

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 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): **March 10, 2021**

**THE HOWARD HUGHES CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation  
or organization)

**001-34856**  
(Commission  
File Number)

**36-4673192**  
(IRS employer  
identification number)

**9950 Woodloch Forest Drive, Suite 1100  
The Woodlands, Texas 77380**  
(Address of principal executive offices)

Registrant's telephone number, including area code: **(281) 719-6100**

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

<u>Title of each class:</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered:</u>
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:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- 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 of 1933 (§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

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.

## Item 1.02. Termination of a Material Definitive Agreement.

### Redemption of Notes and Termination of Indenture

Effective March 15, 2021 (the “**Redemption Date**”), the indenture dated March 16, 2017 (as supplemented to date, the “**Indenture**”), as supplemented by a first supplemental indenture thereto, dated as of June 15, 2017, further supplemented by a second supplemental indenture thereto, dated as of August 18, 2020, further supplemented by a third supplemental indenture thereto, dated as of October 2, 2020, and further supplemented by a fourth supplemental indenture thereto, dated February 2, 2021, by and among The Howard Hughes Corporation (the “**Company**”), the subsidiary guarantors party thereto (the “**Subsidiary Guarantors**”) and Wells Fargo National Association, as trustee (the “**Trustee**”), governing the Company’s 5.375% senior notes due 2025 (the “**Notes**”) has been satisfied and discharged in accordance with its terms. The Company discharged the Indenture after issuing a notice of redemption in accordance with the terms of the Indenture and funding an amount to the Trustee sufficient to redeem all of the remaining outstanding Notes (the “**Remaining Notes**”) not previously tendered in connection with the Company’s tender offer for the Notes, which expired on February 2, 2021. The Company redeemed the Remaining Notes at a redemption price of 102.688%, plus accrued and unpaid interest up to, but excluding, the Redemption Date.

### Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangement of Certain Officers.

Effective March 10, 2021, the Company and Saul Scherl, President, New York Tri-State Region, entered into an updated retention offer letter (the “**2021 Offer Letter**”). Under the 2021 Offer Letter, the Company and Mr. Scherl have agreed to extend Mr. Scherl’s employment as President, New York Tri-State Region through December 31, 2022, or such later date as the parties may mutually agree upon (the “**Term**”). In addition, under the 2021 Offer Letter, Mr. Scherl shall be entitled to receive or potentially receive during the Term: (i) his current base salary; (ii) an annual cash bonus at a target of 100% of base salary based upon his and the Company’s performance; (iii) long-term equity incentive awards, 50% of which shall be time-based vested awards and 50% of which shall be performance-based vested awards; (iv) an additional cash bonus of up to 100% of base salary in lieu of an annual long-term incentive plan award to be granted in 2022 for performance during 2021; and (v) an additional stock award with a value of up to \$1,500,000, in the aggregate, upon the achievement of one or more performance goals approved by the Compensation Committee of the Company’s Board of Directors.

The foregoing summary of the 2021 Offer Letter is not intended to be complete and is qualified in its entirety by reference to the full text of the 2021 Offer Letter filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

### Item 8.01. Other Events.

On March 15, 2021, the Issuer announced the completion of its call for redemption of all of the remaining outstanding Notes not tendered in the Tender Offer. A copy of the press release issued in connection with such action is attached hereto as Exhibit 99.1.

### Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<b>Exhibit Number</b>	<b>Description</b>
<a href="#">10.1</a>	<a href="#">2021 Offer Letter, effective March 10, 2021, by and between The Howard Hughes Corporation and Saul Scherl</a>
<a href="#">99.1</a>	<a href="#">Press Release dated March 15, 2021</a>
104	Cover Page Interactive Data File. The cover page XBRL tags are embedded within the inline XBRL document (contained in Exhibit 101)

**SIGNATURE**

Pursuant to the requirements of Section 12 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.

Dated: March 15, 2021

THE HOWARD HUGHES CORPORATION

By: /s/ Peter F. Riley

Name: Peter F. Riley

Title: Senior Executive Vice President, General Counsel & Secretary

---

**THE  
HOWARD  
HUGHES  
CORPORATION***Howard Hughes*

March 10, 2021

Saul Scherl  
President, New York Tri-Region

Dear Saul,

Given the ongoing delays with the completion of the Tin Building, the below terms outline the efforts of The Howard Hughes Corporation (including its subsidiaries, the "Company") to retain you in your current role through December 31, 2022, or such later time as the parties may mutually agree. All prior agreements between you and the Company (including the letter agreement dated February 12, 2020) shall remain in effect, and shall be enforceable in accordance with their terms, except, and to the extent that, the terms of any such agreements are modified per terms of this letter.

The details of the retention package are as follows:

**Compensation:**

Your annual base salary compensation remains \$600,000, which calculates to \$23,076.92 less applicable taxes and withholdings, to be paid on a biweekly basis. Except as described herein, if either you or the Company elects to terminate your employment, you shall only be eligible to receive that portion of your compensation you have actually earned as of the date when your employment is terminated, and you shall have no right or claim to receive any future or expectant interest in any additional compensation to which you otherwise may have been entitled as of the date of such termination.

The Company requests that you treat as confidential and not discuss compensation information, including but not limited to base salary, any applicable bonuses and/or incentives, with any Company employee or any individual associated with the Company in any way, other than your direct manager or the Culture + People Department.

**Annual Cash Incentives:**

You will be eligible for an annual discretionary bonus at a target of up to **100%** of base salary, to be determined by overall Company and individual performance goals being achieved.

- Based on the fact that your intended termination date is scheduled for 12/31/2022, for the performance year 2022, you will be eligible for an additional cash incentive of up to **100%** of base salary in lieu of an annual LTIP award for the same year, to be determined by overall Company and individual performance goals being achieved.

**Annual Long-Term Incentives for Performance Year 2020 and 2021:**

You will continue to be eligible to participate in the annual award program under The Howard Hughes Corporation 2020 Equity Incentive Plan with an accelerated vesting schedule based on a mutually agreed upon separation date with the Company on 12/31/2022. You will be eligible for an annual award of Restricted Stock at a target of **100%** of Base Salary subject to the attainment of certain metrics that will be established at the end of each year for the following year, with a grant date and stock price to be determined by the Company's Compensation Committee.

- The annual equity incentive awards issued in 2021 for the performance year 2020 will be 50% performance-based vesting, with a 5-year cliff vest, and 50% time-based vesting, with 50% vesting per year over a 2-year period. The prevailing terms of these grants will be set forth in the Company's respective Restricted Stock Award Agreements.
- The annual equity incentive awards issued in 2022 for the performance year 2021 will be 50% performance-based vesting, with a 5-year cliff vest, and 50% time-based vesting, with 100% vesting on 12/31/22. The prevailing terms of these grants will be set forth in the Company's respective Restricted Stock Award Agreements.

---

David O'Reilly | Chief Executive Officer  
T 972.392.6236 | M 917.583.5043  
David.O'Reilly@howardhughes.com

The Howard Hughes Corporation | Corporate HQ  
9950 Woodloch Forest Drive  
Suite 1100  
The Woodlands, TX 77380

---



**Additional Performance Based Long-Term Incentives:**

Based on the critical role that you play in the successful operations and government relations activities of the Seaport District and in order to properly incentivize you to successfully see the project through to its completion, you have been approved to receive an additional Restrict Stock Award in the future per below:

- You will receive a stock award with an issue date of 12/31/2022 in a value of up to \$1,500,000, in the aggregate, to be converted to shares using the stock close price on the date of issuance, only upon the achievement of one or more performance goals that have been approved by the Compensation Committee, in whole or on a pro-rated basis, as it may be, based upon certain levels of achievement.

**Expiration Date of Stock Options awarded on January 25, 2016:**

In an effort to optimize the value realization of the stock options granted to you on January 25, 2016 with a strike price of \$112.64, the Company will provide you with amended terms that allows the expiration of this stock option award to remain 1/25/2026 as originally stated without regard to your separation date with the Company.

**Treatment of Unvested LTIP Awards:**

If your employment is terminated by HHC for any reason, other than for cause or due to your death or disability, or by you for good reason, then you shall be eligible to (i) receive a cash payment equal to the market value, of all of your outstanding time-based LTIP awards, determined using the fair market value of the shares on the date of forfeiture; (ii) all performance-based LTIP awards will remain outstanding as if you remained employed and vest or forfeit as the case may be, based on and in accordance with, the terms of each applicable award; and (iii) all unvested stock options shall fully vest.

**Paid Time Off and Other Benefit Programs:**

Paid Time Off will continue to accrue per your current bi-weekly accrual rate. You are entitled to the exact same benefit programs and offerings.

**Expense Reimbursement:**

If applicable, the Company agrees to reimburse you 100% of your company-related expenses on a monthly basis, subject to review and approval by your immediate supervisor of receipts and other appropriate documentation verifying in reasonable detail the nature of such expenditures for which you seek reimbursement.

As you know, the Company is an at-will employer. Except as described in this letter, there is no employment contract between you and the Company. There are no guarantees of future employment, promotion, salary increases, bonuses or location. It should also be understood that the Company retains the right to revise, amend, delete or in any manner change any and all benefits and benefit related policies.

As a material inducement to the Company making this offer of employment, you hereby represent and warrant to the Company that you are free to enter into employment with the Company and you are not subject to any obligation, agreement or restrictive covenant which will prevent or interfere with your performance of your duties as an employee of the Company. You hereby acknowledge that, in the event you are bound by any prior agreement or obligation, the effect of which is to restrict you from the performance of your duties on behalf of the Company, and the Company is sought to be held liable for your actions, you agree to indemnify, defend and hold the Company harmless from and against any and all damages, losses, liabilities, costs and expenses, including reasonable attorneys' fees incurred by the Company in connection with such claims or causes of action threatened or actually asserted against the Company, and you agree that any compensation that may be due and owed to you by the Company may be offset and reduced to the extent of the Company's expenditures under this paragraph.

By your signature you agree to the terms of this offer. It is very important for you to understand and acknowledge that except as duly authorized, you have no personal authority to bind the Company, Howard Hughes Management Co., LLC or any of their affiliates to any contract, agreement or obligation, and that all contracts or agreements that obligate or propose to obligate the Company, Howard Hughes Management Co., LLC or any of their affiliates, in any manner, to any third party must be signed and approved by a duly authorized officer of the Company, Howard Hughes Management Co., LLC or the applicable affiliate, as the case may be.

---

**David O'Reilly | Chief Executive Officer**  
T 972.392.6236 | M 917.583.5043  
David.O'Reilly@howardhughes.com

**The Howard Hughes Corporation** | Corporate HQ  
9950 Woodloch Forest Drive  
Suite 1100  
The Woodlands, TX 77380

---

*Howard Hughes.*

Please contact me if there is anything further I can do to assist you or if you have any questions.

Sincerely,

/s/ David O'Reilly

---

David O'Reilly  
Chief Executive Officer

/s/ Saul Scherl

---

(Saul Scherl Signature)

AGREED AND ACCEPTED ON THIS 10<sup>th</sup> DAY OF MARCH, 2021

---

**David O'Reilly | Chief Executive Officer**  
T 972.392.6236 | M 917.583.5043  
David.O'Reilly@howardhughes.com

**The Howard Hughes Corporation** | Corporate HQ  
9950 Woodloch Forest Drive  
Suite 1100  
The Woodlands, TX 77380

---



**THE HOWARD HUGHES CORPORATION<sup>®</sup> ANNOUNCES THE COMPLETION OF THE  
REDEMPTION OF ITS OUTSTANDING 5.375% SENIOR NOTES DUE 2025**

**HOUSTON (March 15, 2021)** - The Howard Hughes Corporation<sup>®</sup> (NYSE: HHC) (the “Company”) today announced the completion of the redemption of its remaining, outstanding 5.375% senior notes due 2025 (the “Notes”), which were not tendered by holders in the Company’s tender offer and consent solicitation that expired on February 16, 2021 (the “Tender Offer”). The remaining outstanding Notes were redeemed at a redemption price equal to 102.688% of the aggregate principal amount of such Notes, plus accrued and unpaid interest on such Notes to, but excluding, the redemption date. As previously announced, the Company used a portion of the proceeds from its offering of \$650 million in aggregate principal amount of 4.125% senior notes due 2029 and \$650 million in aggregate principal amount of 4.375% senior notes due 2031, which both closed on February 2, 2021, to redeem the outstanding Notes not tendered in the Tender Offer.

**About The Howard Hughes Corporation<sup>®</sup>**

The Howard Hughes Corporation owns, manages and develops commercial, residential and mixed-use real estate throughout the U.S. The Company’s assets include master planned cities and communities, as well as operating properties and development opportunities including: the Seaport District in New York; Downtown Columbia<sup>®</sup>, Maryland; The Woodlands<sup>®</sup>, The Woodlands Hills<sup>®</sup>, and Bridgeland<sup>®</sup> in the Greater Houston, Texas area; Summerlin<sup>®</sup>, Las Vegas; and Ward Village<sup>®</sup> in Honolulu, Hawai‘i.

**Contacts:**

**For Media**

The Howard Hughes Corporation  
Cristina Carlson, 646-822-6910  
Senior Vice President, Head of Corporate Communications  
cristina.carlson@howardhughes.com

**For HHC Investor Relations**

David M. Striph, 281-929-7772  
Executive Vice President, Head of Operations & Investor Relations  
david.striph@howardhughes.com

---