

# The HHH Opportunity 2Q 2024

*Howard Hughes*

## Forward-Looking Statements

Statements made in this presentation that are not historical facts, including statements accompanied by words such as “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “intend,” “likely,” “may,” “plan,” “project,” “realize,” “should,” “transform,” “would,” and other statements of similar expression and other words of similar expression, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934.

These statements are based on management’s expectations, estimates, assumptions and projections as of the date of this presentation and are not guarantees of future performance. Actual results may differ materially from those expressed or implied in these statements. Factors that could cause actual results to differ materially are set forth as risk factors in our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission. In this presentation, forward-looking statements include, but are not limited to, expectations about the performance of our Master Planned Communities segment and other current income-producing properties and future liquidity, development opportunities, development spending and management plans. We caution you not to place undue reliance on the forward-looking statements contained in this presentation and do not undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the date of this presentation except as required by law.

## Non-GAAP Financial Measures

We define NOI as operating revenues (rental income, tenant recoveries, and other revenues) less operating expenses (real estate taxes, repairs and maintenance, marketing, and other property expenses). NOI excludes straight-line rents and amortization of tenant incentives, net; interest expense, net; ground rent amortization; demolition costs; other income (loss); depreciation and amortization; development-related marketing costs; gain on sale or disposal of real estate and other assets, net; loss on extinguishment of debt; provision for impairment; and equity in earnings from unconsolidated ventures. This amount is presented as Operating Assets NOI. Total Operating Assets NOI represents NOI as defined above with the addition of our share of NOI from unconsolidated ventures.

We believe that net operating income or NOI is a useful supplemental measure of the performance of our Operating Assets segment because it provides a performance measure that reflects the revenues and expenses directly associated with owning and operating real estate 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 rental and occupancy rates, tenant mix, and operating costs have on our operating results, gross margins, and investment returns.

Although we believe that NOI provides useful information to the investors about the performance of our segments, due to the exclusions noted above, NOI should only be used as an additional measure of the financial performance of such assets and not as an alternative to GAAP net income (loss).

We define In-Place NOI as forecasted current year NOI for all properties included in the Operating Assets segment as of the end of the current period. Estimated Stabilized NOI is initially projected prior to the development of the asset based on market assumptions and is revised over the life of the asset as market conditions evolve. On a quarterly basis, each asset’s In-Place NOI is compared to its Estimated Stabilized NOI in conjunction with forecast data to determine if an adjustment is needed. Adjustments to Estimated Stabilized NOI are made when changes to the asset’s long-term performance are thought to be more than likely and permanent. No reconciliation of In-Place NOI or Estimated Stabilized NOI is included in this presentation because we are unable to quantify certain forecasted amounts that would be required to be included in the GAAP measure without unreasonable efforts and we believe such reconciliations would imply a degree of precision that would be confusing or misleading to investors.


**For reconciliations of NOI to the most directly comparable GAAP measure, please see the Reconciliation to Non-GAAP Measures on the Company’s [Investor Relations website](#) in the Quarterly Results section under Financial Performance.**

# HHH at a Glance


**Howard Hughes is the country's premier developer of large-scale master planned communities**

 **Proven track record of developing the most sought-after places to live in the nation**

 **Self-funding business cycle, using proceeds from land sales, condo sales and NOI to fund new developments**

 **Equipped with a superior balance sheet, allowing for quick execution to meet underlying demand**

 **Exceptional reputation staffed with industry experts across HHH's various regions**

 **Amassed a diversified real estate portfolio that generates significant recurring income**

## **HHH Portfolio Highlights**

<b>6.9M SF Office</b>	<b>2.7M SF Retail</b>
<b>5,855 Units Multi-Family</b>	<b>2,697 Units Condos Closed</b>
<b>7 Communities</b>	<b>35k Acres Raw Land</b>
<b>9% Historical YOC</b>	<b>17% Historical ROE</b>

# HHH Segments at a Glance

## Master Planned Communities

Residential & commercial land sales in large-scale master planned communities

**\$300M**

2024 EBT<sup>(1)</sup>



## Strategic Developments

Condo projects and development of future operating assets

**\$740M**

2024 Condo Sales Revenue<sup>(1)</sup>



## Operating Assets

Diversified real estate portfolio primarily in mixed-use environments

**\$255M**

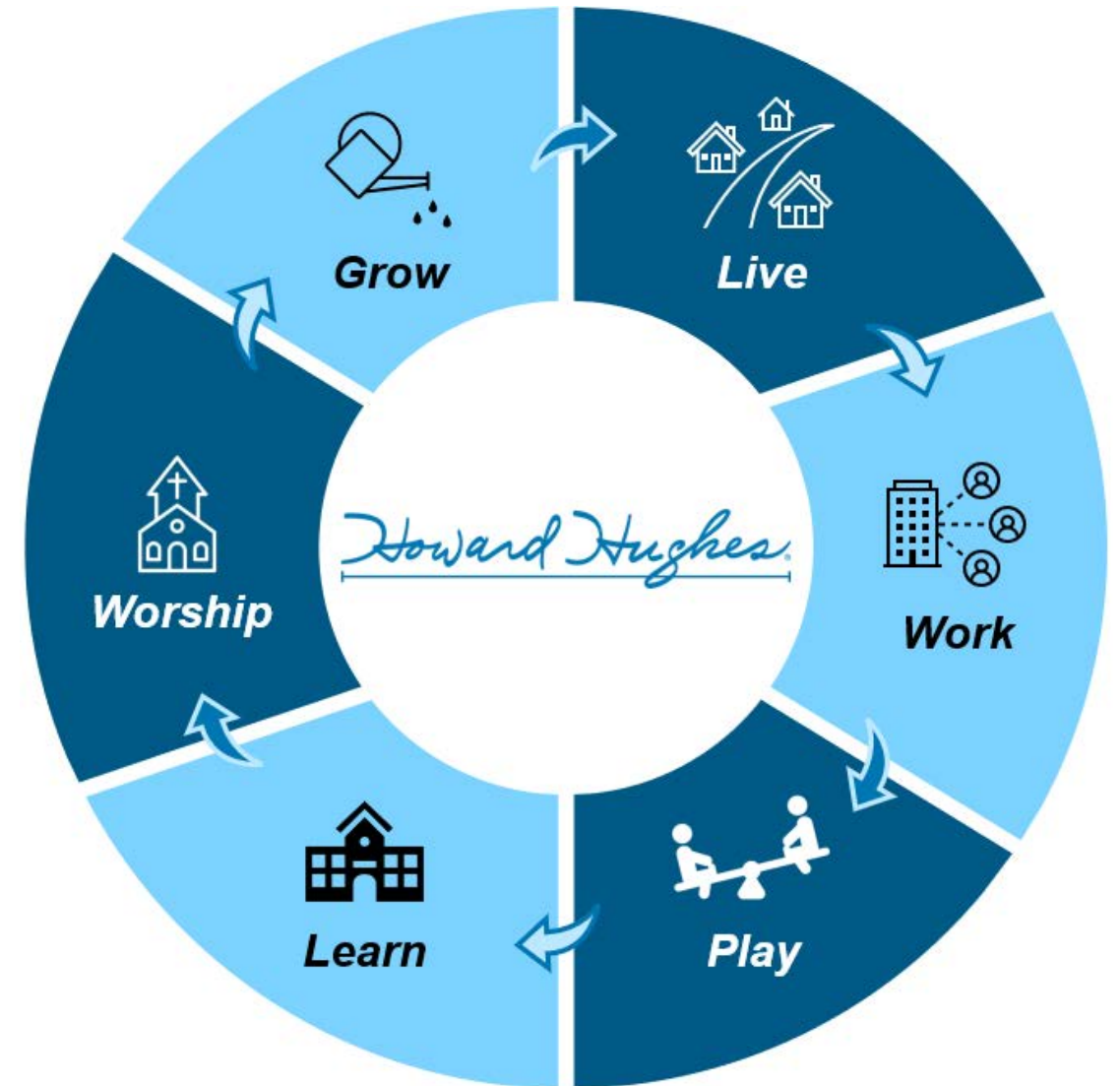
2024 NOI<sup>(1)</sup>



# Building the Most Sought-After Communities in the Nation

## Best-in-Class Community Offerings

- Universal quality with a focus on safety and community
- Top-tier public and private K-12 school systems
- Variety of housing options
- Wide selection of shopping and dining
- Premier office space for residents and tenants
- Top-rated hospitals, police, and fire stations
- Various houses of worship
- Open green space, parks, and integrated trail systems



# HHH MPCs are Situated in Affluent and Growing Markets...

## HOUSTON

The Woodlands, Bridgeland,  
The Woodlands Hills



- Over 40,000 acres with population of 140,000+
- In the pathway of Houston's significant growth

## LAS VEGAS

Summerlin



- Strategically located nine miles from Las Vegas Strip
- 22,500 acres with total population of 120,000+

## PHOENIX

Teravalis



- Poised to capture the growth migrating to Phoenix's West Valley
- 37,000 acres entitled for 100k homes and 55M SF of commercial development

## MARYLAND

Downtown Columbia



- Located between D.C. and Baltimore
- Howard County median household income of ~\$125,000 with 63% of adults holding college degrees

## HAWAII

Ward Village



- 60 acres of property along the coast of Oahu
- Average condo price of ~\$1.0M with 94% of units closed or under contract

# ...and are Consistently Recognized as Exceptional Communities

The Woodlands®

- Top 3 Best City to Live in America – Niche.com (2021 - 2024)
- Best City to buy a home (2023-2024)
- Largest MPC in world to receive LEED Precertification

BRIDGELAND®

- #5 Best-selling MPC in the country – RCLCO (2023)
- Master-Planned Community of the Year – NAHB (2024)
- Received LEED Precertification

SUMMERLIN®

- Top 10 Best-selling MPC in the country – RCLCO (2018 – 2023)
- Master-Planned Community of the Year – NAHB (2020)

DOWNTOWN  
COLUMBIA

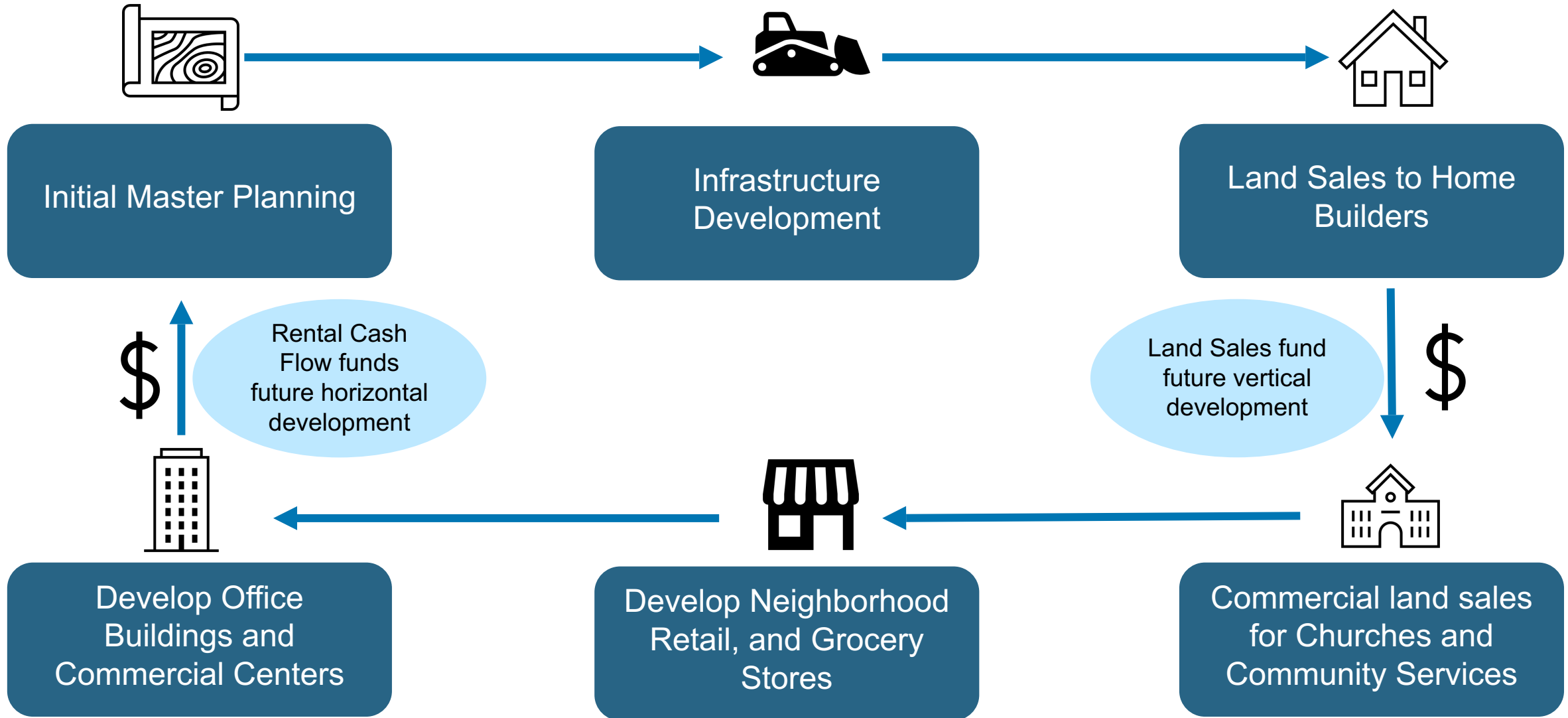
- Top 3 Safest City in America – WalletHub (2018 - 2024)
- Top 5 Best City to Live in America – Niche.com (2021 - 2024)

WARD VILLAGE.

- Best planned community of the year – National Association of Home Builders (2018)
- LEED-ND Platinum Certified



# Master Planning Process



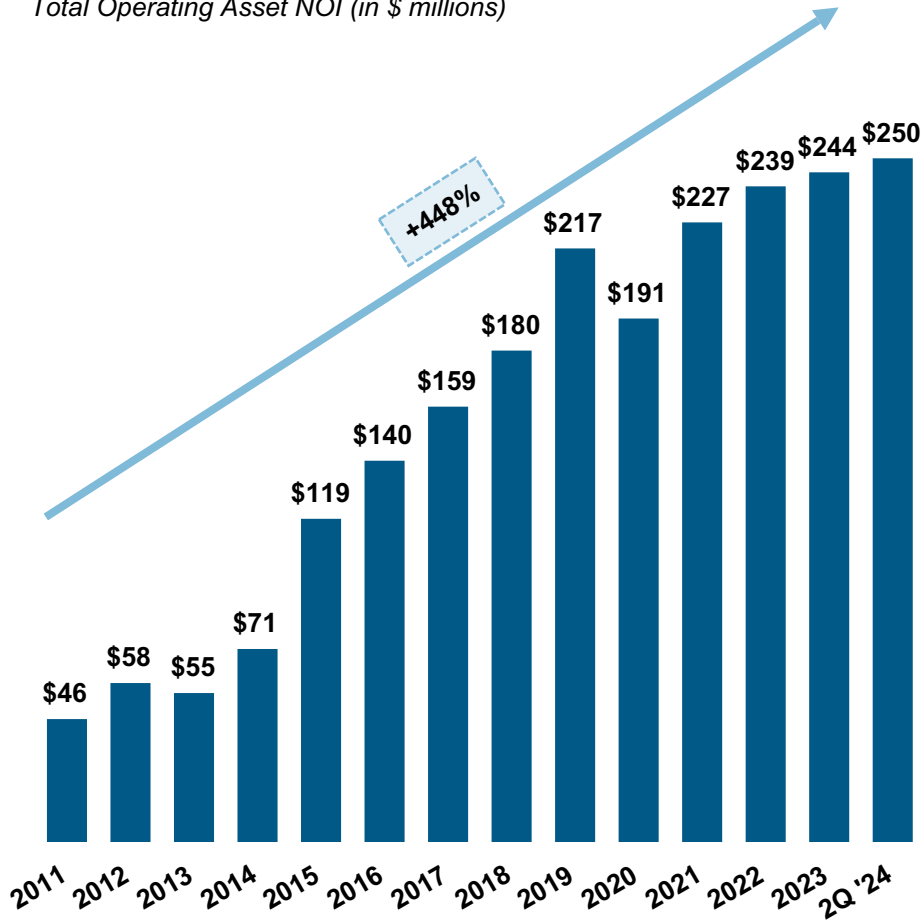


# History of Delivering Outsized Results

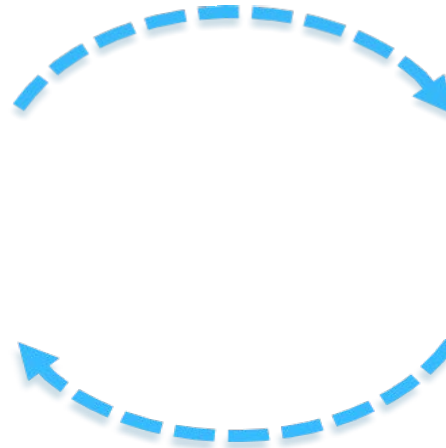
## Commercial

### Robust Operating Asset NOI Growth

Total Operating Asset NOI (in \$ millions)



Commercial amenities increase value of HHH's residential land

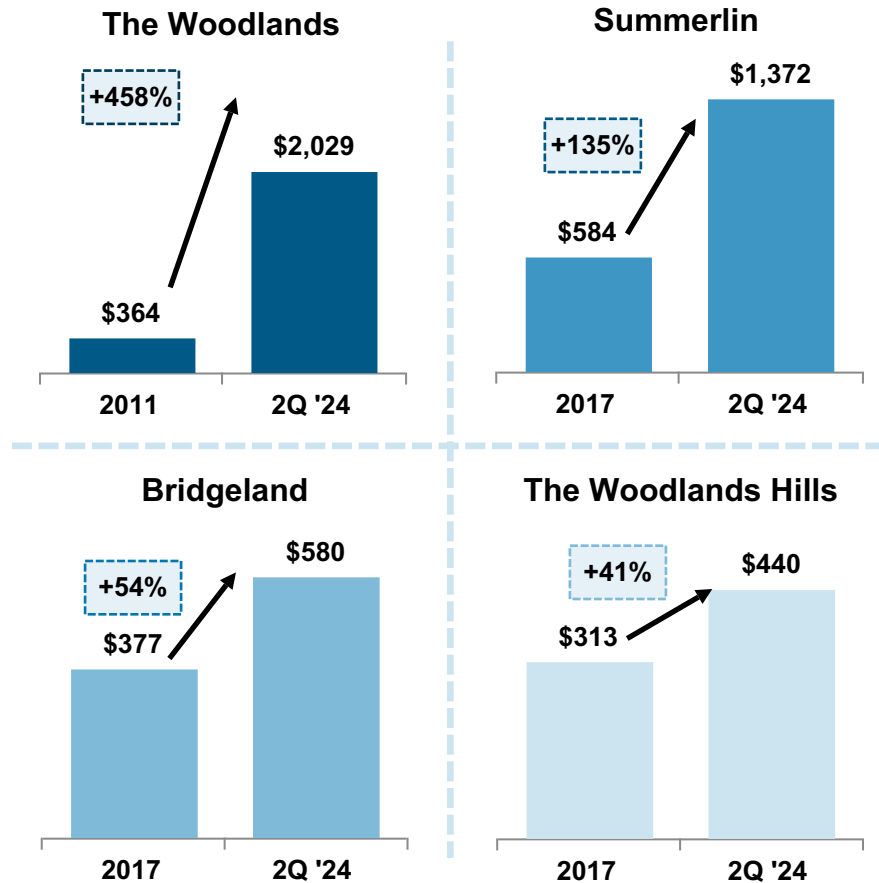


New residents spark demand for commercial amenities

## Residential

### Significant Land Price Appreciation<sup>(1)</sup>

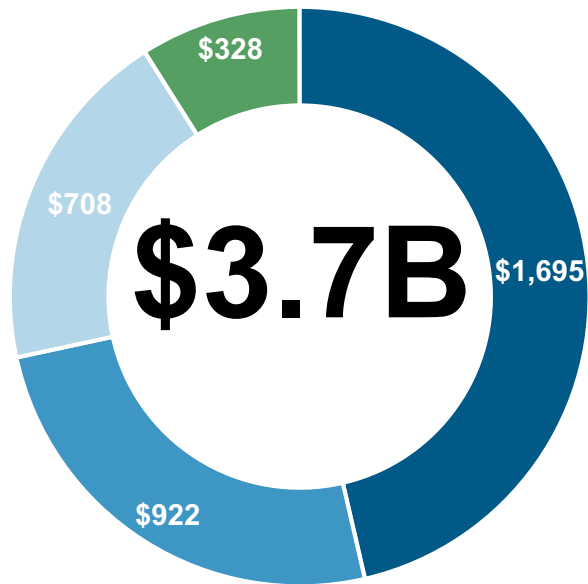
Residential Price Per Acre (in \$ thousands)



# Land Appreciation Offsets Shrinking Land Bank

## MPC Gross Asset Value

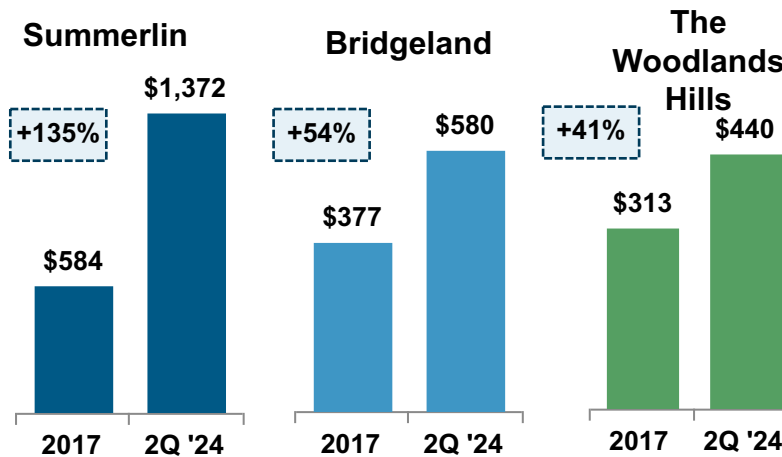
2017 GAV



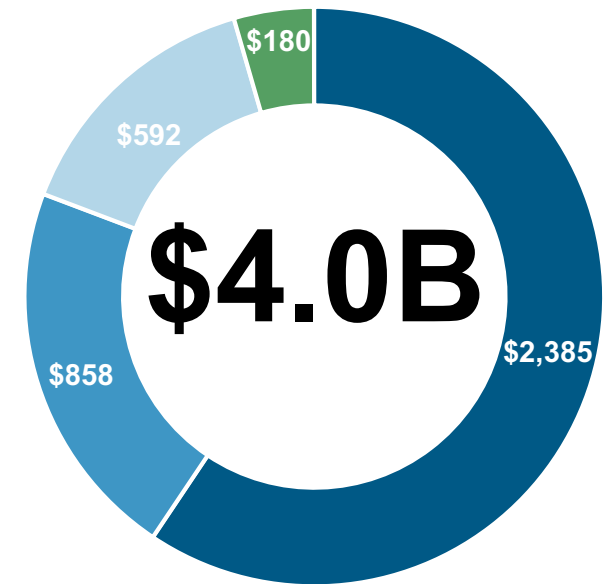
Since 2017

$$3,611 \text{ Total Acres Sold} \times \$621\text{k Weighted-Avg. Price Per Acre} = \$2.2\text{B Total Land Sales Revenue}^{(1)}$$

### Residential Price Per Acre <sup>(3)</sup>



2024 GAV<sup>(2)</sup>



■ Summerlin ■ Bridgeland ■ The Woodlands ■ The Woodlands Hills

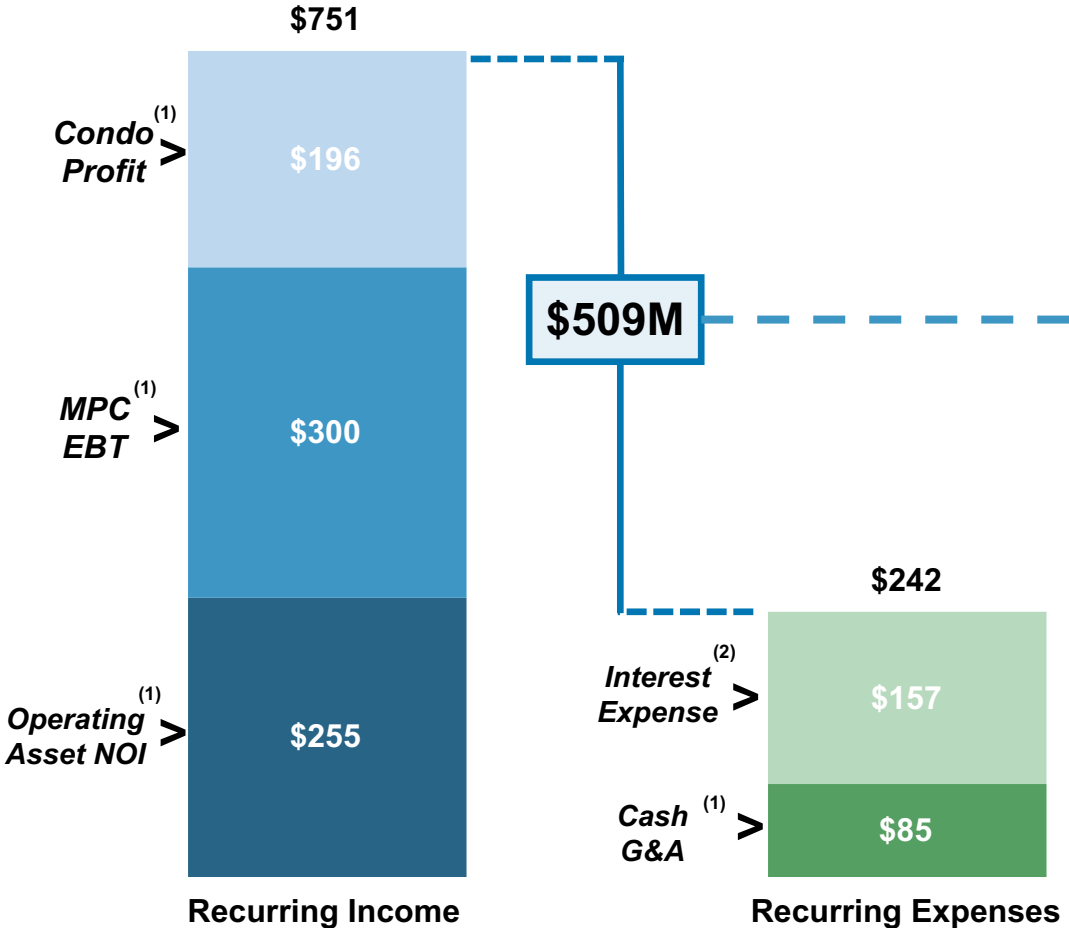
Source: Company filings and data.

Note: GAV in \$ millions. Price per acre in \$ thousands. As of June 30, 2024.

(1) Land sales revenue excludes deferred revenue and SID bond revenue. (2) Excludes value of Teravalis for an apples-to-apples comparison. (3) TTM calculation as of June 30, 2024.

# Continued Free Cash Flow Generation

## Illustrative Cash Flow



## Self-Funded Development Cycle



# HHH Has Evolved Into a Leading Real Estate Company

Swift Execution Across All Company Verticals Has Resulted in Meaningful Value Creation Since 2020



Despite turbulent market conditions, HHH is producing its best results in company history



Robust financial outperformance achieved with ~47% lower G&A vs. pre-COVID levels in 2019



Strategically deployed capital into new developments, acquisitions and share buybacks



Extended debt maturities at low rates to further insulate our fortress-like balance sheet



Reduced G&A, sold non-core assets

65%

Increase in wtd. avg. residential price per acre

\$53M

Incremental NOI added, increasing Operating Asset NOI by 28%

3,168

Number of Ward Village condos closed or contracted

6.9M

SF of new development delivered or under construction

# Strong Recent Results Despite Market Challenges

## Strong Economic Headwinds...

- Mortgage rates **exceeded 8%** for first time in 20+ years coupled with elevated home prices
- Work-from-home becomes the norm, causing companies to **shrink their office footprint**
- Sharp **rise in cap rates** and **inflationary cost pressures** reduces new development appetite
- Ceased travel to Hawai'i during COVID-19 **restricts potential condo buyers** from visiting Ward Village
- **Bank failures** and fastest **Fed rate-hikes** in history causes CRE capital markets to shutter

## ...Created Opportunities for HHH

- Reached **record new home sales** in our MPCs followed by all-time high land sales
- **Office leasing accelerated**, leading to the development of two new assets to meet demand
- Executed on **6.9M SF of new developments** at yields exceeding 6%
- Pivoted to a virtual tour experience that resulted in **record condo sales** during the pandemic
- Leveraged banker relationships and high-quality assets to secure **over \$6B in lucrative financings**

# Significant Value Creation Unlocked via New Development

## Executed On Our Deep Pipeline of Developments

Square Feet  
Delivered or  
Completing Soon

6.9M

Total  
Development  
Costs <sup>(1)</sup>

\$3.5B

Projects  
Delivered or  
Completing Soon

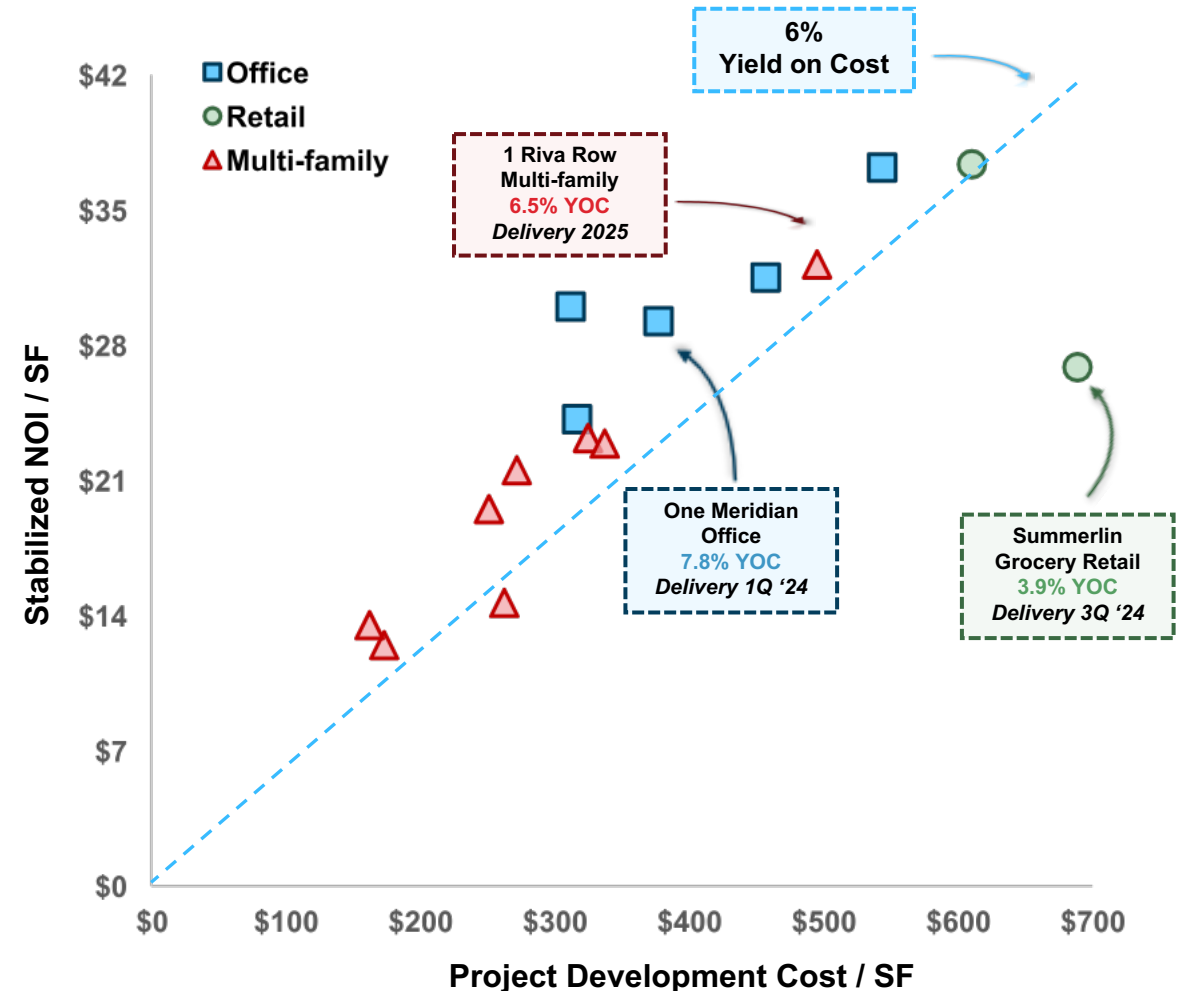
21

Communities  
With New  
Developments

5

## Nearly All Recent Developments Achieved 6%+ YOC

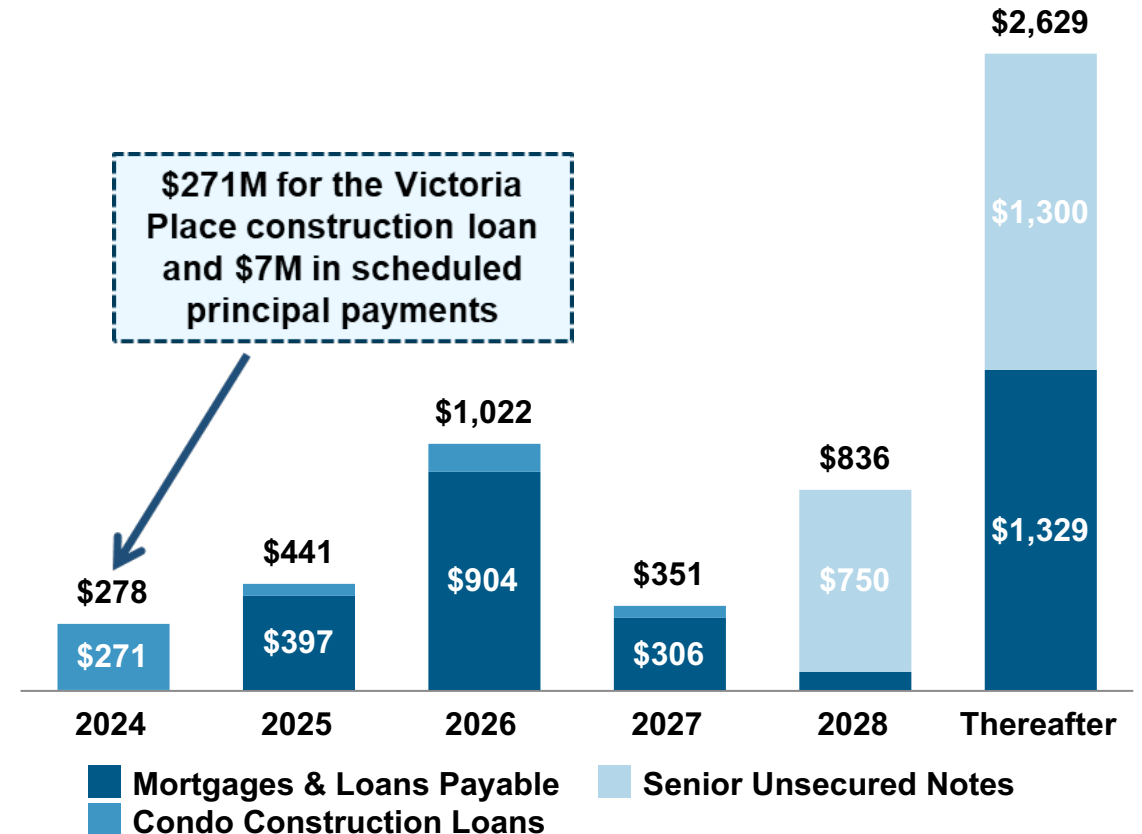
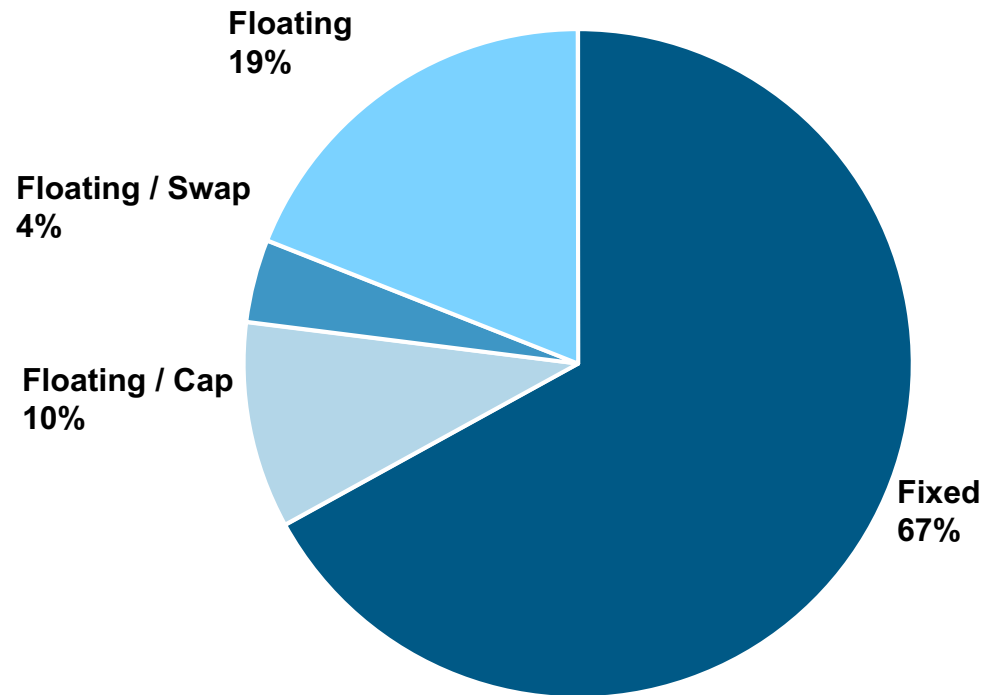
Yield-on-Cost of HHH Developments Delivered or Currently Underway Since 2020 <sup>(2)</sup>



# HHH has Strong Liquidity and Manageable Near-Term Maturities

81% of Debt is Fixed or Swapped/Capped

87% of Debt due in 2026 or Later <sup>(1)</sup>



Source: Company filings and data.  
 Note: In \$ millions. As of June 30, 2024.  
 (1) Excludes \$44 million in deferred financing costs.

# Master Planned Communities

*Howard Hughes*



# MPCs at a Glance

## The Woodlands

Founded in 1972, with largely commercial land remaining

751

Remaining Residential and Commercial Acres



## Bridgeland

Started in 2010 and currently undergoing significant commercial development

2,628

Remaining Residential and Commercial Acres



## Summerlin

Started by Howard Hughes in 1991, with a strong commercial core

2,926

Remaining Residential and Commercial Acres



## Teravalis

Acquired in 2021, selling first lots to builders in 2024 with full build-out in 2080

26,335

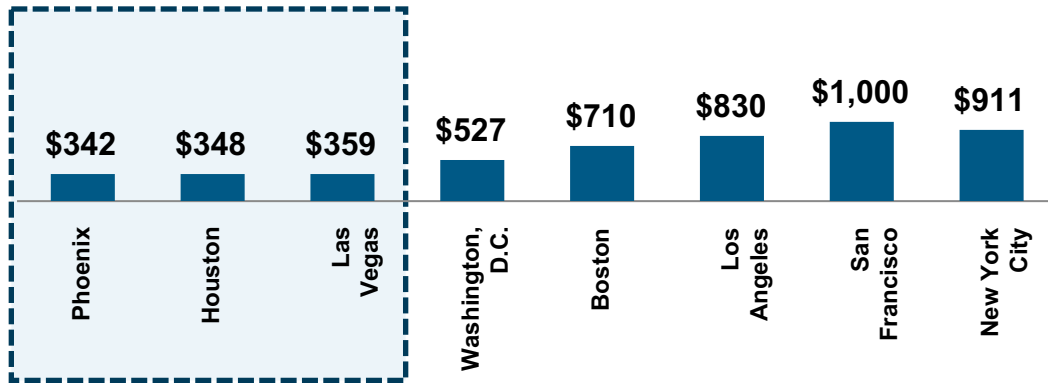
Remaining Residential and Commercial Acres



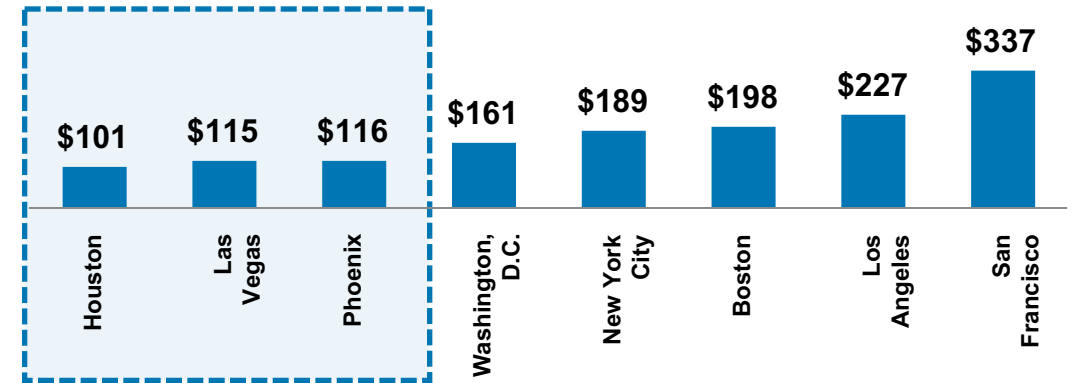
# MPCs Located in Low-Cost, Low-Tax, Pro-Business Regions

## Unmatched Affordability in HHH's Regions Relative to Other Large MSAs

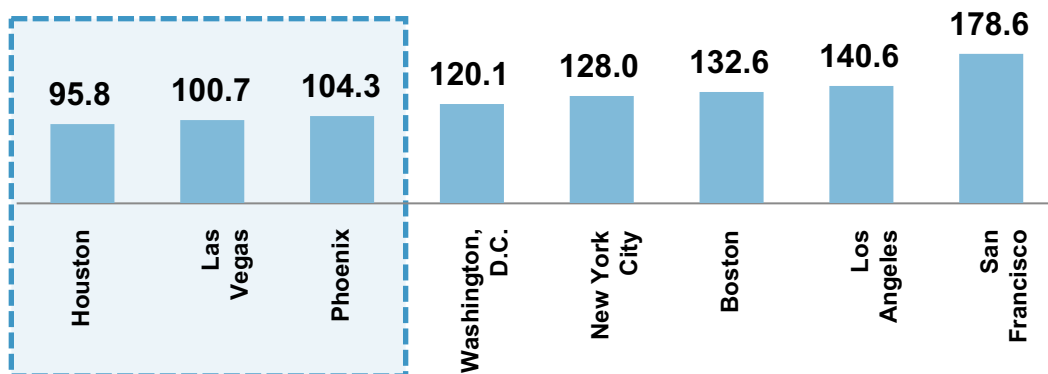
Median Home Price / SF



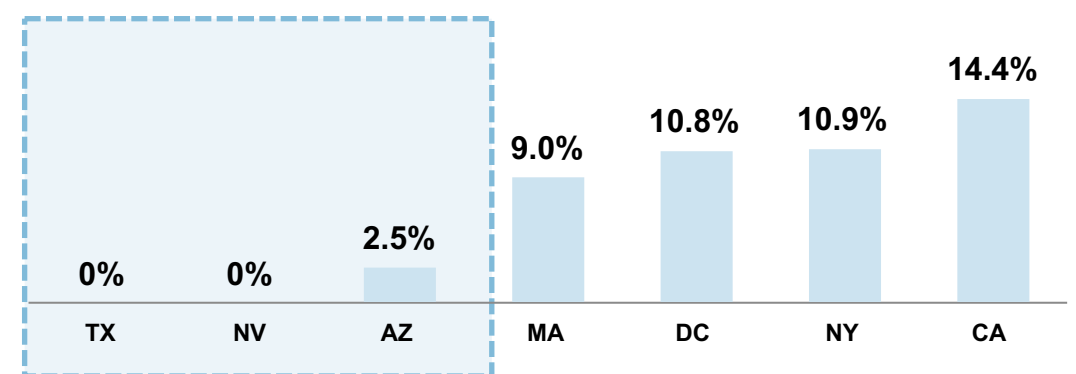
Salary Needed to Buy Median-Priced Home



Cost of Living Index

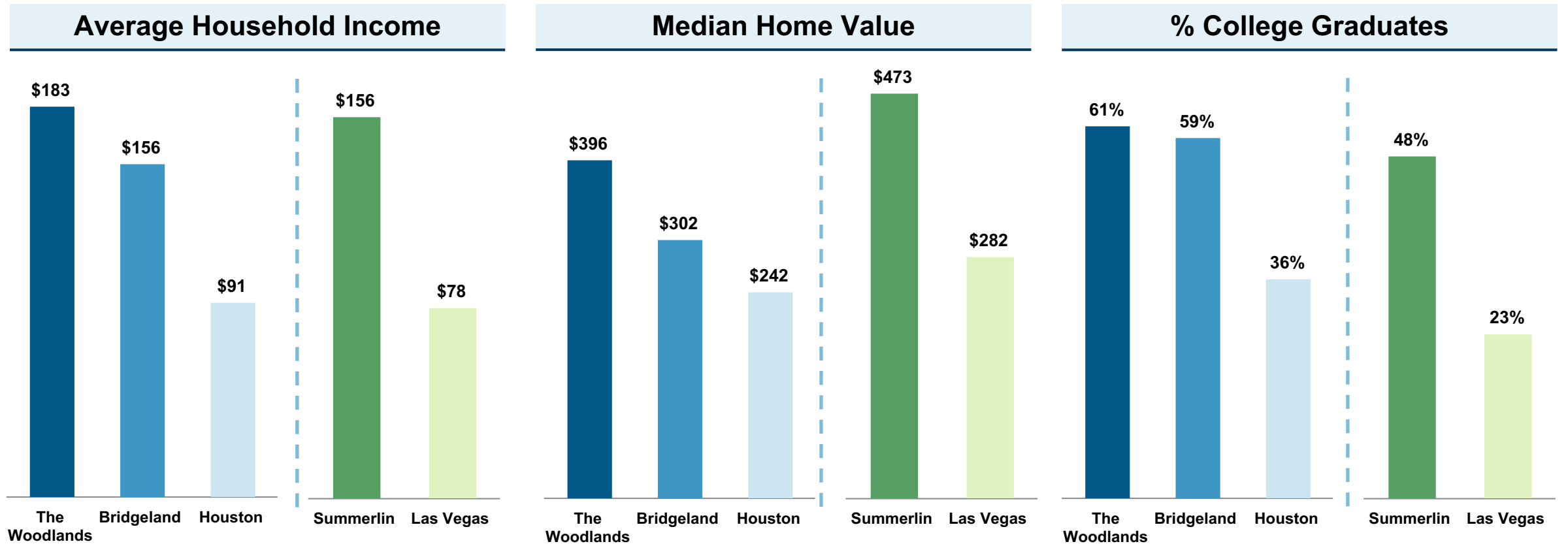


Top Marginal State Tax Rate



# Situated in Markets Well-Positioned for Future Growth...

## HHH's MPCs Attract Superior Demographics



**Influx of residents seeking a better quality of life reflected in demographics compared to nearby MSAs & national statistics**

# Single-Family Housing Options

HHH MPCs offer a variety of single-family housing options which attract a wide range of residents with different age and income profiles who aspire to live in a beautifully master planned city

## SINGLE-FAMILY DETACHED



## SINGLE-FAMILY ATTACHED



## CUSTOM HOMES



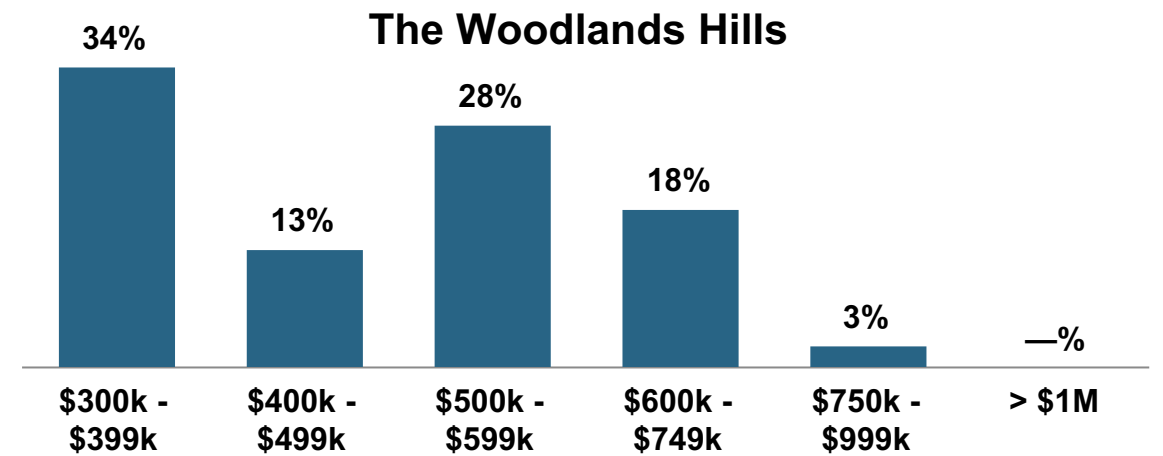
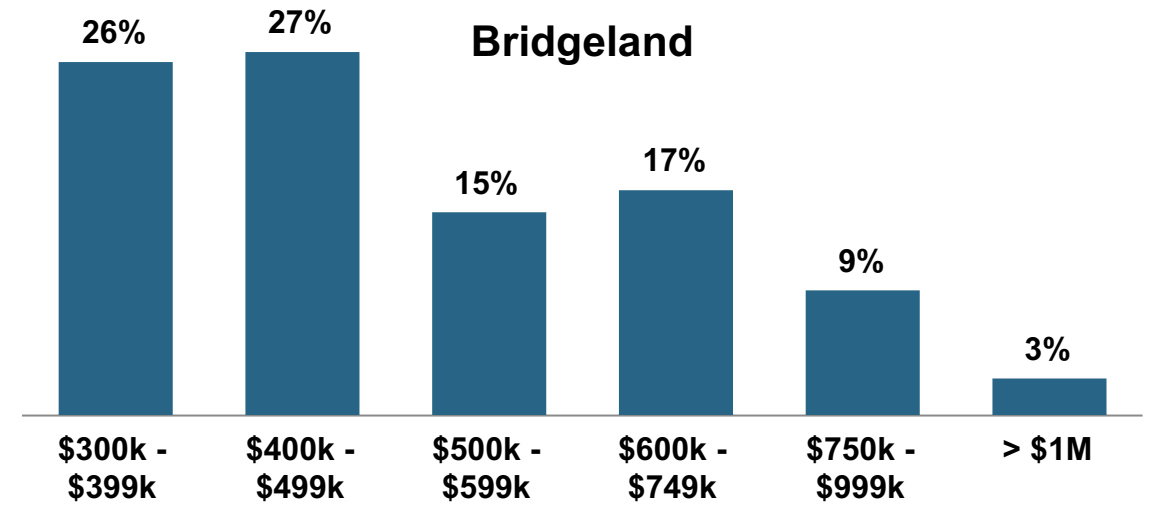
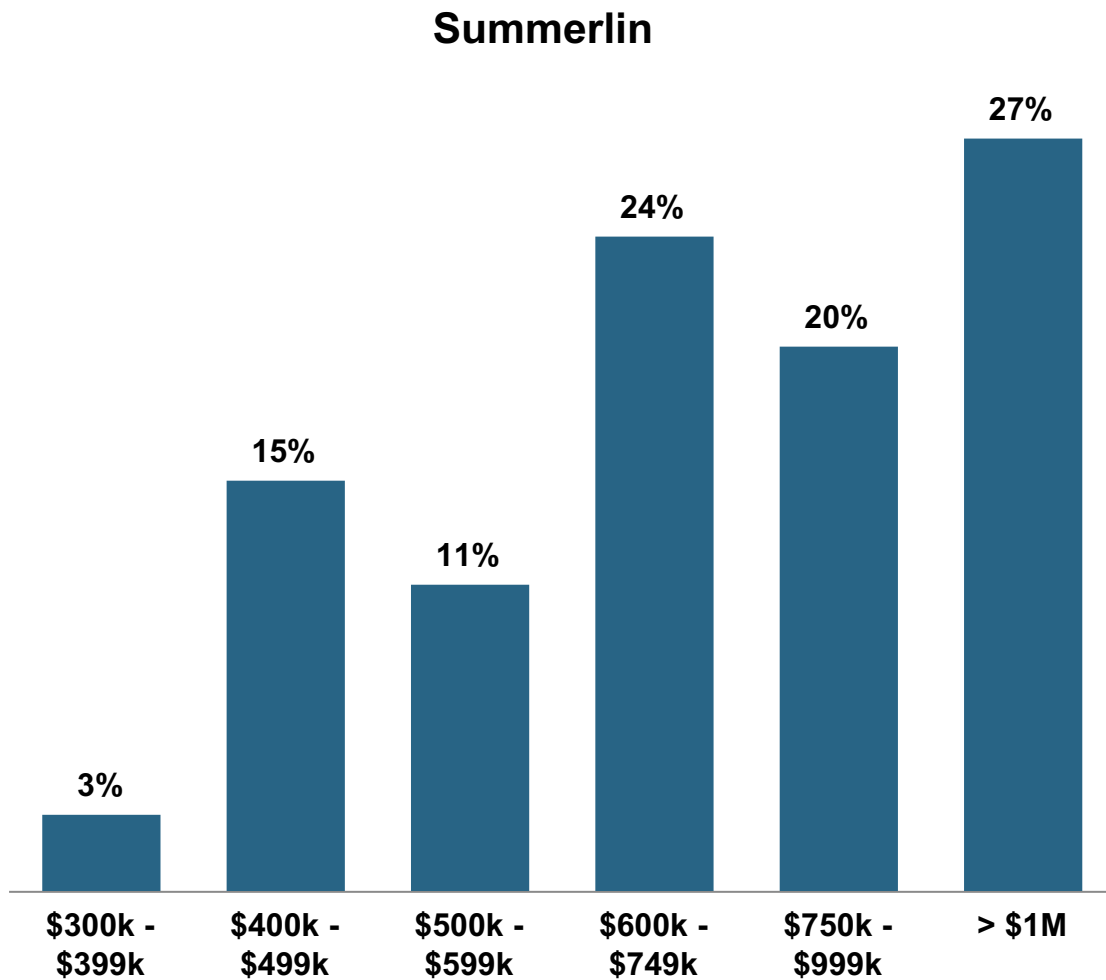
MPC land planning, engineering, and infrastructure by Howard Hughes;  
construction and sale of homes by independent home builders

### OUR BUILDER PARTNERS:



# HHH Communities Offer Homes with at a Wide Range of Price Points

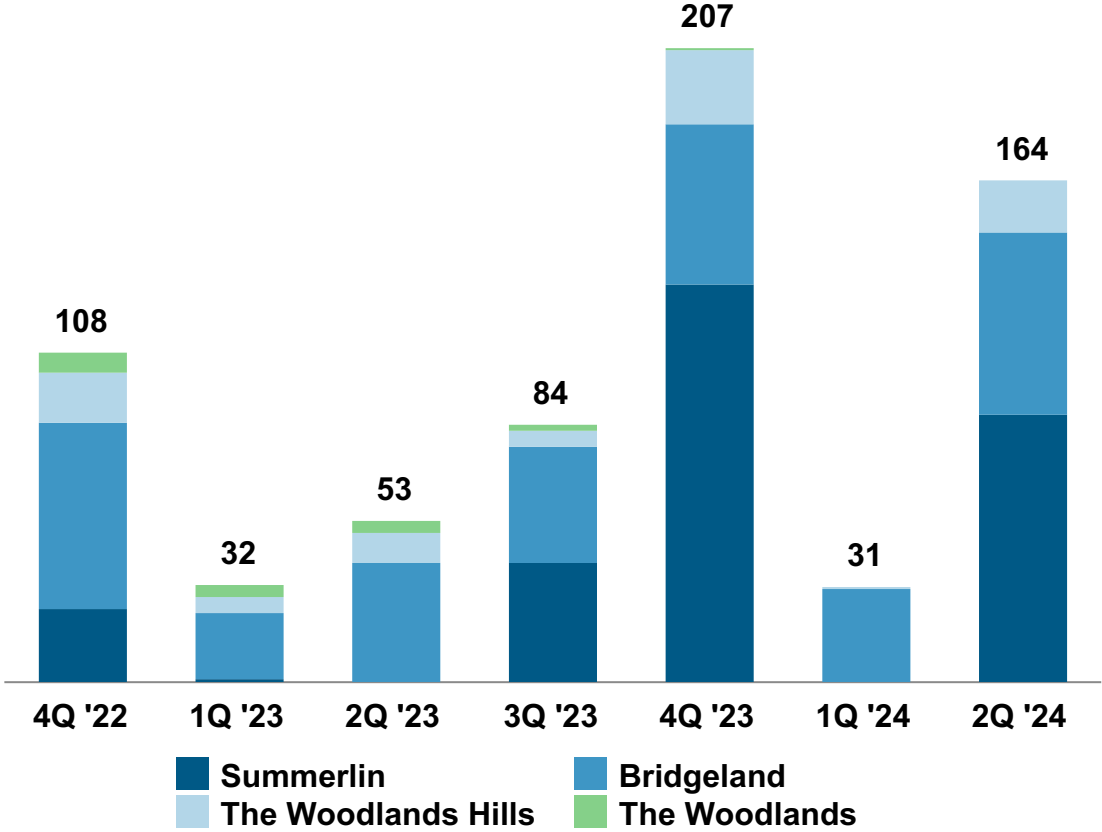
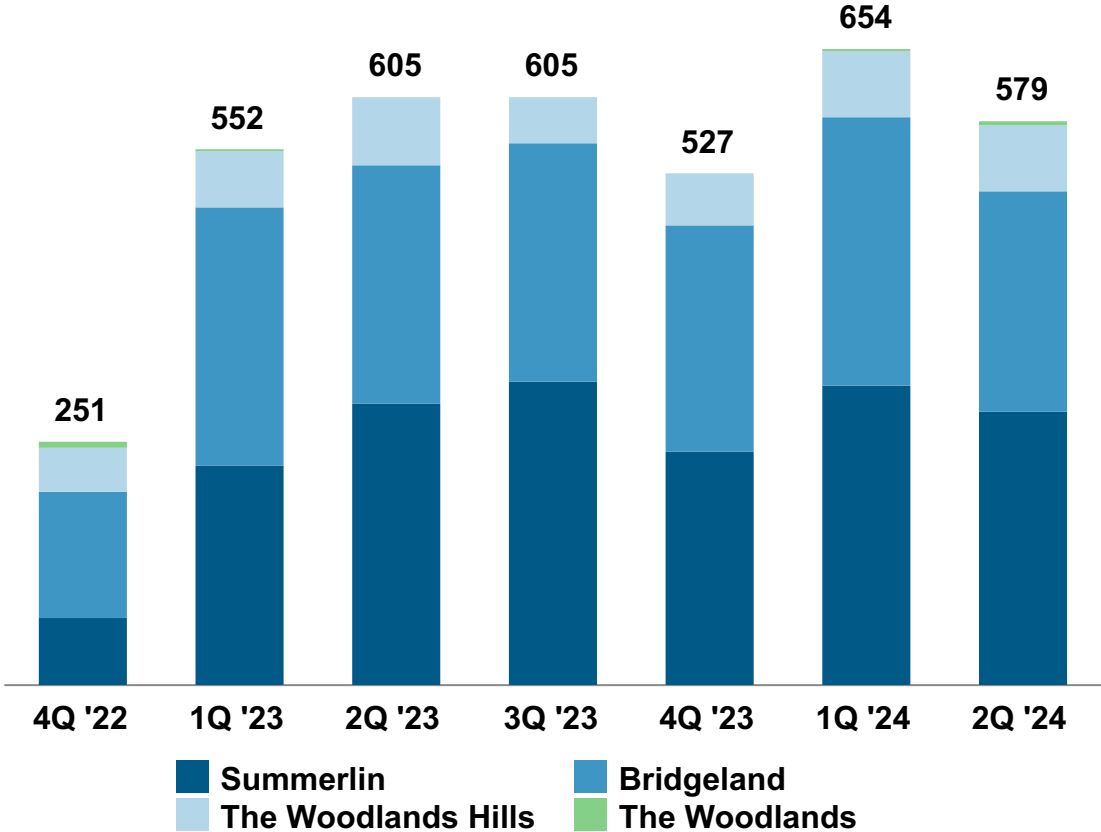
## Price Range of New Homes Sold in 2023



# New Home Sales Point to Continued Strength Ahead

## New Home Sales Activity Picking Up

## Residential Acres Sold Expected to Rise

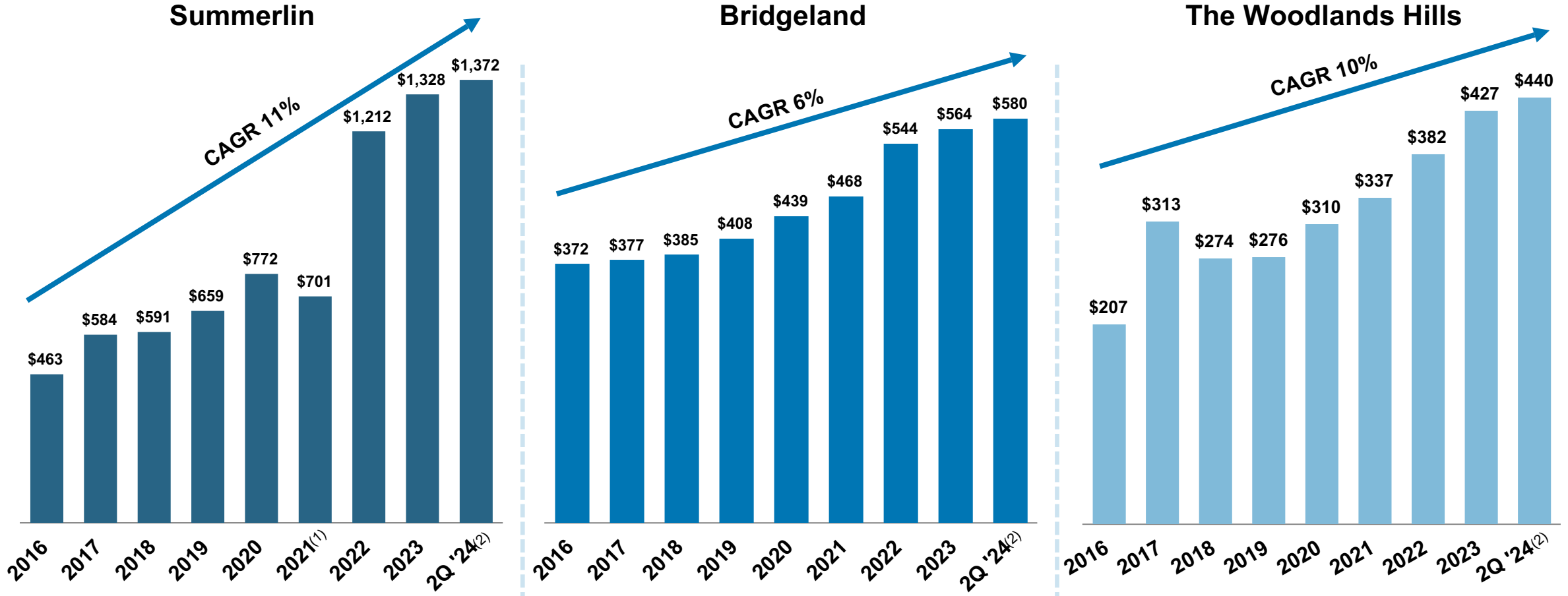


**New home sales are the leading indicator of future land sales as they demonstrate the strength of underlying home demand in real time**

# Howard Hughes Land Appreciates in Value

## Historical Residential Price per Acre

Price per acre, \$ in thousands

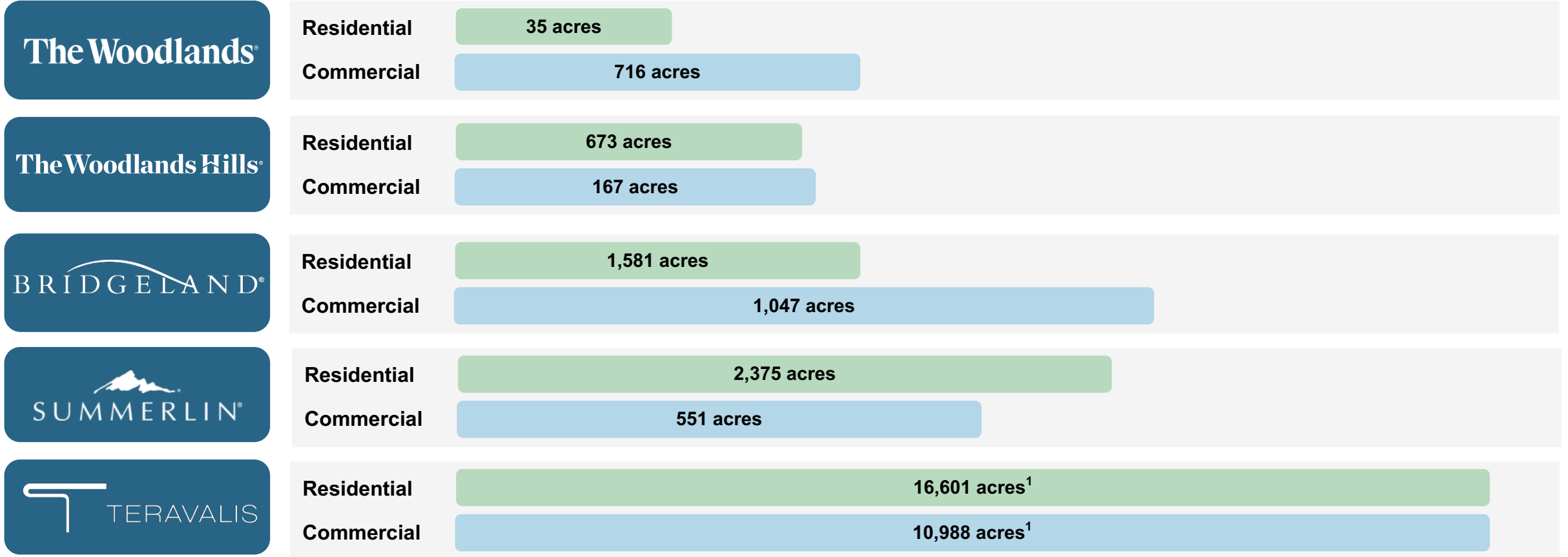


**Delivering Long-Term Consistent Appreciation in Value**



# HHH Holds Significant Acreage for Future Development

## Build-out Timeline



**HHH's land bank includes ~35k acres of future development**

Source: Company filings and data.  
Note: As of June 30, 2024.

(1) Acreage includes 100% of Floreo – representing 797 residential acres and 457 commercial acres. The Company owns a 50% interest in Floreo and accounts for its investment under the equity method.



# Teravalis: Development Taking Shape

## Teravalis at a Glance

**37k**   **100k**   **300k**   **55M**

Acres

Future  
Homes

Future  
Residents

SF of Commercial  
Entitlements

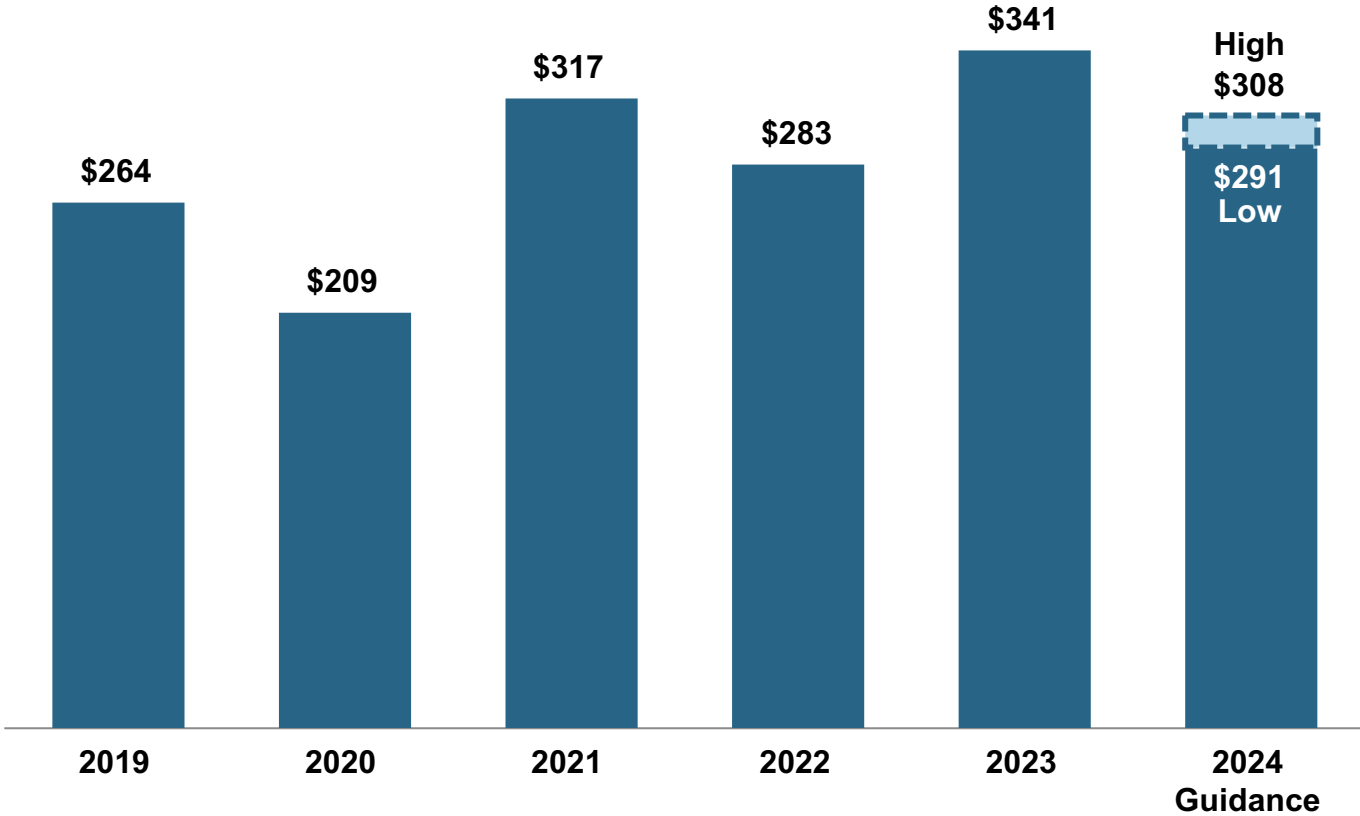
## Floreo – The First Village

- Mass grading and infrastructure installation is well-underway
- Residential:
  - Mass grading the first phase comprising 330 acres
  - Sold ~480 lots in 1H '24 for \$787K per acre
  - ~230 lots under contract/LOI which are expected to close later in 2024
- Commercial:
  - Mass grading 100 acres of future development
  - In final negotiations with a religious and community events operator
- 100-year assured water supply certificates in-place for ~7,000 homes or 10+ years of future development



# MPC Performance and Guidance

## MPC EBT Performance Trend



## FY 2024 EBT Guidance (vs. FY 2023)



- Strong new home sales and limited vacant lot inventories across all MPC's expected to drive improved residential land sales in 2024
- Super pad land sales in Summerlin primarily in 2Q '24 and 3Q '24.
- Decline in EBT driven by reduced commercial land sales and custom lot inventory at Aria Isle and The Summit

**Coming off a record 2023 we anticipate strong EBT in 2024**

# Operating Assets

*Howard Hughes.*

# HHH Owns a Diversified Mix of Commercial Real Estate



## Office

- **Size:** 6.9M SF
- **Stabilized Leased %:** 89%
- **In-Place NOI:** \$121M
- **Stabilized NOI:** \$177M
- **Average Age:** ~12 years



## Multi-Family

- **Size:** 5,855 units
- **Stabilized Leased %:** 97%
- **In-Place NOI:** \$69M
- **Stabilized NOI:** \$94M
- **Average Age:** ~4 years



## Retail

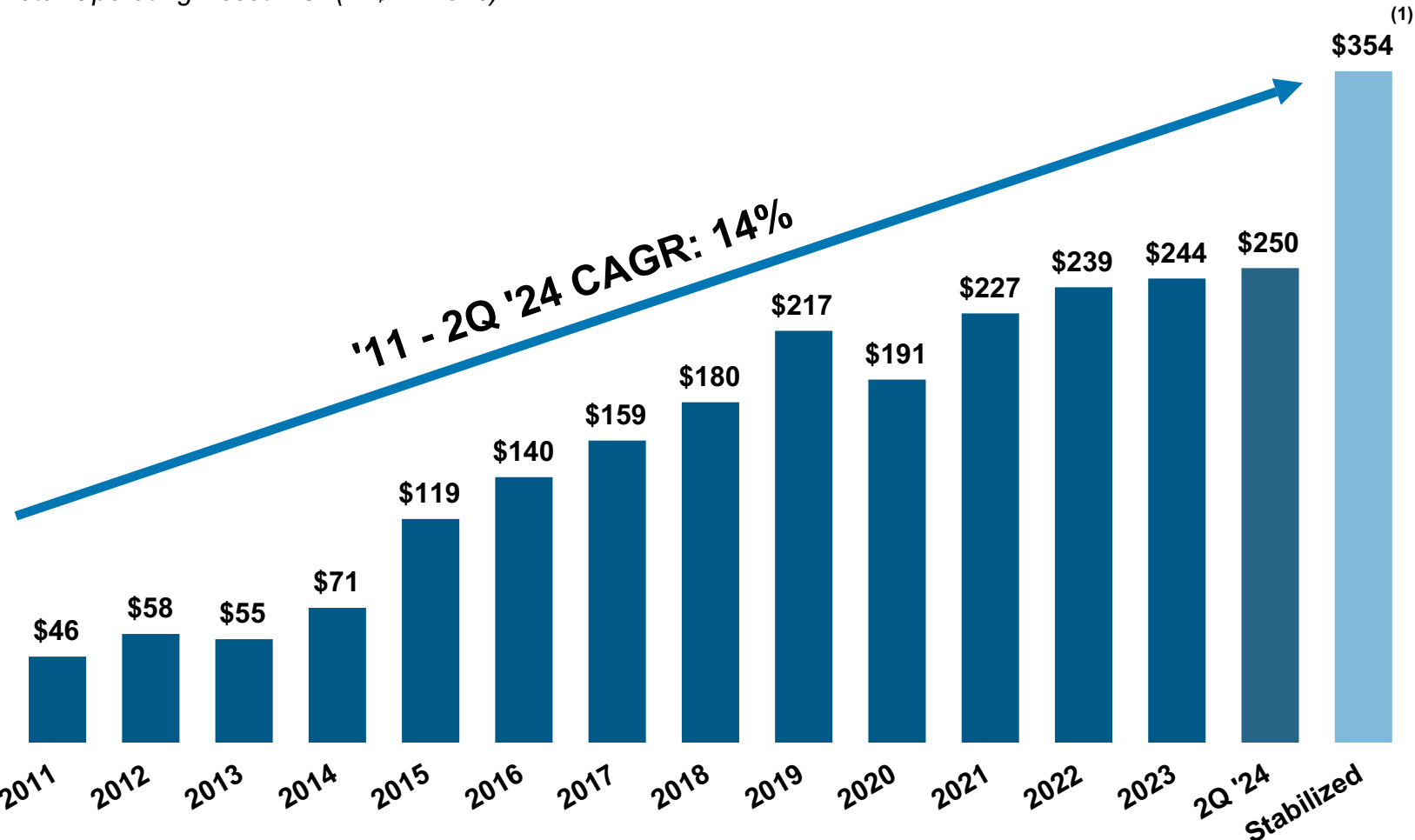
- **Size:** 2.7M SF
- **Stabilized Leased %:** 94%
- **In-Place NOI:** \$50M
- **Stabilized NOI:** \$69M
- **Average Age:** ~8 years

**\$250M of In-Place NOI with \$354M Expected at Stabilization**

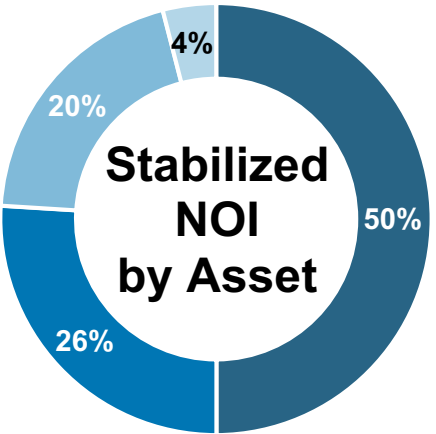
# NOI Growth Through Development

## Historical NOI Progression

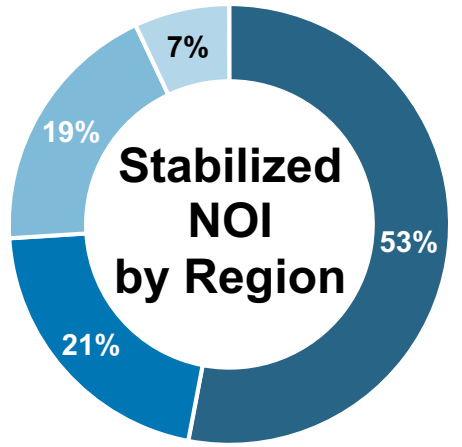
Total Operating Asset NOI (in \$ millions)



## NOI % Mix



Office Multi-Family Retail Other



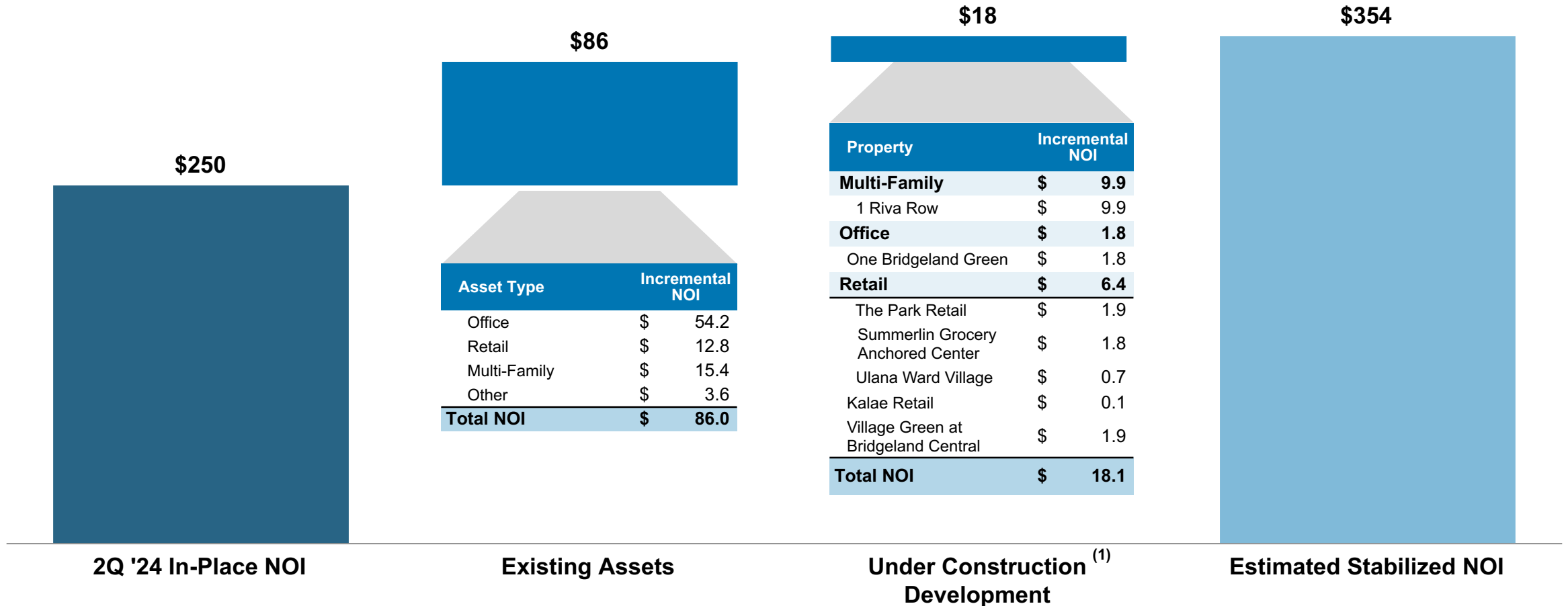
Houston Summerlin Columbia Ward Village

HOWARD HUGHES Note: NOI in \$ millions. (1) Estimated Stabilized NOI total is inclusive of projects under construction. 2Q '24 represents In-Place NOI as of June 30, 2024.



# Meaningful NOI Runway Remains Within HHH's Portfolio

## Roadmap to Stabilized NOI by Existing & Under Construction Developments



# Premier Office Assets Generate High Demand

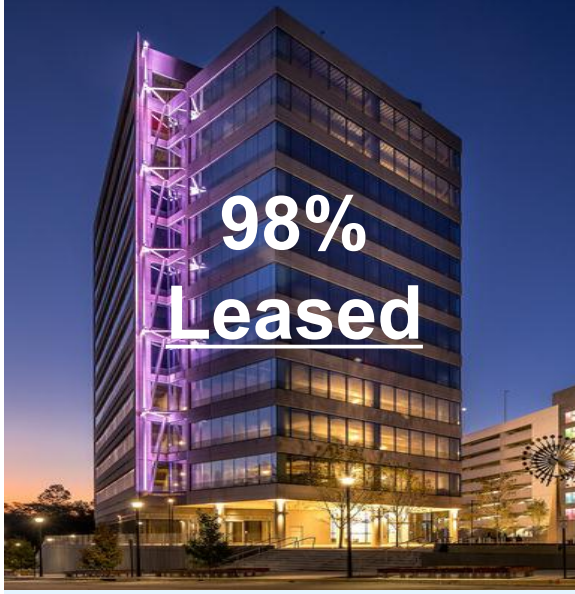
**9950 Woodloch Forest**  
*The Woodlands*

**190k SF Leased in 2023**  
**\$18M Stabilized NOI**



**6100 Merriweather**  
*Columbia*

**20k SF Leased in 2023**  
**\$9M Stabilized NOI**



**1700 Pavilion**  
*Summerlin*

**106k SF Leased in 2023**  
**\$8M Stabilized NOI**



# Las Vegas Office Demand is Robust

## Strong Office Demand in Summerlin



### One Summerlin

**207k 90%**

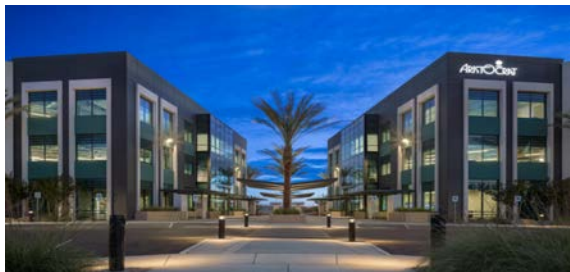
Square Feet Leased



### Two Summerlin

**147k 100%**

Square Feet Leased



### Aristocrat

**182k 100%**

Square Feet Leased

## Introducing New Class A Product

### 1700 Pavilion:

- **Size:** 266k SF
- **Est. Stabilization:** 2025
- **92%** Leased with 1% in LOI or negotiation
- **\$8M** Stabilized NOI by 2025



### Meridian:

- **Size:** 148k SF
- **Est. Completion:** 2Q '24
- **Est. Stabilization:** 2027



Summerlin's office space is commanding some of the highest rents in the Las Vegas Valley



# HHH Value Creation: Spotlight on Two Summerlin

## NAV Growth through Development

Value Creation	Two Summerlin
<b>Operating Asset Value</b>	
Stabilized NOI	\$4,720
Development Cost	\$48,300
Cap Rate	7.6%
<b>MPC Value of Commercial Land</b>	
Acres	3.79
Price per Acre	\$802
<b>Net NAV Impact</b>	<b>\$10.50</b>
<i>Per Share</i>	<i>\$0.21</i>

**9.7%**

Yield on Cost

**7.6%**

Underlying Cap Rates

**210bp**

Yield Spread

## Two Summerlin Office



Development exceeds 200bp spread between yield on cost and cap rates at stabilization

# Robust Multi-Family Leasing and NOI Growth

## YoY Leasing Growth at New Assets<sup>(1)</sup>

### Starling at Bridgeland



2Q '23

**80%**

Leased



2Q '24

**94%**

Leased

### Tanager Echo<sup>(2)</sup>



2Q '23

**0%**

Leased



2Q '24

**67%**

Leased

### Marlow



2Q '23

**47%**

Leased

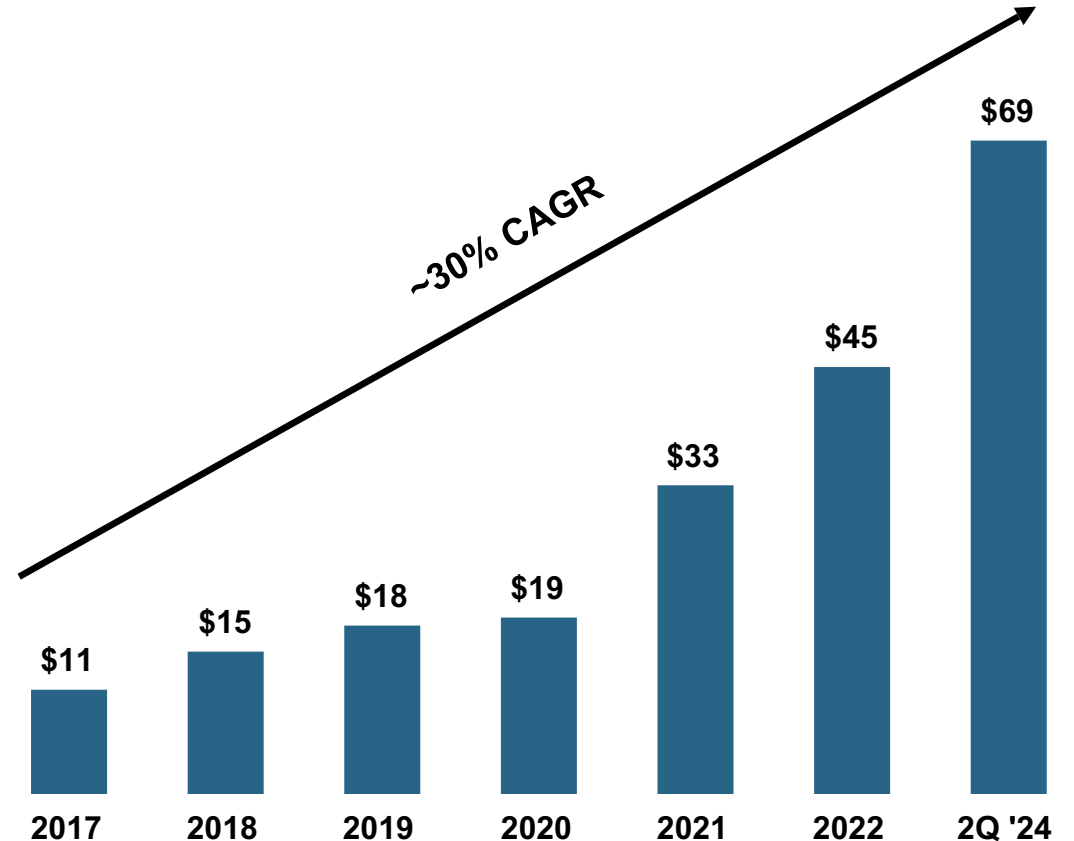


2Q '24

**74%**

Leased

## 300%+ NOI Growth Since 2017



Stabilized Portfolio is 97% Leased

# Wingspan Single-Family Build-to-Rent

Size

**263**  
Homes

**1 – 4**  
Bedrooms

Development  
Cost

**\$87M**  
Total Cost

**6%**  
Yield on Cost

Construction  
Timeline

**2Q '22**  
Commenced

**2Q '24**  
Completion

Stabilization  
Projections

**\$5M**  
Stab. NOI

**2026**  
Stab. Year

First single-family build-to-rent property  
and Energy Star Certified multi-family



**WINGSPAN**

# Strengthened Retail Tenant Base

## Summerlin

CHANEL

PANDORA



96% Leased

## Houston

pure barre®

POSTINO



91% Leased

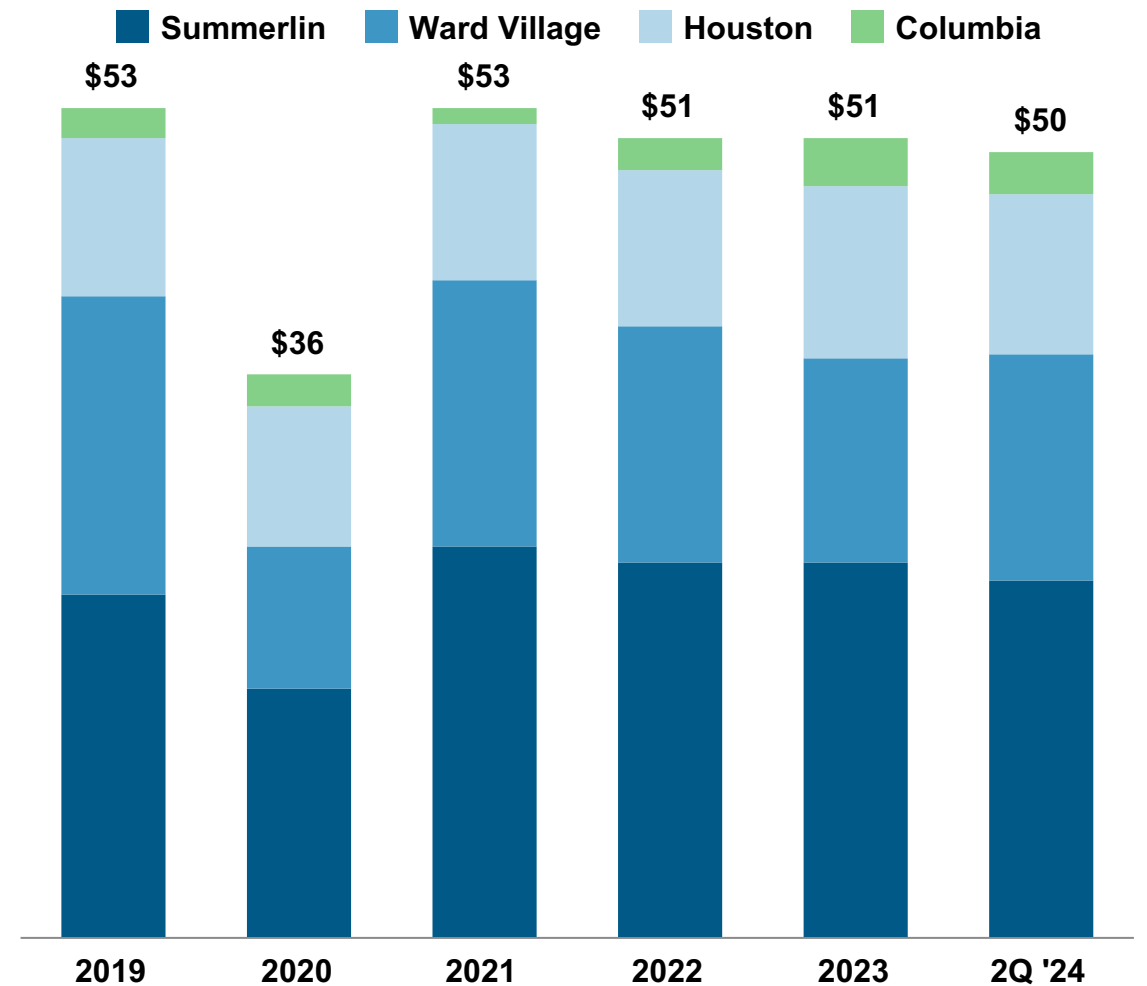
## Ward Village

ROGER DUNN  
GOLF HAWAII



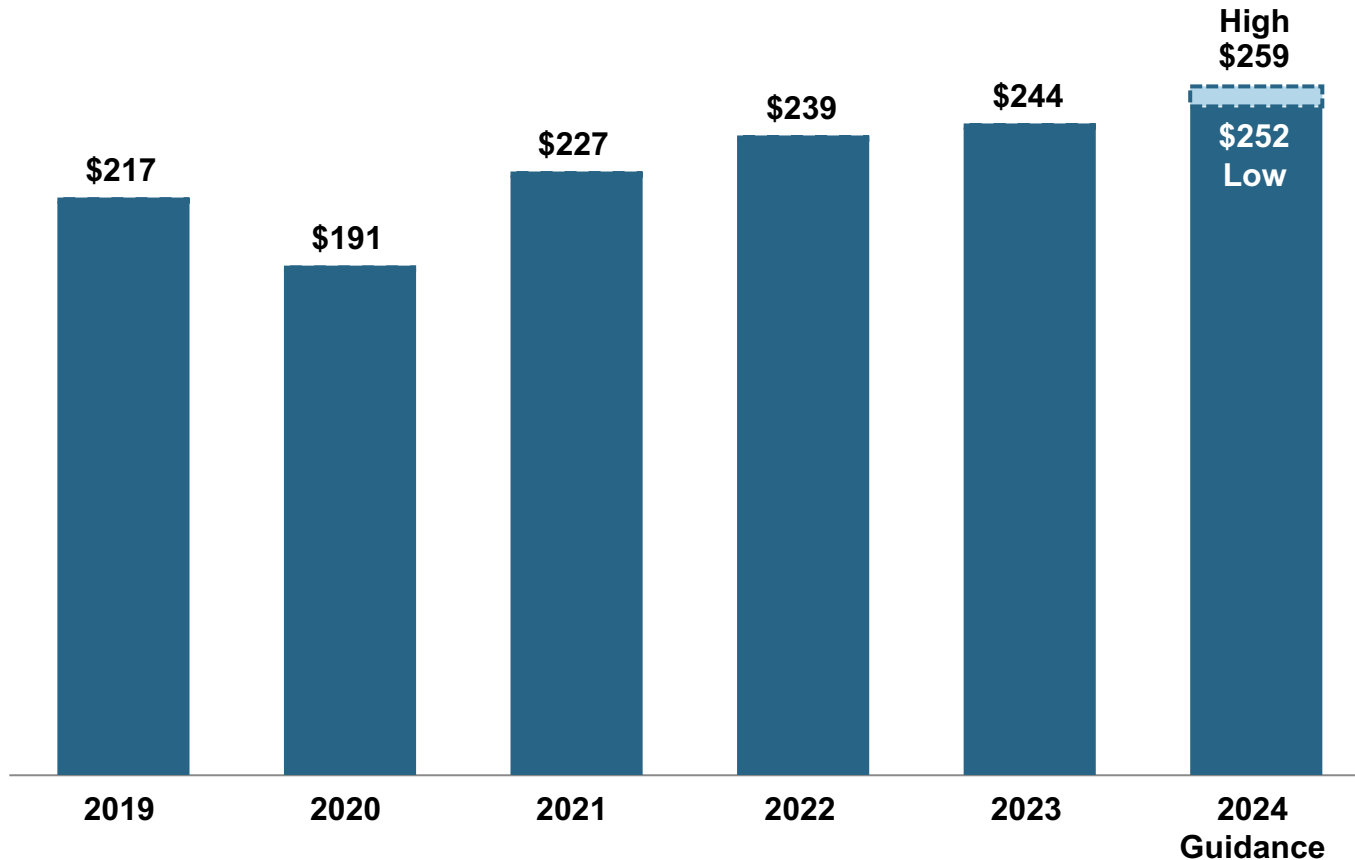
93% Leased

## Consistent growth despite dispositions<sup>(1)</sup>



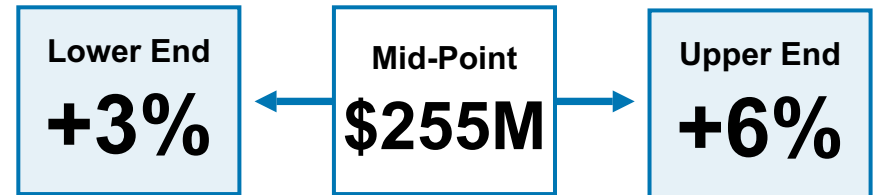
# Operating Assets FY 2024 Guidance

## Total Operating Asset NOI Performance Trend



## FY 2024 NOI Guidance

(vs. FY 2023)



- Strong multi-family rent growth and lease-up of new developments
- Improved retail leasing leading to increased rents
- Office leasing improvement is partially offset by free rent periods

Mid-Year increase to Guidance and record NOI anticipated in 2024

# Strategic Developments

*Howard Hughes*

# Spotlight on Ward Village



**LEED-ND Platinum**  
*U.S. Green Building Council*

## Community Snapshot

- Size: 60 acres; ~9M SF granted entitlements
- Develop premier condos at ~25 to 30% profit margins complemented by 918k SF of retail
- Ward Village attracts buyers from Hawaii, Asia, and the U.S. Mainland



## Master Plan at Full Development



**Ward Village is a vertical MPC that is expected to be built-out over the next 6 years**

# Ward Village Condo Sales by the Numbers

(Since Inception)

# 2,697

Units Sold and Closed

# \$3.1B

Revenues

# ~25-30%

Gross Profit Margin<sup>(1)</sup>

# 6

Towers Completed

# 4

Tower Under Construction

# 1

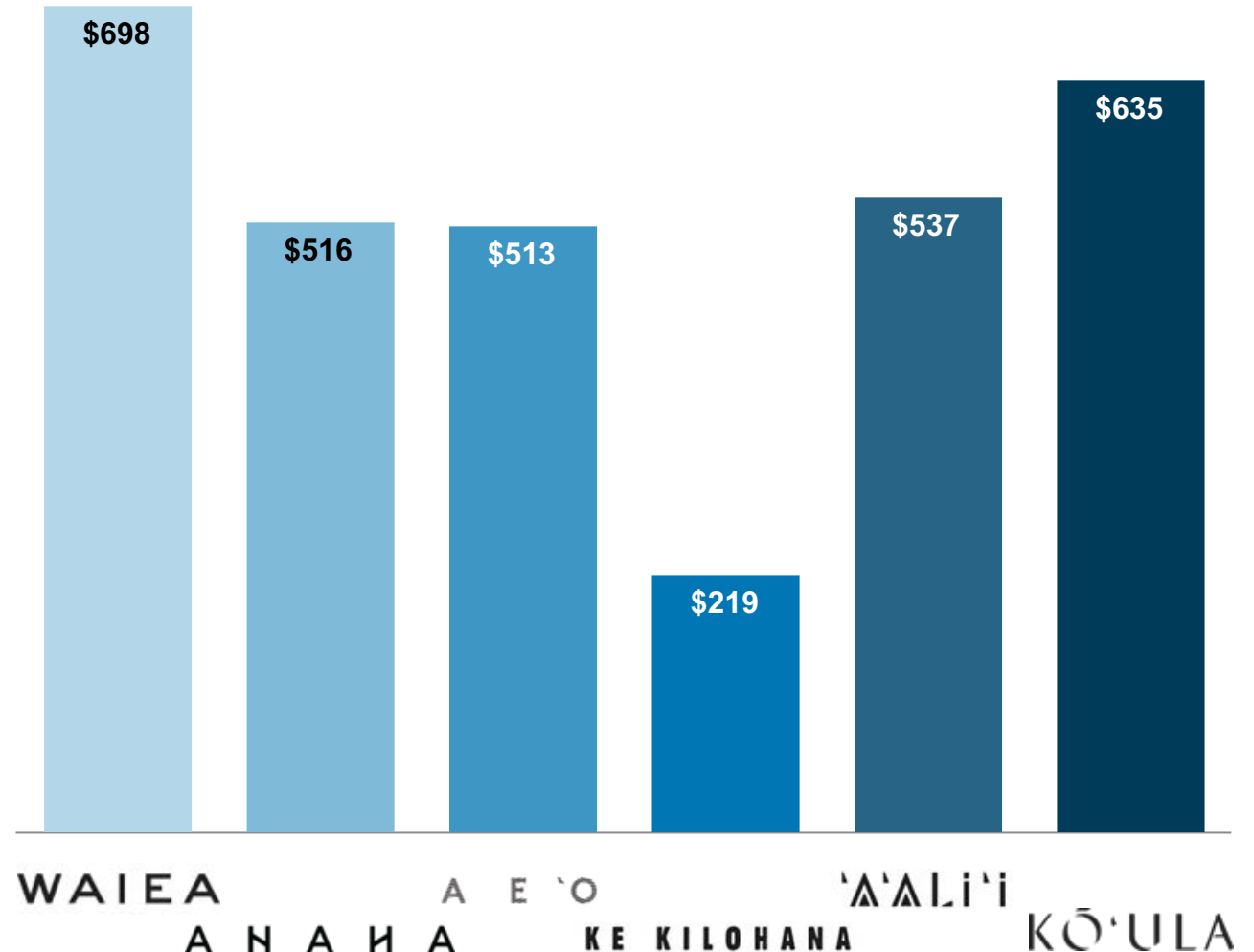
Towers in Pre-Sales



WARD VILLAGE.

## Condo Revenues by Tower

\$ Millions



(1) Excludes charges for the estimated costs related to construction defects at the Waiea tower. HHH believes it should be entitled to recover all the repair costs from the general contractor, other responsible parties, and insurance proceeds; however, it can provide no assurances that all or any portion of the costs will be recovered.



# Consistent Tower Delivery to Meet Oahu's Housing Needs

## Completed Towers

**WAIEA**



**177 Units  
Sold Out  
First Row  
Completed 2016**

**ANAHA**



**317 Units  
Sold Out  
Second Row  
Completed 2017**

**AE'O**



**465 Units  
Sold Out  
Third Row  
Completed 2018**

**KE KILOHANA**



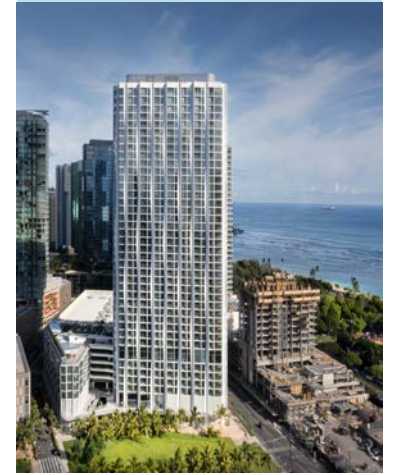
**423 Units  
Sold Out  
Third Row  
Completed 2019**

**'A'ALI'I**



**750 Units  
Sold Out  
Third Row  
Completed 2021**

**KŌ'ULA**



**565 Units  
Sold Out  
Second Row  
Completed 2022**

**Delivered 6 towers at Ward Village to date with 100% of their 2,697 units sold**

# New Condo Developments Underway to Meet Demand

## Under Construction

VICTORIA PLACE



349 Units  
Sold Out  
First Row

Future Revenue <sup>(1)</sup> \$777M

THE PARK



545 Units  
96% Pre-Sold  
Second Row

Future Revenue <sup>(1)</sup> \$687M

ULANA



696 Units  
Sold Out  
Second Row

Future Revenue <sup>(1)</sup> \$373M

KALAE



329 Units  
92% Pre-Sold  
First Row

Future Revenue <sup>(1)</sup> \$761M

## Pre-Sales

THE LAUNIU



485 Units  
51% Pre-Sold  
First Row

Future Revenue <sup>(1)</sup> \$421M

**Towers Represent \$3.0B of Future Contracted Revenue**

# Future Ward Village Condo Developments in Planning

## New Premier Condos Coming Between 2027 and 2030

### MELIA AND ILIMA



**Melia**  
**242 Units**  
**First Row**

**Ilima**  
**148 Units**  
**First Row**  
**Partnership with Discovery Land**



### MAHANA WARD VILLAGE



**340 Units**  
**Third Row**

# In Flight - The Ritz-Carlton Residences, The Woodlands

Size

**111**  
Estate Homes

**39**  
Floor Plans

Pre-sales

**65%**  
Units Sold

**\$313M**  
Future  
Revenue

Construction  
Timeline

**2H '24**  
Anticipated  
Start

**2027**  
Completion

The Woodlands' first luxury condo project

Will include a 5k SF high-end restaurant













**THE RITZ - CARLTON  
RESIDENCES**

THE WOODLANDS



# Strong Returns on Recently Completed and In-Flight Strategic Developments

	Recently Completed					Under Construction				
	Marlow	1700 Pavilion	Tanager Echo	Wingspan	10285 Lakefront Medical Office	Meridian	1 Riva Row	Summerlin Grocery Center	Village Green at Bridgeland Central	One Bridgeland Green
										
Location	Downtown Columbia	Summerlin	Summerlin	Bridgeland	Downtown Columbia	Summerlin	The Woodlands	Summerlin	Bridgeland	Bridgeland
Type	Multi-Family	Office	Multi-Family	Single-Family for Rent	Medical Office	Office	Multi-Family	Retail	Retail	Office
Size	472 Units	266k SF	294 Units	263 Units	85k SF	148k SF	268 Units	67k SF	28k SF	50k SF
Development Cost (ex Land)	\$130.5M	\$123.0M	\$86.9M	\$87.0M	\$49.9M	\$55.5M	\$156.0M	\$46.4M	\$22.2M	\$35.0M
Construction Start	1Q '21	2Q '21	2Q '21	2Q '22	3Q '22	4Q '22	3Q '23	3Q '23	1Q '24	2Q '24
Completion Period	4Q '22	4Q '22	3Q '23	4Q '23	2Q '24	2Q '24	2025	3Q '24	2025	2025
NOI <sup>1</sup>	\$9.3M	\$8.4M	\$5.9M	\$4.9M	\$3.2M	\$4.3M	\$9.9M	\$1.8M	\$1.9M	\$1.8M
Yield on Cost <sup>1</sup>	7%	7%	7%	6%	6%	8%	6%	4%	9%	5%

# Significant Strategic Development Opportunities

## The Woodlands



**1.8M+ SF**

500k SF Office

1,185 Multi-Family/Condo/  
Senior Units

100k SF Retail

165 Hotel Rooms

5+ Years

## Bridgeland



**672k+ SF**

100k SF Office

360 Multi-Family Units

200k SF Retail

5+ Years

## Summerlin



**2.0M+ SF**

650K SF Office

246k SF Retail

1,164 Multi-Family Units

135k SF Sports and  
Entertainment Facilities

5+ Years

## Downtown Columbia



**7.0M+ SF**

1.0M SF Office

3,400 Multi-Family/Condo/  
Senior Units

200k SF Retail

250 Hotel Rooms

5+ Years

# Appendix



The Woodlands Towers

# Reconciliation of Operating Assets Segment EBT to NOI

<i>thousands</i>	Q2 2024	Q2 2023	2023	2022	2021	2020	2019
Total revenues	\$ 123,841	\$ 121,427	\$ 443,632	\$ 431,834	\$ 442,698	\$ 372,057	\$ 400,131
Total operating expenses	(58,490)	(54,452)	(210,166)	(194,496)	(209,020)	(185,480)	(187,322)
Segment operating income (loss)	65,351	66,975	233,466	237,338	233,678	186,577	212,809
Depreciation and amortization	(43,920)	(40,878)	(170,731)	(154,626)	(163,031)	(162,324)	(115,499)
Interest income (expense), net	(34,699)	(30,285)	(127,388)	(89,959)	(75,391)	(91,411)	(81,029)
Other income (loss), net	530	(40)	1,843	(1,140)	(10,746)	540	1,142
Equity in earnings (losses) from unconsolidated ventures	337	2,042	2,969	22,263	(67,042)	(7,366)	3,672
Gain (loss) on sale or disposal of real estate and other assets, net	—	(16)	23,926	29,588	39,168	38,232	—
Selling profit from sales-type leases	—	—	—	—	—	—	13,537
Gain (loss) on extinguishment of debt	(198)	—	(96)	(2,230)	(1,926)	(1,521)	—
Provision for impairment	—	—	—	—	—	(48,738)	—
<b>Operating Assets segment EBT</b>	<b>(12,599)</b>	<b>(2,202)</b>	<b>(36,011)</b>	<b>41,234</b>	<b>(45,290)</b>	<b>(86,011)</b>	<b>34,632</b>
Add back:							
Depreciation and amortization	43,920	40,878	170,731	154,626	163,031	162,324	115,499
Interest (income) expense, net	34,699	30,285	127,388	89,959	75,391	91,411	81,029
Equity in (earnings) losses from unconsolidated ventures	(337)	(2,042)	(2,969)	(22,263)	67,042	7,366	(3,672)
(Gain) loss on sale or disposal of real estate and other assets, net	—	16	(23,926)	(29,588)	(39,168)	(38,232)	—
(Gain) loss on extinguishment of debt	198	—	96	2,230	1,926	1,521	—
Selling profit from sales-type leases	—	—	—	—	—	—	(13,537)
Provision for impairment	—	—	—	—	—	48,738	—
Impact of straight-line rent	24	(1,081)	(2,256)	(11,241)	(14,715)	(7,630)	(9,007)
Other	(361)	269	587	827	10,449	99	671
<b>Operating Assets NOI</b>	<b>65,544</b>	<b>66,123</b>	<b>233,640</b>	<b>225,784</b>	<b>218,666</b>	<b>179,586</b>	<b>205,615</b>
Company's share of NOI from equity investments	2,088	1,960	7,745	9,061	4,081	7,750	7,318
Distributions from Summerlin Hospital investment	—	—	3,033	4,638	3,755	3,724	3,625
Company's share of NOI from unconsolidated ventures	2,088	1,960	10,778	13,699	7,836	11,474	10,943
<b>Total Operating Assets NOI</b>	<b>\$ 67,632</b>	<b>\$ 68,083</b>	<b>\$ 244,418</b>	<b>\$ 239,483</b>	<b>\$ 226,502</b>	<b>\$ 191,060</b>	<b>\$ 216,558</b>