partners. We expect to incur operating losses for our event and sponsorship, landlord operations and managed business entities until the Seaport District reaches its critical mass of offerings.

The Seaport District is part non-stabilized operating asset, part development project and part operating business. As such, the Seaport District has a greater range of possible outcomes than our other projects. The greater uncertainty is largely the result of (i) business operating risks, (ii) seasonality, (iii) potential sponsorship revenue and (iv) event revenue. We operate and own, either directly, through license agreements or in joint ventures, many of the tenants in the Seaport District, including retail stores such as 10 Corso Como and SJP by Sarah Jessica Parker and restaurants such as The Fulton by Jean-Georges, Bar Wayō, Malibu Farm, two concepts by Andrew Carmellini, R17 and the food hall operated by Jean-Georges. As a result, the revenues and expenses of these businesses, as well as the underlying market conditions affecting these types of businesses, will directly impact the NOI of the Seaport District. This is in contrast to our other retail properties where we primarily receive lease payments and are not as directly impacted by the operating performance of the underlying businesses. This causes the quarterly results and eventual stabilized yield of the Seaport District to be less predictable than our other operating real estate assets with traditional lease structures. Further, as we open new operating businesses, either owned entirely or in joint venture, we expect to incur pre-opening expenses and operating losses until those businesses stabilize, which likely will not happen until the Seaport District reaches its critical mass of offerings. We expect the time to stabilize the Seaport District will be primarily driven by the construction, interior finish work and stabilization to occur at the Jean-Georges food hall in the Tin Building. Construction is expected to be substantially complete in early 2021 with an expected opening by summer 2021, assuming that we receive the necessary approvals timely. We expect stabilization to occur approximately 12 to 18 months after opening. Given the factors and uncertainties listed above combined with our operating experience during this past summer as we opened multiple new venues, we will no longer provide guidance on our expected NOI yield and stabilization date for the Seaport District for the next several quarters. We will continue all other aspects of our disclosure for the Seaport District segment including revenues, expenses, NOI and EBITDA. As we move closer to opening a critical mass of offerings at the Seaport District, we will re-establish goals for yield on costs and stabilization dates when the uncertainties and range of possible outcomes are more clear.

Strategic Developments

In our Strategic Developments segment, we experienced another strong year, including robust sales of condominium units at Ward Village. Strong sales momentum continued at ‘A‘ali‘i and Kō'ula, which are 83.5% and 74.3% pre-sold, respectively, as of December 31, 2019. We launched public sales of our newest project, Kō'ula, in January 2019 and broke ground in July 2019. Kō'ula was 75.4% presold as of February 21, 2020. Our most recent sales continue to support our ability to maintain a 30% blended profit margin, excluding land, across Ward Village. Given the strong sales momentum at ‘A‘ali‘i and Kō'ula, which we expect to complete in 2021 and 2022, respectively, along with Ward Village’s reputation and scale, we launched public pre-sales of Victoria Place, our newest 349-unit mixed-use condominium project in January 2020. As of February 21, 2020, have entered into contracts for 185 units, or 53.0%, of Victoria Place’s total units.

For the year and three months ended December 31, 2019, we reported revenues of $448.9 million and $5.0 million, respectively, from Condominium rights and unit sales for homes that actually closed escrow at our four delivered buildings (Waiea, Anaha, Ae‘o and Ke Kilohana) in Ward Village compared to $357.7 million and $318.0 million for the prior year periods, respectively. The cause of the increase in revenue in the twelve-month period compared to prior year is increased closings. The decrease for the three months ended December 31, 2019, is due to $309.0 million of condominium revenue due to closings at Ae‘o in 2018 which did not recur in the current period. Condominium revenue is recognized when construction of the condominium tower is complete and unit sales close, leading to greater variability in revenue recognized between periods. We closed on 596 condominium units during the year ended December 31, 2019, compared to 315 during the prior year period. With approximately 90% of our homes sold across our six towers that are either delivered or under construction, we feel that we have found the combination of product and price that resonate in the market. Further, these sales continue to demonstrate the desirability of our community and the high-quality product that we are developing in Honolulu. As noted above, the current increased pace of pre-sales gives us the opportunity to modestly accelerate the pace under which we launch new towers.

We also increased our projected annual stabilized NOI target by $51.4 million from $315.9 million at December 31, 2018, to $367.3 million at December 31, 2019, excluding the redevelopment of the Seaport District. This increase is primarily attributable to the acquisitions of The Woodlands Towers at the Waterway and The Woodlands Warehouse as well as the commencement of construction of 8770 New Trails, Millennium Phase III Apartments, Creekside Park Apartments Phase II and Merriweather District Area 3 Standalone Restaurant.

Segment EBT increased $3.2 million for the year ended December 31, 2019, primarily due to the net gain recognized for the sales of Cottonwood Mall, West Windsor and Bridges at Mint Hill, partially offset by lower Condominium rights and unit sales, net of costs, primarily due to the lower profit margin at Ke Kilohana, which is in line with our expectation given the concentration of workforce housing units in this tower. Segment EBT decreased $95.3 million for the three months ended December 31, 2019, compared to the same period in 2018, primarily due to a decrease in the Condominium rights and unit sales, net of costs, due to 2018 closings at Ae‘o that did not recur in 2019.

Balance Sheet Fourth-Quarter Activity and Subsequent Events

On January 7, 2020, we closed on a $43.4 million construction loan for the development of Creekside Park Apartments Phase II. The loan bears interest at one-month London Interbank Offered Rate (“LIBOR”) plus 1.75% with an initial maturity date of January 7, 2024 and a one-year extension option.

On December 30, 2019, we closed on a $343.8 million bridge loan for the acquisitions of The Woodlands Towers at the Waterway and The Woodlands Warehouse. The loan bears interest at one-month LIBOR plus 1.95% with a maturity of June 30, 2020. We are currently documenting long-term mortgage financing and anticipate closing in the first quarter of 2020.

On December 5, 2019, we modified and extended the $61.2 million loan for Three Hughes Landing. The loan bears interest at one-month LIBOR plus 2.60% and the extended maturity date is now March 5, 2020, at which point we anticipate Three Hughes Landing will be added to the Senior Secured Credit Facility.

On November 19, 2019, we closed on a $100.0 million note payable for 250 Water Street. The note bears interest at one-month LIBOR plus 3.50% with an initial maturity date of November 18, 2022 and a one-year extension option. We extinguished the previous note on the property at a $4.9 million discount in the fourth quarter of 2019.

On October 24, 2019, we modified and extended the $47.9 million loan for Outlet Collection at Riverwalk. The total commitment was reduced to $30.9 million, including the required paydown of $15.0 million. The loan bears interest at one-month LIBOR plus 2.50% and matures October 24, 2021.

On October 17, 2019, we closed on a $250.0 million credit facility secured by land and certain other collateral in The Woodlands and Bridgeland MPCs. The loan bears interest at one-month LIBOR plus 2.50% with an initial maturity of October 17, 2022 and two one-year extension options. The new loan refinanced The Woodlands Master Credit Facility and Bridgeland Credit Facility with a combined principal balance of $215.0 million and a weighted-average interest rate of one-month LIBOR plus 2.87%.

As of December 31, 2019, our total consolidated debt equaled approximately 48.7% of our total assets and our leverage ratio (debt to enterprise value, as defined in the Supplemental Information) was 44.2%. We believe our low leverage, with a focus on project-specific financing, reduces our exposure to potential downturns and provides us with the ability to evaluate new opportunities. As of December 31, 2019, we had $422.9 million of cash and cash equivalents.

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 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 place making, 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.

The Howard Hughes Corporation has partnered with Say, the fintech startup reimagining shareholder communications, to allow investors to submit and upvote questions they would like to see addressed on the Company's fourth quarter earnings call. Say verifies all shareholder positions and provides permission to participate on the February 28th call, during which the Company's leadership will be answering top questions. Utilizing the Say platform, The Howard Hughes Corporation elevates its capabilities for responding to Company shareholders, making its investor relations Q&A more transparent and engaging.

In addition to dial-in options, institutional and retail shareholders can participate by going to app.saytechnologies.com/howardhughes. Shareholders can email hello@saytechnologies.com for any support inquiries.

Safe Harbor Statement

We may make forward-looking statements in this press release and in other reports and presentations that we file or furnish with the Securities and Exchange Commission. In addition, our management may make forward-looking statements orally to analysts, investors, creditors, the media and others. Forward-looking statements include:

- announcement of certain changes, which we refer to as our "Transformation Plan", including new executive leadership, reduction in our overhead expenses, the proposed sale of our non-core assets and accelerated growth in our core MPC assets;
- expected performance of our stabilized, income-producing properties and the performance and stabilization timing of properties that we have recently placed into service or are under construction;
- capital required for our operations and development opportunities for the properties in our Operating Assets, Seaport District and Strategic Developments segments;
- expected commencement and completion for property developments and timing of sales or rentals of certain properties;
- expected performance of our MPC segment;
- forecasts of our future economic performance; and
- future liquidity, finance opportunities, development opportunities, development spending and management plans.

These statements involve known and unknown risks, uncertainties and other factors that may have a material impact on any future results, performance and achievements expressed or implied by such forward-looking statements. These risk factors are described in our Annual Report on Form 10-K, which has been filed with the Securities and Exchange Commission on February 27, 2020. Any factor could, by itself, or together with one or more other factors, adversely affect our business, results of operations or financial condition. There may be other factors currently unknown to us that we have not described in our Annual Report that could cause results to differ from our expectations. These forward-looking statements present our estimates and assumptions as of the date of this press release. Except as may be required by law, we undertake no obligation to modify or revise any forward-looking statements to reflect events or circumstances occurring after the date of this release.

Our Financial Presentation

As discussed throughout this release, we use certain non-GAAP performance measures, in addition to the required GAAP presentations, as we believe these measures improve the understanding of our operational results and make comparisons of operating results among peer companies more meaningful. Management continually evaluates the usefulness, relevance, limitations and calculation of the Company's reported non-GAAP performance measures to determine how best to provide relevant information to the public, and thus such reported measures could change. The non-GAAP financial measures used throughout this release are Net operating income, Funds from operations, Core funds from operations, and Adjusted funds from operations. We provide a more detailed discussion about these non-GAAP measures in our reconciliation of non-GAAP measures provided in this earnings release.

THE HOWARD HUGHES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED

	Year Ended December 31,		Three Months Ended December 31,	
(In thousands, except per share amounts)	**2019**	**2018**	**2019**	**2018**
Revenues:				
Condominium rights and unit sales	$ 448,940	$ 357,720	$ 5,009	$ 317,953
Master Planned Communities land sales	330,146	261,905	153,145	35,178
Minimum rents	221,907	207,315	57,551	54,159
Tenant recoveries	54,710	49,993	13,986	12,185
Hospitality revenues	87,864	82,037	19,328	17,299
Builder price participation	35,681	27,085	11,457	7,691
Other land revenues	23,399	21,314	6,753	5,326
Other rental and property revenues	95,703	57,168	15,831	14,902
Interest income from sales-type leases	2,189	—	1,101	—
Total revenues	1,300,539	1,064,537	284,161	464,693
Expenses:				
Condominium rights and unit cost of sales	369,759	262,562	4,435	220,849
Master Planned Communities cost of sales	141,852	124,214	63,724	14,605
Master Planned Communities operations	47,875	45,217	11,927	11,261
Other property operating costs	175,230	133,761	43,422	41,914
Rental property real estate taxes	36,861	32,183	8,276	8,035
Rental property maintenance costs	17,410	15,813	5,548	4,209
Hospitality operating costs	60,226	59,195	13,916	13,488
(Recovery of) provision for doubtful accounts	(414)	6,078	(219)	1,661
Demolition costs	855	17,329	118	1,163
Development-related marketing costs	23,067	29,249	6,193	8,765
General and administrative	156,251	104,625	68,328	32,830
Depreciation and amortization	155,798	126,565	40,656	38,167
Total expenses	1,184,770	956,791	266,324	396,947
Other:				
Gain (loss) on sale or disposal of real estate and other assets, net	22,362	(4)	(1,689)	(4)
Other income (loss), net	12,179	(936)	381	2,508
Total other	34,541	(940)	(1,308)	2,504
Operating income	150,310	106,806	16,529	70,250
Selling (loss) profit from sales-type leases	13,537	—	—	—
Interest income	9,797	8,486	2,101	1,727
Interest expense	(105,374)	(82,028)	(29,016)	(24,846)
Gain on extinguishment of debt	4,641	—	4,641	—
Equity in earnings from real estate and other affiliates	30,629	39,954	9,782	657
Income before taxes	103,540	73,218	4,037	47,788
Provision (benefit) for income taxes	29,245	15,492	5,038	9,864
Net income	74,295	57,726	(1,001)	37,924
Net income attributable to noncontrolling interests	(339)	(714)	(99)	(663)
Net income attributable to common stockholders	$ 73,956	$ 57,012	$ (1,100)	$ 37,261
Basic income per share:	$ 1.71	$ 1.32	$ (0.03)	$ 0.87
Diluted income per share:	$ 1.71	$ 1.32	$ (0.03)	$ 0.86

THE HOWARD HUGHES CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
UNAUDITED

	December 31,	
(In thousands, except par values and share amounts)	**2019**	**2018**
Assets:		
Investment in real estate:		
Master Planned Communities assets	$ 1,655,674	$ 1,642,660
Buildings and equipment	3,813,595	2,932,963
Less: accumulated depreciation	(507,933)	(380,892)
Land	353,022	297,596
Developments	1,445,997	1,290,068
Net property and equipment	6,760,355	5,782,395
Investment in real estate and other affiliates	121,757	102,287
Net investment in real estate	6,882,112	5,884,682
Net investment in lease receivable	79,166	—
Cash and cash equivalents	422,857	499,676
Restricted cash	197,278	224,539
Accounts receivable, net	12,279	12,589
Municipal Utility District receivables, net	280,742	222,269
Notes receivable, net	36,379	4,694
Deferred expenses, net	133,182	95,714
Operating lease right-of-use assets, net	69,398	—
Prepaid expenses and other assets, net	300,373	411,636
Total assets	$ 8,413,766	$ 7,355,799
Liabilities:		
Mortgages, notes and loans payable, net	$ 4,096,470	$ 3,181,213
Operating lease obligations	70,413	—
Deferred tax liabilities	180,748	157,188
Accounts payable and accrued expenses	733,147	779,272
Total liabilities	5,080,778	4,117,673
Equity:		
Preferred stock: $.01 par value; 50,000,000 shares authorized, none issued	—	—
Common stock: $.01 par value; 150,000,000 shares authorized, 43,635,893 issued and 42,585,633 outstanding as of December 31, 2019, and 43,511,473 shares issued and 42,991,624 outstanding as of December 31, 2018	437	436
Additional paid-in capital	3,343,983	3,322,433
Accumulated deficit	(46,385)	(120,341)
Accumulated other comprehensive loss	(29,372)	(8,126)
Treasury stock, at cost, 1,050,260 and 519,849 shares as of December 31, 2019 and 2018	(120,530)	(62,190)
Total stockholders' equity	3,148,133	3,132,212
Noncontrolling interests	184,855	105,914
Total equity	3,332,988	3,238,126
Total liabilities and equity	$ 8,413,766	$ 7,355,799

Appendix – Reconciliations of Non-GAAP Measures

As of and for the Year and Three Months Ended December 31, 2019

We use certain non-GAAP performance measures, in addition to the required GAAP presentations, as we believe these measures improve the understanding of our operational results and make comparisons of operating results among peer companies more meaningful. Management continually evaluates the usefulness, relevance, limitations and calculation of the Company's reported non-GAAP performance measures to determine how best to provide relevant information to the public, and thus such reported measures could change. The non-GAAP financial measures used herein are Net operating income ("NOI"), Funds from operations ("FFO"), Core funds from operations ("Core FFO") and Adjusted funds from operations ("AFFO").

As a result of our four segments, Operating Assets, Master Planned Communities ("MPC"), Seaport District and Strategic Developments, being managed separately, we use different operating measures to assess operating results and allocate resources among these four segments. The one common operating measure used to assess operating results for our business segments is earnings before tax ("EBT"). EBT, as it relates to each business segment, represents the revenues less expenses of each segment, including interest income, interest expense and Equity in earnings of real estate and other affiliates. EBT excludes corporate expenses and other items that are not allocable to the segments. We present EBT because we use this measure, among others, internally to assess the core operating performance of our assets. However, EBT should not be considered as an alternative to GAAP net income.

Effective January 1, 2019, the Company moved the Seaport District out of the Operating Assets and Strategic Development segments and into a stand-alone segment for disclosure purposes. As applicable, we have adjusted our performance measures in all periods reported to reflect this change.

	Year Ended December 31,			Three Months Ended December 31,		
(In thousands)	**2019**	**2018**	**$ Change**	**2019**	**2018**	**$ Change**
Operating Assets Segment EBT						
Total revenues	$ 400,131	$ 348,242	$ 51,889	$ 94,736	$ 84,225	$ 10,511
Total operating expenses	(187,322)	(164,445)	(22,877)	(47,733)	(38,073)	(9,660)
Segment operating income	212,809	183,797	29,012	47,003	46,152	851
Depreciation and amortization	(115,499)	(103,293)	(12,206)	(30,609)	(29,265)	(1,344)
Provision for impairment	—	—	—	—	—	—
Interest expense, net	(81,029)	(71,551)	(9,478)	(20,334)	(18,665)	(1,669)
Other income (loss), net	1,142	(7,107)	8,249	(44)	(4,504)	4,460
Equity in earnings from real estate and other affiliates	3,672	1,994	1,678	477	487	(10)
(Loss) gain on sale or disposal of real estate and other assets, net	—	(4)	4	—	(4)	4
Selling profit from sales-type leases	13,537	—	13,537	—	—	—
Operating Assets segment EBT	34,632	3,836	30,796	(3,507)	(5,799)	2,292
Master Planned Communities Segment EBT						
Total revenues	386,781	309,451	77,330	170,739	47,786	122,953
Total operating expenses	(189,727)	(169,474)	(20,253)	(75,652)	(25,866)	(49,786)
Segment operating income	197,054	139,977	57,077	95,087	21,920	73,167
Depreciation and amortization	(424)	(243)	(181)	(90)	2	(92)
Interest income, net	32,019	26,919	5,100	7,643	7,093	550
Other income, net	601	18	583	—	—	—
Equity in earnings from real estate and other affiliates	28,336	36,284	(7,948)	9,477	1,602	7,875
MPC segment EBT	257,586	202,955	54,631	112,117	30,617	81,500

(In thousands)	Year Ended December 31, 2019	Year Ended December 31, 2018	$ Change	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	$ Change
Seaport District Segment EBT						
Total revenues	55,645	32,632	23,013	12,594	10,020	2,574
Total operating expenses	(77,872)	(49,716)	(28,156)	(18,137)	(17,751)	(386)
Segment operating income	(22,227)	(17,084)	(5,143)	(5,543)	(7,731)	2,188
Depreciation and amortization	(26,381)	(12,466)	(13,915)	(6,668)	(5,960)	(708)
Interest (expense) income, net	(12,865)	6,291	(19,156)	(4,425)	(2,175)	(2,250)
Other (loss) income, net	(22)	102	(124)	125	222	(97)
Equity in losses from real estate and other affiliates	(2,592)	(705)	(1,887)	(804)	(13)	(791)
Loss on sale or disposal of real estate and other assets	(6)	—	(6)	—	—	—
Gain on extinguishment of debt	4,851	—	4,851	4,851	—	4,851
Seaport District segment EBT	(59,242)	(23,862)	(35,380)	(12,464)	(15,657)	3,193
Strategic Developments Segment EBT						
Total revenues	457,948	374,212	83,736	6,075	322,662	(316,587)
Total operating expenses	(391,848)	(290,806)	(101,042)	(9,507)	(229,914)	220,407
Segment operating income	66,100	83,406	(17,306)	(3,432)	92,748	(96,180)
Depreciation and amortization	(5,473)	(3,307)	(2,166)	(1,087)	(657)	(430)
Interest income, net	11,321	12,476	(1,155)	1,822	2,682	(860)
Other income, net	831	3,015	(2,184)	167	3,092	(2,925)
Equity in earnings (losses) from real estate and other affiliates	1,213	2,364	(1,151)	632	(1,433)	2,065
Gain on sale or disposal of real estate and other assets, net	27,119	—	27,119	3,062	—	3,062
Strategic Developments EBT	101,111	97,954	3,157	1,164	96,432	(95,268)
Consolidated Segment EBT						
Total revenues	1,300,505	1,064,537	235,968	284,144	464,693	(180,549)
Total operating expenses	(846,769)	(674,441)	(172,328)	(151,029)	(311,604)	160,575
Segment operating income	453,736	390,096	63,640	133,115	153,089	(19,974)
Depreciation and amortization	(147,777)	(119,309)	(28,468)	(38,454)	(35,880)	(2,574)
Provision for impairment	—	—	—	—	—	—
Interest expense, net	(50,554)	(25,865)	(24,689)	(15,294)	(11,065)	(4,229)
Other income (loss), net	2,552	(3,972)	6,524	248	(1,190)	1,438
Equity in earnings from real estate and other affiliates	30,629	39,937	(9,308)	9,782	643	9,139
Gain (loss) on sale or disposal of real estate and other assets, net	27,113	(4)	27,117	3,062	(4)	3,066
Selling profit from sales-type leases	13,537	—	13,537	—	—	—
Gain on extinguishment of debt	4,851	—	4,851	4,851	—	4,851
Consolidated segment EBT	334,087	280,883	53,204	97,310	105,593	(8,283)
Corporate income, expenses and other items	(259,792)	(223,157)	(36,635)	(98,311)	(67,669)	(30,642)
Net income	74,295	57,726	16,569	(1,001)	37,924	(38,925)
Net (income) loss attributable to noncontrolling interests	(339)	(714)	375	(99)	(663)	564
Net income attributable to common stockholders	$ 73,956	$ 57,012	$ 16,944	$ (1,100)	$ 37,261	$ (38,361)

NOI

We believe that NOI is a useful supplemental measure of the performance of our Operating Assets and Seaport District portfolio because it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating real estate properties and the impact on operations from trends in rental and occupancy rates and operating costs. We define NOI as operating revenues (rental income, tenant recoveries and other revenue) less operating expenses (real estate taxes, repairs and maintenance, marketing and other property expenses, including our share of NOI from equity investees). NOI excludes straight-line rents and amortization of tenant incentives, net interest expense, ground rent amortization, demolition costs, other (loss) income, amortization, depreciation and development-related marketing. All management fees have been eliminated for all internally-managed properties. We use NOI to evaluate our operating performance on a property-by-property basis because NOI allows us to evaluate the impact that property-specific factors such as lease structure, lease rates and tenant base have on our operating results, gross margins and investment returns. Variances between years in NOI typically result from changes in rental rates, occupancy, tenant mix and operating expenses. Although we believe that NOI provides useful information to investors about the performance of our Operating Assets and Seaport District assets, due to the exclusions noted above, NOI should only be used as an additional measure of the financial performance of the assets of this segment of our business and not as an alternative to GAAP Net income (loss). For reference, and as an aid in understanding our computation of NOI, a reconciliation of EBT to NOI for Operating Assets and Seaport District has been presented in the tables below.

	Year Ended December 31,		Three Months Ended December 31,	
(In thousands)	**2019**	**2018**	**2019**	**2018**
Total Operating Assets segment EBT (a)	$ 34,632	$ 3,836	$ (3,507)	$ (5,799)
Add back:				
Depreciation and amortization	115,499	103,293	30,609	29,265
Interest expense, net	81,029	71,551	20,334	18,665
Equity in (earnings) loss from real estate and other affiliates	(3,672)	(1,994)	(477)	(487)
Loss on sale or disposal of real estate and other assets, net	—	4	—	4
Selling profit from sales-type leases	(13,537)	—	—	—
Impact of straight-line rent	(9,007)	(12,427)	(1,096)	(3,650)
Other	671	7,312	412	4,611
Total Operating Assets NOI - Consolidated	**205,615**	**171,575**	**46,275**	**42,609**
Redevelopments				
110 North Wacker	5	513	1	513
Total Operating Asset Redevelopments NOI	**5**	**513**	**1**	**513**
Dispositions				
Cottonwood Square	—	11	—	11
Total Operating Asset Dispositions NOI	**—**	**11**	**—**	**11**
Consolidated Operating Assets NOI excluding properties sold or in redevelopment	**205,620**	**172,099**	**46,276**	**43,133**
Company's Share NOI - Equity investees	7,318	4,661	2,123	1,952
Distributions from Summerlin Hospital Investment	3,625	3,435	—	—
Total Operating Assets NOI	**$ 216,563**	**$ 180,195**	**$ 48,399**	**$ 45,085**

(a) EBT excludes corporate income, expenses and other items that are not allocable to the segments.

(In thousands)	Year Ended December 31, 2019	Year Ended December 31, 2018	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018
Total Seaport District segment EBT (a)	$ (59,242)	$ (23,862)	$ (12,464)	$ (15,657)
Add back:				
Depreciation and amortization	26,381	12,466	6,668	5,960
Interest expense (income), net	12,865	(6,291)	4,425	2,175
Equity in losses from real estate and other affiliates	2,592	705	804	13
Impact of straight-line rent	1,634	(433)	(24)	179
Loss on sale or disposal of real estate and other assets	6	—	—	—
Gain on extinguishment of debt	(4,851)	—	(4,851)	—
Other - development-related	5,595	11,937	190	3,815
Total Seaport District NOI - Consolidated	**(15,020)**	**(5,478)**	**(5,252)**	**(3,515)**
Company's Share NOI - Equity investees	(710)	(713)	(325)	(134)
Total Seaport District NOI	**(15,730)**	**(6,191)**	**$ (5,577)**	**$ (3,649)**

(a) EBT excludes corporate income, expenses and other items that are not allocable to the segments.

FFO, Core FFO and AFFO

FFO is defined by the National Association of Real Estate Investment Trusts ("NAREIT") as net income calculated in accordance with GAAP, excluding gains or losses from real estate dispositions, as well as real estate depreciation and amortization and impairment charges all of which we believe are not indicative of the performance of our operating portfolio. We calculate FFO in accordance with NAREIT's definition. Since FFO excludes depreciation and amortization, as well as gains and losses from depreciable property, dispositions and impairments, it can provide a performance measure that, when compared year over year, reflects the impact on operations from trends in land sales prices, occupancy rates, rental rates, operating costs, acquisition and development activities, and financing costs. This provides a perspective of our financial performance not immediately apparent from net income determined in accordance with GAAP. Core FFO is calculated by adjusting FFO to exclude the impact of certain non-cash and/or nonrecurring income and expense items, as set forth in the calculation below. These items can vary greatly from period to period, depending upon the volume of our acquisition activity and debt retirements, among other factors. We believe that by excluding these items, Core FFO serves as a useful, supplementary measure of the ongoing operating performance of our core operations, and we believe it is used by investors in a similar manner. Finally, AFFO adjusts our Core FFO operating measure to deduct cash spent on recurring tenant improvements and capital expenditures of a routine nature as well as leasing commissions to present an adjusted measure of Core FFO. Core FFO and AFFO are non-GAAP and non-standardized measures and may be calculated differently by other peer companies.

While FFO, Core FFO, AFFO and NOI are relevant and widely used measures of operating performance of real estate companies, they do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating our liquidity or operating performance. FFO, Core FFO, AFFO and NOI do not purport to be indicative of cash available to fund our future cash requirements. Further, our computations of FFO, Core FFO, AFFO and NOI may not be comparable to those reported by other real estate companies. We have included a reconciliation of FFO, Core FFO and AFFO to GAAP net income below. Non-GAAP financial measures should not be considered independently, or as a substitute, for financial information presented in accordance with GAAP.

	Year Ended December 31,		Three Months Ended December 31,	
(In thousands, except share amounts)	**2019**	**2018**	**2019**	**2018**
Net income attributable to common shareholders	$ 73,956	$ 57,012	$ (1,100)	$ 37,261
Adjustments to arrive at FFO:				
Segment real estate related depreciation and amortization	147,777	119,309	38,454	35,880
(Gain) loss on sale or disposal of real estate, net	(22,362)	4	1,689	4
Selling profit from sales-type leases	(13,537)	—	—	—
Income tax expense adjustments:				
(Gain) loss on sale or disposal of real estate, net	5,479	—	(389)	—
Selling profit from sales-type leases	2,843	—	(460)	—
Reconciling items related to noncontrolling interests	339	714	99	663
Our share of the above reconciling items included in earnings from unconsolidated joint ventures	3,688	2,679	1,014	798
FFO	**$ 198,183**	**$ 179,718**	**$ 39,307**	**$ 74,606**
Adjustments to arrive at Core FFO:				
Gain on extinguishment of debt	$ (4,641)	$ —	$ (4,641)	$ —
Severance expenses	29,144	687	26,054	267
Non-real estate related depreciation and amortization	8,021	7,256	2,202	2,288
Straight-line amortization	(7,364)	(12,609)	(1,107)	(2,505)
Deferred income tax expense	27,816	16,195	4,627	11,574
Non-cash fair value adjustments related to hedging instruments	770	(1,135)	791	127
Share-based compensation	17,349	11,242	8,456	3,011
Other non-recurring expenses (development-related marketing and demolition costs)	23,922	46,579	6,311	9,929
Our share of the above reconciling items included in earnings from unconsolidated joint ventures	190	306	89	95
Core FFO	**$ 293,390**	**$ 248,239**	**$ 82,089**	**$ 99,392**
Adjustments to arrive at AFFO:				
Tenant and capital improvements	$ (5,237)	$ (14,267)	$ (1,236)	$ (3,583)
Leasing commissions	(4,192)	(3,600)	(1,603)	(1,906)
AFFO	**$ 283,961**	**$ 230,372**	**$ 79,250**	**$ 93,903**
FFO per diluted share value	**$ 4.58**	**$ 4.16**	**$ 0.91**	**$ 1.72**
Core FFO per diluted share value	**$ 6.77**	**$ 5.74**	**$ 1.90**	**$ 2.30**
AFFO per diluted share value	**$ 6.56**	**$ 5.33**	**$ 1.84**	**$ 2.17**

Exhibit 99.2

Howard Hughes®

Supplemental Information

Three Months Ended December 31, 2019

NYSE: HHC

The Howard Hughes Corporation, 13355 Noel Road, 22nd Floor, Dallas, TX 75240

HowardHughes.com 214.741.7744

Cautionary Statements

Forward Looking Statements

This presentation includes forward-looking statements. Forward-looking statements give our current expectations relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to current or historical facts. These statements may include words such as "anticipate," "estimate," "expect," "project," "forecast," "plan," "intend," "believe," "likely," "may," "realize," "should," "transform," "would" and other statements of similar expression. Forward looking statements give our expectations about the future and are not guarantees. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance and achievements to materially differ from any future results, performance and achievements expressed or implied by such forward-looking statements. We caution you not to rely on these forward-looking statements. For a discussion of the risk factors that could have an impact on these forward-looking statements, see our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as filed with the Securities and Exchange Commission ("SEC") on February 27, 2020. The statements made herein speak only as of the date of this presentation, and we do not undertake to update this information except as required by law. Past performance does not guarantee future results. Performance during time periods shown is limited and may not reflect the performance for the full year or future years, or in different economic and market cycles.

Non-GAAP Financial Measures

Our financial statements have been prepared in accordance with accounting principles generally accepted in the United States (GAAP); however, we use certain non-GAAP performance measures in this presentation, in addition to GAAP measures, as we believe these measures improve the understanding of our operational results and make comparisons of operating results among peer companies more meaningful. Management continually evaluates the usefulness, relevance, limitations and calculation of our reported non-GAAP performance measures to determine how best to provide relevant information to the public, and thus such reported measures could change. The non-GAAP financial measures used in this presentation are funds from operations ("FFO"), core funds from operations ("Core FFO"), adjusted funds from operations ("AFFO") and net operating income ("NOI").

FFO is defined by the National Association of Real Estate Investment Trusts ("NAREIT") as net income calculated in accordance with GAAP, excluding gains or losses from real estate dispositions, plus real estate depreciation and amortization and impairment charges (which we believe are not indicative of the performance of our operating portfolio). We calculate FFO in accordance with NAREIT's definition. Since FFO excludes depreciation and amortization, gains and losses from depreciable property dispositions, and impairments, it can provide a performance measure that, when compared year over year, reflects the impact on operations from trends in occupancy rates, rental rates, operating costs, acquisition, development activities and financing costs. This provides a perspective of our financial performance not immediately apparent from net income determined in accordance with GAAP. Core FFO is calculated by adjusting FFO to exclude the impact of certain non-cash and/or nonrecurring income and expense items, as set forth in the calculation herein. These items can vary greatly from period to period, depending upon the volume of our acquisition activity and debt retirements, among other factors. We believe that by excluding these items, Core FFO serves as a useful, supplementary measure of the ongoing operating performance of the core operations across all segments, and we believe it is used by investors in a similar manner. Finally, AFFO adjusts our Core FFO operating measure to deduct cash expended on recurring tenant improvements and capital expenditures of a routine nature to present an adjusted measure of Core FFO. Core FFO and AFFO are non-GAAP and non-standardized measures and may be calculated differently by other peer companies.

We define NOI as operating revenues (rental income, tenant recoveries and other revenue) less operating expenses (real estate taxes, repairs and maintenance, marketing and other property expenses), plus our share of NOI from equity investees. NOI excludes straight-line rents and amortization of tenant incentives, net interest expense, ground rent amortization, demolition costs, amortization, depreciation, development-related marketing costs and Equity in earnings from real estate and other affiliates. We use NOI to evaluate our operating performance on a property-by- property basis because NOI allows us to evaluate the impact that factors which vary by property, such as lease structure, lease rates and tenant bases, have on our operating results, gross margins and investment returns. We believe that NOI is a useful supplemental measure of the performance of our Operating Assets and Seaport District segments because it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating real estate properties and the impact on operations from trends in rental and occupancy rates and operating costs.

While FFO, Core FFO, AFFO and NOI are relevant and widely used measures of operating performance of real estate companies, they do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating our liquidity or operating performance. FFO, Core FFO, AFFO and NOI do not purport to be indicative of cash available to fund our future cash requirements. Further, our computations of FFO, Core FFO, AFFO and NOI may not be comparable to FFO, Core FFO, AFFO and NOI reported by other real estate companies. We have included in this presentation a reconciliation from GAAP net income to FFO, Core FFO and AFFO, as well as reconciliations of our GAAP Operating Assets segment Earnings Before Taxes ("EBT") to NOI and Seaport District segment EBT to NOI. Non-GAAP financial measures should not be considered independently, or as a substitute, for financial information presented in accordance with GAAP.

Additional Information

Our website address is www.howardhughes.com. Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other publicly filed or furnished documents are available and may be accessed free of charge through the "Investors" section of our website under the "SEC Filings" subsection, as soon as reasonably practicable after those documents are filed with, or furnished to, the SEC. Also available through the Investors section of our website are beneficial ownership reports filed by our directors, officers and certain shareholders on Forms 3, 4 and 5.

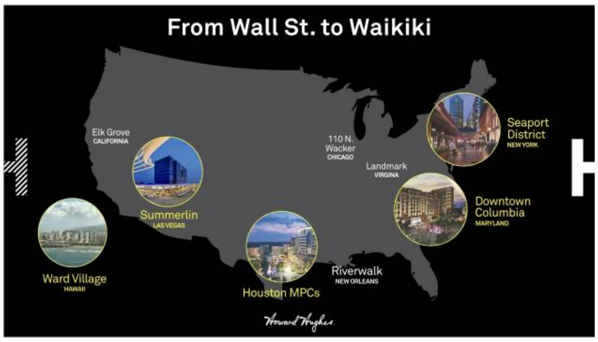
Table of Contents

Company Profile - Summary & Results

Company Overview - Q4 2019

Exchange / Ticker	NYSE:	HHC
Share Price - December 31, 2019	$	126.80
Diluted Earnings / Share	$	(0.03)
FFO / Diluted Share	$	0.91
Core FFO / Diluted Share	$	1.90
AFFO / Diluted Share	$	1.84

Operating Portfolio by Region



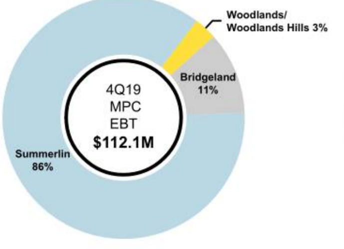
Recent Company Highlights

THE WOODLANDS, Dec. 30, 2019 (PRNewswire) -- The Howard Hughes Corporation (HHC) announced the acquisition of two Class AAA office towers, warehouse space and developable land in The Woodlands, Texas, from Occidental (NYSE: OXY), providing highly sought-after, premium office space that will enable HHC to meet ongoing demand in the market. The acquisition increases The Howard Hughes Corporation's office portfolio within the award-winning master planned community (MPC) by approximately 50%, and reinforces HHC's standing as the community's steward and largest stakeholder.

DALLAS, Oct. 21, 2019 (PRNewswire) -- Following a review of strategic alternatives, HHC announced a Transformation Plan, led by new executive leadership, comprised of three pillars: (1) a $45 - $50 million per annum reduction in overhead expenses, (2) the sale of approximately $2 billion of non-core assets, and (3) accelerated growth in HHC's core MPC assets. Paul Layne, was named Chief Executive Officer, replacing David R. Weinreb on the Board of Directors. David R. Weinreb and Grant Herlitz stepped down from HHC.

Q4 2019 MPC & Condominium Results

$ in millions



Q4 2019 MPC EBT		
Bridgeland	$	12.0
Columbia		(0.3)
Summerlin		96.7
Woodlands/Woodlands Hills		3.7
Total	**$**	**112.1**

Q4 2019 Condo Units Contracted	
Waiea	—
Anaha	—
'A'ali'i	3
Kō'ula	23
Total	**26**

Company Profile - Summary & Results (con't)

Q4 2019 Path to Projected Annual Stabilized NOI

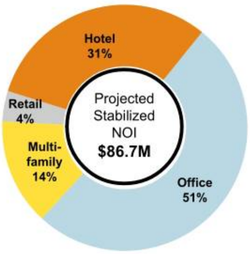
Currently Under Construction

$ in millions

Retail & Office S.F.	1,806,581
Multi-family Units	1,291
Hotel Keys	—
Other S.F. / Units	— / —
Projected Stabilized NOI $	47.0

Currently Unstabilized

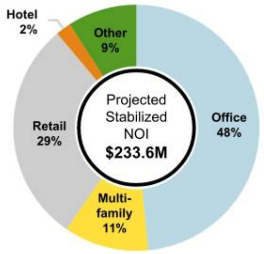
$ in millions



Retail & Office S.F.	1,739,632
Multi-family Units	1,016
Hotel Keys	704
Other S.F. / Units	— / —
Projected Stabilized NOI $	86.7

Currently Stabilized

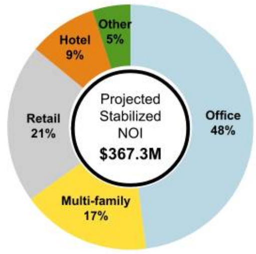
$ in millions



Retail & Office S.F.	7,281,997
Multi-family Units	1,893
Hotel Keys	205
Other S.F. / Units	135,801 / 1,374
Projected Stabilized NOI $	233.6

Total

$ in millions



Retail & Office S.F.	10,828,210
Multi-family Units	4,200
Hotel Keys	909
Other S.F. / Units	135,801 / 1,374
Projected Stabilized NOI $	367.3

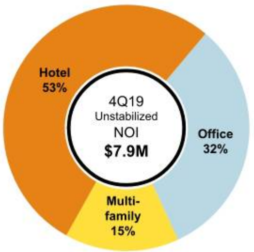
Q4 2019 Operating Results by Property Type

Currently Under Construction

$ in millions

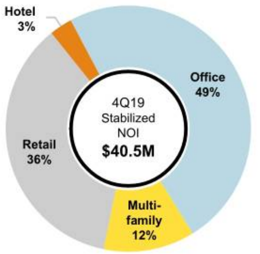
Currently Unstabilized

$ in millions



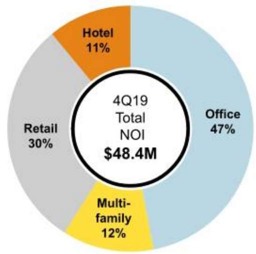
Currently Stabilized

$ in millions



Total

$ in millions



Path to Projected Annual Stabilized NOI charts exclude Seaport NOI, units, and square footage until we have greater clarity with respect to the performance of our tenants. See page 17 for Seaport NOI Yield and other project information. See page 30 for definitions of "Under Construction," "Unstabilized," "Stabilized" and "Net Operating Income (NOI)."

Financial Summary

($ in thousands, except share price and billions)	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	YTD 2019	YTD 2018
Company Profile							
Share price (a)	$ 126.80	$ 129.60	$ 123.84	$ 110.00	$ 97.62	$ 126.80	$ 97.62
Market Capitalization (b)	$ 5.4b	$ 5.6b	$ 5.4b	$ 4.8b	$ 4.2b	$ 5.4b	$ 4.2b
Enterprise Value (c)	$ 9.3b	$ 8.8b	$ 8.3b	$ 7.7b	$ 7.0b	$ 9.3b	$ 7.0b
Weighted avg. shares - basic	43,190	43,134	43,113	43,106	43,075	43,136	43,036
Weighted avg. shares - diluted	43,356	43,428	43,271	43,257	43,250	43,308	43,237
Total diluted share equivalents outstanding	42,673	43,426	43,223	43,223	43,077	42,678	43,109
Debt Summary							
Total debt payable (d)	$ 4,138,618	$ 3,665,263	$ 3,465,714	$ 3,274,379	$ 3,215,211	$ 4,138,618	$ 3,215,211
Fixed-rate debt	$ 1,908,660	$ 2,011,626	$ 1,904,165	$ 1,675,207	$ 1,663,875	$ 1,908,660	$ 1,663,875
Weighted avg. rate - fixed	5.05%	5.11%	5.18%	5.06%	5.17%	5.05%	5.17%
Variable-rate debt, excluding condominium financing	$ 2,199,241	$ 1,625,792	$ 1,561,549	$ 1,494,918	$ 1,454,579	$ 2,199,241	$ 1,454,579
Weighted avg. rate - variable	4.32%	4.54%	4.79%	4.85%	4.88%	4.32%	4.88%
Condominium debt outstanding at end of period	$ 30,717	$ 27,846	$ —	$ 104,254	$ 96,757	$ 30,717	$ 96,757
Weighted avg. rate - condominium financing	4.83%	5.12%	N/A	5.74%	5.75%	4.83%	5.75%
Leverage ratio (debt to enterprise value)	44.19%	41.17%	41.17%	42.16%	45.49%	44.19%	45.47%

(a) Presented as of period end date.
(b) Market capitalization = Closing share price as of the last trading day of the respective period times total diluted share equivalents outstanding as of the date presented.
(c) Enterprise Value = Market capitalization + book value of debt + noncontrolling interest - cash and equivalents.
(d) Represents total mortgages, notes and loans payable, as stated in our GAAP financial statements as of the respective date, excluding unamortized deferred financing costs and bond issuance costs.

Financial Summary (con't)

($ in thousands)	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	FY 2019	FY 2018
Earnings Profile							
Operating Assets Segment Income							
Revenues	$ 93,639	$ 101,694	$ 106,604	$ 89,107	$ 80,940	$ 391,044	$ 335,145
Expenses	(47,363)	(47,408)	(47,899)	(42,754)	(37,807)	(185,424)	(163,046)
Company's Share NOI - Equity investees	2,123	2,043	1,688	5,089	1,952	10,943	8,096
Operating Assets NOI (a)	48,399	56,329	60,393	51,442	45,085	216,563	180,195
Avg. NOI margin	52%	55%	57%	58%	56%	55%	54%
MPC Segment Earnings							
Total revenues	$ 170,739	$ 92,287	$ 72,859	$ 50,896	$ 47,786	$ 386,781	$ 309,451
Total expenses (b)	(75,742)	(44,723)	(40,406)	(28,679)	(25,864)	(189,550)	(169,699)
Interest (expense) income, net (c)	7,643	8,550	8,283	7,543	7,093	32,019	26,919
Equity in earnings in real estate and other affiliates	9,477	4,523	6,499	7,837	1,602	28,336	36,284
MPC Segment EBT (c)	112,117	60,637	47,235	37,597	30,617	257,586	202,955
Seaport District Segment Income (d)							
Revenues	$ 11,550	$ 22,389	$ 12,325	$ 6,586	$ 9,278	$ 52,850	$ 28,879
Expenses	(16,802)	(25,281)	(15,212)	(10,571)	(12,793)	(67,870)	(34,357)
Company's Share NOI - Equity investees	(325)	(148)	(42)	(195)	(134)	(710)	(713)
Seaport District NOI (e)	(5,577)	(3,040)	(2,929)	(4,180)	(3,649)	(15,730)	(6,191)
Avg. NOI margin	(48%)	(14%)	(24%)	(63%)	(39%)	(30%)	(21%)
Condo Gross Profit							
Revenues (f)	$ 5,009	$ 9,999	$ 235,622	$ 198,310	$ 317,953	$ 448,940	$ 357,720
Expenses (f)	(4,435)	(7,010)	(220,620)	(137,694)	(220,849)	(369,759)	(262,562)
Condo Net Income (f)	574	2,989	15,002	60,616	97,104	79,181	95,158

(a) Operating Assets NOI = Operating Assets NOI excluding properties sold or in redevelopment + the Howard Hughes Corporation's (the "Company" or "HHC") share of equity method investments NOI and the annual distribution from our cost basis investment. Prior periods have been adjusted to be consistent with fiscal 2019 presentation.
(b) Expenses include both actual and estimated future costs of sales allocated on a relative sales value to land parcels sold, including Master Planned Communities ("MPC")-level G&A and real estate taxes on remaining residential and commercial land.
(c) MPC Segment EBT (Earnings before tax, as discussed in our GAAP financial statements), includes negative interest expense relating to capitalized interest for the segment on debt held in other segments and at corporate.
(d) Starting in the first quarter of 2019, the Seaport District has been moved out of our other segments and into a stand-alone segment for disclosure purposes. Segment information for all periods presented has been updated to reflect this change.
(e) Seaport District NOI = Seaport District NOI excluding properties sold or in redevelopment + Company's share of equity method investments NOI. Prior periods have been adjusted to be consistent with fiscal 2019 presentation. See page 17 for additional detail.
(f) Revenues in 2019 and 2018 represent Condominium rights and unit sales and expenses represent Condominium rights and unit cost of sales as stated in our GAAP financial statements, based on the new revenue standard adopted January 1, 2018.

Balance Sheets

(In thousands, except par values and share amounts)	FY 2019 Unaudited	FY 2018 Unaudited
Assets:		
Investment in real estate:		
Master Planned Communities assets	$ 1,655,674	$ 1,642,660
Buildings and equipment	3,813,595	2,932,963
Less: accumulated depreciation	(507,933)	(380,892)
Land	353,022	297,596
Developments	1,445,997	1,290,068
Net property and equipment	6,760,355	5,782,395
Investment in real estate and other affiliates	121,757	102,287
Net investment in real estate	6,882,112	5,884,682
Net investment in lease receivable	79,166	—
Cash and cash equivalents	422,857	499,676
Restricted cash	197,278	224,539
Accounts receivable, net	12,279	12,589
Municipal Utility District receivables, net	280,742	222,269
Notes receivable, net	36,379	4,694
Deferred expenses, net	133,182	95,714
Operating lease right-of-use assets, net	69,398	—
Prepaid expenses and other assets, net	300,373	411,636
Total assets	**$ 8,413,766**	**$ 7,355,799**
Liabilities:		
Mortgages, notes and loans payable, net	$ 4,096,470	$ 3,181,213
Operating lease obligations	70,413	—
Deferred tax liabilities	180,748	157,188
Accounts payable and accrued expenses	733,147	779,272
Total liabilities	**5,080,778**	**4,117,673**
Equity:		
Preferred stock: $.01 par value; 50,000,000 shares authorized, none issued	—	—
Common stock: $.01 par value; 150,000,000 shares authorized, 43,635,893 issued and 42,585,633 outstanding as of December 31, 2019, and 43,511,473 shares issued and 42,991,624 outstanding as of December 31, 2018	437	436
Additional paid-in capital	3,343,983	3,322,433
Accumulated deficit	(46,385)	(120,341)
Accumulated other comprehensive loss	(29,372)	(8,126)
Treasury stock, at cost, 1,050,260 and 519,849 shares as of December 31, 2019 and 2018	(120,530)	(62,190)
Total stockholders' equity	3,148,133	3,132,212
Noncontrolling interests	184,855	105,914
Total equity	**3,332,988**	**3,238,126**
Total liabilities and equity	**$ 8,413,766**	**$ 7,355,799**
Share Count Details (In thousands)		
Shares outstanding at end of period (including restricted stock)	42,586	42,992
Dilutive effect of stock options (a)	88	117
Dilutive effect of warrants (b)	4	—
Total diluted share equivalents outstanding	**42,678**	**43,109**

(a) Stock options assume net share settlement calculated for the period presented.
(b) Warrants assume net share settlement and incremental shares for dilution calculated as of the date presented.

Statements of Operations

(In thousands, except per share amounts)	Q4 2019 Unaudited	Q4 2018 Unaudited	FY 2019 Unaudited	FY 2018 Unaudited
Revenues:				
Condominium rights and unit sales	$ 5,009	$ 317,953	$ 448,940	$ 357,720
Master Planned Communities land sales	153,145	35,178	330,146	261,905
Minimum rents	57,551	54,159	221,907	207,315
Tenant recoveries	13,986	12,185	54,710	49,993
Hospitality revenues	19,328	17,299	87,864	82,037
Builder price participation	11,457	7,691	35,681	27,085
Other land revenues	6,753	5,326	23,399	21,314
Other rental and property revenues	15,831	14,902	95,703	57,168
Interest income from sales-type leases	1,101	—	2,189	—
Total revenues	284,161	464,693	1,300,539	1,064,537
Expenses:				
Condominium rights and unit cost of sales	4,435	220,849	369,759	262,562
Master Planned Communities cost of sales	63,724	14,605	141,852	124,214
Master Planned Communities operations	11,927	11,261	47,875	45,217
Other property operating costs	43,422	41,914	175,230	133,761
Rental property real estate taxes	8,276	8,035	36,861	32,183
Rental property maintenance costs	5,548	4,209	17,410	15,813
Hospitality operating costs	13,916	13,488	60,226	59,195
(Recovery of) provision for doubtful accounts	(219)	1,661	(414)	6,078
Demolition costs	118	1,163	855	17,329
Development-related marketing costs	6,193	8,765	23,067	29,249
General and administrative	68,328	32,830	156,251	104,625
Depreciation and amortization	40,656	38,167	155,798	126,565
Total expenses	266,324	396,947	1,184,770	956,791
Other:				
(Loss) gain on sale or disposal of real estate and other assets, net	(1,689)	(4)	22,362	(4)
Other income (loss), net	381	2,508	12,179	(936)
Total other	(1,308)	2,504	34,541	(940)
Operating income	16,529	70,250	150,310	106,806
Selling (loss) profit from sales-type leases	—	—	13,537	—
Interest income	2,101	1,727	9,797	8,486
Interest expense	(29,016)	(24,846)	(105,374)	(82,028)
Gain on extinguishment of debt	4,641	—	4,641	—
Equity in earnings from real estate and other affiliates	9,782	657	30,629	39,954
Income before taxes	4,037	47,788	103,540	73,218
Provision (benefit) for income taxes	5,038	9,864	29,245	15,492
Net income	(1,001)	37,924	74,295	57,726
Net income attributable to noncontrolling interests	(99)	(663)	(339)	(714)
Net income attributable to common stockholders	$ (1,100)	$ 37,261	$ 73,956	$ 57,012
Basic income per share:	**$ (0.03)**	**$ 0.87**	**$ 1.71**	**$ 1.32**
Diluted income per share:	**$ (0.03)**	**$ 0.86**	**$ 1.71**	**$ 1.32**

Reconciliations of Net Income to FFO, Core FFO and AFFO

(In thousands, except share amounts)	Q4 2019	Q4 2018	FY 2019	FY 2018
RECONCILIATIONS OF NET INCOME TO FFO	Unaudited	Unaudited	Unaudited	Unaudited
Net income attributable to common shareholders	$ (1,100)	$ 37,261	$ 73,956	$ 57,012
Adjustments to arrive at FFO:				
Segment real estate related depreciation and amortization	38,454	35,880	147,777	119,309
Loss (gain) on sale or disposal of real estate, net	1,689	4	(22,362)	4
Selling profit from sales-type leases	—	—	(13,537)	—
Income tax expense adjustments:				
Loss (gain) on sale or disposal of real estate, net	(389)	—	5,479	—
Selling profit from sales-type leases	(460)	—	2,843	—
Reconciling items related to noncontrolling interests	99	663	339	714
Our share of the above reconciling items included in earnings from unconsolidated joint ventures	1,014	798	3,688	2,679
FFO	**$ 39,307**	**$ 74,606**	**$ 198,183**	**$ 179,718**
Adjustments to arrive at Core FFO:				
Gain on extinguishment of debt	$ (4,641)	$ —	$ (4,641)	$ —
Severance expenses	26,054	267	29,144	687
Non-real estate related depreciation and amortization	2,202	2,288	8,021	7,256
Straight-line amortization	(1,107)	(2,505)	(7,364)	(12,609)
Deferred income tax expense	4,627	11,574	27,816	16,195
Non-cash fair value adjustments related to hedging instruments	791	127	770	(1,135)
Share-based compensation	8,456	3,011	17,349	11,242
Other non-recurring expenses (development-related marketing and demolition costs)	6,311	9,929	23,922	46,579
Our share of the above reconciling items included in earnings from unconsolidated joint ventures	89	95	190	306
Core FFO	**$ 82,089**	**$ 99,392**	**$ 293,390**	**$ 248,239**
Adjustments to arrive at AFFO:				
Tenant and capital improvements	$ (1,236)	$ (3,583)	$ (5,237)	$ (14,267)
Leasing commissions	(1,603)	(1,906)	(4,192)	(3,600)
AFFO	**$ 79,250**	**$ 93,903**	**$ 283,961**	**$ 230,372**
FFO per diluted share value	**$ 0.91**	**$ 1.72**	**$ 4.58**	**$ 4.16**
Core FFO per diluted share value	**$ 1.90**	**$ 2.30**	**$ 6.77**	**$ 5.74**
AFFO per diluted share value	**$ 1.84**	**$ 2.17**	**$ 6.56**	**$ 5.33**

NOI by Region, excluding the Seaport District

($ in thousands, except Sq. Ft. and units)

Property	% Ownership (a)	Total Sq. Ft.	Total Units	Q4 2019 Occupied (#) Sq. Ft.	Q4 2019 Occupied (#) Units	Q4 2019 Leased (#) Sq. Ft.	Q4 2019 Leased (#) Units	Q4 2019 Occupied (%) Sq. Ft.	Q4 2019 Occupied (%) Units	Q4 2019 Leased (%) Sq. Ft.	Q4 2019 Leased (%) Units	Q4 2019 Annualized NOI (b)	Stabilized NOI (c)	Time to Stabilize (Years)
Stabilized Properties														
Office - Houston	100%	2,819,603	—	2,702,768	—	2,757,344	—	96%	—%	98%	—%	$ 47,202	$ 77,070	—
Office - Columbia	100%	1,255,741	—	1,172,444	—	1,195,799	—	93%	—%	95%	—%	20,263	22,479	—
Office - Summerlin	100%	532,428	—	528,131	—	528,131	—	99%	—%	99%	—%	13,761	13,700	—
Retail - Houston	100%	436,401	—	394,195	—	395,449	—	90%	—%	91%	—%	11,164	13,271	—
Retail - Columbia	100%	89,199	—	89,199	—	89,199	—	100%	—%	100%	—%	2,392	2,200	—
Retail - Hawaii	100%	1,019,667	—	968,414	—	971,799	—	95%	—%	95%	—%	21,153	22,407	—
Retail - Other	100%	268,556	—	246,088	—	267,036	—	92%	—%	99%	—%	5,459	6,500	—
Retail - Summerlin	100%	823,531	—	770,923	—	770,923	—	94%	—%	94%	—%	23,286	26,300	—
Multi-Family - Houston (d)	100%	23,280	1,389	23,126	1,263	23,126	1,293	99%	91%	99%	93%	18,568	19,800	—
Multi-Family - Columbia (d)	50%	13,591	380	11,471	362	11,471	374	84%	95%	84%	98%	2,959	2,900	—
Multi-Family - Summerlin (d)	100%	—	124	—	111	—	118	—%	90%	—%	95%	2,117	2,200	—
Hospitality - Houston (e)	100%	—	205	—	167	—	—	—%	81%	—%	—%	5,612	4,500	—
Self-Storage - Houston	100%	—	1,374	—	1,152	—	1,161	—%	84%	—%	84%	728	600	—
Other - Summerlin	100%	—	—	—	—	—	—	—%	—%	—%	—%	12,107	12,183	—
Other Assets (f)	100%	135,801	—	135,801	—	135,801	—	100%	—%	100%	—%	5,831	7,486	—
Total Stabilized Properties (g)												**192,602**	**233,596**	—
Unstabilized Properties														
Office - Houston	100%	1,174,727	—	1,084,769	—	1,101,503	—	92%	—%	94%	—%	8,050	31,958	2.9
Office - Columbia	100%	448,567	—	92,141	—	272,845	—	21%	—%	61%	—%	676	12,300	3.5
Retail - Houston	100%	72,264	—	—	—	42,389	—	—%	—%	59%	—%	—	2,200	3.0
Retail - Hawaii	100%	16,048	—	12,663	—	16,048	—	79%	—%	100%	—%	148	1,152	0.5
Multi-Family - Houston (d)	100%	—	312	—	65	—	102	—%	21%	—%	33%	—	3,875	1.0
Multi-Family - Columbia (d)	50%	28,026	437	13,544	390	28,026	413	48%	89%	100%	95%	3,631	3,800	1.0
Multi-Family - Summerlin (d)	100%	—	267	—	128	—	150	—%	48%	—%	56%	1,978	4,400	1.0
Hospitality - Houston (e)	100%	—	704	—	453	—	—	—%	64%	—%	—%	23,219	27,000	1.0
Total Unstabilized Properties												**$ 37,702**	**$ 86,685**	**2.4**

NOI by Region, excluding the Seaport District (con't)

($ in thousands, except Sq. Ft. and units)

Property	% Ownership (a)	Total		Q4 2019 Occupied (#)		Q4 2019 Leased (#)		Q4 2019 Occupied (%)		Q4 2019 Leased (%)		Q4 2019 Annualized NOI (b)	Stabilized NOI (c)	Time to Stabilize (Years)
		Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units			
Under Construction Properties														
Office - Houston	100%	180,000	—	—	—	180,000	—	—%	—%	100%	—%	$ —	$ 4,400	1.0
Office - Other	23%	1,500,000	—	—	—	1,110,000	—	—%	—%	74%	—%	—	14,421	4.0
Retail - Hawaii	100%	47,750	—	—	—	1,688	—	—%	—%	4%	—%	—	1,918	3.7
Retail - Columbia	100%	10,700	—	—	—	10,700	—	—%	—%	100%	—%	—	400	2.0
Multi-Family - Houston (d)	100%	11,448	909	—	—	6,146	—	—%	—%	54%	—%	—	16,726	4.1
Multi-Family - Columbia (d)	100%	56,683	382	—	—	11,080	—	—%	—%	20%	—%	—	9,162	4.0
Total Under Construction Properties												**—**	**47,027**	**3.6**
Total/ Wtd. Avg. for Portfolio												**$ 230,304**	**$ 367,308**	**3.1**

(a) Includes our share of NOI for our joint ventures.
(b) Annualized 4Q19 NOI includes distribution received from cost method investment in 1Q19. For purposes of this calculation, this one time annual distribution is not annualized.
(c) Table above excludes Seaport District NOI, units, and square feet until we have greater clarity with respect to the performance of our tenants. See page 17 for Seaport District Est. stabilized yield and other project information.
(d) Multi-Family square feet represent ground floor retail whereas multi-family units represent residential units for rent.
(e) Hospitality percentage occupied is the average for Q4 2019.
(f) Other assets are primarily made up of the Las Vegas Ballpark, equity method investments, ground leases and self-storage/warehouse facilities. These assets can be found on page 14 of this presentation.
(g) For Stabilized Properties, the difference between 4Q19 Annualized NOI and Stabilized NOI is attributable to a number of factors which may include timing, free rent or other temporary abatements, tenant turnover and market factors.

Stabilized Properties - Operating Assets Segment

($ in thousands, except Sq. Ft. and units)

Property	Location	% Ownership	Rentable Sq. Ft./Units	Q4 2019 % Occ.	Q4 2019 % Leased	Annualized Q4 2019 NOI	Est. Stabilized NOI
Office							
3 Waterway Square	Houston, TX	100%	232,021	100%	100%	$ 6,586	$ 6,900
4 Waterway Square	Houston, TX	100%	218,551	100%	100%	6,801	6,856
100 Fellowship Drive	Houston, TX	100%	203,257	100%	100%	4,206	5,100
1201 Lake Robbins Tower (a)	Houston, TX	100%	807,586	100%	100%	433	25,000
1400 Woodloch Forest	Houston, TX	100%	95,667	64%	78%	1,111	1,900
1725 Hughes Landing	Houston, TX	100%	331,754	95%	95%	5,935	6,900
1735 Hughes Landing	Houston, TX	100%	318,170	100%	100%	7,650	7,696
2201 Lake Woodlands Drive	Houston, TX	100%	24,119	100%	100%	518	410
3831 Technology Forest	Houston, TX	100%	95,078	100%	100%	2,303	2,268
9303 New Trails	Houston, TX	100%	97,967	79%	87%	696	1,800
One Hughes Landing	Houston, TX	100%	197,719	81%	98%	6,161	6,240
Two Hughes Landing	Houston, TX	100%	197,714	97%	97%	4,803	6,000
10-70 Columbia Corporate Center	Columbia, MD	100%	888,219	93%	95%	13,433	14,330
Columbia Office Properties	Columbia, MD	100%	62,038	89%	89%	946	1,402
One Mall North	Columbia, MD	100%	98,619	97%	97%	1,721	1,947
One Merriweather	Columbia, MD	100%	206,865	93%	97%	4,163	4,800
Aristocrat	Las Vegas, NV	100%	181,534	100%	100%	3,722	4,500
One Summerlin	Las Vegas, NV	100%	206,279	99%	99%	6,396	5,700
Two Summerlin	Las Vegas, NV	100%	144,615	98%	98%	3,643	3,500
Total Office			**4,607,772**			**81,227**	**113,249**
Retail							
20/25 Waterway Avenue	Houston, TX	100%	50,062	73%	76%	1,106	2,013
1701 Lake Robbins	Houston, TX	100%	12,376	100%	100%	502	400
2000 Woodlands Parkway	Houston, TX	100%	7,900	100%	100%	(27)	217
Creekside Village Green	Houston, TX	100%	74,670	89%	89%	1,888	2,097
Hughes Landing Retail	Houston, TX	100%	126,131	100%	100%	4,146	4,375
Lakeland Village Center	Houston, TX	100%	83,488	88%	88%	1,665	1,700
Lake Woodlands Crossing Retail	Houston, TX	100%	60,261	91%	91%	1,415	1,668
Waterway Garage Retail	Houston, TX	100%	21,513	78%	78%	468	800
Columbia Regional	Columbia, MD	100%	89,199	100%	100%	2,392	2,200
Ward Village Retail	Honolulu, HI	100%	1,019,667	95%	95%	21,153	22,407
Downtown Summerlin	Las Vegas, NV	100%	823,531	94%	94%	23,286	26,300
Outlet Collection at Riverwalk	New Orleans, LA	100%	268,556	92%	99%	5,459	6,500
Total Retail			**2,637,354**			**63,453**	**70,677**

Stabilized Properties - Operating Assets Segment (con't)

($ in thousands, except Sq. Ft. and units)

Property	Location	% Ownership	Rentable Sq. Ft. / Units (b)	Q4 2019 % Occ. (b)	Q4 2019 % Leased (b)	Annualized Q4 2019 NOI	Est. Stabilized NOI
Multi-family							
Millennium Six Pines Apartments	Houston, TX	100%	— / 314	90%	92%	$ 4,384	$ 4,500
Millennium Waterway Apartments	Houston, TX	100%	— / 393	91%	95%	4,262	4,600
One Lakes Edge	Houston, TX	100%	23,280 / 390	99% / 92%	99% / 93%	7,595	7,200
Creekside Park Apartments	Houston, TX	100%	— / 292	91%	92%	2,327	3,500
The Metropolitan Downtown Columbia	Columbia, MD	50%	13,591 / 380	84% / 95%	84% / 98%	2,959	2,900
Constellation	Las Vegas, NV	100%	— / 124	90%	95%	2,117	2,200
Total Multi-family			36,871 / 1,893			23,644	24,900
Hotel							
Embassy Suites at Hughes Landing (c)	Houston, TX	100%	205	81%	81%	5,612 (d)	4,500
Total Hotel			205			5,612	4,500
Other							
Hughes Landing Daycare	Houston, TX	100%	10,000 / —	100%	100%	170	260
The Woodlands Warehouse (e)	Houston, TX	100%	125,801 / —	100%	100%	25	1,200
Self-Storage 242 & 2978	Houston, TX	100%	— / 1,374	84%	84%	728	600
Sarofim Equity Investment	Houston, TX	20%	NA	NA	NA	2,044	2,202
Stewart Title of Montgomery County, TX	Houston, TX	50%	NA	NA	NA	1,332	1,117
Woodlands Ground Leases	Houston, TX	100%	NA	NA	NA	1,784	1,662
Kewalo Basin Harbor	Honolulu, HI	100%	NA	NA	NA	625	1,100
Hockey Ground Lease	Las Vegas, NV	100%	NA	NA	NA	382	458
Summerlin Hospital Medical Center	Las Vegas, NV	5%	NA	NA	NA	3,625	3,625
Las Vegas Ballpark (f)	Las Vegas, NV	100%	NA	NA	NA	8,100 (d)	8,100
Other Assets	Various	100%	NA	NA	NA	(149)	(54)
Total Other			135,801 / 1,374			18,666	20,270
Total Stabilized						$ 192,602	$ 233,596

(a) 1201 Lake Robbins Tower and 9950 Woodloch Forest Tower, collectively known as The Woodlands Towers at the Waterway, were acquired on December 30, 2019. See page 21 of this supplement. 9950 Woodloch Forest Tower is an unstabilized property as of December 31, 2019. See page 15 for further details.
(b) Instances with two sets of rentable sq. ft/units, % occupied and % leased relate to multi-family assets with a retail component. In these cases, the first set of numbers relate to the retail asset and the second set relate to the multi-family asset.
(c) Hotel property percentage occupied is the average for Q4 2019.
(d) Annualized NOI for these properties are based on a trailing 12-month calculation due to seasonality of the respective businesses.
(e) The Woodlands Warehouse was acquired on December 30, 2019. See page 21 for further details.
(f) The Las Vegas Ballpark presentation is inclusive of the results from both the stadium operations and those of our wholly-owned team, the Las Vegas Aviators.

Unstabilized Properties - Operating Assets Segment

($ in thousands, except Sq. Ft. and units)

Project Name	Location	% Ownership	Rentable Sq. Ft. / Units	Q4 2019 % Occ. (a)	Q4 2019 % Leased (a)	Develop. Costs Incurred	Est. Total Cost (Excl. Land)	Annualized Q4 2019 NOI	Est. Stabilized NOI (b)	Est. Stab. Date	Est. Stab. Yield
Office											
Three Hughes Landing	Houston, TX	100%	320,815	82%	87%	$ 81,057	$ 90,133	$ 6,944	$ 7,600	Q4 2020	8%
Lakefront North (c)	Houston, TX	100%	258,058	88%	88%	55,070	77,879	781	6,458	2021	8%
9950 Woodloch Forest Tower (c) (d)	Houston, TX	100%	595,854	100%	100%	148,972	210,571	325	17,900	2023	9%
6100 Merriweather	Columbia, MD	100%	318,545	—%	50%	83,228	138,221	(189)	9,200	2023	7%
Two Merriweather	Columbia, MD	100%	130,022	71%	87%	34,679	40,941	865	3,100	2021	8%
Total Office			**1,623,294**			**403,006**	**557,745**	**8,726**	**44,258**		
Retail											
Creekside Park West	Houston, TX	100%	72,264	—%	59%	12,580	22,625	—	2,200	2022	10%
Anaha Retail (e)	Honolulu, HI	100%	16,048	79%	100%	—	—	148	1,152	Q2 2020	n.a.
Total Retail			**88,312**			**12,580**	**22,625**	**148**	**3,352**		
Multi-family											
m.flats & TEN.M	Columbia, MD	50%	28,026 / 437	48% / 89%	100% / 95%	53,979	54,673	3,631	3,800	Q4 2020	7%
Lakeside Row	Houston, TX	100%	312	21%	33%	37,039	48,412	—	3,875	2021	8%
Tanager Apartments	Las Vegas, NV	100%	267	48%	56%	49,862	59,276	1,978	4,400	Q3 2020	7%
Total Multi-family			**28,026 / 1,016**			**140,880**	**162,361**	**5,609**	**12,075**		
Hotel											
The Woodlands Resort & Conference Center	Houston, TX	100%	402	53%	53%	72,360	72,360	13,666 (f)	16,500	Q4 2020	8%
The Westin at The Woodlands	Houston, TX	100%	302	79%	79%	98,226	98,444	9,553 (f)	10,500	Q4 2020	11%
Total Hotel			**704**			**170,586**	**170,804**	**23,219**	**27,000**		
Total Unstabilized						**$ 727,052**	**$ 913,535**	**$ 37,702**	**$ 86,685**		

(a) With the exception of Hotel properties, Percentage Occupied and Percentage Leased are as of December 31, 2019. Each Hotel property Percentage Occupied is the average for Q4 2019. Instances with two sets of rentable sq. ft/ units, % occupied and % leased relate to multi-family assets with a retail component. In these cases, the first set of numbers relate to the retail asset and the second set relate to the multi-family asset.
(b) Company estimates of stabilized NOI are based on current leasing velocity, excluding inflation and organic growth.
(c) Lakefront North and 9950 Woodloch Forest Tower development costs incurred and estimated total cost are inclusive of acquisition and tenant lease-up costs.
(d) 1201 Lake Robbins Tower and 9950 Woodloch Forest Tower, collectively known as The Woodlands Towers at the Waterway, were acquired on December 30, 2019 as referenced on page 21 of this supplement. 1201 Lake Robbins Tower is a stabilized property as of December 31, 2019. See page 13 for further details.
(e) Condominium retail Develop. Cost Incurred and Est. Total Cost (Excl. Land) are combined with their respective condominium costs on page 23 of this supplement.
(f) Annualized NOI for these properties are based on a trailing 12-month calculation due to seasonality of the hotel business.

Under Construction Projects - Strategic Developments Segment

($ in thousands, except Sq. Ft. and units)

(Owned & Managed) Project Name	Location	% Ownership	Est. Rentable Sq. Ft.	Percent Pre-Leased (a)	Project Status	Const. Start Date	Est. Stabilized Date (b)	Develop. Costs Incurred	Est. Total Cost (Excl. Land)	Est. Stabilized NOI	Est. Stab. Yield
Office											
110 North Wacker (c)	Chicago, IL	23% (d)	1,500,000	74%	Under Construction	Q2 2018	2023	$ 16,078	$ 16,078	$ 14,421	8%
8770 New Trails	Houston, TX	100%	180,000	100%	Under Construction	Q1 2019	2020	23,038	45,985	4,400	10%
Total Office			**1,680,000**					**39,116**	**62,063**	**18,821**	
Retail											
A'ali'i (e)	Honolulu, HI	100%	11,336	—%	Under Construction	Q4 2018	2022	—	—	637	—%
Kō'ula (e)	Honolulu, HI	100%	36,414	5%	Under Construction	Q3 2019	2023	—	—	1,281	—%
Merriweather District Area 3 Standalone Restaurant	Columbia, MD	100%	10,700	100%	Under Construction	Q3 2019	2021	522	5,624	400	7%
Total Retail			**58,450**					**522**	**5,624**	**2,318**	

Project Name	Location	% Ownership	Est. Rentable Sq. Ft. / # of Units	Monthly Est. Rent Per Unit	Project Status	Const. Start Date	Est. Stabilized Date (b)	Develop. Costs Incurred	Est. Total Cost (Excl. Land)	Est. Stabilized NOI	Est. Stab. Yield
Multi-family											
Juniper Apartments (f)	Columbia, MD	100%	56,683 / 382	2,053	Under Construction	Q2 2018	2023	$ 66,307	$ 116,386	$ 9,162	8%
Two Lakes Edge	Houston, TX	100%	11,448 / 386	2,690	Under Construction	Q2 2018	2024	70,126	107,706	8,529	8%
Millennium Phase III Apartments	Houston, TX	100%	163	2,595	Under Construction	Q2 2019	2021	7,496	45,033	3,500	8%
Creekside Park Apartments Phase II	Houston, TX	100%	360	1,744	Under Construction	Q3 2019	2023	1,736	57,472	4,697	8%
Total Multi-family			**68,131 / 1,291**					**145,665**	**326,597**	**25,888**	
Total Under Construction								**$ 185,303**	**$ 394,284**	**$ 47,027**	

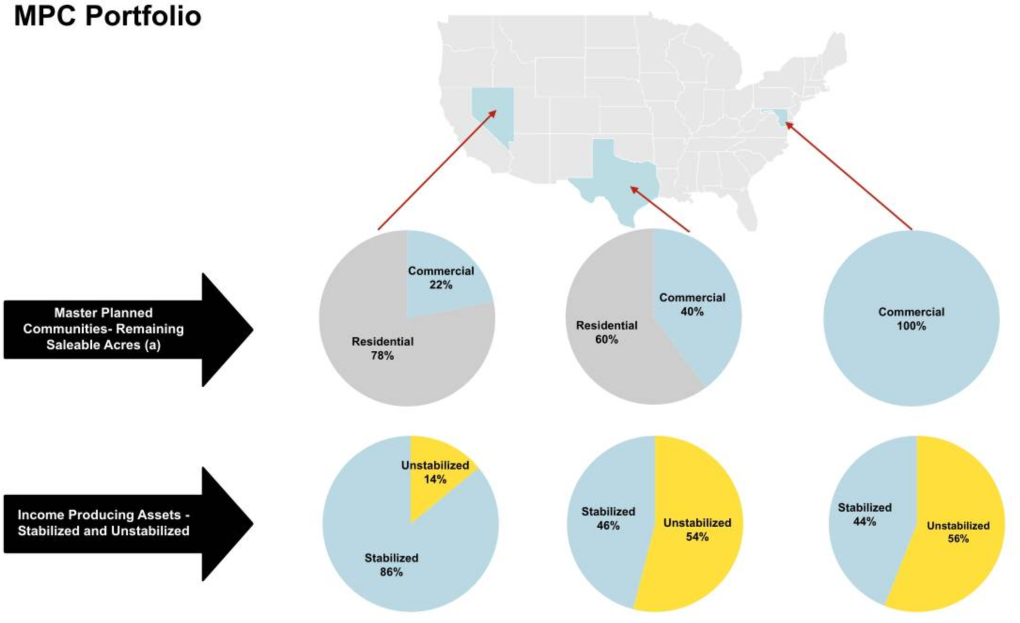
(a) Represents leases signed as of December 31, 2019 and is calculated as the total leased square feet divided by total leasable square feet, expressed as a percentage.
(b) Represents management's estimate of the first quarter of operations in which the asset may be stabilized.
(c) 110 North Wacker represents our member only. We are not including overhead allocations, development fees and leasing commissions in Develop. Costs Incurred and Est. Total Cost (Excl Land). Est. Total Cost (Excl. Land) represents HHC's total cash equity requirement. Develop. Costs Incurred represent HHC's equity in the project at December 31, 2019. Est. Stabilized NOI Yield is based on the projected building NOI at stabilization and our percentage ownership of the equity capitalization of the project. It does not include the impact of the partnership distribution waterfall.
(d) In Q2 2019, we revised the calculation of our effective ownership interest in 110 North Wacker based on the loan modification and joint venture funding commitment changes that occurred in May 2019. As a result of the modification and our reduced future funding commitments, our effective ownership percentage is 23%. Our share of estimated stabilized NOI therefore decreased, but the 8% yield remained unchanged as our funding commitment decreased as well.
(e) Condominium retail Develop. Cost Incurred and Est. Total Costs (Excl. Land) are combined with their respective condominium costs on page 23 of this supplement.
(f) Columbia Multi-family was renamed to Juniper Apartments as of Q1 2019.

Seaport District Operating Performance

($ in thousands)	Real Estate Operations (Landlord) (a) Historic District & Pier 17	Real Estate Operations (Landlord) (a) Multi-Family (c)	Real Estate Operations (Landlord) (a) Hospitality (d)	Managed Businesses (b) Historic District & Pier 17 (e)	Managed Businesses (b) Tin Building (f)	Events, Sponsorships & Catering Business (g)	Q4 2019 Total
Revenues							
Rental revenue (h)	$ 1,632	$ 241	$ 944	$ 1	$ —	$ —	$ 2,818
Tenant recoveries	188	—	—	—	—	—	188
Other rental and property (expense) revenue	(21)	—	—	6,403	—	3,513	9,895
Total Revenues	1,799	241	944	6,404	—	3,513	12,901
Expenses							
Other property operating costs (h)	(4,790)	(150)	(819)	(9,606)	—	(3,113)	(18,478)
Total Expenses	(4,790)	(150)	(819)	(9,606)	—	(3,113)	(18,478)
Net Operating (Loss) Income - Seaport District (i)	$ (2,991)	$ 91	$ 125	$ (3,202)	$ —	$ 400	$ (5,577)
Project Status	Unstabilized	Stabilized	Unstabilized	Unstabilized	Under Construction	Unstabilized	
Rentable Sq. Ft. / Units							
Total Sq. Ft. / units	305,265	13,000 / 21	66	73,488	53,396	21,077	
Leased Sq. Ft. / units (j)	127,637	— / 21	57	73,488	53,396	21,077	
% Leased or occupied (j)	42%	—% / 100%	86%	100%	100%	100%	
Development (k)							
Development costs incurred	$ 517,561	$ —	$ —	$ —	$ 72,057	$ —	$ 589,618
Estimated total costs (excl. land)	$ 594,018	$ —	$ —	$ —	$ 173,452	$ —	$ 767,470

(a) Real Estate Operations (Landlord) represents physical real estate developed and owned by HHC.
(b) Managed Businesses represents retail and food and beverage businesses that HHC owns, either wholly or through joint ventures, and operates, including license and management agreements. For the three months ended December 31, 2019, our managed businesses include, among others, The Fulton, 10 Corso Como Retail and Café, SJP by Sarah Jessica Parker, R17 and Cobble & Co.
(c) Multi-Family represents 85 South Street which includes base level retail in addition to residential units.
(d) Hospitality represents Mr. C Seaport, of which HHC has a 35% ownership interest. Percentage occupied is the average for Q4 2019.
(e) Includes our 90% share of NOI from Bar Wayō.
(f) Represents the food hall by Jean-Georges.
(g) Events, Sponsorships & Catering Business includes private events, catering, sponsorships, concert series and other rooftop activities.
(h) Rental revenue and expense earned from and paid by businesses we own and operate is eliminated in consolidation.
(i) See page 32 for the reconciliation of Seaport District NOI.
(j) The percent leased for Historic District & Pier 17 landlord operations includes agreements with terms of less than one year and excludes leases with our managed businesses.
(k) Development costs incurred and Estimated total costs (excl. land) are shown net of insurance proceeds of approximately $65.0 million.

MPC Portfolio



($ in thousands)	Nevada	Texas	Maryland	Total (c)
MPC Performance - 4Q19 & 4Q18				
MPC Net Contribution (4Q19) (b)	$ 106,235	$ 27,275	$ (317)	$ 133,193
MPC Net Contribution (4Q18) (b)	$ 6,057	$ 25,829	$ (342)	$ 31,544
Operating Asset Performance - 2019 & Future				
Annualized 4Q19 in-place NOI	$ 53,249	$ 119,674	$ 29,997	$ 202,920
Est. stabilized NOI (future) (d)	$ 58,783	$ 207,786	$ 53,241	$ 319,810
Wtd. avg. time to stab. (yrs.)	1.0	3.0	3.4	—

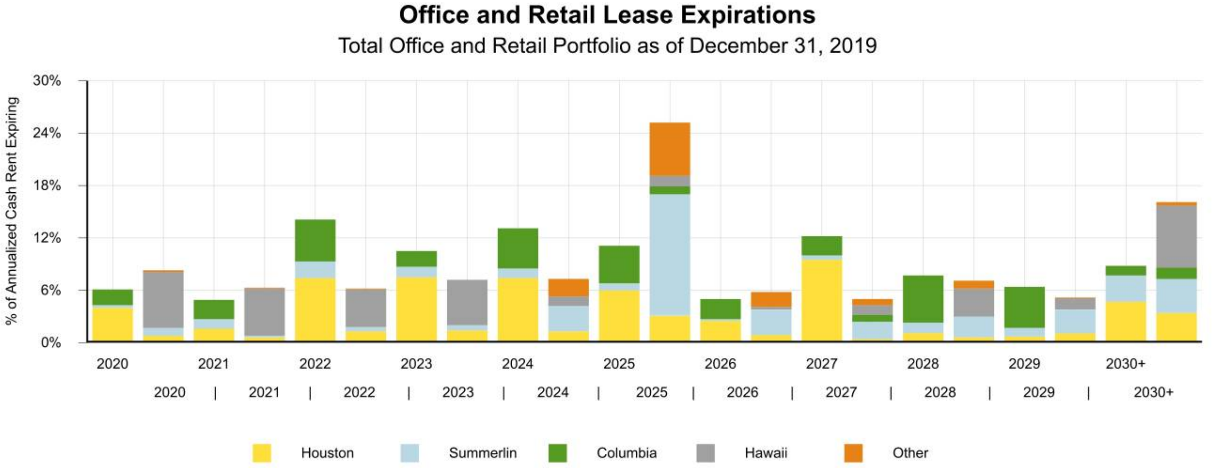
(a) Commercial acres may be developed by us or sold.
(b) Reconciliation of GAAP MPC segment EBT to MPC Net Contribution for the three months ended December 31, 2019 is found under Reconciliation of Non-GAAP Measures on page 33.
(c) Total excludes NOI from non-core operating assets and NOI from core assets within Hawai'i and New York as these regions are not defined as MPCs.
(d) Est. Stabilized NOI (Future) represents all assets within the respective MPC regions, inclusive of stabilized, unstabilized and under construction.

Portfolio Key Metrics

	MPC Regions						Non-MPC Regions			
	The Woodlands Houston, TX	The Woodlands Hills Houston, TX	Bridgeland Houston, TX	Summerlin Las Vegas, NV	Columbia Columbia, MD	Total MPC Regions	Hawai'i Honolulu, HI	Seaport New York, NY	Other	Total Non-MPC
Operating - Stabilized Properties										
Office Sq.Ft.	2,819,603	—	—	532,428	1,255,741	4,607,772	—	—	—	—
Retail Sq. Ft.	376,193	—	83,488	823,531	102,790	1,386,002	1,019,667	13,000	268,556	1,301,223
Multifamily units	1,389	—	—	124	380	1,893	—	21	—	21
Hotel Rooms	205	—	—	—	—	205	—	—	—	—
Self-Storage Units	1,374	—	—	—	—	1,374	—	—	—	—
Other Sq. Ft.	135,801	—	—	—	—	135,801	—	—	—	—
Operating - Unstabilized Properties										
Office Sq.Ft.	1,174,727	—	—	—	448,567	1,623,294	—	—	—	—
Retail Sq.Ft. (a)	72,264	—	—	—	28,026	100,290	16,048	399,830	—	415,878
Multifamily units	—	—	312	267	437	1,016	—	—	—	—
Hotel rooms	704	—	—	—	—	704	—	66	—	66
Self-Storage Units	—	—	—	—	—	—	—	—	—	—
Other Sq. Ft.	—	—	—	—	—	—	—	—	—	—
Operating - Under Construction Properties										
Office Sq.Ft.	180,000	—	—	—	—	180,000	—	—	1,500,000	1,500,000
Retail Sq. Ft.	—	—	—	—	56,683	56,683	47,750	53,396	—	101,146
Other Sq. Ft.	—	—	—	—	—	—	—	—	—	—
Multifamily units	909	—	—	—	382	1,291	—	—	—	—
Hotel rooms	—	—	—	—	—	—	—	—	—	—
Self-Storage Units	—	—	—	—	—	—	—	—	—	—
Residential Land										
Total gross acreage/condos (b)	28,505 ac.	2,055 ac.	11,506 ac.	22,500 ac.	16,450 ac.	81,016 ac.	2,697	n.a.	n.a.	2,697
Current Residents (b)	118,000	300	12,550	113,000	112,000	355,850	n.a.	n.a.	n.a.	—
Remaining saleable acres/condos	71 ac.	1,348 ac.	2,166 ac.	2,991 ac.	n.a.	6,576 ac.	276	n.a.	n.a.	276
Estimated price per acre (c)	$ 1,068	$ 274	$ 422	$ 676	n.a.	$ —	n.a.	n.a.	n.a.	$ —
Commercial Land										
Total acreage remaining	722 ac.	175 ac.	1,543 ac.	831 ac.	96 ac.	3,367 ac.	n.a.	n.a.	n.a.	—
Estimated price per acre (c)	$ 1,147	$ 515	$ 543	$ 1,125	$ 580	$ —	n.a.	n.a.	n.a.	$ —

Portfolio Key Metrics herein include square feet, units and rooms included in joint venture projects. Sq. Ft. and units are not shown at share. Retail Sq. Ft. includes multi-family Sq. Ft.
(a) Retail Sq. Ft. within the Summerlin region excludes 381,767 Sq. Ft. of anchors.
(b) Acreage shown as of December 31, 2019; current residents shown as of December 31, 2019.
(c) Residential and commercial pricing represents the Company's estimate of price per acre per its 2020 land models.

Lease Expirations



Expiration Year	Office Expirations (a)			Retail Expirations (a)		
	Annualized Cash Rent ($ in thousands)	Percentage of Annualized Cash Rent	Wtd. Avg. Annualized Cash Rent Per Leased Sq. Ft.	Annualized Cash Rent ($ in thousands)	Percentage of Annualized Cash Rent	Wtd. Avg. Annualized Cash Rent Per Leased Sq. Ft.
2020	$ 7,784	6.09%	$ 36.64	$ 8,709	8.27%	$ 47.33
2021	6,304	4.93%	32.26	6,755	6.42%	27.15
2022	18,054	14.11%	31.60	6,578	6.25%	46.77
2023	13,348	10.43%	29.90	7,514	7.14%	45.20
2024	16,757	13.10%	30.67	7,783	7.39%	39.99
2025	14,319	11.19%	33.06	26,653	25.32%	53.99
2026	6,534	5.11%	34.68	6,106	5.80%	41.48
2027	15,656	12.24%	29.53	5,296	5.03%	42.64
2028	9,777	7.64%	41.48	7,453	7.08%	46.63
2029	8,066	6.31%	42.42	5,561	5.28%	30.72
Thereafter	11,318	8.85%	40.85	16,854	16.02%	30.77
Total	$ 127,917	100.00%		$ 105,262	100.00%	

(a) Excludes leases with an initial term of 12 months or less

Acquisition / Disposition Activity

(In thousands, except rentable Sq. Ft. / Units / Acres)

Q4 2019 Acquisitions

Date Acquired	Property	% Ownership	Location	Rentable Sq. Ft. / Units / Acres	Acquisition Price
12/30/2019	The Woodlands Towers at The Waterway The Woodlands Warehouse Century Park	100%	The Woodlands, TX The Woodlands, TX Houston, TX	1,403,440 Sq. Ft / 9 acres 125,801 Sq. Ft. / 7 acres 1,302,597 Sq. Ft. / 63 acres	$565.0 million

Q4 2019 Dispositions

Date Sold	Property	% Ownership	Location	Rentable Sq. Ft. / Units / Acres	Sale Price
10/29/2019	West Windsor	100%	West Windsor, NJ	658 Acres	$40.0 million
12/20/2019	Bridges at Mint Hill	91%	Charlotte, NC	210 Acres	$9.5 million

Master Planned Community Land

($ in thousands)	The Woodlands Q4 2019	The Woodlands Q4 2018	The Woodlands Hills Q4 2019	The Woodlands Hills Q4 2018	Bridgeland Q4 2019	Bridgeland Q4 2018	Summerlin Q4 2019	Summerlin Q4 2018	Columbia Q4 2019	Columbia Q4 2018	Total Q4 2019	Total Q4 2018
Revenues:												
Residential land sale revenues	$11,427	$ 9,435	$ 2,539	$ 2,079	$15,512	$17,734	$123,621	$ 2,772	$ —	$ —	$ 153,099	$ 32,020
Commercial land sale revenues	—	—	—	—	46	422	—	2,736	—	—	46	3,158
Builder price participation	52	105	18	21	264	123	11,123	7,442	—	—	11,457	7,691
Other land sale revenues	2,534	1,559	—	470	43	78	3,560	3,222	—	(412)	6,137	4,917
Total revenues	**14,013**	**11,099**	**2,557**	**2,570**	**15,865**	**18,357**	**138,304**	**16,172**	**—**	**(412)**	**170,739**	**47,786**
Expenses:												
Cost of sales - residential land	(5,085)	(4,656)	(955)	(1,005)	(5,181)	(5,385)	(52,492)	(1,615)	—	—	(63,713)	(12,661)
Cost of sales - commercial land	—	—	—	—	(12)	(106)	—	(1,839)	—	—	(12)	(1,945)
Real estate taxes	85	(529)	36	44	(636)	(702)	(887)	(769)	(144)	(127)	(1,546)	(2,083)
Land sales operations	(4,634)	(4,669)	(986)	(777)	(1,771)	(1,447)	(2,821)	(2,479)	(169)	195	(10,381)	(9,177)
Depreciation and amortization	(34)	(34)	—	—	(34)	(34)	(22)	16	—	53	(90)	1
Total operating expenses	**(9,668)**	**(9,888)**	**(1,905)**	**(1,738)**	**(7,634)**	**(7,674)**	**(56,222)**	**(6,686)**	**(313)**	**121**	**(75,742)**	**(25,865)**
Net interest capitalized (expense)	(1,569)	(1,191)	261	252	3,791	3,602	5,160	4,430	—	—	7,643	7,093
Equity in earnings from real estate affiliates	—	—	—	—	—	—	9,477	1,603	—	—	9,477	1,603
EBT	**$ 2,776**	**$ 20**	**$ 913**	**$ 1,084**	**$12,022**	**$14,285**	**$ 96,719**	**$15,519**	**$ (313)**	**$ (291)**	**$ 112,117**	**$ 30,617**
Key Performance Metrics:												
Residential												
Total acres closed in current period	11.6 ac.	18.6 ac.	9.5 ac.	7.4 ac.	35.7 ac.	45.6 ac.	177.0 ac.	0.7 ac.	—	—		
Price per acre achieved (a)	$ 985	$ 507	$ 267	$ 281	$ 435	$ 389	$ 639	$ 950	NM	NM		
Avg. gross margins	55.5 %	51.0 %	62.4 %	52.0 %	66.6 %	70.0 %	57.5 %	42.0 %	NM	NM		
Commercial												
Total acres closed in current period	—	—	—	—	—	—	—	5.9 ac.	—	—		
Price per acre achieved	NM	NM	NM	NM	NM	NM	NM	400	NM	NM		
Avg. gross margins	NM	NM	NM	NM	74.4 %	75.0 %	NM	33.0 %	NM	NM		
Avg. combined before-tax net margins	55.5 %	51.0 %	62.4 %	52.0 %	66.6 %	70.0 %	57.5 %	37.0 %	NM	NM		

Key Valuation Metrics	The Woodlands	The Woodlands Hills	Bridgeland	Summerlin	Columbia
Remaining saleable acres					
Residential (b)	71 ac.	1,348 ac.	2,166 ac.	2,991 ac.	—
Commercial (c)	722 ac.	175 ac.	1,543 ac.	831 ac.	96 ac.
Projected est. % superpads / lot size	—% / —	—% / —	—% / —	87% / 0.25 ac	NM
Projected est. % single-family detached lots / lot size	41% / 0.41 ac	86% / 0.23 ac	89% / 0.16 ac	—% / —	NM
Projected est. % single-family attached lots / lot size	59% / 0.07 ac	14% / 0.13 ac	10% / 0.10 ac	—% / —	NM
Projected est. % custom homes / lot size	—% / —	—% / —	1% / 1.00 ac	13% / 0.45 ac	NM
Estimated builder sale velocity (blended total - TTM) (d)	26	15	87	108	NM
Projected GAAP gross margin (e)	55.5% / 75.6%	62.4% / 62.4%	67.4% / 67.4%	53.7% / 53.7%	NM
Projected cash gross margin (e)	99.8%	92.2%	81.0%	70.2%	NM
Residential sellout / Commercial buildout date estimate					
Residential	2022	2031	2034	2039	—
Commercial	2031	2030	2045	2039	2023

(a) The price per acre achieved for Summerlin residential lots is mostly attributable to custom lots sales, impacting results. The price per acre achieved for The Woodlands residential lots is mostly attributable to the mix of lots sold, positively impacting results.
(b) The Woodlands Residential reports remaining saleable acres on a gross basis due to potential changes in land usage and the unknown acreage that may be set aside for drainage, parks and roads for undeveloped land.
(c) Columbia Commercial excludes 31 commercial acres held in the Strategic Developments segment in Downtown Columbia.
(d) Represents the average monthly builder homes sold over the last twelve months ended December 31, 2019.
(e) Projected GAAP gross margin is based on GAAP revenues and expenses which exclude revenues deferred on sales closed where revenue did not meet criteria for recognition and includes revenues previously deferred that met criteria for recognition in the current period. Gross margin for each MPC may vary from period to period based on the locations of the land sold and the related costs associated with developing the land sold. Projected cash gross margin includes all future projected revenues less all future projected development costs, net of expected reimbursable costs, and capitalized overhead, taxes and interest.
NM Not meaningful.

Ward Village Condominiums

	Waiea (a)	Anaha (b)	Ae‘o (c)	Ke Kilohana (d)	‘A‘ali‘i (e)	Kō‘ula (f)	Total
Key Metrics ($ in thousands)							
Type of building	Ultra-Luxury	Luxury	Upscale	Workforce	Upscale	Upscale	
Number of units (g)	177	317	465	423	750	565	2,697
Avg. unit Sq. Ft.	2,138	1,417	838	696	518	725	856
Condo Sq. Ft.	378,488	449,205	389,663	294,273	388,210	409,576	2,309,415
Street retail Sq. Ft.	7,716	16,048	70,800	28,386	11,336	36,414	170,700
Stabilized retail NOI	$ 453	$ 1,152	$ 1,557	$ 1,081	$ 637	$ 1,281	$ 6,161
Stabilization year	2017	2020	2019	2020	2022	2023	
Development progress ($ in millions)							
Status	Opened	Opened	Opened	Opened	Under Construction	Under Construction	
Start date	2Q14	4Q14	1Q16	4Q16	4Q18	3Q19	
Completion date/status	Complete	Complete	Complete	Complete	2021	2022	
Total development cost	$ 464	$ 401	$ 430	$ 219	$ 412	$ 487	$ 2,413
Cost-to-date	416	395	418	212	116	45	1,602
Remaining to be funded	$ 48	$ 6	$ 12	$ 7	$ 296	$ 442	$ 811
Financial Summary ($ in thousands, except per Sq. Ft.)							
Units closed (through Q4 2019)	170	315	465	423	—	—	1,373
Units under contract (through Q4 2019)	2	—	—	—	626	420	1,048
Total % of units closed or under contract	97.2%	99.4%	100.0%	100.0%	83.5%	74.3%	89.8%
Units closed (current quarter)	—	1	—	1	—	—	2
Units under contract (current quarter)	—	—	—	—	3	23	26
Square footage closed or under contract (total)	360,161	436,649	389,663	294,273	305,938	312,879	2,099,563
Total % square footage closed or under contract	95.2%	97.2%	100.0%	100.0%	78.8%	76.4%	90.9%
Target condo profit margin at completion (excl. land cost)							~30%
Total cash received (closings & deposits)	$ 656,355	$ 492,374	$ 513,176	$ 215,947	$ 79,155	$ 94,787	$ 2,051,794
Total GAAP revenue recognized							$ 1,877,105
Expected avg. price per Sq. Ft.	$1,900 - 1,950	$1,100 - 1,150	$1,300 - 1,350	$700 - 750	$1,300 - 1,350	$1,500 - 1,550	$1,300 - 1,325
Expected construction costs per retail Sq. Ft.							$~1,100
Deposit Reconciliation (in thousands)							
Spent towards construction	$ —	$ —	$ —	$ —	$ 40,979	$ —	$ 40,979
Held for future use (h)	—	—	24	—	38,175	94,787	132,986
Total deposits from sales commitment	**$ —**	**$ —**	**$ 24**	**$ —**	**$ 79,154**	**$ 94,787**	**$ 173,965**

(a) We began delivering units at Waiea in November 2016. As of December 31, 2019, we have closed on 170 units. We have two under contract, and five units remain to be sold.
(b) We began delivering units at Anaha in October 2017. As of December 31, 2019, we have closed on 315 units. We have no units under contract, and two units remain to be sold.
(c) We began delivering units at Ae‘o in November 2018. As of December 31, 2019, we have closed on all 465 units.
(d) Ke Kilohana consists of 375 workforce units and 48 market rate units. As of December 31, 2019, we have closed on all 423 units.
(e) We broke ground on ‘A‘ali‘i in the fourth quarter of 2018. As of December 31, 2019, we have entered into contracts for 626 of the units.
(f) We broke ground on Kō‘ula in the third quarter of 2019. As of December 31, 2019, we have entered into contracts for 420 of the units.
(g) The increase in number of units at Waiea from 2018 is a result of subdividing one large unit due to demand for smaller units in the tower.
(h) Total deposits held for future use are presented above only for projects under construction and are included in Restricted cash on the balance sheet.

Other/Non-core Assets

Property Name	City, State	% Own	Acres	Notes
The Elk Grove Collection	Elk Grove, CA	100%	64	Sold 36 acres for $36 million in total proceeds in 2017. We are assessing our plans for the remaining acres. Previous development plans have been placed on hold as we believe we can allocate capital into core assets and achieve a better risk-adjusted return.
Landmark Mall	Alexandria, VA	100%	33	Plan to transform the mall into an open-air, mixed-use community. In January 2017, we acquired the 11.4 acre Macy's site for $22.2 million.
Circle T Ranch and Power Center	Westlake, TX	50%	207	50/50 joint venture with Hillwood Development Company. In 2016, HHC sold 72 acres to an affiliate of Charles Schwab Corporation.
Monarch City	Allen, TX	100%	238	Located 27 miles north of Downtown Dallas, this 261-acre mixed-use development received unanimous zoning approval June 26, 2019.
Century Park	Houston, TX	100%	63	In conjunction with the acquisition of the Occidental Towers in The Woodlands in December 2019, we acquired Century Park, a 63-acre, 1.3 million square foot campus with 17 office buildings in the West Houston Energy Corridor in Houston, TX.
Maui Ranch Land	Maui, HI	100%	20	Two, non-adjacent, ten-acre parcels zoned for native vegetation.
Fashion Show Air Rights	Las Vegas, NV	80%	N/A	Air rights above the Fashion Show Mall located on the Las Vegas Strip.
250 Water Street	New York, NY	100%	1	The one-acre site is situated at the entrance of the Seaport District. While the Company is in the initial planning stages for this strategic site, it will continue to be used as a parking lot.

Debt Summary

(In thousands)	December 31, 2019	December 31, 2018
Fixed-rate debt:		
Unsecured 5.375% Senior Notes	$ 1,000,000	$ 1,000,000
Secured mortgages, notes and loans payable	884,935	648,707
Special Improvement District bonds	23,725	15,168
Variable-rate debt:		
Mortgages, notes and loans payable, excluding condominium financing (a)	2,199,241	1,454,579
Condominium financing (a)	30,717	96,757
Mortgages, notes and loans payable	4,138,618	3,215,211
Unamortized bond issuance costs	(5,249)	(6,096)
Deferred financing costs	(36,899)	(27,902)
Total mortgages, notes and loans payable, net	4,096,470	3,181,213
Total unconsolidated mortgages, notes and loans payable at pro-rata share	100,319	96,185
Total Debt	**$ 4,196,789**	**$ 3,277,398**

Net Debt on a Segment Basis, at share as of December 31, 2019

(In thousands)	Operating Assets	Master Planned Communities	The Seaport District	Strategic Developments	Segment Totals	Non-Segment Amounts	Total
Mortgages, notes and loans payable (a) (b)	$ 2,315,806	$ 239,275	$ 352,408	$ 266,041	$ 3,173,530	$ 992,542	$ 4,166,072
Condominium financing (a)	—	—	—	30,717	30,717	—	30,717
Less: Cash and cash equivalents (b)	(59,801)	(129,028)	(8,253)	(12,165)	(209,247)	(270,312)	(479,559)
Special Improvement District receivables	—	(42,996)	—	—	(42,996)	—	(42,996)
Municipal Utility District receivables, net	—	(280,742)	—	—	(280,742)	—	(280,742)
TIF Receivable	—	—	—	(3,931)	(3,931)	—	(3,931)
Net Debt	**$ 2,256,005**	**$ (213,491)**	**$ 344,155**	**$ 280,662**	**$ 2,667,331**	**$ 722,230**	**$ 3,389,561**

(In thousands)	2020	2021	2022	2023	2024	Thereafter	Total
Mortgages, notes and loans payable	$ 424,933	$ 320,641	$ 137,825	$ 967,129	$ 764,615	$ 1,523,475	$ 4,138,618
Interest payments	184,846	173,275	161,404	147,400	95,811	141,367	904,103
Ground lease and other leasing commitments	6,927	7,066	6,328	6,374	6,432	266,852	299,979
Total consolidated debt maturities and contractual obligations	**$ 616,706**	**$ 500,982**	**$ 305,557**	**$ 1,120,903**	**$ 866,858**	**$ 1,931,694**	**$ 5,342,700**

(a) As of December 31, 2019 and December 31, 2018, $630.1 million and $615.0 million of variable-rate debt has been swapped to a fixed rate for the term of the related debt, respectively. An additional $184.3 million and $50.0 million of variable-rate debt was subject to interest rate collars as of December 31, 2019 and December 31, 2018, respectively, and $75.0 million of variable-rate debt was capped at a maximum interest rate as of December 31, 2019 and December 31, 2018.
(b) Each segment includes our share of related cash and debt balances for all joint ventures included in Investments in real estate and other affiliates.
(c) Mortgages, notes and loans payable and Condominium financing are presented based on extended maturity date. Extension periods generally may be exercised at our option at the initial maturity date, subject to customary extension terms that are based on property performance as of the initial maturity date and/or extension date. Such extension terms may include, but are not limited to, minimum debt service coverage, minimum occupancy levels or condominium sales levels, as applicable, and other performance criteria. We may have to pay down a portion of the debt if we do not meet the requirements to exercise the extension option.

Property-Level Debt

($ in thousands)

Asset		Q4 2019 Principal Balance	Contract Interest Rate	Interest Rate Hedge	Current Annual Interest Rate		Initial / Extended Maturity (a)
Operating Assets							
Three Hughes Landing	$	59,822	L+260	Floating	4.33%		Mar-20
The Woodlands Towers at the Waterway		336,570	L+195	Floating	3.68%	(b)	Jun-20
The Woodlands Warehouse		7,230	L+195	Floating	3.68%	(b)	Jun-20
Downtown Summerlin		259,179	L+215	Floating	3.88%		Sep-20 / Sep-21
Two Merriweather		28,216	L+250	Floating	4.23%		Oct-20 / Oct-21
Outlet Collection at Riverwalk		30,615	L+250	Floating	4.23%		Oct-21
100 Fellowship Drive		47,916	L+150	Floating	3.23%		May-22
20/25 Waterway Avenue		13,131	4.79%	Fixed	4.79%		May-22
Millennium Waterway Apartments		53,032	3.75%	Fixed	3.75%		Jun-22
HHC 242 Self-Storage		5,499	L+260	Floating	4.33%		Dec-21 / Dec-22
HHC 2978 Self-Storage		5,395	L+260	Floating	4.33%		Dec-21 / Dec-22
Lake Woodlands Crossing Retail		12,163	L+180	Floating	3.53%		Jan-23
Lakeside Row		23,958	L+225	Floating	3.98%		Jul-22 / Jul-23
Senior Secured Credit Facility		615,000	4.61%	Floating/Swap	4.61%	(c)	Sep-23
The Woodlands Resort & Conference Center		62,500	L+250	Floating	4.23%		Dec-21 / Dec-23
Lakefront North		32,731	L+200	Floating	3.73%		Dec-22 / Dec-23
9303 New Trails		11,196	4.88%	Fixed	4.88%		Dec-23
4 Waterway Square		32,789	4.88%	Fixed	4.88%		Dec-23
Creekside Park West		8,505	L+225	Floating	3.98%		Mar-23 / Mar-24
6100 Merriweather		36,418	L+275	Floating	4.48%		Sep-22 / Sep-24
Tanager Apartments		29,165	L+225	Floating	3.98%		Oct-21 / Oct-24
Two Summerlin		33,183	4.25%	Fixed	4.25%		Oct-22 / Oct-25
3831 Technology Forest Drive		21,137	4.50%	Fixed	4.50%		Mar-26
Kewalo Basin Harbor		11,110	L+275	Floating	4.48%		Sep-27
Millennium Six Pines Apartments		42,500	3.39%	Fixed	3.39%		Aug-28
3 Waterway Square		47,647	3.94%	Fixed	3.94%		Aug-28
One Lakes Edge		69,440	4.50%	Fixed	4.50%		Mar-29
Aristocrat		38,055	3.67%	Fixed	3.67%		Sep-29
Creekside Park Apartments		37,730	3.52%	Fixed	3.52%		Oct-29
One Hughes Landing		52,000	4.30%	Fixed	4.30%		Dec-29
Two Hughes Landing		48,000	4.20%	Fixed	4.20%		Dec-30
Constellation Apartments		24,200	4.07%	Fixed	4.07%		Jan-33
Hughes Landing Retail		35,000	3.50%	Fixed	3.50%		Dec-36
Columbia Regional Building		24,664	4.48%	Fixed	4.48%		Feb-37
Las Vegas Ballpark		51,231	4.92%	Fixed	4.92%		Dec-39
	$	2,246,927					

Property-Level Debt (con't)

($ in thousands)

Asset	Q4 2019 Principal Balance	Contract Interest Rate	Interest Rate Hedge	Current Annual Interest Rate	Initial / Extended Maturity (a)
Master Planned Communities					
The Woodlands Master Credit Facility	$ 107,500	L+250	Floating/Cap	4.23%	Oct-22 / Oct-23
Bridgeland Credit Facility	107,500	L+250	Floating/Cap	4.23%	Oct-22 / Oct-23
	215,000				
Seaport District					
250 Water Street	100,000	L+350	Floating	5.23%	Nov-22 / Nov-23
Seaport District	250,000	6.10%	Fixed/Floating	6.10% (d)	Jun-24
	350,000				
Strategic Developments					
A'ali'i	30,717	L+310	Floating	4.83%	Jun-22 / Jun-23
Two Lakes Edge	38,214	L+215	Floating	3.88%	Oct-22 / Oct-23
110 North Wacker	184,300	L+300	Floating/Collar	4.73% (e)	Apr-22 / Apr-24
Millennium Phase III Apartments	1	L+175	Floating	3.48%	Aug-23 / Aug-24
Juniper Apartments	34,610	L+275	Floating	4.48%	Sep-22 / Sep-24
8770 New Trails	15,124	4.89%	Floating/Swap	4.89% (f)	Jun-21 / Jan-32
	302,966				
Total (g)	$ 3,114,893				

(a) Extended maturity assumes all extension options are exercised if available based on property performance.
(b) 100.0% of the outstanding principal of the $343.8 million is recourse to the Company, but not currently secured by any mortgage. The Company is currently documenting long-term mortgage financing and anticipates closing in the first quarter of 2020.
(c) The credit facility bears interest at one-month LIBOR plus 1.65%, but the $615.0 million term loan is swapped to an overall rate equal to 4.61%. The following properties are included as collateral for the credit facility: 10-70 Columbia Corporate Center, One Mall North, One Merriweather, 1701 Lake Robbins, 1725-1735 Hughes Landing Boulevard, Creekside Village Green, Lakeland Village Center at Bridgeland, Embassy Suites at Hughes Landing, The Westin at The Woodlands and certain properties at Ward Village.
(d) The loan initially bears interest at 6.10% and will begin bearing interest at one-month LIBOR plus 4.10%, subject to a LIBOR cap of 2.30% and LIBOR floor of 0.00%, at the earlier of June 20, 2021 or the date certain debt coverage ratios are met.
(e) 100.0% of the outstanding principal of the $184.3 million is subject to fixed interest rate collar contracts for the remaining term of the debt.
(f) Concurrent with the closing of the $35.5 million construction loan for 8770 New Trails on June 27, 2019, the Company entered into an interest rate swap which is designated as a cash flow hedge. The Loan will bear interest at one-month LIBOR plus 2.45% but it is currently swapped to a fixed rate equal to 4.89%.
(g) Excludes JV debt, Corporate level debt, and SID bond debt related to Summerlin MPC and retail.

Summary of Ground Leases

Minimum Contractual Ground Lease Payments ($ in thousands)

Ground Leased Asset	Pro-Rata Share	Expiration Date	Three months ended December 31, 2019	Year Ended December 31, 2019	Future Cash Payments Year Ending December 31, 2020	Thereafter	Total
Riverwalk (a)	100%	2045-2046	$ 407	$ 1,273	$ 1,737	$ 42,185	$ 43,922
Seaport	100%	2031 (b)	544	2,157	2,199	221,019	223,218
Kewalo Basin Harbor	100%	2049	300	300	300	8,300	8,600
			$ 1,251	$ 3,730	$ 4,236	$ 271,504	$ 275,740

(a) Includes base ground rent, deferred ground rent and participation rent, as applicable. Future payments of participation rent are calculated based on the floor only.
(b) Initial expiration is December 30, 2031 but subject to extension options through December 31, 2072. Future cash payments are inclusive of extension options.

Summary of Restructuring Expenses

($ in thousands)

Restructuring Expenses	Three Months Ended December 31, 2019	Settled in 2019	To be Settled in 2020
Known Expenses			
Former executive severance and other benefits	$ 23,600	$ 23,600	$ —
Employee severance	5,639	1,003	4,636
Loss on sale of corporate aircraft	4,751	4,751	—
Total Known Expenses	33,990	29,354	4,636
Estimated Expenses			
Employee relocation	5,049	—	5,049
Total Estimated Expenses	5,049	—	5,049
Total Restructuring Expenses	**$ 39,039**	**$ 29,354**	**$ 9,685**

Definitions

Stabilized - Properties in the Operating Assets and Seaport District segments that have been in service for more than 36 months or have reached 90% occupancy, whichever occurs first. If an office, retail or multifamily property has been in service for more than 36 months but does not exceed 90% occupancy, the asset is considered underperforming.

Unstabilized - Properties in the Operating Assets and Seaport District segments that have been in service for less than 36 months and do not exceed 90% occupancy.

Under Construction - Projects in the Strategic Developments and Seaport District segments for which construction has commenced as of December 31, 2019, unless otherwise noted. This excludes MPC and condominium development.

Net Operating Income (NOI) - We define net operating income ("NOI") as operating cash revenues (rental income, tenant recoveries and other revenue) less operating cash expenses (real estate taxes, repairs and maintenance, marketing and other property expenses), including our share of NOI from equity investees. NOI excludes straight-line rents and amortization of tenant incentives, net interest expense, ground rent amortization, demolition costs, amortization, other (loss) income, depreciation, development-related marketing costs and, unless otherwise indicated, Equity in earnings from real estate and other affiliates. We use NOI to evaluate our operating performance on a property-by-property basis because NOI allows us to evaluate the impact that factors which vary by property, such as lease structure, lease rates and tenant bases, have on our operating results, gross margins and investment returns. We believe that NOI is a useful supplemental measure of the performance of our Operating Assets and Seaport District segments because it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating real estate properties and the impact on operations from trends in rental and occupancy rates and operating costs.

Reconciliation of Non-GAAP Measures

Reconciliation of Operating Assets segment EBT to Total NOI:

(In thousands)	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	FY 2019	FY 2018
Total Operating Assets segment EBT (a)	$ (3,507)	$ 19,825	$ 12,628	$ 5,686	$ (5,799)	$ 34,632	$ 3,836
Add back:							
Depreciation and amortization	30,609	28,844	28,938	27,108	29,265	115,499	103,293
Interest expense, net	20,334	21,645	20,059	18,991	18,665	81,029	71,551
Equity in (earnings) loss from real estate and other affiliates	(477)	(441)	(45)	(2,709)	(487)	(3,672)	(1,994)
Loss on sale or disposal of real estate and other assets, net	—	—	—	—	4	—	4
Selling profit from sales-type leases	—	(13,537)	—	—	—	(13,537)	—
Impact of straight-line rent	(1,096)	(2,529)	(2,537)	(2,845)	(3,650)	(9,007)	(12,427)
Other	412	477	(340)	122	4,611	671	7,312
Total Operating Assets NOI - Consolidated	**46,275**	**54,284**	**58,703**	**46,353**	**42,609**	**205,615**	**171,575**
Redevelopments							
110 North Wacker	1	2	2	—	513	5	513
Total Operating Asset Redevelopments NOI	**1**	**2**	**2**	—	513	**5**	**513**
Dispositions							
Cottonwood Square	—	—	—	—	11	—	11
Total Operating Asset Dispositions NOI	—	—	—	—	11	—	**11**
Consolidated Operating Assets NOI excluding properties sold or in redevelopment	**46,276**	**54,286**	**58,705**	**46,353**	**43,133**	**205,620**	**172,099**
Company's Share NOI - Equity investees	**2,123**	**2,043**	**1,688**	**1,464**	**1,952**	**7,318**	**4,661**
Distributions from Summerlin Hospital Investment	—	—	—	**3,625**	—	**3,625**	**3,435**
Total Operating Assets NOI	**$ 48,399**	**$ 56,329**	**$ 60,393**	**$ 51,442**	**$ 45,085**	**$ 216,563**	**$ 180,195**

(a) EBT excludes corporate expenses and other items that are not allocable to the segments. Prior periods have been adjusted to be consistent with fiscal 2019 presentation.

Reconciliation of Non-GAAP Measures (con't)

Reconciliation of Seaport District segment EBT to Total NOI:

(In thousands)	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	FY 2019	FY 2018
Total Seaport District segment EBT (a)	$ (12,464)	$ (16,656)	$ (14,270)	$ (15,852)	$ (15,657)	$ (59,242)	$ (23,862)
Add back:							
Depreciation and amortization	6,668	6,767	6,753	6,193	5,960	26,381	12,466
Interest expense (income), net	4,425	4,984	1,924	1,532	2,175	12,865	(6,291)
Equity in losses from real estate and other affiliates	804	705	451	632	13	2,592	705
Loss on sale or disposal of real estate and other assets	—	—	—	6	—	6	—
Gain on extinguishment of debt	(4,851)	—	—	—	—	(4,851)	—
Impact of straight-line rent	(24)	412	491	755	179	1,634	(433)
Other - development-related	190	896	1,764	2,749	3,815	5,595	11,937
Total Seaport District NOI - Consolidated	**(5,252)**	**(2,892)**	**(2,887)**	**(3,985)**	**(3,515)**	**(15,020)**	**(5,478)**
Company's Share NOI - Equity investees	**(325)**	**(148)**	**(42)**	**(195)**	**(134)**	**(710)**	**(713)**
Total Seaport District NOI	**$ (5,577)**	**$ (3,040)**	**$ (2,929)**	**$ (4,180)**	**$ (3,649)**	**$ (15,730)**	**$ (6,191)**

(a) EBT excludes corporate expenses and other items that are not allocable to the segments. Prior periods have been adjusted to be consistent with fiscal 2019 presentation.

Reconciliation of Non-GAAP Measures (con't)

(In thousands)	Three Months Ended December 31,		Year Ended December 31,	
Reconciliation of MPC Land Sales Closed to GAAP Land Sales Revenue	**2019**	**2018**	**2019**	**2018**
Total residential land sales closed in period	$ 142,537	$ 30,197	$ 325,872	$ 235,013
Total commercial land sales closed in period	—	2,356	—	5,116
Net recognized (deferred) revenue:				
Bridgeland	47	422	81	553
Summerlin	(12,521)	1,817	(19,290)	7,049
Total net recognized (deferred) revenue	(12,474)	2,239	(19,209)	7,602
Special Improvement District bond revenue	23,082	385	23,483	14,174
Total land sales revenue - GAAP basis	$ 153,145	$ 35,177	$ 330,146	$ 261,905

(In thousands)	Three Months Ended December 31,		Year Ended December 31,	
Reconciliation of MPC Segment EBT to MPC Net Contribution	**2019**	**2018**	**2019**	**2018**
MPC segment EBT	$ 112,117	$ 30,617	$ 257,586	$ 202,955
Plus:				
Cost of sales - land	63,724	14,605	141,852	124,214
Depreciation and amortization	90	2	424	243
MUD and SID bonds collections, net	12,967	42,753	24,047	37,401
Distributions from real estate and other affiliates	11,990	6,330	16,051	10,000
Less:				
MPC development expenditures	(58,218)	(55,899)	(238,951)	(195,504)
MPC land acquisitions	—	(5,262)	(752)	(8,826)
Equity in earnings in real estate and other affiliates	(9,477)	(1,602)	(28,336)	(36,284)
MPC Net Contribution	$ 133,193	$ 31,544	$ 171,921	$ 134,199

(In thousands)	Three Months Ended December 31,		Year Ended December 31,	
Reconciliation of Segment EBTs to Net Income	**2019**	**2018**	**2019**	**2018**
Operating Assets segment EBT	$ (3,507)	$ (5,799)	$ 34,632	$ 3,836
MPC segment EBT	112,117	30,617	257,586	202,955
Seaport District segment EBT	(12,464)	(15,657)	(59,242)	(23,862)
Strategic Developments segment EBT	1,164	96,432	101,111	97,954
Corporate income, expenses and other items	(93,273)	(57,805)	(230,547)	(207,665)
Income before taxes	4,037	47,788	103,540	73,218
Provision for income taxes	(5,038)	(9,864)	(29,245)	(15,492)
Net income	(1,001)	37,924	74,295	57,726
Net loss attributable to noncontrolling interests	(99)	(663)	(339)	(714)
Net income attributable to common stockholders	$ (1,100)	$ 37,261	$ 73,956	$ 57,012