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): **May 1, 2018**

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

Delaware (State or other jurisdiction of incorporation)	**001-34856** (Commission File Number)	**36-4673192** (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**

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 (§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 2.02 Results of Operations and Financial Condition

On May 1, 2018, The Howard Hughes Corporation (the "Company") issued a press release announcing the Company's financial results for the first quarter ended March 31, 2018. 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 May 1, 2018, the Company issued supplemental information for the first quarter ended March 31, 2018. 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 May 1, 2018 announcing the Company's financial results for the first quarter ended March 31, 2018.
99.2	Supplemental information for the first quarter ended March 31, 2018.

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 Vice President, Secretary and General Counsel

Date: May 1, 2018

Exhibit 99.1

PRESS RELEASE
Contact Information:
David R. O'Reilly
Chief Financial Officer
(214) 741-7744
David.OReilly@howardhughes.com

THE HOWARD HUGHES CORPORATION®
REPORTS FIRST QUARTER 2018 RESULTS

Dallas, TX, May 1, 2018 – The Howard Hughes Corporation ® (NYSE: HHC) (the "Company") today announced operating results for the first quarter ended March 31, 2018. 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.

First Quarter 2018 Highlights

- Net income attributable to common stockholders decreased to $1.5 million or $0.03 per diluted share for the three months ended March 31, 2018, as compared to $5.7 million, or $0.13 per diluted share, for the three months ended March 31, 2017.
- Total net operating income ("NOI") from operating assets was $46.8 million for the three months ended March 31, 2018, an increase of $2.2 million or 5.0% compared to $44.5 million for the three months ended March 31, 2017. Adjusting for the impact of the transfer of 110 North Wacker and Ward Warehouse to development, NOI would have increased by an additional $3.0 million for a total increase of $5.2 million, or 11.7%, as a result of increased banquet and events revenue, coupled with strong occupancy across our hospitality assets of 68%.
- Master Planned Communities ("MPC") segment earnings before tax ("EBT") was $36.8 million for the three months ended March 31, 2018, a decrease of $7.3 million or 16.6% compared to the three months ended March 31, 2017. The decrease was largely a result of the timing of land sales at Summerlin and Bridgeland.
- Sold 222 condominiums at Ward Village in the first quarter of 2018, including 183 at 'A'ali'i, our newest building that began public sales in January 2018. 'A'ali'i was 24.4% presold as of March 31, 2018 and 39.0% presold as of April 30, 2018. Excluding 'A'ali'i, 1,325 homes, or 95.9% of the 1,381 residences available for sale at our four residential buildings that are either delivered or under construction, were closed or under contract as of March 31, 2018.
- Began construction in February on the development of the new Las Vegas Ballpark located in Downtown Summerlin for our wholly owned Las Vegas 51s Triple-A professional baseball team. Last year, we announced a 20-year, $80.0 million naming rights agreement for the stadium with the Las Vegas Convention and Visitor's Authority.
- Completed demolition and began construction of a new 1.4 million square foot office building at 110 North Wacker. Finalized detailed project capitalization, including both new construction financing and a joint venture partnership agreement.
- Executed a license agreement with renowned California waterfront restaurant Malibu Farm to open its first New York location at Pier 17 in the Seaport District. Founded by acclaimed Chef Helene Henderson, the restaurant is one of the most iconic dining destinations in the Los Angeles metroplex.
- Purchased 475,920 shares of our common stock in a private transaction with an unaffiliated entity at a purchase price of $120.33 per share or approximately $57.3 million in the aggregate.

“Our first quarter results showed continued momentum across our three business segments. We are particularly pleased with our Strategic Developments Segment in the first quarter as we increased our projected stabilized NOI target by $35.9 million to $291.0 million, announced an agreement with Malibu Farm at the Seaport and delivered strong sales at Ward Village. In our Operating Asset Segment, we saw first quarter NOI grow sequentially by $10.5 million to $46.8 million with particularly impressive results in our hospitality segment,” said David R. Weinreb, Chief Executive Officer. “In our MPC Segment, we saw average price per acre increase sequentially by $39,000 to $592,000. While our first quarter MPC earnings before taxes were lower than past quarters, we believe that this quarter's results do not reflect the continued broad based underlying demand for product in both Summerlin and our Houston MPC’s.”

Financial Results

During the first quarter of 2018, our total revenues were $161.7 million, a decrease of $70.1 million compared to the first quarter of 2017, driven by a decline in our Strategic Developments segment primarily due to a required change in accounting method as to how we must now recognize revenue in our condominium projects. We adopted the new revenue recognition standard on January 1, 2018, as mandated by the Financial Accounting Standards Board for all public companies. The adoption mandated a change in revenue recognition for our condominium sales from percentage of completion to recognizing revenue and cost of sales for condominiums only after construction is complete and sales to buyers have closed. This change relates only to the *timing* of revenue recognition and will more closely match the actual cash flows from the sale of units. As a result of this accounting change, condominium revenue will be recognized later than it previously had been and will be lumpier as revenue will only be recognized as unit sales close. The substantial majority of our closings have occurred at the time of building completion as a result of presales and units sold while construction is under way. The reduction in revenue from this accounting change and lower MPC land sales during the quarter were partially offset by higher hospitality revenues, increased minimum rents and other rental and property revenues.

Because we have two condominium buildings that have not been delivered, but for which revenue has been previously recognized, we have made a downward adjustment to our cumulative retained earnings of $69.7 million. We will recognize the revenue on these units as the buildings are completed and the unit sales close.

	Three Months Ended March 31,			
(In thousands, except per share amounts)	**2018**		**2017**	
Net income attributable to common stockholders	$	1,474	$	5,659
Basic income per share	$	0.03	$	0.14
Diluted income per share	$	0.03	$	0.13
Funds from operations ("FFO")	$	29,666	$	9,904
FFO per weighted average diluted share	$	0.68	$	0.23
Core FFO	$	44,287	$	71,042
Core FFO per weighted average diluted share	$	1.02	$	1.66
AFFO	$	39,356	$	66,028
AFFO per weighted average diluted share	$	0.91	$	1.54

FFO for the three months ended March 31, 2018 increased $19.8 million or $0.45 per diluted share compared to the same period in 2017 primarily due to the absence of the 2017 loss on redemption of senior notes due in 2021 and warrant liability loss as well as a decrease in the provision for income taxes provided by the Tax Cuts and Jobs Act of 2017, offset by the $32.2 million gain in 2017 on the sale of 36 acres of undeveloped land at The Elk Grove Collection. There were no non-strategic asset dispositions in the first quarter of 2018.

Core FFO for the three months ended March 31, 2018 decreased $26.8 million or $0.64 per diluted share as compared to the same period in 2017. The decrease was primarily due to decreased revenues in condominium sales as a result of the adoption of the new revenue recognition standard and decreased EBT at our MPC segment, largely driven by the timing of land sales.

Adjusted FFO (“AFFO”), our Core FFO adjusted to exclude recurring capital improvements and leasing commissions, decreased $26.7 million or $0.63 per diluted share for the three months ended March 31, 2018 compared to the same period in 2017 primarily due to the items discussed above. 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.

Business Segment Operating Results

Master Planned Communities

Our MPC revenues fluctuate each period given the nature of the development and sale of land in these large scale, long-term communities, and therefore, we believe full year results are a better measurement of performance than quarterly results.

During the first quarter, our MPC segment earnings before tax was $36.8 million compared to $44.2 million during the same period of 2017, a decrease of 16.6%. The decrease was largely due to approximately $13.4 million less in land sales offset by an increase of $5.8 million equity in earnings of The Summit joint venture.

Bridgeland contributed approximately $8.2 million to the decrease in EBT mainly as a result of an institutional land sale in 2017 that did not recur in 2018 and the sale of 31 fewer single family lots in the first quarter of 2018 as compared with the same period of 2017. The median new home price in Bridgeland increased by 15% during the current quarter, and we continue to see strong demand for new home sales. The Woodlands Hills is partially offsetting the decreases in revenue by $2.9 million as a result of robust sales of 49 single family lots, following the commencement of sales of single family detached lots in the fourth quarter of 2017. The decrease was also partially offset by an increase in the average price of custom lots achieved this quarter in Summerlin.

Operating Assets

In our Operating Assets segment, we increased NOI, including our share of NOI from equity investments and excluding properties sold or in redevelopment, by $2.2 million, or 5.0%, to $46.8 million in the first quarter of 2018 compared to $44.5 million in the first period of 2017. This increase was caused by increased event and banquet revenues, primarily at The Woodlands Resort and Conference Center, bolstered by strong occupancy across our hospitality assets of 68%. The comparable period includes NOI from 110 North Wacker and Ward Warehouse, both of which were transferred to development and are not generating NOI in the current quarter. Adjusting for these transfers, NOI would have increased by an additional $3.0 million for a total increase of $5.2 million, or 11.7%.

Strategic Developments

In our Strategic Developments segment, we had another successful quarter, including sales of condominium units at Ward Village, continued progress throughout the development portfolio and commencing construction of two new projects: 110 North Wacker and the Las Vegas Ballpark, our new baseball stadium in Downtown Summerlin, which will become the new home of the Las Vegas 51s AAA baseball team. The ballpark will also host civic, community, nonprofit, and sporting events. In addition, further progress was made on The Seaport District’s construction and leasing.

The ballpark is expected to cost approximately $114.7 million and produce approximately $7.0 million of NOI for an unlevered yield on cost of 6.1%, which does not include the cost of acquiring the baseball team.

The total project costs for the 1.4 million square foot 110 North Wacker office project are estimated to be $761 million, which includes an increase in our land basis above our current cost of $38 million. We are projecting stabilized NOI of approximately $60.1 million, a 7.9% unlevered yield on total costs or an 8.3% unlevered yield when excluding our increase in land basis. We have secured a senior construction loan for $494.5 million and a preferred equity partner for an approximately 63.7% interest in the project with a total commitment of $170 million. Our co-developer, Riverside Investment and Development, will invest $9.7 million cash equity and will own approximately 3.6% of the project, and we will contribute $87.0 million comprised of $49 million of cash and $38 million of implied equity based on the market appreciation of our land contribution. We will own approximately 32.7% of the project. Upon a capital event and after the repayment of the senior construction loan and the preferred equity, HHC receives 81.0% of all remaining cash flow from the project. Based on our ownership percentage, HHC's expected share of projected stabilized NOI is estimated to be $19.7 million.

The North Wacker construction loan bears interest at LIBOR plus 3.00% and steps up to LIBOR plus 3.25% or down as low as LIBOR plus 2.65% based on various leasing thresholds. The limited partner equity is structured to earn a 9% IRR, and then 10% of all remaining cash flow. This financing structure allows us to retain the bulk of the profits in the transaction with a limited cash equity contribution.

110 North Wacker is a good demonstration of HHC's ability to monetize non-core assets when market conditions are attractive. With the maturity of the prior tenant's long-term lease came the opportunity to materially increase the value of this extremely well located but under-utilized parcel of land on the Chicago River. As with our other non-core assets, we actively explore sale, joint venture and development alternatives to determine the best course of action for maximizing value.

Due to the change in accounting methods for revenue recognition of condominium sales previously discussed, for the current quarter, we reported revenues of $10.8 million from condominium rights and unit sales only for homes that actually closed escrow at the two delivered buildings (Waiea and Anaha) in Ward Village. For the comparable period in 2017, we reported revenue on a percentage of completion basis at Ward Village of $80.1 million. Due to the change in accounting methods, the two quarters are not comparable. Through April 30, 2018, we have closed on the sales of a total of 471 units to new residents.

At The Seaport District, the addition of Malibu Farm is further evidence of the momentum that this one-of-a-kind asset is now generating. As we reported in 2017, we executed a long-term lease with ESPN's studio provider for a 19,000 square foot broadcast studio at Pier 17. ESPN will broadcast at least eight shows a day and transform the Seaport into its Manhattan content hub. ESPN has initially announced “Get up” and the “NBA Countdown” as two of the shows that will be broadcast from the Seaport.

During the quarter, we finalized sponsorship agreements with Lincoln Motor Company and Heineken totaling more than $2.5 million annually and have hosted a variety of high profile events including the Fendi fashion show and the after party for the Louis Vuitton Volez, Voguez, Voyagez exhibition showcasing the Seaport as the venue to watch in the coming years.

In May, we expect Live Nation to announce this summer's rooftop concert series, and we also expect that our summer activations will attract thousands of New Yorkers to the District, further enhancing The Seaport's reputation as a port of discovery with unique offerings of food, entertainment and culture.

Segment EBT decreased $39.8 million for the three months ended March 31, 2018 compared to the prior year. The change in accounting methods noted above accounted for $15.6 million of the decrease. In addition, the comparable period in 2017 includes a $32.2 million gain related to the sale of land at The Elk Grove Collection.

Balance Sheet First Quarter Activity and Subsequent Events

On April 30, 2018, the Company closed on a $494.5 million construction loan for 110 North Wacker. The loan bears interest at LIBOR plus 3.00% and steps up or down based on various leasing thresholds. We simultaneously secured a preferred equity partner for 63.7% of the equity capital for the project with a total commitment of $169.6 million. On January 19, 2018, the Company paid off the existing $18.9 million mortgage loan for 110 North Wacker and settled the related swap liability of $0.3 million. As of January 2018, our tenant had vacated, and demolition is complete to allow for redevelopment of the property. 110 North Wacker will be developed as a 53-story, Class A, office building with 1.4 million square feet, and it is currently 38% pre-leased.

On April 13, 2018, the Company repaid the $11.8 million loan for Lakeland Village Center at Bridgeland.

As of March 31, 2018, our total consolidated debt equaled approximately 43.0% of our total assets and our leverage ratio (debt to enterprise value, as defined in the Supplemental Information) was 34.92%. 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 March 31, 2018, we have $632.8 million of cash and cash equivalents. Our liquidity was further enhanced during the quarter by obtaining approximately $59.6 million in limited-recourse construction financings.

On March 27, 2018, the Company closed on a $44.1 million construction loan for Downtown Summerlin Apartments, bearing interest at one-month LIBOR plus 2.25% with an initial maturity date of October 1, 2021 and one, three-year extension option.

On February 23, 2018, the Company repurchased 475,920 shares of HHC common stock, par value $0.01 per share, in a private transaction with an unaffiliated entity at a purchase price of $120.33 per share, or approximately $57.3 million in the aggregate. The repurchase transaction was consummated on February 21, 2018 and was funded with cash on hand.

On January 25, 2018, the Company closed on a $15.5 million construction loan for Lake Woodlands Crossing Retail, a project located in The Woodlands, Texas. The loan bears interest at LIBOR plus 1.80%, matures on January 25, 2023, and has an initial maximum recourse of 50% of the outstanding balance prior to completion of construction, at which point the repayment guarantee will reduce to 15% provided the project is 90% leased.

On January 5, 2018, we modified and extended the $65.5 million Three Hughes Landing facility. The loan bears interest at one-month LIBOR plus 2.60% with an initial maturity of December 5, 2018, and two, one-year extension options.

About The Howard Hughes Corporation®

The Howard Hughes Corporation owns, manages and develops commercial, residential and mixed-use real estate throughout the U.S. Our properties include master planned communities, operating properties, development opportunities and other unique assets spanning 14 states from New York to Hawai‘i. The Howard Hughes Corporation is traded on the New York Stock Exchange under HHC with major offices in New York, Columbia, MD, Dallas, Houston, Las Vegas and Honolulu. For additional information about HHC, visit www.howardhughes.com or find us on Facebook, Twitter, Instagram, and LinkedIn.

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:

- budgeted costs, future lot sales and estimates of NOI and EBT;

- capital required for our operations and development opportunities for the properties in our Operating Assets 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 and other current income producing properties;
- transactions related to our non-core assets;
- the performance and our operational success at our Seaport District;
- forecasts of our future economic performance; and
- future liquidity, development opportunities, development spending and management plans.

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. 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 26, 2018. 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.

THE HOWARD HUGHES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED

	Three Months Ended March 31,	
(In thousands, except per share amounts)	**2018**	**2017**
Revenues:		
Condominium rights and unit sales	$ 10,837	$ 80,145
Master Planned Community land sales	46,565	53,481
Minimum rents	49,395	46,326
Tenant recoveries	12,760	11,399
Hospitality revenues	23,061	19,711
Builder price participation	5,081	4,661
Other land revenues	4,131	10,582
Other rental and property revenues	9,849	5,457
Total revenues	161,679	231,762
Expenses:		
Condominium rights and unit cost of sales	6,729	60,483
Master Planned Community cost of sales	26,043	25,869
Master Planned Community operations	10,325	9,394
Other property operating costs	23,175	18,508
Rental property real estate taxes	8,127	7,537
Rental property maintenance costs	3,197	3,028
Hospitality operating costs	15,567	13,845
Provision for doubtful accounts	776	535
Demolition costs	6,671	65
Development-related marketing costs	6,078	4,205
General and administrative	24,264	18,117
Depreciation and amortization	28,188	25,524
Total expenses	159,140	187,110
Operating income before other items	2,539	44,652
Other:		
Gains on sales of properties	—	32,215
Other income, net	—	687
Total other	—	32,902
Operating income	2,539	77,554
Interest income	2,076	622
Interest expense	(16,609)	(17,858)
Loss on redemption of senior notes due 2021	—	(46,410)
Warrant liability loss	—	(12,562)
Gain on acquisition of joint venture partner's interest	—	5,490
Equity in earnings from Real Estate and Other Affiliates	14,386	8,520
Income before taxes	2,392	15,356
Provision for income taxes	558	9,697
Net income	1,834	5,659
Net income attributable to noncontrolling interests	(360)	—
Net income attributable to common stockholders	$ 1,474	$ 5,659
Basic income per share:	$ 0.03	$ 0.14
Diluted income per share:	$ 0.03	$ 0.13

THE HOWARD HUGHES CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
UNAUDITED

(In thousands, except share amounts)	March 31, 2018	December 31, 2017
Assets:		
Investment in real estate:		
Master Planned Community assets	$ 1,633,492	$ 1,642,278
Buildings and equipment	2,365,773	2,238,617
Less: accumulated depreciation	(325,026)	(321,882)
Land	273,444	277,932
Developments	1,412,153	1,196,582
Net property and equipment	5,359,836	5,033,527
Investment in Real Estate and Other Affiliates	85,911	76,593
Net investment in real estate	5,445,747	5,110,120
Cash and cash equivalents	632,838	861,059
Restricted cash	132,105	103,241
Accounts receivable, net	14,384	13,041
Municipal Utility District receivables, net	203,436	184,811
Notes receivable, net	8,310	5,864
Deferred expenses, net	90,839	80,901
Prepaid expenses and other assets, net	210,327	370,027
Total assets	$ 6,737,986	$ 6,729,064
Liabilities:		
Mortgages, notes and loans payable, net	$ 2,895,771	$ 2,857,945
Deferred tax liabilities	143,581	160,850
Accounts payable and accrued expenses	619,271	521,718
Total liabilities	3,658,623	3,540,513
Equity:		
Preferred stock: $.01 par value; 50,000,000 shares authorized, none issued	—	—
Common stock: $.01 par value; 150,000,000 shares authorized, 43,491,595 shares issued and 42,986,302 outstanding as of March 31, 2018 and 43,300,253 shares issued and 43,270,880 outstanding as of December 31, 2017	436	433
Additional paid-in capital	3,310,421	3,302,502
Accumulated deficit	(175,879)	(109,508)
Accumulated other comprehensive loss	(797)	(6,965)
Treasury stock, at cost, 505,293 and 29,373 shares as of March 31, 2018 and December 31, 2017, respectively	(60,743)	(3,476)
Total Stockholders' equity	3,073,438	3,182,986
Noncontrolling interests	5,925	5,565
Total equity	3,079,363	3,188,551
Total liabilities and equity	$ 6,737,986	$ 6,729,064

Appendix – Reconciliations of Non-GAAP Measures

As of and for the Three Months Ended March 31, 2018

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”).

Because our three segments, Master Planned Communities, Operating Assets and Strategic Developments, are managed separately, we use different operating measures to assess operating results and allocate resources among these three 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.

	Three Months Ended March 31,											
	2018	2017	$ Change	2018	2017	$ Change	2018	2017	$ Change	2018	2017	$ Change
(In thousands)	Operating			MPC			Strategic			Consolidated		
Total revenues	$ 91,258	$ 82,087	**$ 9,171**	$ 55,765	$ 68,706	**$ (12,941)**	$ 14,656	$ 80,969	**$ (66,313)**	$ 161,679	$ 231,762	**$ (70,083)**
Total operating expenses:	44,806	40,237	**(4,569)**	36,368	35,265	**(1,103)**	12,767	68,130	**55,363**	93,941	143,632	**49,691**
Segment operating income	46,452	41,850	**4,602**	19,397	33,441	**(14,044)**	1,889	12,839	**(10,950)**	67,738	88,130	**(20,392)**
Depreciation and amortization	(25,173)	(22,789)	**(2,384)**	(81)	(92)	**11**	(1,065)	(668)	**(397)**	(26,319)	(23,549)	**(2,770)**
Interest (expense) income, net	(16,687)	(14,524)	**(2,163)**	6,392	5,557	**835**	7,524	4,604	**2,920**	(2,771)	(4,363)	**1,592**
Equity in earnings from Real Estate and Other Affiliates	2,583	3,385	**(802)**	11,128	5,280	**5,848**	672	(145)	**817**	14,382	8,520	**5,862**
Gains on sales of properties	—		**—**	—	—	**—**	—	32,215	**(32,215)**	—	32,215	**(32,215)**
Segment EBT	$ 7,175	$ 7,922	**$ (747)**	$ 36,836	$ 44,186	**$ (7,350)**	$ 9,020	$ 48,845	**$ (39,825)**	$ 53,030	$ 100,953	**$ (47,923)**
Corporate expenses and other items										51,196	95,294	**44,098**
Net income										$ 1,834	$ 5,659	**$ (3,825)**
Net income attributable to noncontrolling interests										(360)	—	**(360)**
Net income attributable to common stockholders										$ 1,474	$ 5,659	**$ (4,185)**

NOI

We believe that NOI is a useful supplemental measure of the performance of our Operating Assets 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, 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 factors, which vary by property, 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, 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 Operating Assets EBT to Operating Assets NOI has been presented in the table below.

	Three Months Ended March 31,	
(In thousands)	**2018**	**2017**
Total Operating Assets segment EBT	$ 7,175	$ 7,922
Add Back:		
Straight-line lease amortization	(3,690)	(1,961)
Demolition costs	—	65
Development-related marketing costs	—	418
Depreciation and Amortization	25,173	22,789
Write-off of lease intangibles and other	—	27
Other income, net	—	178
Equity in earnings from Real Estate Affiliates	(2,583)	(3,385)
Interest, net	16,687	14,524
Total Operating Assets NOI - Consolidated	**42,762**	**40,577**
Dispositions:		
Cottonwood Square	—	(174)
Park West	—	14
Total Operating Asset Dispositions NOI	—	**(160)**
Consolidated Operating Assets NOI excluding properties sold or in redevelopment	**$ 42,762**	**$ 40,417**
Company's Share NOI - Equity investees	575	746
Distributions from Summerlin Hospital Investment	3,435	3,383
Total NOI	**$ 46,772**	**$ 44,546**

FFO, Core FFO, and Adjusted FFO (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, 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 and 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.

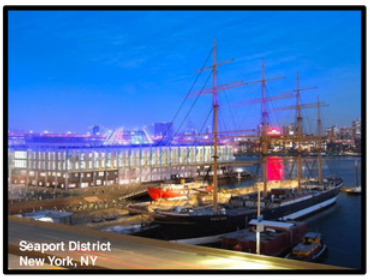
While FFO, Core FFO, AFFO and NOI are relevant and widely used measures of operating performance of real estate companies, they do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating our liquidity or operating 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.

(In thousands)	Three Months Ended March 31, 2018	Three Months Ended March 31, 2017	Year Ended December 31, 2017	Year Ended December 31, 2016
Net income attributable to common shareholders	$ 1,474	$ 5,659	$ 168,404	$ 202,303
Add:				
Segment real estate related depreciation and amortization	26,319	23,549	123,954	89,368
(Gain) loss on disposal of operating assets	—	—	(3,868)	1,117
Gains on sales of properties	—	(32,215)	(51,367)	(140,549)
Income tax expense (benefit) adjustments - deferred				
(Gain) loss on disposal of operating assets	—	—	1,424	(419)
Gains on sales of properties	—	12,081	19,127	52,706
Impairment of depreciable real estate properties	—	—	—	35,734
Reconciling items related to noncontrolling interests	360	—	(1,781)	23
Our share of the above reconciling items included in earnings from unconsolidated joint ventures	1,513	830	4,385	4,305
FFO	**$ 29,666**	**$ 9,904**	**$ 260,278**	**$ 244,588**
Adjustments to arrive at Core FFO:				
Acquisition expenses	$ —	$ 32	$ 109	$ 526
Loss on redemption of senior notes due 2021	—	46,410	46,410	—
Gain on acquisition of joint venture partner's interest	—	(5,490)	(23,332)	(27,088)
Warrant loss	—	12,562	43,443	24,410
Severance expenses	261	828	2,525	453
Non-real estate related depreciation and amortization	1,869	1,975	8,298	6,496
Straight-line amortization	(3,340)	1,961	(7,782)	(10,861)
Deferred income tax expense (benefit)	246	(3,193)	(64,014)	61,411
Non-cash fair value adjustments related to hedging instruments	216	(198)	905	1,364
Share based compensation	2,526	1,906	8,211	7,343
Other non-recurring expenses (development related marketing and demolition costs)	12,749	4,270	22,427	24,396
Our share of the above reconciling items included in earnings from unconsolidated joint ventures	94	75	502	677
Core FFO	**$ 44,287**	**$ 71,042**	**$ 297,980**	**$ 333,715**
Adjustments to arrive at AFFO:				
Tenant and capital improvements	$ (4,532)	$ (4,328)	$ (15,803)	$ (14,224)
Leasing Commissions	(399)	(686)	(2,995)	(3,189)
AFFO	**$ 39,356**	**$ 66,028**	**$ 279,182**	**$ 316,302**
FFO per diluted share value	**$ 0.68**	**$ 0.23**	**$ 6.04**	**$ 5.72**
Core FFO per diluted share value	**$ 1.02**	**$ 1.66**	**$ 6.92**	**$ 7.81**
AFFO per diluted share value	**$ 0.91**	**$ 1.54**	**$ 6.48**	**$ 7.40**

NYSE: HHC

Supplemental Information

For the quarterly period ended March 31, 2018



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

Phon
www.how

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
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 inc
such as "anticipate," "estimate," "expect," "project," "forecast," "plan," "intend," "believe," "likely," "may," "realize," "should," "transform," "would," and other statements of s
expression. Forward looking statements give our expectations about the future and are not guarantees. These statements involve known and unknown risks, uncertainties and ot
that may cause our actual results, performance and achievements to materially differ from any future results, performance and achievements expressed or implied by such forw
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,
Annual Report on Form 10-K for the fiscal year ended December 31, 2017. The statements made herein speak only as of the date of this presentation and we do not undertake to
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 performan
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 perfor
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 oper
among peer companies more meaningful. Management continually evaluates the usefulness, relevance, limitations, and calculation of our reported non-GAAP performance meas
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 ar
operations, or FFO, core funds from operations, or Core FFO, adjusted funds from operations, or AFFO, and net operating income, or 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 esta
dispositions, plus real estate depreciation and amortization and impairment charges (which we believe are not indicative of the performance of our operating portfolio). We calc
accordance with NAREIT's definition. Since FFO excludes depreciation and amortization, gains and losses from depreciable property dispositions, and impairments, it can provid
performance measure that, when compared year over year, reflects the impact on operations from trends in occupancy rates, rental rates, operating costs, acquisition, develop
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 calcul
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, 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, s
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 C
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 F
are non-GAAP and non-standardized measures and may be calculated differently by other peer companies.

Herein, we define NOI as operating revenues (rental income, tenant recoveries and other revenue) less operating expenses (real estate taxes, repairs and maintenance, marketing
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 amorti
demolition costs, amortization, depreciation, development-related marketing costs and Equity in earnings from Real Estate and Other Affiliates. We use NOI to evaluate our oper
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 b
our operating results, gross margins and investment returns. We believe that NOI is a useful supplemental measure of the performance of our Operating Assets because it provid
performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating real estate properties and the impa
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
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 pur
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
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 a reconciliation of our GAAP
Assets Earnings Before Taxes ("EBT") segment measure to NOI. Non-GAAP financial measures should not be considered independently, or as a substitute, for financial informatio
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 furni
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 practicabl
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, certain offic
shareholders on Forms 3, 4 and 5.

Howard Hughes.

T

Company Overview - 1Q18

Exchange / Ticker	NYSE: HHC
Share Price - March 31, 2018	$ 139.13
Diluted Earnings / Share	$ 0.03
FFO / Diluted Share	$ 0.68
Core FFO / Diluted Share	$ 1.02
AFFO / Diluted Share	$ 0.91

Recent Company Highlights

NEW YORK--(PRNewswire)--March 21, 2018-- Live Nation Entertainment, Inc. (N
Howard Hughes Corporation® (NYSE: HHC) announced today that the Pier 17 Ro
the Seaport District will be programmed exclusively by Live Nation. The highly ar
rooftop is a 3,400-standing, 2,400-seated capacity open-air venue which will fea
the Brooklyn Bridge, the Statue of Liberty, and the city skyline. The concert serie
New York's newest entertainment destination, with the musical lineup to be ann
stands as a prominent highlight of the revitalized district. The first two floors of
will include waterfront restaurants from culinary powerhouses such as Andrew
the Momofuku Group, and Jean-Georges Vongerichten. Pier 17 will also include
broadcast studios, which will launch in early April. Poised to become an iconic e
the Pier 17 rooftop will be one of the most unique venues in the world.

LAS VEGAS--(PRNewswire)--February 26, 2018-- The Howard Hughes Corporati
Vegas Convention and Visitors Authority (LVCVA), community leaders, Major Lea
executives, and hundreds of loyal fans broke ground on Friday, February 23 on t
10,000-person capacity baseball stadium that will be the future home of the Las
professional baseball team. The team, a member of the Pacific Coast League (PC
of the New York Mets, is wholly owned by The Howard Hughes Corporation.

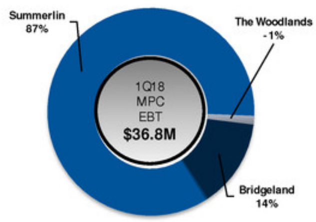
DALLAS--(BUSINESS WIRE)--February 23, 2018-- The Howard Hughes Corporati
announced today that it has repurchased 475,920 shares of its common stock, p
in a private transaction with an unaffiliated entity at a purchase price of $120.33
approximately $57,267,453 in the aggregate. The repurchase transaction was co
21, 2018, and was funded with cash on hand.

For more press releases, please visit www.howardhughes.com/

Operating Portfolio by Region

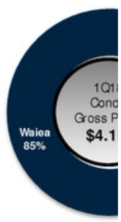
1Q18 MPC & Condominium Results

$ in millions



1Q18 MPC EBT	
Bridgeland	$5.3
Columbia	(0.1)
Summerlin	32.1
The Woodlands / The Woodlands Hills	(0.5)
Total	**$36.8**

$ in millions

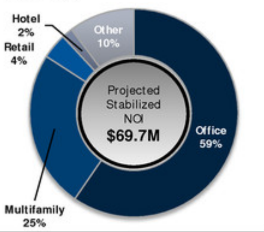


1Q18 Condo G
Waiea
Anaha
Ke Kilohana
Ae`o
Total

Path to Projected Annual Stabilized NOI

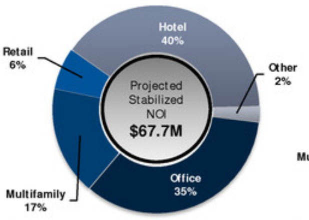
Currently Under Construction

$ in millions



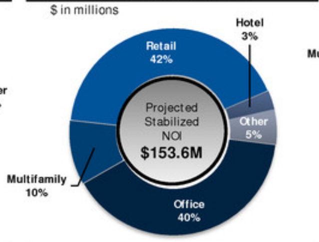
Currently Unstabilized

$ in millions



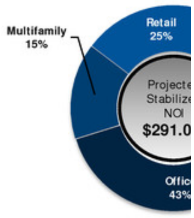
Currently Stabilized

$ in millions



Tota

$ in millions



	Currently Under Construction	Currently Unstabilized	Currently Stabilized	Tota
Retail & Office S.F.	2,330,200	1,205,435	5,149,157	
Multifamily Units	941	827	1,233	
Hotel Keys	66	705	205	
Other Units	-	1,438	-	
Projected Stabilized NOI	$69.7	$67.7	$153.6	

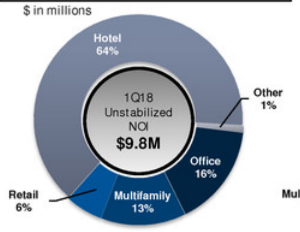
1Q18 - Operating Results by Property Type

Currently Under Construction

$ in millions

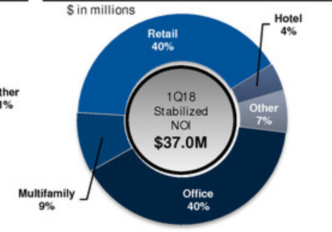
Currently Unstabilized

$ in millions



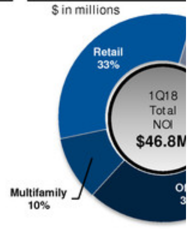
Currently Stabilized

$ in millions



Tota

$ in millions



Note: Path to Projected Annual Stabilized NOI charts exclude Seaport NOI until we have greater clarity with respect to the performance of our tenants; however, the operating portion of Se
1Q18 Operating Results by Property Type. See page 16 for Stabilized NOI Yield and other project information.

Company Profile	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Share price[1]	$139.13	$131.27	$117.93	$122.84	$117.25
Market Capitalization[2]	$6.0b	$5.9b	$5.1b	$5.3b	$5.1b
Enterprise Value[3]	$8.3b	$7.9b	$7.5b	$7.7b	$7.3b
Weighted avg. shares - basic (in thousands)	42,976	42,860	42,845	40,373	39,799
Weighted avg. shares - diluted (in thousands)	43,363	43,120	43,267	43,051	42,757
Total diluted share equivalents outstanding (in thousands)[1]	43,301	44,917	43,380	43,401	43,194
Earnings Profile (in thousands except for Avg. NOI margin)					
Operating Segment Income					
Revenues	$87,535	$80,727	$77,651	$79,643	$79,640
Expenses	($44,773)	($45,566)	($41,492)	($42,154)	($39,223)
Company's Share of Equity Method Investments NOI and Cost Basis Investment	$4,010	$1,084	$1,186	$1,385	$4,129
Net Operating Income[4]	$46,772	$36,245	$37,345	$38,874	$44,546
Avg. NOI margin	53%	45%	48%	49%	56%
MPC Segment Earnings					
Total revenues	$55,765	$87,832	$64,929	$78,076	$68,706
Total expenses[5]	($36,449)	($43,300)	($37,299)	($40,762)	($35,357)
Interest income, net[6]	$6,392	$6,390	$6,355	$5,990	$5,557
Equity in earnings in Real Estate and Other Affiliates	$11,128	$1,682	$6,480	$9,792	$5,280
MPC Segment EBT[6]	$36,836	$52,604	$40,465	$53,096	$44,186
Condo Gross Profit					
Revenues[7]	$10,837	$122,043	$113,852	$148,211	$80,145
Expenses[7]	($6,729)	($85,152)	($86,531)	($106,195)	($60,483)
Condo Net Income	$4,108	$36,891	$27,321	$42,016	$19,662
Debt Summary (in thousands except for percentages)					
Total debt payable[8]	$2,915,220	$2,877,789	$3,014,280	$3,023,122	$2,771,492
Fixed rate debt outstanding at end of period	$1,522,488	$1,526,875	$1,508,746	$1,514,192	$1,324,634
Weighted avg. rate - fixed	4.98%	5.04%	4.99%	5.06%	4.94%
Variable rate debt outstanding at end of period, excluding condominium financing	$1,299,119	$1,317,311	$1,310,265	$1,324,125	$1,309,169
Weighted avg. rate - variable	4.32%	4.10%	3.67%	3.64%	3.45%
Condominium debt outstanding at end of period	$93,613	$33,603	$195,269	$184,805	$137,689
Weighted avg. rate - condominium financing	5.78%	4.49%	7.98%	7.92%	7.68%
Leverage ratio (debt to enterprise value)	34.92%	36.20%	39.90%	39.10%	38.04%

(1) Presented as of period end date.
(2) Market capitalization = Closing share price at of the last trading day of the respective period times total diluted share equivalents outstanding as of the date presented.
(3) Enterprise Value = (Market capitalization+ book value of debt + noncontrolling interest) - cash and equivalents.
(4) Net Operating Income = Operating Assets NOI excluding properties sold or in redevelopment + Company's Share of Equity Method Investments NOI and the annual Distribution from our Cost B
(5) Expenses include both actual and estimated future costs of sales allocated on a relative sales value to land parcels sold, including MPC-level G&A and real estate taxes on remaining residenti
(6) MPC Segment EBT (Earnings before tax, as discussed in our GAAP financial statements), includes negative interest expense relating to capitalized interest for the segment relating to debt hel
(7) Revenues in the current period represent "Condominium rights and unit sales" and expenses represent "Condominium rights and unit cost of sales" as stated in our GAAP financial statements standard adopted January 1, 2018. Prior periods are presented based on the percentage of completion method ("POC").
(8) 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 issuanc

(In thousands, except share amounts)	Q1 2018	Q1 2017	FY 201
ASSETS	**Unaudited**	**Unaudited**	
Investment in real estate:			
Master Planned Community assets	$ 1,633,492	$ 1,672,484	$ 1,64
Buildings and equipment	2,365,773	2,131,973	2,23
Less: accumulated depreciation	(325,026)	(266,260)	(32
Land	273,444	314,259	27
Developments	1,412,153	994,864	1,19
Net property and equipment	5,359,836	4,847,320	5,03
Investment in Real Estate and Other Affiliates	85,911	70,381	7
Net investment in real estate	5,445,747	4,917,701	5,11
Cash and cash equivalents	632,838	541,508	86
Restricted cash	132,105	212,450	10
Accounts receivable, net	14,384	10,117	1
Municipal Utility District receivables, net	203,436	160,189	18
Notes receivable, net	8,310	60	
Deferred expenses, net	90,839	64,155	8
Prepaid expenses and other assets, net	210,327	501,962	37
Total Assets	**$ 6,737,986**	**$ 6,408,142**	**$ 6,72**
LIABILITIES AND EQUITY			
Liabilities			
Mortgages, notes and loans payable, net	$ 2,895,771	$ 2,750,254	$ 2,85
Deferred tax liabilities	143,581	210,043	16
Warrant liabilities	—	313,797	
Accounts payable and accrued expenses	619,271	516,742	52
Total Liabilities	**$ 3,658,623**	**$ 3,790,836**	**$ 3,54**
Equity			
Common stock: $.01 par value; 150,000,000 shares authorized, 43,491,595 shares issued and 42,986,302 outstanding as of March 31, 2018 and 43,300,253 shares issued and 43,270,880 outstanding as of December 31, 2017	436	404	
Additional paid-in capital	3,310,421	2,893,042	3,30
Accumulated deficit	(175,879)	(272,253)	(10
Accumulated other comprehensive loss	(797)	(6,428)	(
Treasury stock, at cost, 505,293 and 29,373 shares as of March 31, 2018 and December 31, 2017, respectively	(60,743)	(1,231)	(
Total stockholders' equity	3,073,438	2,613,534	3,18
Noncontrolling interests	5,925	3,772	
Total Equity	**$ 3,079,363**	**$ 2,617,306**	**$ 3,18**
Total Liabilities and Equity	**$ 6,737,986**	**$ 6,408,142**	**$ 6,72**
Share Count Details (in thousands)			
Shares outstanding at end of period (including restricted stock)	42,986	40,312	4
Dilutive effect of stock options[1]	146	241	
Dilutive effect of warrants[2]	169	2,641	
Total Diluted Share Equivalents Outstanding	**43,301**	**43,194**	**4**

[(1)] Stock options assume net share settlement calculated for the year-to-date period presented.

[(2)] Warrants assume net share settlement and incremental shares for dilution calculated as of the date presented.

(In thousands, except per share amounts)	Q1 2018	Q1 2017	FY 2017	F
Revenues:	Unaudited	Unaudited		
Condominium rights and unit sales	$ 10,837	$ 80,145	$ 464,251	$
Master Planned Community land sales	46,565	53,481	248,595	
Minimum rents	49,395	46,326	183,025	
Tenant recoveries	12,760	11,399	45,814	
Hospitality revenues	23,061	19,711	76,020	
Builder price participation	5,081	4,661	22,835	
Other land revenues	4,131	10,582	28,166	
Other rental and property revenues	9,849	5,457	31,414	
Total revenues	**161,679**	**231,762**	**1,100,120**	
Expenses:				
Condominium rights and unit cost of sales	6,729	60,483	338,361	
Master Planned Community cost of sales	26,043	25,869	121,116	
Master Planned Community operations	10,325	9,394	38,777	
Other property operating costs	23,175	18,508	91,729	
Rental property real estate taxes	8,127	7,537	29,185	
Rental property maintenance costs	3,197	3,028	13,432	
Hospitality operating costs	15,567	13,845	56,362	
Provision for doubtful accounts	776	535	2,710	
Demolition costs	6,671	65	1,923	
Development-related marketing costs	6,078	4,205	20,504	
General and administrative	24,264	18,117	89,882	
Depreciation and amortization	28,188	25,524	132,252	
Total expenses	**159,140**	**187,110**	**936,233**	
Operating income before other items	**2,539**	**44,652**	**163,887**	
Other:				
Provision for impairment	—	—	—	
Gains on sales of properties	—	32,215	51,367	
Other income, net	—	687	3,248	
Total other	**—**	**32,902**	**54,615**	
Operating Income	**2,539**	**77,554**	**218,502**	
Interest income	2,076	622	4,043	
Interest expense	(16,609)	(17,858)	(64,568)	
Loss on redemption of senior notes due 2021	—	(46,410)	(46,410)	
Warrant liability loss	—	(12,562)	(43,443)	
Gain on acquisition of joint venture partner's interest	—	5,490	23,332	
Gain (loss) on disposal of operating assets	—	—	3,868	
Equity in earnings from Real Estate and Other Affiliates	14,386	8,520	25,498	
Income before taxes	2,392	15,356	120,822	
Benefit (Provision) for income taxes	(558)	(9,697)	45,801	
Net income	1,834	5,659	166,623	
Net loss (income) attributable to noncontrolling interests	(360)	—	1,781	
Net income attributable to common stockholders	**$ 1,474**	**$ 5,659**	**$ 168,404**	$
Basic income per share	**$ 0.03**	**$ 0.14**	**$ 4.07**	$
Diluted income per share	**$ 0.03**	**$ 0.13**	**$ 3.91**	$

(In thousands, except per share amounts)		Q1 2018		Q1 2017		FY 2017
RECONCILIATION OF NET INCOME TO FFO						
Net income attributable to common shareholders	$	1,474	$	5,659	$	168,404
Add:						
Segment real estate related depreciation and amortization		26,319		23,549		123,954
(Gain) loss on disposal of operating assets		—		—		(3,868)
Gains on sales of properties		—		(32,215)		(51,367)
Income tax expense (benefit) adjustments - deferred						
(Gain) loss on disposal of operating assets		—		—		1,424
Gains on sales of properties		—		12,081		19,127
Impairment of depreciable real estate properties		—		—		—
Reconciling items related to noncontrolling interests		360		—		(1,781)
Our share of the above reconciling items included in earnings from unconsolidated joint ventures		1,513		830		4,385
FFO	$	29,666	$	9,904	$	260,278
Adjustments to arrive at Core FFO:						
Acquisition expenses	$	—	$	32	$	109
Loss on redemption of senior notes due 2021		—		46,410		46,410
Gain on acquisition of joint venture partner's interest		—		(5,490)		(23,332)
Warrant loss		—		12,562		43,443
Severance expenses		261		828		2,525
Non-real estate related depreciation and amortization		1,869		1,975		8,298
Straight-line amortization		(3,340)		1,961		(7,782)
Deferred income tax expense (benefit)		246		(3,193)		(64,014)
Non-cash fair value adjustments related to hedging instruments		216		(198)		905
Share based compensation		2,526		1,906		8,211
Other non-recurring expenses (development related marketing and demolition costs)		12,749		4,270		22,427
Our share of the above reconciling items included in earnings from unconsolidated joint ventures		94		75		502
Core FFO	$	44,287	$	71,042	$	297,980
Adjustments to arrive at AFFO:						
Tenant and capital improvements	$	(4,532)		(4,328)	$	(15,803)
Leasing Commissions		(399)		(686)		(2,995)
AFFO	$	39,356	$	66,028	$	279,182
FFO per diluted share value	$	0.68	$	0.23	$	6.04
Core FFO per diluted share value	$	1.02	$	1.66	$	6.92
AFFO per diluted share value	$	0.91	$	1.54	$	6.48

Howard Hughes

Dollars in thousands

Property	% Ownership (a)	Total		1Q18 Occupied (#)		1Q18 Leased (#)		1Q18 Occupied (%)		1Q18 Leased (%)		1Q18 Annualize NOI (b)
		Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units	
Stabilized Properties												
Office - Houston	100%	1,477,006	—	1,396,543	—	1,428,129	—	95%	—	97%	—	$38,6
Office - Columbia	100%	1,049,724	—	973,706	—	996,139	—	93%	—	95%	—	$14,9
Office - Summerlin	100%	206,279	—	197,963	—	201,138	—	96%	—	98%	—	$5,3
Retail - Houston	100%	292,651	—	284,169	—	285,603	—	97%	—	98%	—	$9,5
Retail - Columbia	100%	89,199	—	89,199	—	89,199	—	100%	—	100%	—	$2,0
Retail - Hawaii	100%	918,669	—	815,308	—	876,782	—	89%	—	95%	—	$19,2
Retail - Other	100%	264,971	—	259,299	—	264,179	—	98%	—	100%	—	$6,8
Retail - Summerlin	100%	824,067	—	728,974	—	783,378	—	88%	—	95%	—	$21,8
Multi-Family - Houston	100%	—	707	—	684	—	702	—	97%	—	99%	$7,6
Multi-Family - Columbia (d)	50%	13,591	380	13,591	342	13,591	356	100%	90%	100%	94%	$2,6
Multi-Family - New York (d)	100%	13,000	22	13,000	20	13,000	21	100%	91%	100%	95%	$4
Multi-Family - Summerlin	100%	—	124	—	117	—	123	—	94%	—	99%	$2,7
Hospitality - Houston	100%	—	205	—	166	—	—	—	81%	—	81%	$6,1
Other Assets (e)	—	—	—	—	—	—	—	—	—	—	—	$8,3
Total Stabilized Properties (f)												**$146,7**
Unstabilized Properties												
Office - Houston	100%	652,569	—	386,437	—	426,182	—	59%	—	65%	—	$5,5
Office - Columbia	100%	331,223	—	210,261	—	241,277	—	63%	—	73%	—	$1,3
Retail - Houston (g)	100%	83,497	—	62,452	—	67,138	—	75%	—	80%	—	$1,1
Retail - Hawaii	100%	86,337	—	62,371	—	71,380	—	72%	—	83%	—	$1,1
Multi-Family - Houston	100%	23,280	390	21,552	380	23,126	386	93%	97%	99%	99%	$6,5
Multi-Family - Columbia	50%	28,529	437	—	97	—	122	0%	22%	0%	28%	($3
Hospitality - Houston	100%	—	705	—	453	—	453	—	64%	—	64%	$25,3
Self Storage - Houston	100%	—	1,438	—	551	—	551	—	38%	—	38%	$2
Total Unstabilized Properties												**$40,8**
Under Construction Properties												
Office - Houston	100%	203,000	—	—	—	203,000	—	—	—	100%	—	
Office - Columbia	100%	320,000	—	—	—	150,000	—	—	—	47%	—	
Office - Summerlin	100%	325,000	—	—	—	216,250	—	—	—	67%	—	
Office - Other	33%	1,400,000	—	—	—	493,797	—	—	—	38%	—	
Retail - Houston	100%	60,300	—	—	—	45,000	—	—	—	75%	—	
Retail - Hawaii	100%	21,900	—	—	—	21,900	—	—	—	100%	—	
Multi-Family - Houston	100%	—	292	—	—	—	—	—	—	—	—	
Multi-Family - Columbia	100%	—	382	—	—	—	—	—	—	—	—	
Multi-Family - Summerlin	100%	—	267	—	—	—	—	—	—	—	—	
Hospitality - New York	35%	—	66	—	—	—	—	—	—	—	—	
Other - Summerlin	100%	—	—	—	—	—	—	—	—	—	—	
Total Under Construction Properties												
Total/ Wtd. Avg. for Portfolio												**$187,6**

Notes

(a) Includes our share of NOI for our joint ventures.

(b) Annualized 1Q18 NOI includes distribution received from cost method investment in 1Q18. For purposes of this calculation, this one time annual distribution is not annualized.

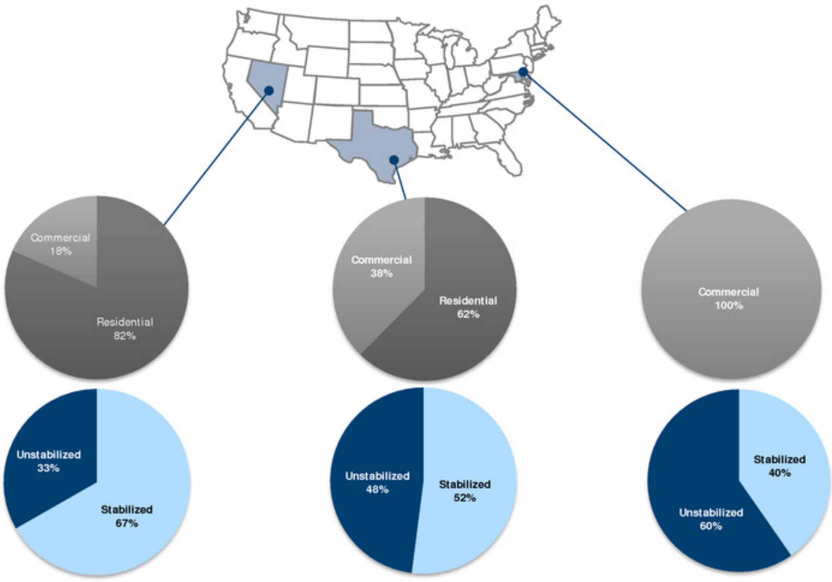
(c) Table above excludes Seaport NOI until we have greater clarity with respect to the performance of our tenants. See page 16 for Stabilized NOI Yield and other project information.

(d) Multi-Family square feet represent ground floor retail whereas multi-family units represent residential units for rent.

(e) Other assets are primarily made up our share of equity method investments not included in other categories. These assets can be found on page 14 of this presentation.

(f) For Stabilized Properties, the difference between 1Q18 Annualized NOI and Stabilized NOI is attributable to a number of factors which may include timing, free rent or other temporary abatements, te

(g) Retail - Houston in the Unstabilized Properties section is inclusive of retail in Bridgeland.



Master Planned Communities - Remaining Saleable Acres (a)

Income Producing Assets - Stabilized & Unstabilized

($ in thousands)	Nevada	Texas	Maryland
MPC Performance - 1Q18 & 1Q17			
MPC Net Contribution (1Q18) (b)	$13,819	($7,810)	($160)
MPC Net Contribution (1Q17) (b)	$20,395	$2,487	($303)
Operating Asset Performance - 2018 & Future			
Annualized 1Q18 In-Place NOI	$33,815	$105,140	$20,722
Est. Stabilized NOI (Future) (d)	$57,124	$130,432	$52,057
Wtd. Avg. Time to Stab. (yrs.)	1.6	1.9	4.2

Note

(a) Commercial acres may be developed internally or sold.
(b) Reconciliation from GAAP MPC segment earnings before tax (EBT) measure to MPC Net Contribution for the three months ended March 31, 2018 is found under Reconciliation of Non-C
(c) Total excludes NOI from non-core operating assets, and NOI from core assets within Hawaii 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.

Howard Hughes.

	MPC Regions						Non-MPC Regi	
	Woodlands Houston, TX	Woodlands Hills Houston, TX	Bridgeland Houston, TX	Summerlin Las Vegas, NV	Columbia Columbia, MD	Total MPC Regions	Hawaii Honolulu, HI	Seaport New York, NY
Operating - Stabilized Properties								
Office s.f.	1,477,006	-	-	206,279	1,049,724	2,733,009	-	-
Retail s.f.	292,651	-	-	824,067	102,790	1,219,508	918,669	-
Multifamily units	707	-	-	124	380	1,211	-	22
Hotel Rooms	205	-	-	-	-	205	-	-
Self Storage Units	-	-	-	-	-	-	-	-
Operating - Unstabilized Properties								
Office s.f.	652,569	-	-	-	331,223	983,792	-	-
Retail s.f. (a)	23,280	-	83,497	-	28,529	135,306	86,337	-
Multifamily units	390	-	-	-	437	827	-	-
Hotel rooms	705	-	-	-	-	705	-	-
Self Storage Units	1,438	-	-	-	-	1,438	-	-
Operating - Under Construction Properties								
Office s.f.	203,000	-	-	325,000	320,000	848,000	-	-
Retail s.f. (b)	60,300	-	-	-	-	60,300	21,900	-
Multifamily units	292	-	-	267	382	941	-	-
Hotel rooms	-	-	-	-	-	-	-	66
Self Storage Units	-	-	-	-	-	-	-	-
Residential Land								
Total gross acreage/condos (c)	28,475 ac.	2,055 ac.	11,470 ac.	22,500 ac.	16,450 ac.	80,950 ac.	1,381	n.a.
Current Residents (c)	116,000	-	8,800	108,000	112,000	344,800	n.a.	n.a.
Remaining saleable acres/condos	223	1,414	2,425	3,523	n.a.	7,585	56	n.a.
Estimated price per acre (d)	$697	$270	$369	$647	n.a.		n.a.	n.a.
Commercial Land								
Total acreage remaining	743	171	1,535	793	97	3,339	n.a.	n.a.
Estimated price per acre (e)	$945	$552	$470	$759	$576		n.a.	n.a.

Notes

Portfolio Key Metrics herein include square feet, units and rooms included in joint venture projects. Sq. ft. and units are not shown at share.

(a) Retail s.f. within the Summerlin region excludes 381,767 sq. ft. of anchors.

(b) Retail s.f. within New York region excludes Pier 17 and Uplands, pending final plans for this project.

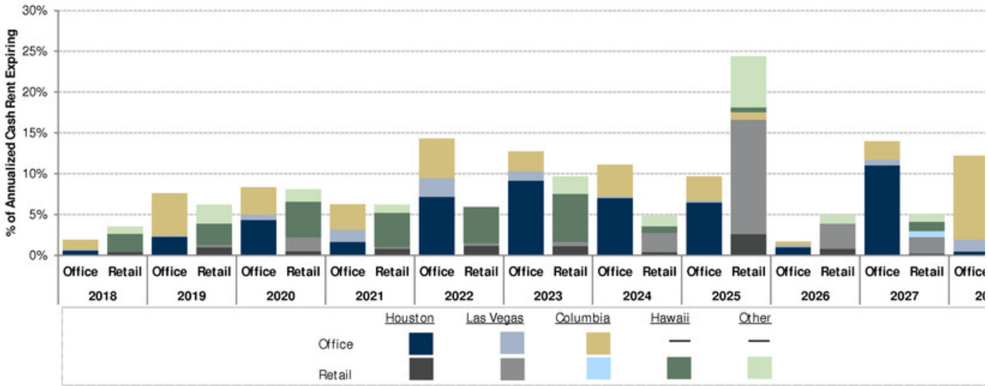
(c) Acreage and current residents shown as of December 31, 2017.

(d) Residential pricing represents average price per acre achieved in 1Q18.

(e) Commercial pricing represents average price per acre in 2017. These estimates of current value are based upon recent sales, third party appraisals and third party MPC experts.

Office and Retail Lease Expirations

Total Office and Retail Portfolio as of March 31, 2018



Expiration Year	Office Expirations: Annualized Cash Rent ($ in thousands)	Office Expirations: Percentage of Annualized Cash Rent	Office Expirations: Wtd. Avg. Annualized Cash Rent Per Leased Sq. Ft.	Retail Expirations: Annualized Cash Rent ($ in thousands)	Retail Expirations: Percentage of Annualized Cash Rent	Retail Expirations: Wtd. Avg. Annualized Cash Rent Per Leased Sq Ft.
2018	$1,974	1.94%	$31.50	$3,754	3.55%	$39.5
2019	7,746	7.63%	29.58	6,586	6.22%	41.3
2020	8,499	8.37%	30.65	8,559	8.09%	53.0
2021	6,377	6.28%	32.37	6,600	6.24%	27.2
2022	14,559	14.33%	32.77	6,260	5.92%	48.4
2023	12,922	12.72%	29.83	10,255	9.69%	52.9
2024	11,290	11.11%	29.70	5,154	4.87%	36.9
2025	9,864	9.71%	33.73	25,802	24.38%	55.2
2026	1,739	1.71%	33.29	5,294	5.00%	36.8
2027	14,204	13.98%	28.95	5,376	5.08%	40.9
Thereafter	12,405	12.21%	44.13	22,179	20.96%	25.3
Total	**$101,578**	**100.00%**		**$105,819**	**100.00%**	

Dollars in thousands

Property	Location	% Ownership	Rentable Sq. Ft. / Units	1Q18 % Occ.	1Q18 % Leased	Annualized 1Q18 NOI
Office						
3 Waterway Square	Houston, TX	100%	232,021	100%	100%	$7,018
4 Waterway Square	Houston, TX	100%	218,551	100%	100%	6,735
1400 Woodloch Forest	Houston, TX	100%	95,667	97%	97%	2,075
1735 Hughes Landing Boulevard	Houston, TX	100%	318,170	100%	100%	7,251
2201 Lake Woodlands Drive	Houston, TX	100%	24,119	0%	100%	(46)
3831 Technology Forest	Houston, TX	100%	95,078	100%	100%	2,371
9303 New Trails	Houston, TX	100%	97,967	57%	63%	1,031
One Hughes Landing	Houston, TX	100%	197,719	99%	100%	6,440
Two Hughes Landing	Houston, TX	100%	197,714	95%	95%	5,825
10-70 Columbia Corporate Center	Columbia, MD	100%	889,079	92%	94%	11,826
Columbia Office Properties	Columbia, MD	100%	62,038	100%	100%	1,311
One Mall North	Columbia, MD	100%	98,607	97%	97%	1,856
One Summerlin	Las Vegas, NV	100%	206,279	96%	98%	5,366
Total Office			**2,733,009**			**$59,059**
Retail						
20/25 Waterway Avenue	Houston, TX	100%	50,062	100%	100%	$2,013
1701 Lake Robbins	Houston, TX	100%	12,376	100%	100%	444
2000 Woodlands Parkway	Houston, TX	100%	7,900	100%	100%	(29)
Creekside Village Green	Houston, TX	100%	74,669	91%	93%	2,093
Hughes Landing Retail	Houston, TX	100%	126,131	99%	99%	4,375
Waterway Garage Retail	Houston, TX	100%	21,513	100%	100%	658
Columbia Regional	Columbia, MD	100%	89,199	100%	100%	2,086
Ward Village Retail	Honolulu, HI	100%	918,669	89%	95%	19,297
Downtown Summerlin	Las Vegas, NV	100%	824,067	88%	95%	21,845
Outlet Collection at Riverwalk	New Orleans, LA	100%	264,971	98%	100%	6,861
Total Retail			**2,389,557**			**$59,643**

Dollars in thousands

Property	Location	% Ownership	Rentable Sq. Ft. / Units	1Q18 % Occ.	1Q18 % Leased	Annualized 1Q18 NOI
Residential						
Millennium Six Pines Apartments	Houston, TX	100%	314	98%	99%	$4,118
Millennium Waterway Apartments	Houston, TX	100%	393	96%	99%	3,483
The Metropolitan	Columbia, MD	50%	13,591 / 380	100% / 90%	100% / 94%	2,682
Constellation	Las Vegas, NV	100%	124	94%	99%	2,774
85 South Street	New York, NY	100%	13,000 / 22	100% / 91%	100% / 95%	418
Total Residential			**26,591 / 1,233**			**$13,475**
Hotel						
Embassy Suites at Hughes Landing (a)	Houston, TX	100%	205	81%	NA	$6,173
Total Hotel			**205**			**$6,173**
Other						
Sarofim Equity Investment	Houston, TX	20%	NA	NA	NA	$2,074
Stewart Title of Montgomery County, TX	Houston, TX	50%	NA	NA	NA	514
Woodlands Ground Leases	Houston, TX	100%	NA	NA	NA	1,617
Hockey Ground Lease	Las Vegas, NV	100%	NA	NA	NA	490
Summerlin Hospital Distribution	Las Vegas, NV	5%	NA	NA	NA	3,435
Other Assets	Various	100%	NA	NA	NA	239
Total Other			**NA**	**NA**	**NA**	**$8,369**
Total Stabilized						**$146,719**

Notes
(a) Hotel property Percentage Occupied is the average for 1Q18.

Dollars in thousands

Project Name	Location	% Ownership	Rentable Sq. Ft. / Units	1Q18 % Occ. (a)	1Q18 % Leased (a)	Develop. Costs Incurred	Est. Total Cost (Excl. Land)	Annualized 1Q18 NOI
Office								
Three Hughes Landing	Houston, TX	100%	320,815	48%	60%	$69,650	$90,162	$61
1725 Hughes Landing	Houston, TX	100%	331,754	70%	70%	54,847	74,994	5,500
One Merriweather	Columbia, MD	100%	206,588	67%	82%	68,701	78,187	1,530
Two Merriweather	Columbia, MD	100%	124,635	58%	58%	29,399	40,941	(220)
Total Office			**983,792**			**$222,597**	**$284,284**	**$6,871**
Retail								
Lakeland Village Center at Bridgeland	Houston, TX	100%	83,497	75%	80%	$15,779	$15,779	$1,149
Anaha - Retail (c)	Honolulu, HI	100%	16,137	21%	59%	—	—	86
Ae`o - Retail (c)	Honolulu, HI	100%	70,200	84%	88%	—	—	1,035
Total Retail			**169,834**			**$15,779**	**$15,779**	**$2,270**
Residential								
One Lakes Edge	Houston, TX	100%	23,280 / 390	93% / 97%	99% / 99%	$81,729	$81,729	$6,563
m.flats / TEN.M (d)	Columbia, MD	50%	28,529 / 437	0% / 22%	0% / 28%	50,655	54,673	(347)
Total Residential			**51,809 / 827**	**42% / 58%**	**45% / 61%**	**$132,384**	**$136,402**	**$6,216**
Hotel								
The Woodlands Resort & Conference Center	Houston, TX	100%	403	56%	NA	$72,360	$72,360	$15,918
The Westin at The Woodlands	Houston, TX	100%	302	75%	NA	92,211	97,380	9,391
Total Hotel			**705**			**$164,571**	**$169,740**	**$25,309**
Other								
HHC 242 Self-Storage	Houston, TX	100%	654	45%	45%	$8,174	$8,607	$103
HHC 2978 Self-Storage	Houston, TX	100%	784	33%	33%	7,778	8,476	127
Total Other			**1,438**			**$15,952**	**$17,083**	**$230**
Total Unstabilized						**$551,283**	**$623,288**	**$40,896**

Notes

(a) With the exception of Hotel properties, Percentage Occupied and Percentage Leased are as of March 31, 2018. Each Hotel property Percentage Occupied is the average for 1Q18.

(b) Company estimates of stabilized NOI are based on current leasing velocity, excluding inflation and organic growth.

(c) Condominium retail Develop. Cost Incurred and Est. Total Costs (Excl. Land) are combined with their respective condominium costs on page 19 of this supplement.

(d) Total Develop. Costs Incurred, Est. Total Cost (Excl. Land), and Est. Stabilized NOI are shown at share.

Dollars in thousands, except per sq. ft. and unit amounts

Owned & Managed

Project Name	City, State	% Ownership	Est. Rentable Sq. Ft.	Percent Pre-Leased[1]	Project Status	Const. Start Date	Est. Stabilized Date[2]	Develop. Costs Incurred	Est. Total Cost (Excl. Land)
Office									
110 North Wacker[3]	Chicago, IL	33%	1,400,000	38%	Under construction	Q1 2018	2023	$39,033	$48,918
100 Fellowship Dr	Houston, TX	100%	203,000	100%	Under construction	Q2 2017	Q4 2019	22,016	63,278
Aristocrat	Las Vegas, NV	100%	180,000	100%	Under construction	Q2 2017	Q1 2019	14,789	46,661
Two Summerlin	Las Vegas, NV	100%	145,000	25%	Under construction	Q2 2017	2020	18,124	49,320
Three Merriweather	Columbia, MD	100%	320,000	50%	Pending construction	Q1 2018	2023	5,694	138,221
Total Office			**2,248,000**					**$99,656**	**$346,398**
Retail									
Seaport - Uplands / Pier 17[4]	New York, NY	100%	449,527	60%	Under construction	Q4 2013	Q1 2021	$464,156	$731,000
Lake Woodlands Crossing	Houston, TX	100%	60,300	75%	Under construction	Q4 2017	Q4 2020	2,777	15,381
Total Retail			**509,827**					**$466,933**	**$746,381**
Other									
Summerlin Ballpark[5]	Las Vegas, NV	100%	n.a.	n.a.	Under construction	Q1 2018	2019	$3,475	$114,670
Total Other								**$3,475**	**$114,670**

Project Name	City, State	% Ownership	Est. Number of Units	Monthly Est. Rent Per Unit	Project Status	Const. Start Date	Est. Stabilized Date[2]	Develop. Costs Incurred	Est. Total Cost (Excl. Land)
Multifamily									
Columbia Multifamily	Columbia, MD	100%	382	$2,053	Pending construction	Q2 2018	2023	$7,385	$116,386
Creekside Apartments	Houston, TX	100%	292	$1,538	Under construction	Q1 2017	Q4 2019	21,099	42,111
Downtown Summerlin Apartments	Las Vegas, NV	100%	267	$1,924	Under construction	Q1 2018	Q3 2020	5,582	59,276
Total Multifamily			**941**					**$34,066**	**$217,773**
Total Under Construction								**$604,130**	**$1,425,222**

(1) Represents leases signed as of March 31, 2018 and is calculated as the total leased square feet divided by total leasable square feet, expressed as a percentage.

(2) Represents management's estimate of the first quarter of operations in which the asset may be stabilized.

(3) 110 North Wacker Est. Total Cost (Excl. Land) represents HHC's total cash equity requirement. Develop. Costs Incurred represent HHC's equity in the project as of March 31, 2018. Stabilized NOI 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.

(4) Seaport - Uplands / Pier 17 Estimated Rentable sq. ft. and costs are inclusive of the Tin Building, the plans for which are being finalized. Develop. Costs Incurred and Est. Total Costs are shown approximately $55 million.

(5) Est. Total Cost (Excl. Land) and Stabilized NOI Yield are exclusive of $27 million of costs to aquire the franchise.

In thousands, except rentable SF / Units / Acres

1Q18 Acquisitions

Date Acquired	Property	% Ownership	Location	Rentable SF / Units / Acres	A

No acquisition activity in 1Q18

1Q18 Dispositions

Date Sold	Property	% Ownership	Location	Rentable SF / Units / Acres

No disposition activity in 1Q18

Dollars in thousands	Woodlands 1Q2018	Woodlands 1Q2017	Woodlands Hills 1Q2018	Woodlands Hills 1Q2017	Bridgeland 1Q2018	Bridgeland 1Q2017	Summerlin 1Q2018	Summerlin 1Q2017	Ma 1Q2018
Revenues:									
Residential land sale revenues	$5,639	$2,361	$2,854	$ —	$5,419	$7,256	$32,638	$38,536	$ —
Commercial land sale revenues	—	3,799	—	—	2	1,467	13	62	—
Builder price participation	16	274	—	—	96	15	4,969	4,372	—
Other land sale revenues	1,196	1,909	2	10	32	6,629	2,561	2,014	327
Total revenues	**$6,851**	**$8,343**	**$2,856**	**$10**	**$5,549**	**$15,367**	**$40,181**	**$44,984**	**$327**
Expenses:									
Cost of sales - residential land	($2,846)	($1,127)	($1,524)	$ —	($1,474)	($2,251)	($20,192)	($21,140)	$ —
Cost of sales - commercial land	—	(900)	—	—	(1)	(424)	(7)	(27)	—
Real estate taxes	(1,519)	(1,264)	(85)	(75)	(460)	(331)	(623)	(590)	(153
Land sales operations	(2,854)	(3,005)	(417)	(62)	(1,293)	(1,372)	(2,596)	(2,410)	(321
Depreciation and amortization	(35)	(31)	—	—	(24)	(35)	(21)	(23)	(1
Total Expenses	**($7,254)**	**($6,327)**	**($2,026)**	**($137)**	**($3,252)**	**($4,413)**	**($23,439)**	**($24,190)**	**($475**
Net interest capitalized (expense)	(1,108)	(912)	195	142	2,964	2,462	4,341	3,868	—
Equity in earnings from real estate affiliates	—	—	—	—	—	—	11,128	5,280	—
EBT	**($1,511)**	**$1,104**	**$1,025**	**$15**	**$5,261**	**$13,416**	**$32,211**	**$29,942**	**($148**
Key Performance Metrics:									
Residential									
Total acres closed in current period	8.1	4.5	10.6	—	14.7	18.6	44.7	37.7	NM
Price per acre achieved	$697	$525	$270	NM	$369	$390	$647	$697	NM
Avg. gross margins	50%	52%	47%	NM	73%	69%	38%	45%	NM
Commercial									
Total acres closed in current period	—	10.4	—	—	—	—	—	—	—
Price per acre achieved	NM	$365	NM	NM	NM (a)	NM (a)	NM (a)	NM (a)	NM
Avg. gross margins	NM	76%	NM	NM	50%	71%	46%	56%	NM
Avg. combined before-tax net margins	**50%**	**67%**	**47%**	**NM**	**73%**	**69%**	**38%**	**45%**	**NM**

Key Valuation Metrics:	Woodlands	Woodlands Hills	Bridgeland	Summerlin	Ma
Remaining saleable acres					
Residential	223	1,414	2,425	3,523	
Commercial	743	171	1,535	793	
Projected est. % superpads / lot size	0% / —	0% / —	0% / —	88% / 0.25 ac	
Projected est. % single-family detached lots / lot size	70% / 0.29 ac	87% / 0.29 ac	89% / 0.16 ac	0% / —	
Projected est. % single-family attached lots / lot size	30% / 0.08 ac	13% / 0.13 ac	10% / 0.12 ac	0% / —	
Projected est. % custom homes / lot size	0% / —	0% / —	1% / 1.0 ac	12% / 0.45 ac	
Estimated builder sale velocity (blended total - TTM) (c)	32	—	47	102	
Gross margin range (GAAP), net of MUDs (d)	50.0%	47.0%	73.0%	38.0%	4
Gross margin range (Cash), net of MUDs (d)	99.4%	85.9%	75.4%	75.4%	
Residential sellout / Commercial buildout date estimate					
Residential	2023	2029	2034	2039	
Commercial	2026	2028	2045	2039	

Notes

(a) Price per acre achieved is not applicable as commercial land sale revenues represent deferred income.

(b) Does not include 31 commercial acres held in the Strategic Development segment in Downtown Columbia.

(c) Represents the average monthly builder homes sold over the last twelve months ended March 31, 2018.

(d) 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 deferre 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 a projected development costs, net of expected reimbursable costs, and capitalized overhead, taxes and interest.

(e) Represents commercial sale gross margin from 4Q17.

	Waiea (a)	Anaha (b)	Ae'o	Ke Kilohana (c)	
Key Metrics					
Type of building	Ultra-Luxury	Luxury	Upscale	Workforce	
Number of units	174	317	466	424	
Avg. unit s.f.	2,174	1,417	836	694	
Condo s.f.	378,238	449,205	389,368	294,273	
Street retail s.f.	8,200	16,100	68,300	21,900	
Stabilized retail NOI ($ in thousands)	$453	$1,152	$1,557	$1,081	
Stabilization year	2017	2019	2019	2020	
Development progress					
Status	Opened	Opened	U/C	U/C	
Start date (actual or est.)	2Q14	4Q14	1Q16	4Q16	
Completion date (actual or est.)	Complete	Complete	1Q19	2019	
Total development cost ($m)	$424.6	$401.3	$428.5	$218.9	
Cost-to-date ($m)	$394.2	$376.5	$281.8	$80.5	
Remaining to be funded ($m)	$30.4	$24.8	$146.7	$138.4	
Financial Summary (Dollars in thousands, except per sq. ft.)					
Units closed (through 1Q18)	160	310	—	—	
Units under contract (through 1Q18)	6	2	452	395	
Total % of units closed or under contract	95.4%	98.4%	97.0%	93.2%	
Units closed (current quarter)	1	3	—	—	
Units under contract (current quarter)	n.a.	n.a.	30	5	
Square footage closed or under contract (total)	346,611	430,391	372,073	264,488	
Total % square footage closed or under contract	91.6%	95.8%	95.6%	89.9%	
Target condo profit margin at completion (excl. land cost)	—	—	—	—	
Total cash received (closings & deposits)	—	—	—	—	
Total GAAP revenue recognized	—	—	—	—	
Expected avg. price per sq. ft.	$1,900 - $1,950	$1,100 - $1,150	$1,300 - $1,350	$700 - $750	$1,3
Expected construction costs per retail sq. ft.	—	—	—	—	
Deposit Reconciliation (Dollars in thousands)					
Deposits from sales commitment					
spent towards construction	$117,916	$79,872	$68,185	$19,849	
held for future use (d)	$13,792	$2,784	$48,416	$408	
Total deposits from sales commitment	**$131,708**	**$82,656**	**$116,601**	**$20,257**	

Notes

(a) We began delivering units at Waiea in November 2016. As of March 31, 2018, we've closed 160 units, we have 6 under contract, and 8 units remaining to be sold.
(b) We began delivering units at Anaha in October 2017. As of March 31, 2018, we've closed 310 units, we have 2 under contract, and 5 units remaining to be sold.
(c) Ke Kilohana consists of 375 workforce units and 49 market rate units.
(d) Total deposits held for future use are shown in Restricted Cash on the balance sheet.
U/C = Under Construction

Property Name	City, State	% Own	Acres	Notes
Planned Future Development				
The Elk Grove Collection	Elk Grove, CA	100%	64	Plan to build a 400,000 Sq. Ft. outlet retail center. Sold 36 acres for $36 million in total 2017.
Landmark Mall	Alexandria, VA	100%	33	Plan to transform the mall into an open-air, mixed-use community. In January 2017, w 11.4 acre Macy's site for $22.2 million.
Cottonwood Mall	Holladay, UT	100%	54	Under contract to sell in separate parcels. First closing expected in 2018.
Circle T Ranch and Power Center	Westlake, TX	50%	207	50/50 joint venture with Hillwood Development Company. In 2016, the joint venture sol an affiliate of Charles Schwab Corporation.
West Windsor	West Windsor, NJ	100%	658	Zoned for approximately 6 million square feet of commercial uses.
AllenTowne	Allen, TX	100%	238	Located 27 miles north of Downtown Dallas. Agricultural property tax exemptions are i most of the property, which reduces carrying costs.
Bridges at Mint Hill	Charlotte, NC	91%	210	Zoned for approximately 1.3 million square feet of commercial uses.
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.

(In thousands)		March 31, 2018		December 31, 2017
Fixed-rate debt:				
Unsecured 5.375% Senior Notes	$	1,000,000	$	1,000,000
Secured mortgages, notes and loans payable		497,960		499,299
Special Improvement District bonds		24,528		27,576
Variable-rate debt:				
Mortgages, notes and loans payable, excluding condominium financing (a)		1,299,119		1,317,311
Condominium financing (a)		93,613		33,603
Mortgages, notes and loans payable	$	2,915,220	$	2,877,789
Unamortized bond issuance costs		(6,701)		(6,898)
Deferred financing costs, net		(12,748)		(12,946)
Total consolidated mortgages, notes and loans payable	$	2,895,771	$	2,857,945
Total unconsolidated mortgages, notes and loans payable at pro-rata share	$	86,827	$	84,983
Total Debt	**$**	**2,982,598**	**$**	**2,942,928**

Net Debt on a Segment Basis, at share as of March 31, 2018

(In thousands) Segment Basis (b)		Master Planned Communities		Operating Assets		Strategic Developments		Segment Totals		Se An
Mortgages, notes and loans payable, excluding condominium financing (b)	$	235,045	$	1,636,759	$	11,116	$	1,882,920	$	
Condominium financing		—		—		93,613		93,613		
Less: cash and cash equivalents (b)		(104,427)		(72,703)		(33,393)		(210,523)		
Special Improvement District receivables		(26,371)		—		—		(26,371)		
Municipal Utility District receivables		(203,436)		—		—		(203,436)		
Net Debt	**$**	**(99,189)**	**$**	**1,564,056**	**$**	**71,336**	**$**	**1,536,203**	**$**	

Consolidated Debt Maturities and Contractual Obligations by Extended Maturit

(In thousands)		1 year		1-3 years		3-5 years		5 years a
Mortgages, notes and loans payable	$	89,556	$	936,892	$	528,415	$	
Interest Payments		137,438		354,602		158,768		
Ground lease and other leasing commitments		8,769		16,378		15,527		
Total consolidated debt maturities and contractual obligations	**$**	**235,763**	**$**	**1,307,872**	**$**	**702,710**	**$**	

(a) $409.4 million and $428.3 million of variable-rate debt has been swapped to a fixed-rate for the term of the related debt as of March 31, 2018 and December 31, 2017, respectively.

(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. Please see our Liquidity and Capital Resources d 2018 for additional information.

(c) Mortgages, notes and loans payable and condominium financing are presented based on extended maturity date. Extension periods generally can be exercised at our option at the initial maturity dat 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 sales levels, as applicable, and other performance criteria. We may have to pay down a portion of the debt in order to obtain the extension if we are not in compliance with the covenants of the financing

Asset	1Q18 Principal Balance ($ in thousands)	Contract Interest Rate	Interest Rate Hedge	Current Annual Interest Rate	Initial / Extended Maturity (a)
Master Planned Communities					
The Woodlands Master Credit Facility	$150,000	L+275	Floating/Cap	4.55%	Apr-20 / Apr-21
Bridgeland Credit Facility	$65,000	L+315	Floating	5.32%	Nov-20 / Nov-22
	$215,000				
Operating Assets					
Outlet Collection at Riverwalk	$53,357	L+275	Floating	4.55%	Oct-17 / Oct-18
1725-35 Hughes Landing Boulevard	$118,377	L+165	Floating	3.45%	Jun-18 / Jun-19
The Westin at The Woodlands	$57,946	L+265	Floating	4.45%	Aug-18 / Aug-19
Three Hughes Landing	$45,058	L+260	Floating	4.40%	Dec-18 / Dec-20
Lakeland Village Center at Bridgeland	$11,688	L+235	Floating	4.15%	May-18 / May-20
Embassy Suites at Hughes Landing	$31,245	L+250	Floating	4.30%	Oct-18 / Oct-20
The Woodlands Resort & Conference Center	$64,000	L+325	Floating	5.05%	Dec-18 / Dec-20
One Merriweather	$43,892	L+215	Floating	3.95%	Feb-20 / Feb-21
Downtown Summerlin	$272,277	L+215	Floating / Swap	4.73%	Sep-20 / Sep-21
Two Merriweather	$20,952	L+250	Floating	4.30%	Oct-20 / Oct-21
HHC 242 Self-Storage	$6,354	L+260	Floating	4.40%	Oct-19 / Oct-21
HHC 2978 Self-Storage	$5,790	L+260	Floating	4.40%	Jan-20 / Jan-22
70 Columbia Corporate Center	$20,000	L+200	Floating	3.80%	May-20 / May-22
One Mall North	$14,463	L+225	Floating	4.05%	May-20 / May-22
10-60 Corporate Centers	$80,000	L+175	Floating / Swap	3.48%	May-20 / May-22
20/25 Waterway Avenue	$13,582	4.79%	Fixed	4.79%	May-22
Millennium Waterway Apartments	$54,839	3.75%	Fixed	3.75%	Jun-22
Ward Village	$238,718	L+250	Floating / Swap	3.97%	Sep-21 / Sep-23
9303 New Trails	$11,906	4.88%	Fixed	4.88%	Dec-23
4 Waterway Square	$34,869	4.88%	Fixed	4.88%	Dec-23
3831 Technology Forest Drive	$21,881	4.50%	Fixed	4.50%	Mar-26
Kewalo Basin Harbor	—	L+275	Floating	4.55%	Sep-27
Millennium Six Pines Apartments	$42,500	3.39%	Fixed	3.39%	Aug-28
3 Waterway Square	$50,003	3.94%	Fixed	3.94%	Aug-28
One Hughes Landing	$52,000	4.30%	Fixed	4.30%	Dec-29
Two Hughes Landing	$48,000	4.20%	Fixed	4.20%	Dec-30
One Lakes Edge	$69,440	4.50%	Fixed	4.50%	Mar-29 / Mar-31
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	$25,000	4.48%	Fixed	4.48%	Feb-37
	$1,567,337				
Strategic Developments					
Ke Kilohana	$2,201	L+325	Floating	5.05%	Dec-19 / Dec-20
Ae'o	$91,412	L+400	Floating/Cap	5.80%	Dec-19 / Dec-21
100 Fellowship Drive	$1	L+150	Floating	3.30%	May-22
Aristocrat	—	P+40	Floating	5.15%	Oct-22
Two Summerlin	—	P+40	Floating	5.15%	Oct-22
Lake Woodlands Crossing Retail	$1	L+180	Floating	3.60%	Jan-23
Downtown Summerlin Apartments	—	L+225	Floating	4.05%	Oct-21 / Oct-24
	$93,615				
Total (b)	**$1,875,952**				

Notes

(a) Extended maturity assumes all extension options are exercised if available based on property performance.
(b) Excludes JV debt, Corporate level debt, and SID bond debt related to Summerlin MPC & Retail.

Minimum Contractual Ground Lease Payments ($ in thousands)

Ground Leased Asset	Pro-Rata Share	Expiration Date	Three months ended March 31, 2018	Future Cash Payments Year Ended December 31 Remaining 2018	2019	Thereafter
Riverwalk (a)	100%	2045-2046	$819	$1,633	$2,131	$57,455
Seaport	100%	2031 (b)	393	1,199	1,636	204,078
Kewalo Basin Harbor	100%	2049	75	225	300	8,900
				$3,057	$4,067	$270,433

(a) Includes base ground rent, deferred ground rent and the participation rent, as applicable. Future payments of participation rent are calculated based on the floor only.
(b) Initial expiration is 12/30/2031 but subject to extension options through 12/31/2072.

Under Construction - Projects in the Strategic segment for which construction has commenced as of March 31, 2018, unless otherwise noted. This excluc and condominium development.

Unstabilized - Properties in the Operating segment that have not been in service for more than 36 months and do not exceed 90% occupancy. If an office, multi-family property has been in service for more than 36 months but does not exceed 90% occupancy, the asset is considered underperforming and is i Stabilized.

Stabilized - Properties in the Operating segment that have been in service for more than 36 months or have reached 90% occupancy, which ever occurs fi office, retail or multifamily property has been in service for more than 36 months but does not exceed 90% occupany, the asset is considered underperfor

Net Operating Income (NOI) - We define NOI as operating cash revenues (rental income, tenant recoveries and other revenue) less operating cash expense estate taxes, repairs and maintenance, marketing and other property expenses), including our share of NOI from equity investees. NOI excludes straight-l and amortization of tenant incentives, net interest expense, ground rent amortization, demolition costs, amortization, depreciation, development-relatec costs and, unless otherwise indicated, Equity in earnings from Real Estate and Other Affiliates. We use NOI to evaluate our operating performance on a pr 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, h operating results, gross margins and investment returns. We believe that net operating income ("NOI") is a useful supplemental measure of the performa Operating Assets because it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associate owning and operating real estate properties and the impact on operations from trends in rental and occupancy rates and operating costs.

Reconciliation of Operating Assets segment EBT to Total NOI:

(In thousands)	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q
Total Operating Assets segment EBT	$ 7,175	$ (14,356)	$ (13,162)	$ (9,068)	$
Straight-line lease amortization	(3,690)	(2,801)	(1,421)	(1,816)	
Demolition costs	—	1,443	34	63	
Development-related marketing costs	—	1,029	1,067	832	
Depreciation and Amortization	25,173	33,503	33,885	32,244	
Provision for impairment	—	—	—	—	
Write-off of lease intangibles and other	—	492	41	15	
Other income, net	—	50	249	(162)	
Equity in earnings from Real Estate Affiliates	(2,583)	472	(317)	(37)	
Interest, net	16,687	15,580	15,940	15,540	
Total Operating Assets NOI - Consolidated	**42,762**	**35,412**	**36,316**	**37,611**	
Redevelopments					
Historic Area / Uplands (a)	—	—	—	—	
Landmark Mall	—	—	—	—	
Total Operating Asset Redevelopments NOI	—	—	—	—	
Dispositions					
Cottonwood Square	—	250	165	161	
Park West	—	1	(8)	(39)	
Total Operating Asset Dispositions NOI	—	**251**	**157**	**122**	
Consolidated Operating Assets NOI excluding properties sold or in redevelopment	**$ 42,762**	**$ 35,161**	**$ 36,159**	**$ 37,489**	**$**
Company's Share NOI - Equity investees	**$ 575**	**$ 1,084**	**$ 1,186**	**$ 1,385**	**$**
Distributions from Summerlin Hospital Investment	**3,435**	—	—	—	
Total NOI	**$ 46,772**	**$ 36,245**	**$ 37,345**	**$ 38,874**	**$**

(a) - Effective January 1, 2017, we moved South Street Seaport assets under construction and related activities out of the Operating Assets segment into the Strategic Developments segment. South Street Seaport operating properti
Assets segment. The respective segment earnings and NOI presented above in all 2016 periods to reflect this change.

Reconciliation of MPC Land Sales Closed to GAAP Land Sales Revenue:

(In thousands)	**Three Months Ended March 31,** Q1 2018	Q1 2017	**Year Ended December 31** Q4 2017	Q
Total residential land sales closed in period	$ 42,778	$ 35,881	$ 189,017	$
Total commercial land sales closed in period	—	3,799	18,254	
Net recognized (deferred) revenue:				
Bridgeland	2	1,467	6,722	
Summerlin	753	9,712	20,063	
Total net recognized (deferred) revenue	755	11,179	26,785	
Special Improvement District bond revenue	3,032	2,622	14,539	
Total land sales revenue - GAAP basis	$ 46,565	$ 53,481	$ 248,595	$
Total MPC segment revenue - GAAP basis	$ 55,765	$ 68,706	$ 299,543	$

Reconciliation of MPC segment EBT to MPC Net Contribution:

(In thousands)	**Three Months Ended March 31,** 2018	2017	**Year Ended December 31** 2017	
MPC segment EBT	$ 36,836	$ 44,186	$ 190,351	$
Plus:				
Cost of sales - land	26,043	25,869	121,116	
Depreciation and amortization	(2,624)	2,750	323	
MUD and SID bonds collections, net	81	92	56,509	
Distributions from Real Estate and Other Affiliates	—	—	10,000	
Less:				
MPC development expenditures	(43,865)	(43,623)	(193,087)	
MPC land acquisitions	506	(1,415)	(4,391)	
Equity in earnings in Real Estate and Other Affiliates	(11,128)	(5,280)	(23,234)	
MPC Net Contribution	$ 5,849	$ 22,579	$ 157,587	$

Reconciliation of Segment EBTs to Net Income

(In thousands)	**Three Months Ended March 31,** 2018	2017	**Year Ended December 31** 2017	
MPC segment EBT	$ 36,836	$ 44,186	$ 190,351	$
Operating Assets segment EBT	7,175	7,922	(28,664)	
Strategic Developments segment EBT	9,020	48,845	169,041	
Corporate and other items	(50,639)	(85,597)	(209,906)	
Income before taxes	2,392	15,356	120,822	
Provision for income taxes	(558)	(9,697)	45,801	
Net income	1,834	5,659	166,623	
Net (loss) income attributable to noncontrolling interests	(360)	-	1,781	
Net income attributable to common stockholders	$ 1,474	$ 5,659	$ 168,404	$