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): **April 27, 2017**

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

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

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

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

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

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

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

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

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

Item 7.01 Regulation FD Disclosure.

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 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.

On April 27, 2017, The Howard Hughes Corporation (the “Company”) distributed a letter to its shareholders describing key information about the Company. A copy of this letter is attached hereto as Exhibit 99.1 and has been posted on our website at www.howardhughes.com under the “Investors” tab.

FORWARD-LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES

FORWARD-LOOKING STATEMENTS

Statements made in the shareholder letter attached to this Form 8-K on Exhibit 99.1 that are not historical facts, including statements accompanied by words such as “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “intend,” “likely,” “may,” “plan,” “project,” “realize,” “should,” “transform,” “would,” and other statements of similar expression and other words of similar expression, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934. These statements are based on management’s expectations, estimates, assumptions and projections as of the date of this letter and are not guarantees of future performance. Actual results may differ materially from those expressed or implied in these statements. Factors that could cause actual results to differ materially are set forth as risk factors in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission. In the shareholder letter, forward-looking statements include, but are not limited to, expectations about the performance of our Master Planned Communities segment and other current income producing properties and future liquidity, development opportunities, development spending and management plans. We caution you not to place undue reliance on the forward-looking statements contained in the shareholder letter and do not undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the date of the shareholder letter except as required by law.

NON-GAAP FINANCIAL MEASURES

The Company believes that net operating income, or NOI, a non-GAAP financial measure, is a useful supplemental measure of the performance of our Operating Assets 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 revenues) less operating expenses (real estate taxes, repairs and maintenance, marketing and other property expenses). NOI excludes straight line rents and amortization of tenant incentives, net interest expense, ground rent amortization, demolition costs, amortization, depreciation, development-related marketing costs and Equity in earnings from Real Estate and Other Affiliates.

We use NOI to evaluate our operating performance on a property-by-property basis because NOI allows us to evaluate the impact that factors, which vary by property, such as lease structure, lease rates and tenant base have on our operating results, gross margins and investment returns.

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

For a reconciliation of NOI to the most directly comparable GAAP measure see the Supplemental Information at the end of the shareholder letter attached to this Form 8-K on Exhibit 99.1. No reconciliation of projected NOI is included in the shareholder letter because we are unable to quantify certain amounts that would be required to be included in the GAAP measure without unreasonable efforts and we believe such reconciliations would imply a degree of precision that would be confusing or misleading to investors.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Shareholder Letter dated April 27, 2017.

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.

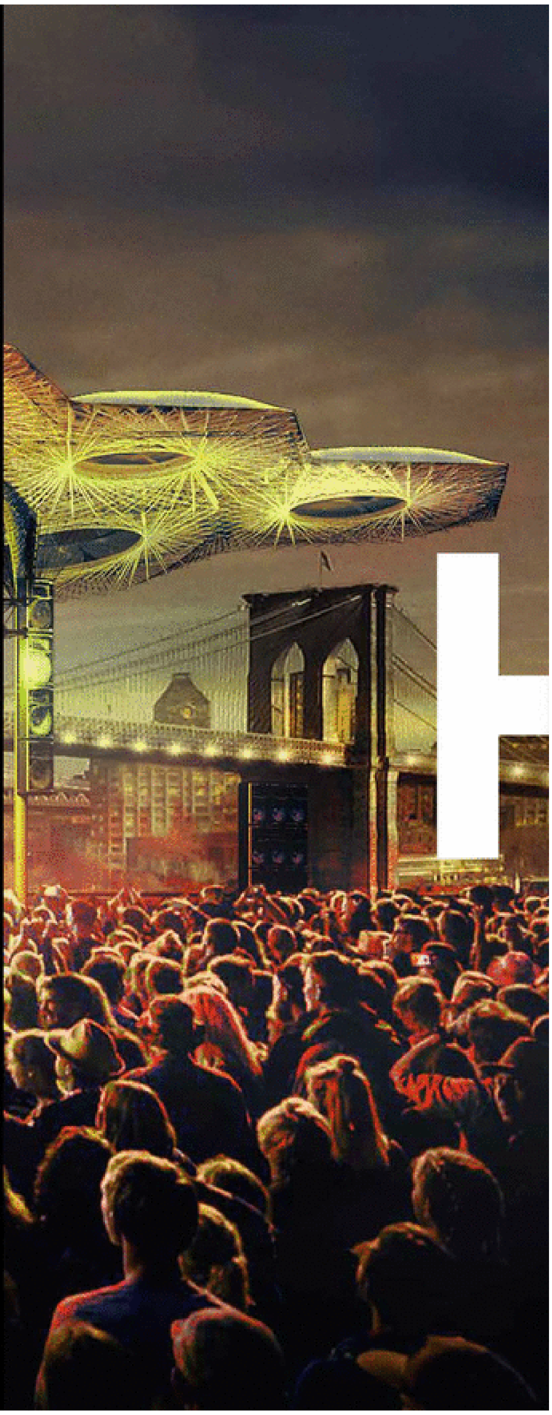
THE HOWARD HUGHES CORPORATION

By: /s/ Peter F. Riley
Peter F. Riley
Senior Vice President, Secretary and
General Counsel

Date: April 27, 2017

Exhibit 99.1

2016 Annual Review



Howard Hughes®

Howard Hughes®

2016 Annual Review

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Together
We Make
Extraordinary

NON-GAAP FINANCIAL MEASURES

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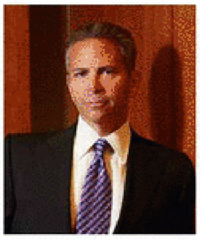
PIER 17, SEAPORT DISTRICT - NEW YORK CITY
UNDER CONSTRUCTION



April 28, 2017

To the shareholders of The Howard Hughes Corporation from the Chief Executive Officer – David R. Weinreb

In the six years since the emergence of The Howard Hughes Corporation as a publicly traded company, we have been singularly focused on building our business and unlocking the value inherent within our portfolio of diverse real estate assets.

We are in the early stages of our journey reinventing the Howard Hughes legacy. As the company evolves into a revenue-generating portfolio of assets with a management team that has expertise across our businesses, we are "still reaching for the sun"[1] – with a goal to create one of the great companies of our time.

We have made meaningful strides transforming raw land and underutilized real estate into vibrant destinations that generate substantial recurring cash flow while assembling one of the strongest real estate platforms with expertise across planning, development, operations, capital markets, marketing, digital, and sponsorship. We have a large, geographically diverse portfolio with a book value of approximately $6.4 billion as of December 31, 2016. This diversity enables us to allocate our capital and expertise for optimal returns throughout the real estate cycle while mitigating our exposure to any one local economy or business segment. While we are diversified across product type, we are concentrated in five markets: the Seaport District in New York City; Columbia, Maryland; our Houston master planned communities ("MPCs"); our Summerlin MPC in Las Vegas; and Ward Village in Honolulu.

Our unique business model is best understood by focusing on our three business segments: MPCs, Strategic Developments, and Operating Assets. The combination of these three segments provides us with important competitive advantages.

We are the largest real estate owner in our MPCs, controlling supply and price across product types, where we build small cities that are their own ecosystems and high-barrier sub-markets.

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[1] © Marvin Hamm, The Best is Yet to Come, 2016

Our control gives us the unique ability to capture demand ahead of the curve and accelerate development by focusing on a given product mix based on market needs. Our development expertise and ownership of a broad array of real estate product types gives us a competitive advantage compared to other specialized real estate owners. Our cash flow characteristics also give us a competitive advantage compared to other pure development companies. We are able to use the cash flow from our MPC land sales and a growing operating portfolio to self-fund the equity requirements of our substantial development pipeline, which exceeds 50 million square feet of entitlements.

One can think of our business as an ecosystem. By controlling large swaths of land in superb markets, we have the ability to deliver value not only by product or by asset, but directly to the consumer. As the master developer of each of our communities, we control the land and development rights; no new building can be built without our approval. This allows us to limit supply and carefully control the experience of each person living or working in our communities. Restricting supply gives us pricing power, protects against recessionary environments, and allows us to benefit greatly in growing markets.

The combination of our three complementary business segments creates a virtuous cycle:

- We sell land to residential homebuilders in our MPC segment and the new homes attract residents to our cities looking for places to work and shop. The cash flow harvested from the sale of land to homebuilders funds the construction of our strategic developments.
- New homeowners generate demand for commercial developments including retail, office, and hospitality offerings, which we build only when the timing is right, mitigating development risk.
- Once our strategic developments are completed and stabilized, they transition to our Operating Asset segment and increase our recurring Net Operating Income ("NOI"), providing additional funding for the equity requirements of our Strategic Development segment.
- New office, retail and other commercial amenities make our MPC residential land more appealing to buyers and increase the velocity of land sales at prices that exceed the broader market.
- Increased demand for residential land generates more cash flow from our MPC segments, and the virtuous cycle continues.

TOGETHER, WE BELIEVE THESE FACTORS WILL CONTINUE TO PROVIDE HHC WITH SOME OF THE HIGHEST RISK ADJUSTED RETURN OPPORTUNITIES IN THE PUBLIC REAL ESTATE SPACE.

Red Rock National Park, Summerlin

AEO & Whole Foods Market Under Construction, Ward Village

Hughes Landing, The Woodlands

Financial Results

Our financial results demonstrate the progress we have made in unlocking the value of our asset base. Our annualized fourth quarter 2016 NOI of $156 million is a 31% increase over full year 2015 NOI of $119 million. Consolidated revenue increased by $238 million, or 29.8%, to $1 billion compared to 2015. It is worth noting that our NOI does not yet reflect the full impact of a number of projects placed into service that will stabilize in the coming years. As of December 31, 2016, we had over $665 million in cash on hand. This cash is sufficient to fund all equity requirements at developments currently underway.

$665m

Cash on hand

+49%

2015

$119m

Net Operating Income

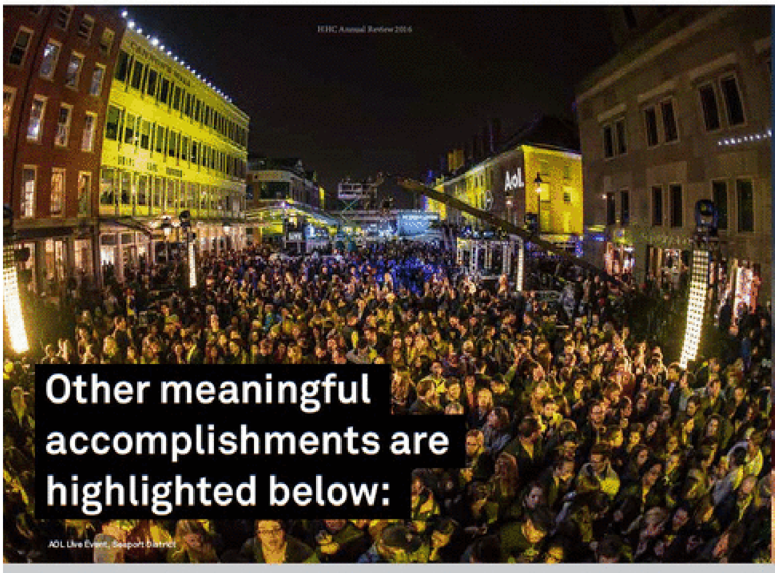
2016

$156m

Net Operating Income

+31%

Waiea Amenity Deck, Ward Village



Other meaningful accomplishments are highlighted below:

AOL Live Event, Seaport District

The Westin Hotel, The Woodlands

THE SEAPORT DISTRICT

- Sold the 80 South Street Assemblage for $390 million ($477 per square foot), significantly bolstering our cash position, priming us for new opportunities, and preparing the company for changes in the real estate cycle. 80 South Street was an example of our team's innovative approach and ability to complete large, complicated transactions, as we generated approximately $141 million in profits on this deal over a 15-month period.

DOWNTOWN COLUMBIA

- Received approval for a $90 million Tax Increment Financing (TIF) to support infrastructure for approximately 5,000,000 square feet of development.
- Completed the development of One Merriweather, a 199,000 square foot office building in Downtown Columbia that is 42% leased to MedStar Health.
- Began construction on Two Merriweather, a 130,000 square foot office building in Downtown Columbia that is 75% preleased.
- Began construction on an additional 437 units of multi-family apartments in Downtown Columbia with our joint-venture partner Kettler in our m.flats/TEN.M project.
- Acquired two office buildings in Downtown Columbia for approximately $36 million: One Mall North and the American City Building. Obtaining control of these assets unlocks 1.5 million square feet of future development within Downtown Columbia's existing entitlements.

HOUSTON

- Completed and opened the 302-room The Westin hotel in March 2016 located at The Woodlands.
- Executed a lease and build-to-suit agreement with the University of Texas Medical System in The Woodlands for a 203,000 square foot medical building.
- Commenced construction of our second self-storage property, consisting of 784 units, which is scheduled to open at the beginning of the second quarter of 2017. The first self-storage property, consisting of 654 units, opened during the first quarter of 2017.
- At Bridgeland, new home sales increased approximately 67% year-over-year due, in part, to our ability to deliver optimal lot sizes to align with changing market demand.

SUMMERLIN

- Completed a 20-year ground lease in Downtown Summerlin for a state-of-the-art practice facility for the new NHL team in Las Vegas, the Golden Knights.
- Completed and opened, in partnership with Calida, the Constellation, a 124-unit multi-family property located in Downtown Summerlin that is 66% leased.
- Continued the development of The Summit in partnership with Discovery Land Company. As of December 31, 2016, the luxury golf-course community located in Summerlin had over $226 million in contracted sales since inception.

CONTRACTED TO SELL APPROXIMATELY $341 MILLION IN HOMES AT WARD VILLAGE IN 2016, BRINGING OUR TOTAL SALES TO DATE TO

$1.4 BILLION

SINCE LAUNCHING PRE-SALES OF OUR FIRST BUILDINGS IN EARLY 2014.

Waiea Entrance, Ward Village

WARD VILLAGE

- Contracted to sell approximately $341 million in homes at Ward Village in 2016, bringing our total sales to date to $1.4 billion since launching pre-sales of our first buildings in early 2014.
- Delivered our first residential building, Waiea, in November 2016 with 92% of the 174 units contracted for sale as of December 31, 2016.
- Continued construction of Anaha, our second condominium tower, on schedule for completion in the third quarter of 2017. The building had approximately 94% of the 317 units contracted for sale as of December 31, 2016.
- Commenced construction of Ae`o, our third condominium tower at Ward Village to be constructed above Honolulu's flagship Whole Foods Market, which is also under construction. Ae`o is scheduled for completion by the end of 2018. As of December 31, 2016, the building had 265, or 57% of the 466 units, under contract.
- Commenced construction of Ke Kilohana, our 424-unit condominium tower at Ward Village. Scheduled for delivery in 2019, Ke Kilohana will include 375 workforce housing units and 49 market rate units with a CVS/Long's Drugs located in the base of the building. As of December 31, 2016, the building had 386, or 91% of the 424 units, under contract.

DISPOSITIONS

- Closed on a 72-acre land sale to Charles Schwab Corporation for the development of a regional corporate campus at Circle T Ranch in Westlake, Texas, in partnership with Hillwood Development Company, Ltd. This transaction paves the way for future mixed-use development on our remaining land.
- Sold Park West, a non-core open-air shopping center in Peoria, Arizona, for $33 million, unlocking an $18 million tax benefit.
- Closed on the sale of a parcel of land at The Elk Grove Collection in January 2017 of approximately 36 acres for gross sales proceeds of $36 million. The disposition accelerated the monetization of land value at the asset while allowing us to retain upside in the remaining 64 acres, which we plan to develop. In addition, we will recognize a tax loss on this sale of $38 million as our tax basis in the asset was substantially higher than our sale price.
- The proceeds from these dispositions will allow us to redeploy capital into acquisitions and strategic developments.

OTHER

- Converted a 20,000 square foot restaurant space into a 35,000 square foot Nordstrom Rack at the Outlet Collection at Riverwalk. The retailer opened for business in October 2016.
- Acquired the Macy's parcel at Landmark Mall in Alexandria, VA for $22 million, which will accelerate the timeline to begin redeveloping this site.

Hughes Landing under construction 2015, The Woodlands

Tipping the Scale

The substantial achievements highlighted above and in my previous shareholder letters do not always translate into immediate share price appreciation. To quote renowned value investor Benjamin Graham:

In the short run, the market is a voting machine but in the long run, it is a weighing machine.

While over the past six years our focus has been on building our business and increasing the value of our assets, we recognize that market value is the ultimate barometer of success for a publicly-traded company. During the past two years, our market value has fluctuated within a relatively small range.

We currently trade well below our view of net asset value, however, we ascribe to Graham's philosophy that a company's actual business performance will determine its long-term value over short term investor sentiment.

As a result, we are sharply focused on maximizing our recurring income and the net asset value of our holdings. As a developer of large-scale, mixed-use properties and master planned communities, we operate with a long-term mindset and our shareholders have benefitted from this approach to managing the business. Since our emergence as an independent public company in November 2010, HHC's share price has grown at a compounded annual growth rate of approximately 20%, outpacing the growth of the S&P 500 (13%), the MSCI US REIT Index (11%), and iShares Dow Jones U.S. Real Estate ETF (10%).

TOTAL RETURN COMPARISON (INDEX = 100 AT INCEPTION)

Summerlin, Las Vegas

Developing master planned communities is a marathon, not a sprint, and we are still in the very early stages of our goal of creating long term shareholder value. We have just begun to achieve our potential; our 50 million square feet of remaining entitlements are more than 12 times our total development activity over the last six years.

Despite the substantial business progress we have made in the last two years, our shareholder returns over the same period have not reflected this progress. Given the relative complexity of our business model, we recognize there is an opportunity for us to bring increased clarity and transparency to our assets and valuation potential. In 2017, we have begun and will continue to introduce several initiatives that are outlined below so that our investors can better estimate the intrinsic value of the company:

- Host quarterly conference calls in which we articulate the company's results. As we continue to transform our developments and land holdings into operating assets that generate meaningful recurring cash flow, it is now time to provide additional insight into those assets. On our earnings calls, we will explain our outlook for each business segment and answer investor questions.
- Introduce new supplemental disclosures that will provide metrics for investors to monitor our growth.
- Host our first investor day in May 2017. This event will provide our stakeholders with an opportunity to learn more about HHC through an in depth review of the company presented by our senior leadership.
- Work to expand research coverage to improve awareness within the investor community.

Together, we hope these initiatives will assist existing and potential shareholders in understanding the Howard Hughes story.

Aligned Incentives

As mentioned in my past shareholder letters, upon joining HHC I invested $15 million in the company, with Grant Herlitz, HHC's President, investing $2 million, both in the form of long term warrants. Throughout my career in real estate, I have invested my own capital in ventures I support. This commitment to having "skin in the game" is at the core of our investment philosophy at The Howard Hughes Corporation. This year, I plan on purchasing a new $50 million warrant and Grant has agreed to purchase a new $2 million warrant. These warrants will be granted only if the shareholders approve their issuance at the upcoming shareholder meeting and, if the shareholders approve the grant, we will pay a fair market value purchase price for these warrants.

Investing this capital is a testament to our steadfast confidence in HHC's growth prospects as we will not benefit from any gain in the warrant unless the stock price trades meaningfully above its current price. At the same time, we will lose our entire investment in the warrants if the share price remains flat.

WHILE WE CANNOT GUARANTEE SUCCESS, OUR INTERESTS ARE ALIGNED WITH SHAREHOLDERS AND YOU CAN BE ASSURED THAT WE WILL SUCCEED OR FAIL TOGETHER.

3

HHC Value Creation - Three Complementary Business Segments

We operate in three complementary business segments: MPC, Strategic Development, and Operating Assets. The combination of these three segments enables us to control supply and use our scale to drive operating efficiencies, become the dominant player in our core markets, and deliver outsized risk-adjusted returns. We think of our communities as customer centric ecosystems. Our customers live in our homes, work in our office buildings, and shop at our retail destinations.

Our ability to control supply protects our downside in recessionary environments while allowing us to benefit during times of growth as we are able to accelerate development and bring product to the market faster than our competitors. The development of Hughes Landing is an excellent case study. Since 2013, at Hughes Landing, we have developed 1.4 million square feet of Class A office, 390 luxury multi-family units, 126,000 square feet of retail and a 205-suite Embassy Suites hotel on 66 lakefront acres that together will generate $45 million of stabilized NOI.

①
MPC
②
STRATEGIC DEVELOPMENTS
③
OPERATING ASSETS

110 North Wacker Drive, Chicago

1.

Master Planned Communities

Aerial of Summerlin, Las Vegas

In our MPC segment, we plan, develop and manage small cities in markets with strong long-term growth fundamentals, including The Woodlands, Bridgeland, and The Woodlands Hills in Houston; Summerlin in Las Vegas; and Columbia, Maryland. This business involves the development of residential land and selling the improved acreage to homebuilders for the eventual sale of homes to new residents. Combined, our MPCs span over 80,000 residential acres, approximately four times the size of the island of Manhattan, and are home to a population of over 342,000 residents and 160,000 jobs. We leverage our expertise by differentiating each of our communities within a distinct environment and unmatched amenity base, further fueling demand for homes and commercial development.

A summary of the undiscounted and uninflated value of our MPC land holdings, exclusive of vertical developments and operating properties, is presented below:

MPC GROSS SALES VALUE

	Remaining Saleable and Developable Acres		Average Price per Acre 1,2 ($ in thousands)		Projected Community	Average Cash Margin	Undiscounted / Uninflated Value ($ in millions)3		
Community	RESIDENTIAL	COMMERCIAL	RESIDENTIAL	COMMERCIAL	SELL-OUT DATE	RESIDENTIAL	RESIDENTIAL	COMMERCIAL	Total
Bridgeland	2,518	1,530	$ 372	$ 294	2037	69%	$ 646	$ 603	$ 1,249
Maryland4	-	108	-	316	2022	-	-	34	34
Summerlin5	3,779	826	577	759	2039	68%	1,482	627	2,109
The Woodlands	314	788	560	957	2025	98%	172	754	926
The Woodlands Hills	1,489	171	287	552	2030	81%	251	94	345
Total	**8,100**	**3,423**					**$ 2,551**	**$ 2,112**	**$ 4,663**

Notes:

1) Residential pricing: average 2016 acreage pricing for Bridgeland, Summerlin and The Woodlands. Summerlin average pricing excludes the sale of approximately 137 acres to Pulte with an atypical economic structure. Pro forma acreage pricing for The Woodlands Hills.

2) Commercial pricing: estimate of current value based upon recent sales, third party appraisals and third party MPC experts. The Woodlands Hills commercial is valued at cost.

3) Pre-tax cash flow estimates.

4) Maryland commercial acres exclude land in Downtown Columbia that is held within our Strategic Developments segment.

5) Summerlin excludes 555 acres contributed to the Summit joint venture at an agreed upon value of $125,000/acre.

Summerlin MPC, Las Vegas

Our MPC segment generated earnings before taxes of approximately $180 million for 2016 and for the past three years has averaged earnings before taxes of approximately $172 million. It is worth noting that our cash margins at The Woodlands are approximately 98% due to the fact that The Woodlands residential is at the end of its lifecycle and almost all of the infrastructure is already in place.

The earnings and cash flow generated from this segment is one of the elements of HHC that sets us apart from other real estate companies. Unlike other developers who have few sources of recurring cash flow, our cash flows from operating assets and our MPCs have enabled us to internally fund our developments without having to raise equity and dilute our shareholders.

Summerlin is a good example. In 2016, Summerlin generated over $100 million in land sales and participation revenue, exceeding the $100 million mark for the fourth year in a row. In 2014, we used approximately $106 million of cash generated from land sales and contributed land held at a book value of $17 million to develop the first stage of our urban core in the heart of the community, Downtown Summerlin: a 1.4 million square foot lifestyle destination with retail and office space. At stabilization, we estimate that Downtown Summerlin and ONE Summerlin will generate approximately $32 million of recurring net operating income. While the value creation resulting from delivering this development at its expected stabilized yield is clear, what is often missed are the other benefits that it generates for the broader MPC. By providing this amenity to Summerlin, we have increased demand for homes in the community as evidenced by a 22% increase in the price of residential land sold to homebuilders since Downtown Summerlin opened.

As the master developer and majority landowner in each of our communities, we have a high degree of influence and understanding of both the local economy and the microeconomy of the MPC. The self-contained ecosystem that we have created within each of our communities has yielded a significant price premium over comparable homes outside of our master planned environment and has helped shield our properties from external economic pressures. Case in point: our Houston MPCs. Even though Houston's economy has experienced a slowdown over the last two years, Bridgeland enjoyed a record year in 2016 with new home sales up more than 67% from 2015. In The Woodlands, the office market experienced positive net absorption in 2016 and all of our tenants are performing their obligations, with some expanding their footprint by taking additional square footage within our office portfolio.

With over 8,100 residential acres of land remaining to be developed and sold across our communities, we have substantial untapped value and significant expected future cash flows to be generated. In addition to the residential land, our MPC segment contains more than 3,400 acres designated for commercial development or sale to non-competing users such as hospitals. This land is held in our MPC segment until we identify demand for a new commercial development, at which point the land is transferred into our Strategic Development segment.

2.

Strategic Developments

Anaha, Ward Village

I am often asked by shareholders about HHC's future growth. Although we are constantly on the lookout for great acquisition opportunities, we have the luxury of being patient given our more than 50 million square feet of vertical development entitlements embedded within existing assets. Below is a table outlining an estimate of our remaining entitlements:

REMAINING ENTITLEMENTS
(IN MILLIONS)

	Ward Village	The Woodlands	Bridgeland	Summerlin	Columbia	Seaport	Other	Total
Total	8.4	7.0	5.8	12.6	11.3	0.8	4.0	50.0

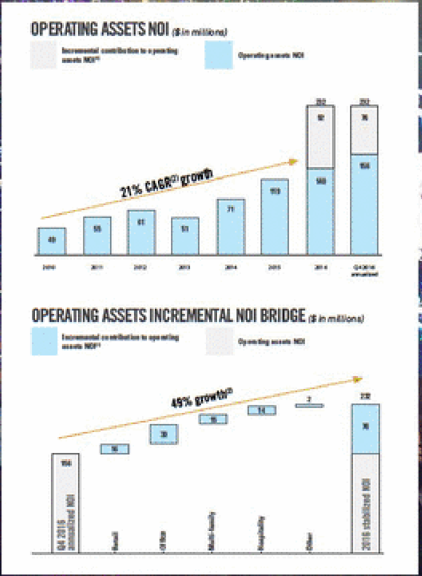
3.

Operating Assets

The vast majority of our operating assets are located within our MPCs. This helps us achieve scale and, in most cases, critical mass, which leads to pricing power in lease and vendor negotiations. Furthermore, it enables us to attract, hire and retain the best local leadership and leasing teams, provides us flexibility to meet changing customer demands, and an enhanced ability to identify and capitalize on emerging opportunities. These competitive advantages, in turn, lead to higher rental rates, better customer retention, higher occupancy, lower operating expenses, and greater operating margins.

One of the most readily understandable demonstrations of our value creation is the substantial and increasing recurring cash flow we generate as seen in the company's increased NOI. In 2010, our company generated recurring NOI of $49 million. As of our most recent fourth quarter, our annualized NOI was $156 million, a compounded annual growth rate of over 21%. We have achieved these increases without the need to raise equity since we became a public company.

We forecast that our recently completed projects and those under construction, excluding the Seaport, will generate about $232 million of NOI at stabilization.



(1) Potential incremental NOI from recently completed developments stabilizing as well as projects currently under construction, excluding Seaport District. These projects are substantially expected to stabilize by 2020.

(2) Historical growth is not indicative of future performance.

Downtown Summerlin, Las Vegas

Five Core Markets Transforming Vision Into Reality

Waiea, Ward Village

UNLOCKING VALUE FROM WALL STREET TO WAIKIKI

In order to illustrate the material value creation opportunities available with our existing assets, we have provided a detailed overview of each of our core assets below, beginning with our MPCs.

Summerlin

For those of you not familiar with Summerlin, it is the premier place to live in Las Vegas, with a population today of more than 100,000 residents that will grow to 200,000 at full build. Named after Howard Hughes' paternal grandmother, Summerlin was acquired by the legendary entrepreneur himself in the 1950's. This 22,500 acre MPC is located nine miles west of the Las Vegas strip. We are the largest private land owner in the Las Vegas Valley and have approximately 4,600 remaining saleable and developable acres.

Summerlin MPC, Las Vegas

200,000

RESIDENTS AT FULL BUILD OUT

Summerlin MPC, Las Vegas

With 22 schools, 150 parks, 150 miles of trails, 14 houses of worship, and nine golf courses – all more than almost any other community in the country - Summerlin is the place to be if you want to live in Las Vegas. This is evident in the home prices, with home values at a more than 20% premium over other communities in the region. Summerlin has built a strong brand reputation and benefits from favorable demographics, with average household income approaching $140,000 per year.

With Southern Nevada's economy experiencing a broad-based expansion, Summerlin continues to strengthen as a community. Visitor traffic is at an all-time high, unemployment is at 5.0% (A 900 basis point improvement from the trough in September 2010), and approximately $18 billion of commercial real estate development is either planned or underway in the Las Vegas Valley, including the future NFL stadium that will be home to the Raiders. We are well positioned to increase our share of the market as we further distinguish the community with the continued development and growth of Downtown Summerlin. The first phase of our downtown, totaling 1.4 million square feet in 34 buildings, was completed at the end of 2014. Last year we broke ground on the practice facility for the Las Vegas NHL team. We have future development entitlements of over 5,000,000 square feet of additional residential, office and retail space, not including our plans to develop a stadium in Downtown Summerlin for the Las Vegas AAA baseball team.

($ in millions)	Asset Type	Square Feet / Units	% Occupied as of 12/31/16	2016 NOI	Q4 2016 NOI Annualized	Projected Annual Stabilized NOI
Operating Assets						
Downtown Summerlin [1]	Retail/Office	1,002,722	80.0 %	$ 19.0	$ 20.8	$ 32.0
Constellation [2]	Multi-Family	124	51.6%	(0.1)	NA	1.1
Total				**$ 18.9**	**$ 20.8**	**$ 33.1**

Notes:
1) Includes 206,279 SF of office (ONE Summerlin).
2) Joint venture NOI is shown at 50% ownership interest.
(3) Stabilized NOI is shown at greater of (i) trailing 12-month actual results or (ii) stabilized NOI at time of initial underwriting. In certain situations, current annualized NOI could exceed projected stabilized NOI as a result of non-recurring items such as lease termination fees.

$226M

LOTS CONTRACTED AT THE SUMMIT

The Summit, Summerlin

RESIDENTIAL LAND SALES

We have significant additional capacity at Summerlin with approximately 3,800 remaining saleable residential acres, translating to approximately 15,700 residential lots, with a projected sell-out date of 2039. Our Summerlin MPC segment generated $111 million of residential land sales in 2016. For 2017, we expect our residential land sales business to continue to remain strong and for the fifth year in a row exceed the $100 million milestone. Average price per acre in 2016 was $537,000, excluding the $40 million sale to Pulte Homes. The Pulte sale was unique as the homebuilder will be responsible for installing power and drainage facilities to the village. Unlike in one of our typical sales, HHC is not obligated to incur any development costs within the boundaries of the parcel.

Current sales volume of approximately 7,000 new homes per year is half of historical market forecasts that projected Las Vegas to reach 14,000 new home sales per year by 2016-2017. Given the recent lack of expansion in new home sales, we have remained careful to not sell home builders lots that would put excessive inventory in their hands. As part of our efforts to increase velocity, we are focused on developing a product that targets a broader pool of potential homebuyers. In the greater Las Vegas region, approximately 70% of home sales are below $400,000. In Summerlin, with our focus on maintaining its reputation and brand positioning as a luxury community, we have historically not met that lower priced segment of market demand. Most recently, we have been focused around developing a lot size, structure, and product type that can both maintain the high quality of product in Summerlin while allowing us to have a price point that meets this demand. Our goal is to access this market demand in 2017 and 2018 using land that would otherwise not be monetized for many years. This could provide for both the acceleration of near term cash flows and increase the net present value of this MPC.

THE SUMMIT

The Summit is our joint venture with Discovery Land Company ("DLC") to develop a 555-acre luxury golf course community that will further differentiate Summerlin as the place to live in the region. The project delivered its first lots in 2016 and is performing above plan. We had contracted to sell 71 lots for $226 million as of December 31, 2016. Early interest has come predominantly from the local market, which is atypical for traditional DLC projects. Development remains on schedule and on budget.

The early success of The Summit is a testament to Mike Meldman, Discovery's Chairman and CEO, and his impressive team as well as the strong brand reputations of DLC, HHC, and Summerlin that together create the perfect trifecta.

The joint venture distributed $23 million in 2016, and recorded equity in earnings to us of $44 million. We expect The Summit to grow substantially as lots close and we realize the full potential of this unique venture. The success of this project should also increase the appeal of our remaining MPC acreage for homebuilders and future home buyers.

DOWNTOWN SUMMERLIN HAS STRONG MOMENTUM THAT WILL ALLOW US TO DEPLOY OUR 5.5 MILLION SQUARE FEET OF ENTITLEMENTS AND CONTINUE ENHANCING THE COMMUNITY WITH OUR NEW COMMERCIAL DEVELOPMENTS.

Tour De Summerlin, Downtown Summerlin

20%

INCREASE IN YEAR-OVER-YEAR TRAFFIC AT DOWNTOWN SUMMERLIN

Holiday Parade, Downtown Summerlin

RETAIL AND OFFICE

We continued to enhance the tenant mix at Downtown Summerlin in 2016, highlighted by the opening of H&M, Dave and Busters, West Elm, and Maggiano's. The upgraded and expanded tenant roster has led to an approximately 20% increase in year-over-year traffic and sales of $577 per square foot, excluding pad sites and anchors. In 2016, we welcomed over 16 million visitors. Despite these gains, we experienced headwinds from the Sports Authority and Golfsmith bankruptcies, soft sales from a handful of tenants, and lower leasing velocity than we previously anticipated. NOI for Downtown Summerlin and ONE Summerlin was $19 million in 2016 and is projected to grow to $32 million at stabilization, which we now estimate to occur by the end of 2018. The slower than anticipated stabilization is primarily due to delayed lease-up and rent commencement dates as well as the need to replace non-performing tenants or defaulting tenants.

MULTI-FAMILY

We completed the Constellation in a joint venture with Calida in the third quarter of 2016. The 124-unit project was 66% leased as of December 31, 2016 at average rents of $1.49 per square foot.

FUTURE DEVELOPMENT

Downtown Summerlin has strong momentum that will allow us to deploy our 5.5 million square feet of entitlements and continue enhancing the community with our new commercial developments.

You can learn more about Summerlin at www.Summerlin.com

Illustrative Rendering of Proposed AAA Baseball Stadium in Downtown Summerlin

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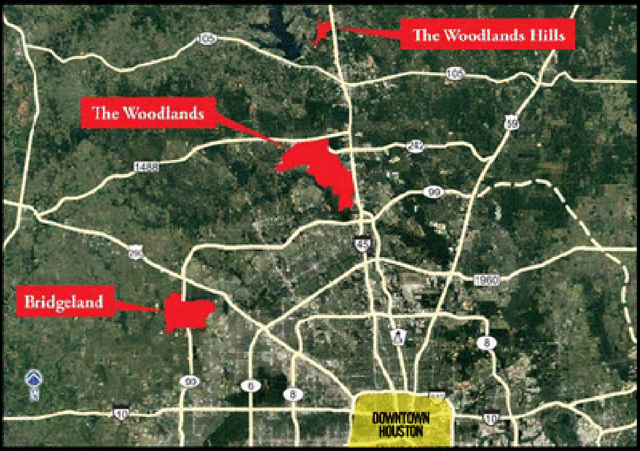
Houston MPC's

The Houston region includes The Woodlands, Bridgeland and The Woodlands Hills communities. Each of these assets is in a different stage of the MPC life cycle.

- **The Woodlands:** With only 1,000 residential lots and approximately 790 acres of commercial land remaining to be developed, the community is one of our most mature MPCs.
- **Bridgeland** has nearly 15,000 residential lots and 1,530 commercial acres remaining for development.
- **The Woodlands Hills:** Forecasted to deliver its first product to homebuilders in the latter half of 2017, the new MPC has a full cycle estimate of 5,000 residential lots to be developed over a 13-year period.

	THE WOODLANDS	BRIDGELAND	THE WOODLANDS HILLS	TOTAL
REMAINING LOTS	1,136	14,827	5,064	21,027
REMAINING COMMERCIAL LOTS	788	1,530	171	2,489
SELLOUT PERIOD	8	19	13	

Town Center, The Woodlands



The Woodlands

Created by visionary oil businessman George Mitchell in 1974 with an original concept design inspired by James Rouse's master plan of Columbia, Maryland, The Woodlands has grown into one of the country's most recognized MPCs over the last 40 years. Today, more than 115,000 residents and several Fortune 500 corporations call The Woodlands home, including Anadarko Petroleum, Chicago Bridge & Iron, and Huntsman Corporation. In addition, several large corporations maintain regional campuses in The Woodlands such as ExxonMobil, Chevron Phillips, Baker Hughes, McKesson, and Aon. As a result of the robust corporate presence, The Woodlands is one of the largest employment hubs in the region with over 60,000 jobs, helping to maintain economic stability with an average household income in excess of $110,000.

Hughes Landing, The Woodlands

Since acquiring Morgan Stanley's remaining 47.5% ownership interest in The Woodlands in 2011 for $117.5 million and their share in the $261 million of total debt on the community, we have sold over 3,000 residential lots for approximately $390 million and 169 acres of commercial land for $141 million. Today, we value the remaining land in The Woodlands at $926 million on an uninflated/undiscounted basis. In addition, we have invested total capital of approximately $890 million to develop or redevelop approximately 1.7 million square feet of office, 224,000 square feet of retail, 704 multi-family units, and 913 hotel rooms all of which generate net operating income of $64 million (annualized as of fourth quarter 2016) and $89 million of expected NOI equating to a stabilized yield of 10% on our total project costs. Today, we value the community at $1.4 billion net of approximately $900 million of debt.

Below is a brief overview of our operating assets at The Woodlands.

OFFICE

Our office portfolio in The Woodlands consists of approximately 2.1 million square feet across 11 properties. Our office properties range in size and location to satisfy a broad range of tenant requirements. Our scale allows us to compete for tenants at every stage of a company's life cycle, from small companies searching for affordable space to Fortune 100 corporations interested in state-of-the-art build to suit office space.

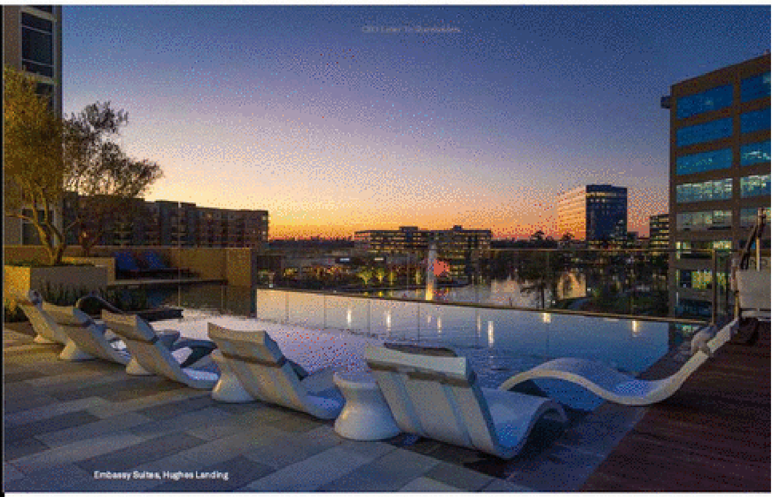
Total NOI from our office portfolio in The Woodlands was $32 million in 2016 which is expected to grow to $53 million once our newest developments in Hughes Landing stabilize. Below is a table outlining our existing operating office assets in The Woodlands along with their 2016 projected annual stabilized NOI.

($ in millions)	Square Feet / Units	% Occupied as of 12/31/16	2016 NOI	Q4 2016 NOI Annualized	Projected Annual Stabilized NOI
Operating Assets - Office					
1725 – 1735 Hughes Landing Blvd	651,924	73.8%	$ 3.0	$ 9.4	$ 14.4
Three Hughes Landing	321,000	10.0%	(0.5)	NA	7.6
3 Waterway	232,021	100.0%	6.7	7.2	6.7
4 Waterway	218,551	100.0%	6.5	6.7	6.5
One Hughes Landing	197,719	100.0%	6.0	6.2	6.0
Two Hughes Landing	197,714	96.3%	5.0	8.2	6.0
3831 Technology Forest	95,078	100.0%	2.0	1.8	2.0
9303 New Trails	97,553	86.7%	1.6	1.5	1.8
1400 Woodloch	95,667	93.5%	1.7	1.7	1.7
2201 Lake Woodlands	24,119	30.5%	(0.1)	-	-
Total	**2,131,346**		**$ 31.9**	**$ 42.7**	**$ 52.7**

(1) Stabilized NOI is shown at greater of (i) trailing 12-month actual results or (ii) stabilized NOI at time of initial underwriting. In certain situations, current annualized NOI could exceed projected stabilized NOI as a result of non-recurring items such as lease termination fees.

Embassy Suites, Hughes Landing

The Woodlands Resort and Conference Center



Embassy Suites, Hughes Landing

HOSPITALITY

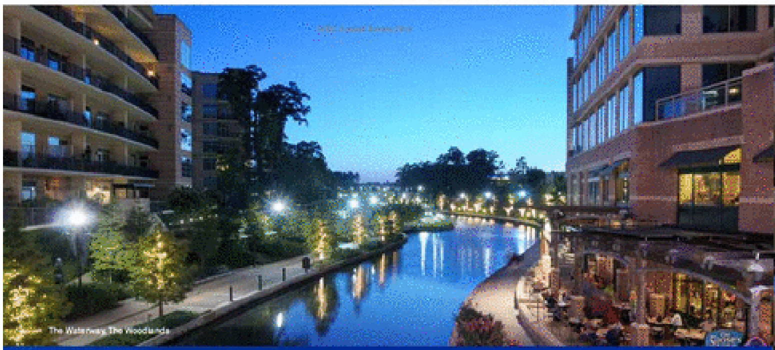
Our hospitality portfolio in The Woodlands consists of three hotels: The Woodlands Resort & Conference Center, Embassy Suites at Hughes Landing and The Westin. Today, our portfolio is quite different than it was three years ago. In 2014, we completed a redevelopment and expansion of the Woodlands Resort & Conference Center that included renovating 222 existing guest rooms and constructing a new wing of 184 guest rooms and suites. In 2015, we completed and opened the Embassy Suites at Hughes Landing, which has been ranked the top hotel on the Embassy network. In 2016, we opened The Westin along The Woodlands Waterway in Town Center.

As a result of the impact of lower oil prices on the Houston economy, 2016 was a challenging year for our hospitality segment as occupancy was lower than forecasted at both the Resort and The Westin. We have further optimized the hotels' operations and they are well positioned to continue to season in the coming years. In 2016, NOI from our hospitality segment was $13 million, which we expect to ultimately grow to $32 million at stabilization.

Below is a table outlining our existing operating hospitality assets in The Woodlands along with their 2016 projected annual stabilized NOI.

($ in millions)	Keys	2016 NOI	Q4 2016 NOI Annualized	Projected Annual Stabilized NOI
Operating Assets - Hospitality				
Woodlands Resort & Conference Center	406	$ 7.8	$ 7.7	$ 16.5
The Westin at The Woodlands	302	1.7	4.8	10.5
Embassy Suites at Hughes Landing	205	3.6	4.3	4.5
Total	**913**	**$ 12.9**	**$ 16.8**	**$ 31.5**

(1) Stabilized NOI is shown at greater of (i) trailing 12-month actual results or (ii) stabilized NOI at time of initial underwriting. In certain situations, current annualized NOI could exceed projected stabilized NOI as a result of non-recurring items such as lease termination fees.



The Waterway, The Woodlands

WE OWN THREE MULTI-FAMILY PROPERTIES IN THE WOODLANDS THAT TOTAL 1,097 UNITS.

One Lakes Edge at Hughes Landing, The Woodlands

MULTI-FAMILY

We own three multi-family properties in The Woodlands that total 1,097 units. Similar to our office properties, our multi-family portfolio is uniquely positioned to serve a wide range of residents, from millennials moving into their first home after college to empty nesters looking for the best amenities a property has to offer. Our most recent development, One Lakes Edge, is the gold standard for multi-family living in The Woodlands. In 2016, the NOI of our multi-family segment in The Woodlands was $8.3 million. We expect NOI from this segment to grow to $17 million once One Lakes Edge stabilizes and Millennium Six Pines contributes our 100% share for a full year.

($ in millions)	Units	% Occupied As of 12/31/16	2016 NOI	Q4 2016 NOI Annualized	Projected Annual Stabilized NOI
Operating Assets - Multi-Family					
One Lakes Edge [1]	390	69.2%	$ 3.6	$ 4.0	$ 7.5
Millennium Six Pines [2]	314	85.7%	1.5	3.9	4.8
Millennium Waterway	393	83.0%	3.2	3.4	4.5
Total	**1,097**		**$ 8.3**	**$ 11.3**	**$ 16.8**

Notes:

1) NOI includes One Lakes Edge Retail.

2) Prior to our acquisition of our partner's remaining interest in this property in July 2016, we owned an 81.43% interest. The NOI shown here reflects NOI earned subsequent to the acquisition. Prior to the acquisition, our share of the property's NOI was approximately $1 million.

3) Stabilized NOI is shown at greater of (i) trailing 12-month actual results or (ii) stabilized NOI at time of initial underwriting. In certain situations, current annualized NOI could exceed projected stabilized NOI as a result of non-recurring items such as lease termination fees.

RETAIL

We own approximately 308,000 square feet of retail across six properties in The Woodlands. These properties are primarily located in Town Center and Hughes Landing and offer a variety of dining and shopping offerings from restaurants such as Truluck's, Fogo de Chao and Del Frisco's Grille to grocery stores such as Whole Foods Market. Our retail portfolio is 94% leased with an average remaining term of eight years. In 2016, total NOI from our retail portfolio in The Woodlands was $8 million.

Below is a table outlining our existing operating retail assets in The Woodlands along with their 2016 projected annual stabilized NOI.

($ in millions)	Square Feet	% Occupied As of 12/31/16	2016 NOI	Q4 2016 Annualized NOI	Projected Annual Stabilized NOI
Operating Assets - Retail					
Hughes Landing Retail	126,131	97.4%	$ 3.4	$ 4.2	$ 3.5
One Lakes Edge Retail [1]	23,280	99.2%	-	-	-
Creekside Village Green	74,669	84.5%	1.5	1.5	1.9
20/25 Waterway	50,062	97.5%	1.8	1.9	1.8
Waterway Garage Retail	21,513	99.8%	0.6	0.7	0.8
1701 Lake Robbins	12,376	64.1%	0.4	0.4	0.4
Total	**308,031**		**$ 7.7**	**$ 8.7**	**$ 8.4**

Notes:

1) NOI included in One Lakes Edge multi-family NOI.

2) Stabilized NOI is shown at greater of (i) trailing 12-month actual results or (ii) stabilized NOI at time of initial underwriting. In certain situations, current annualized NOI could exceed projected stabilized NOI as a result of non-recurring items such as lease termination fees.

In addition to the above, we have a pipeline of entitlements that could total more than 7,000,000 square feet.

You can learn more about The Woodlands at www.TheWoodlands.com

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Bridgeland

Bridgeland was acquired in 2003. Located northwest of Houston between Highway 290 and Interstate 10, the MPC originally encompassed over 10,000 acres before an additional 1,234 acres were purchased in 2007. The master plan details more than 3,000 acres of open space and 900 acres of lakes, helping to differentiate the community and providing appeal to buyers. Since construction began in 2004, our predecessors invested over $300 million into this asset.

Bridgeland's first homes were sold in 2006. Over the long term, Bridgeland expects to comprise 20,000 homes and 65,000 residents. Today, approximately 2,800 homes have been sold and 8,300 residents live in the community. Unemployment in the local trade area is 5.2% and the median household income is approximately $100,000. As other MPCs exhaust their supply of residential lots, Bridgeland stands to benefit from the continued northern growth in the greater Houston area as future home owners are attracted to the master plan environment.

2016 was a robust year for Bridgeland with home sales 67% higher than in 2015. This performance highlights the demand that exists for homes priced below $400,000. In order to meet the market demand for this product, we have altered the mix of lots that we develop. We sold 296 lots in 2016 with revenue totaling $21 million.

As Houston grows northwest, Bridgeland will be the beneficiary of that growth. We expect Bridgeland to eventually achieve average lot sales in excess of 800 lots per year. Accelerating our lot sales will pave the way for commercial development and meaningful growth in recurring income.

You can learn more about Bridgeland at www.Bridgeland.com

67% GROWTH IN YEAR OVER YEAR SALES

Bridgeland, Houston

Columbia

Developed by Jim Rouse, the father of the MPC business, Columbia was among the first MPCs in the country. Its strategic position between Baltimore, MD, and Washington, D.C. enabled it to thrive. Today, it is home to more than 112,000 residents.

While The Rouse Company sold all of the community's single-family residential inventory many years ago, the central core was reserved for the last stages of development so that it could become an urban-oriented business and cultural hub known today as Downtown Columbia. This strategy is consistent with The Woodlands, which created enormous value by reserving strategically located "town center" land for commercial development later in the life cycle of the MPC.

Downtown Columbia is located in Howard County, which has a population of approximately 287,000 residents and one of the nation's most educated workforces. It is at the center of the growing cyber security industry because of its proximity to Fort George Meade, U.S. Cyber Command, and the National Security Agency.

The county is also home to major research institutions such as Johns Hopkins and companies like W.R. Grace, Accuvant Federal Solutions, Tenable, and The Coastal Companies. As of December 2016, the Howard County unemployment rate was 2.7%. Household incomes are high in Howard County with median household income at over $110,000. Owing to its many amenities and strong schools, Columbia was ranked the top small city to live in by Money Magazine in 2016.

Our focus over the past six years has been on the commercial development plan for Downtown Columbia, which provides us with the ability to develop approximately 13 million square feet comprised of 5,500 residential units, 4.3 million square feet of office, 1.3 million square feet of retail, and 640 hotel rooms. Below are some updates of our progress over the last 12 months.

On November 9, 2016, The Howard County Council passed legislation approving up to $90 million in tax increment financing bonds to fund critical public infrastructure improvements in the Merriweather District within Downtown Columbia, including significant roadwork and a 2,500-space parking structure. A TIF is a vehicle commonly used by jurisdictions around the country to fund development of public spaces or infrastructure. TIFs use future incremental tax revenue resulting from the development to finance the infrastructure needed to accelerate the larger project.

DOWNTOWN COLUMBIA MASTER PLAN BY THE NUMBERS

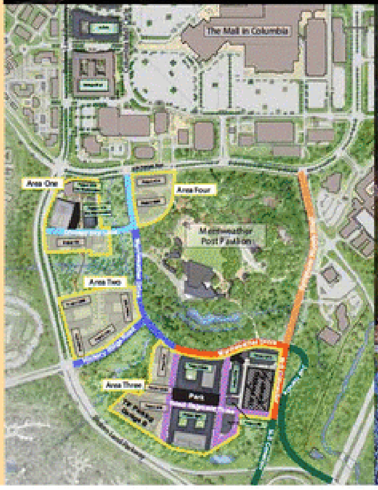
5,500
RESIDENTIAL UNITS

4.3M
SQ FT OF OFFICE

1.3M
SQ FT OF RETAIL

OWING TO ITS MANY AMENITIES AND STRONG SCHOOLS, COLUMBIA WAS RANKED THE TOP SMALL CITY TO LIVE IN BY MONEY MAGAZINE IN 2016.

Merriweather Post Pavilion, Downtown Columbia



OFFICE

Through two transactions in recent years, we acquired 10-70 Corporate Center and became the dominant office landlord in Downtown Columbia, controlling approximately 50% of the supply in the market. Last year, we completed One Merriweather, the first new office building to be delivered in Downtown Columbia in decades. Medstar Health, the region's largest healthcare provider, occupies 42% of the project and will cover carrying costs while the remainder of the building is leased.

We began construction on Two Merriweather, our second office building in the Merriweather District. Pearson PLC, an international publishing and education company, will occupy approximately 55% of the building when complete at the end of 2017.

Additionally, we closed on the purchase of the American City Building in the Lakefront District. The purchase price of $14 million is net of insurance proceeds held in escrow from a previous casualty. While this office building is vacant, its value lies in our ability to unravel complicated and restrictive parking easements, which will allow us to redevelop a significant portion of the Lakefront. We are hard at work fine tuning a dynamic plan that will accelerate development opportunities in the market.

In 2016, we purchased One Mall North, a 100,000 square foot fully leased office building, for $22 million. Without assigning any value to the improvement, the implied purchase price of the building would equate to the value of the land we contributed to our first joint venture with Kettler for the construction of the Metropolitan. We believe our basis in the buildings positions us to create value over the long term.

RETAIL

In 2016, we completed leasing the Columbia Regional Building, adding NuVasive to the third floor. We successfully repurposed the former Rouse Company Headquarters, designed by architecture giant Frank Gehry, into a dynamic Whole Foods-anchored destination in Fall 2014. Our Columbia retail portfolio totals 89,000 square feet.

MULTI-FAMILY

Our first multi-family development in Columbia, The Metropolitan Downtown Columbia, stabilized in 2016. Distributions in 2016 in the 50/50 joint venture with Kettler totaled $5 million of which $4 million was a result of refinancing the debt.

In 2016, under another 50/50 joint venture with Kettler, we began construction on the 437-unit m.flats/TEN.M project adjacent to The Metropolitan Downtown Columbia. We contributed five acres of land to the project valued at $23 million. Additionally, we invested $9 million of capital to ready the land for development last year.

Below is a table outlining our existing operating assets in Columbia along with their 2016 projected annual stabilized NOI.

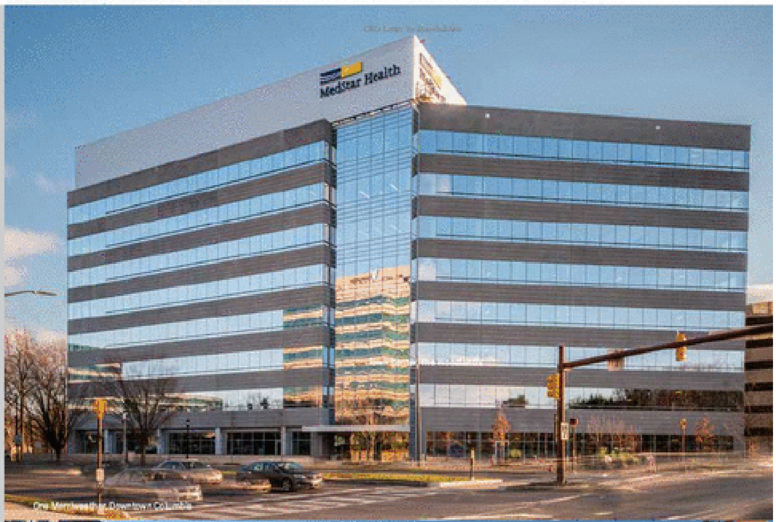
COLUMBIA - OPERATING & UNDER DEVELOPMENT ASSETS

($ in millions)	Asset Type	Square Feet / Units	% Occupied As of 12/31/16	2016 NOI	Q4 2016 NOI Annualized	Projected Annual Stabilized NOI
Operating Assets						
10-70 Columbia Corporate Center	Office	886,803	88.6%	$ 11.3	$ 10.3	$ 12.4
The Metropolitan [1]	Multi-family	380	92.6%	2.1	2.8	3.5
Columbia Regional Building	Retail/Office	88,556	77.4%	1.4	1.5	2.2
One Mall North	Office	97,364	100.0%	NA	NA	1.6
One Merriweather	Office	199,000	42.0%	NA	NA	5.1
Columbia Operating Properties	Various	100,903	90.9%	(0.1)	0.1	0.5
Subtotal				**$ 14.7**	**$ 14.7**	**$ 25.3**
Under Development						
m.flats [1]	Multi-family	437	NA	NA	NA	4.0
Two Merriweather	Office	130,000	NA	NA	NA	3.6
Subtotal				-	-	**7.6**
Total				**$ 14.7**	**$ 14.7**	**$ 32.9**

Notes:

1) Joint venture NOI is shown at share.

2) Stabilized NOI is shown at greater of (i) trailing 12-month actual results or (ii) stabilized NOI at time of initial underwriting. In certain situations, current annualized NOI could exceed projected stabilized NOI as a result of non-recurring items such as lease termination fees.



One Merriweather, Downtown Columbia

Merriweather District, Downtown Columbia

Future Growth

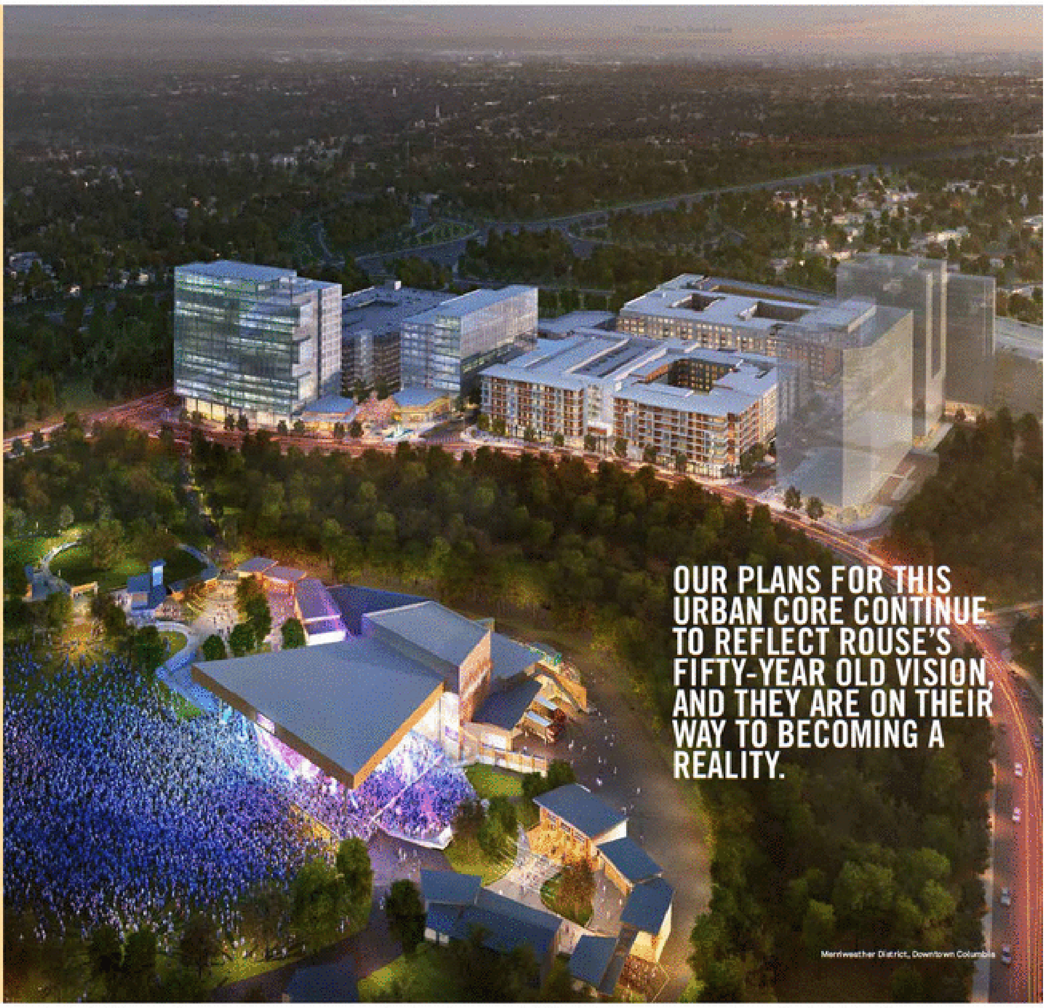
We plan to accelerate development in Downtown Columbia in 2017. We will complete previously approved infrastructure and roadwork design required to open the southern portion of the Merriweather District for vertical development.

We continue to generate interest from a variety of businesses in Downtown Columbia including healthcare, cyber security and other technological and research-oriented companies. By developing a corporate employment center, more people will want to live and play in Downtown Columbia. Our plans for this urban core continue to reflect Rouse's fifty year old vision, and they are on their way to becoming a reality. We are proud to be honoring his legacy in creating Downtown Columbia and reimagining the community for a new generation of residents and office workers.

You can learn more about Downtown Columbia at www.downtowncolumbiamd.com

Merriweather District, Downtown Columbia

Merriweather District, Downtown Columbia



OUR PLANS FOR THIS URBAN CORE CONTINUE TO REFLECT ROUSE'S FIFTY-YEAR OLD VISION, AND THEY ARE ON THEIR WAY TO BECOMING A REALITY.

Merriweather District, Downtown Columbia

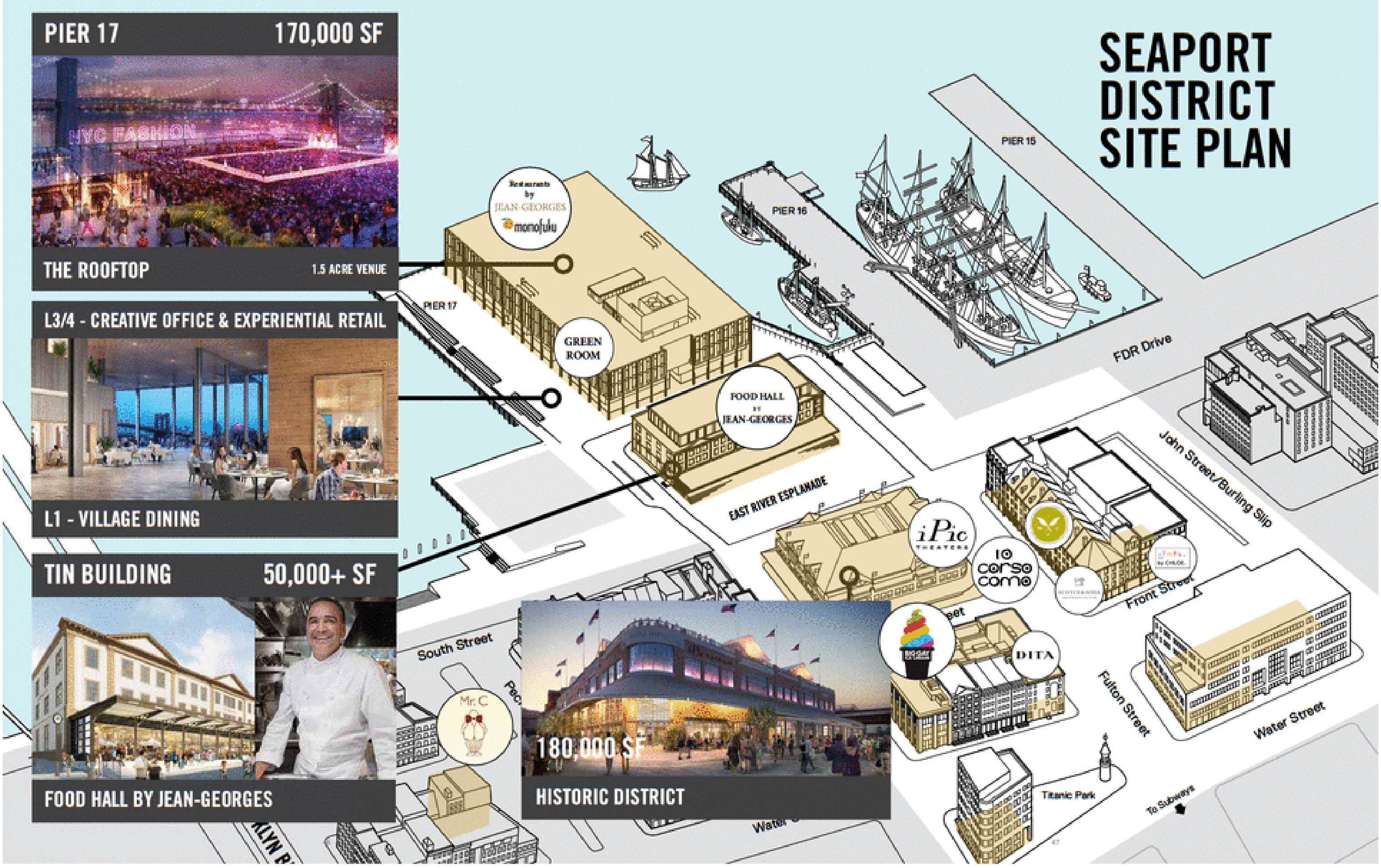
Seaport District

When we obtained control of the South Street Seaport in 2010, we quickly recognized the opportunity to transform the storied site into a premier destination for New Yorkers and an anchor for the thriving Lower Manhattan community while embracing the waterfront and historic cultural fabric of the locale.

Today, that vision is well on its way to becoming a reality.

Lower Manhattan

SEAPORT DISTRICT SITE PLAN



PORT OF DISCOVERY

Pier 17 Rooftop - Illustrative Rendering

Pier 17 Rooftop - Illustrative Rendering

Since September 11th, 2001, the Seaport neighborhood has become one of the fastest growing residential areas in New York City, attracting young, affluent, well-educated New Yorkers with average household incomes exceeding $200,000. This is only the beginning as many new residents will be relocating to the area with 27 residential buildings totaling more than 4,100 units under construction or planned for completion. An increase in visitors will also follow with approximately 4,600 hotel rooms under construction or planned for completion.

At the same time, Downtown NYC has become a hub for media, creative, and technology companies with more than 800 creative and technology companies calling the neighborhood home, which complement the existing strong base of financial services and insurance businesses. Today, approximately 500,000 people work in Lower Manhattan.

Lower Manhattan has never been easier to access with the opening of the Fulton Transit Center in 2014 (a 5-7 minute walk from the Seaport) and the World Trade Transportation Hub in 2016 (a 10 minute walk from the Seaport).

Combined, these two transport links serve more than 500,000 daily commuters and provide convenient access to the Seaport for those living throughout the metropolitan area. With Brooklyn's recent resurgence, Lower Manhattan is becoming the new center of New York City.

As New York's original commercial hub, the Seaport's distinct architecture and unmatched views of the Brooklyn Bridge and East River have always made it a highly visited tourist attraction, welcoming approximately 12-15 million tourists annually prior to the redevelopment. However, our focus has been to create a carefully curated destination that will bring New Yorkers back to the district.

The current redevelopment encompasses seven buildings spanning several city blocks along the East River waterfront in Lower Manhattan. The development consists of three distinct areas: the historic district, Pier 17, and the Tin Building.

Fulton Market Building

The Seaport District, NYC

Historic District - The historic district, or as we call it, the Uplands, consists of 180,000 square feet of retail space, which includes the 100,000 square foot Fulton Market Building. Our first cornerstone tenant to open in the revitalized district was iPic Theaters, which opened in October 2016 with a 20-year lease on 46,000 square feet in the Fulton Market Building. The iPic at the Seaport is Manhattan's first new commercial multiplex movie theater in over a decade and currently iPic's only Manhattan location.

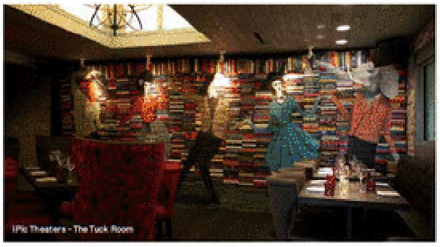
In September, we announced that iconic retailer 10 Corso Como, founded in Milan in 1991 by style visionary and former fashion editor Carla Sozzani, will open in the Uplands. The store will be 10 Corso Como's only U.S. location. For those of you not familiar with 10 Corso Como, it is the world's original concept store and emulates a living magazine with its wide range of offerings that include a restaurant, bar, art gallery, fashion, home goods, design objects, books and more (To learn more visit www.10corsocomo.com). 10 Corso Como will join other previously announced tenants in the historic district such as McNally Jackson Books, Scotch and Soda, By Chloe, Big Gay Ice Cream, and Dita Eyewear. We expect the Uplands to be substantially repositioned by mid-2018.

Pier 17 - The new building will house approximately 170,000 square feet over four levels overlooking the East River and Brooklyn Bridge. The first two levels will house a mix of dynamic restaurants and experiential retail, including concepts from acclaimed restauranteurs Jean-Georges Vongerichten and David Chang (Founder of the Momofuku Group). Floors three and four will consist of approximately 100,000 square feet of space that will likely be a mix of creative office, experiential retail, and event space. Pier 17 will be highlighted by a 1.5-acre rooftop event and entertainment venue that will be home to a restaurant, private events, a community open space, summer concert series and a vibrant winter village experience in a unique setting with unmatched views of the Brooklyn Bridge, East River, and the New York skyline. The rooftop will be able to hold approximately 4,000 people standing or 2,600 seated. Pier 17 and the rooftop will open in the summer of 2018. Given the unique nature of this rooftop, it is a space that needs to be seen and experienced in order to understand its ultimate potential.

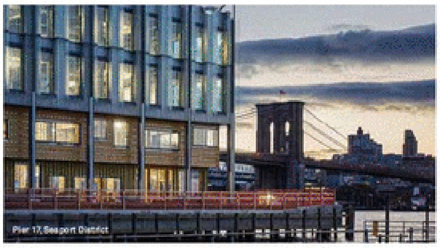
Tin Building - The Tin Building will encompass approximately 50,000 square feet, housing a food market that will rival the most extraordinary food experiences in the world. Operated by Chef Jean-Georges Vongerichten, the market will pay homage to the original Fulton Fish Market that opened at the Seaport in 1822. The existing building will be carefully deconstructed, removed from its deteriorated platform, and rebuilt 30 feet back from FDR Drive to restore its visibility and move it above the flood plain. The reconstruction is expected to be complete in 2019.

In curating the district, we have structured many of our leases to have a significant component of percentage rent or to give HHC a partnership interest in the business. As a result, our ability to realize returns at the higher end of our expectations will be driven by the ultimate sales productivity per foot that our food and beverage and retail offerings achieve. We could have accepted a more traditional business model with a focus on base rents, however, I believe we can create greater risk adjusted returns and a substantially more valuable property by creating a destination with distinct experiences and by participating in tenant success in a meaningful way.

Given the Seaport's many possibilities and the current state of development, it is currently more complicated to value than our other core assets. Our vision is to create a destination and property that we would want to own for a lifetime on a site that is irreplaceable in location, architecture, and iconic nature in the heart of one of the fastest growing neighborhoods in the world's most vibrant city.



IPic Theaters - The Tuck Room



Pier 17, Seaport District

Food Hall by Jean-Georges, The Tin Building

We are updating our total construction costs for the Seaport District, now inclusive of the Tin Building, to a gross cost of $785 million, or $731 million net of our Superstorm Sandy insurance proceeds of $54 million.

WE ARE TARGETING A STABILIZED ANNUAL RETURN BETWEEN 6% AND 8% OF OUR NET COST ESTIMATE OF $731 MILLION.

You can learn more about the Seaport District at www.southstreetseaport.com

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Ward Village

We continue to make our mark in Honolulu with substantial progress in transforming Ward Village into one of the great urban master plans in the world. Our 60-acre vertical MPC, located steps from the beach on the south shore of Oahu between downtown Honolulu and Waikiki, will become an international benchmark for community development, architecture, public space and culture.

Waiea Grand Penthouse, Ward Village

Central Plaza, Ward Village

The property is currently comprised of 1.3 million square feet of retail, industrial and office space. Our master plan entitlements allow for up to 9.3 million square feet of mixed-use development. At full build out, we will deliver over 4,000 homes and more than one million square feet of retail space. In 2016, Ward Village generated $22 million of NOI from existing retail and industrial space, a large portion of which will be redeveloped as part of the master plan. It is unusual for a development site to generate meaningful recurring income, particularly to continue doing so throughout the redevelopment.

As the largest LEED-ND Platinum certified development in the country, Ward Village is at the forefront of sustainable community development and will contain public amenities at a scale that no other development in Hawaii offers. These public amenities include a planned central plaza in the heart of the community, new tree-lined sidewalks, and bike lanes with access to an over 100-acre public beach park and the adjacent Kewalo Harbor, which we control and operate under a 35-year ground lease with the Hawaii Community Development Authority. To date, we have sold more than 1,100 homes since we began sales in early 2014.

Given its unique beauty and location between the U.S. and Asia, Oahu continues to attract a growing number of visitors. In 2016, Honolulu welcomed approximately 8.8 million visitors, 15% above its prerecession peak in 2006. At the same time, the employment market is robust. As of December 2016, the Honolulu unemployment rate was 2.4%. As a result of the high barriers to entry and limited new supply, Honolulu and the broader Oahu residential market continue to show strength. Last year was marked by steady year-over-year median price increases and limited supply of new home deliveries. Economists forecast median condominium prices to increase by approximately 5.5%[2] over each of the coming three years.

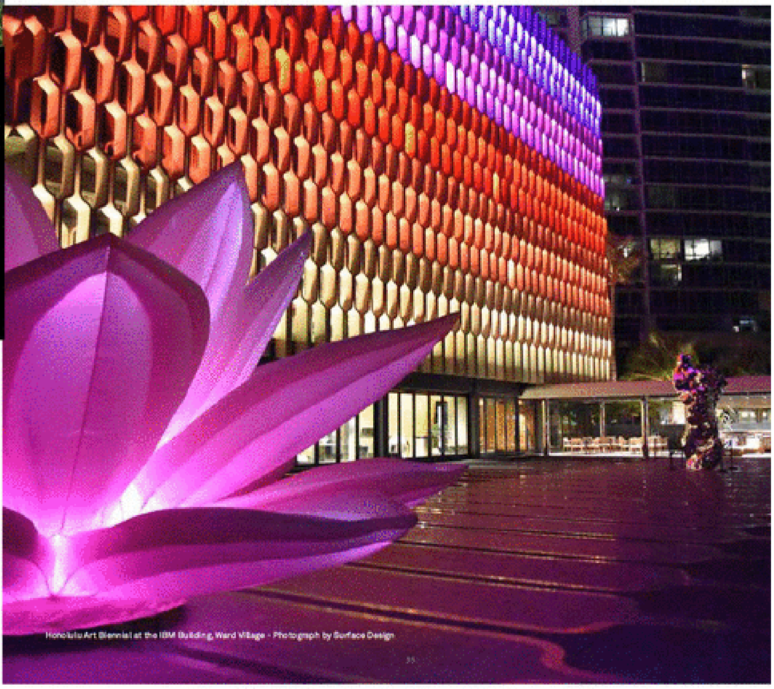
We had a strong 2016 at Ward Village, contracting to sell $341 million during a year in which our only new product to hit the market was Ke Kilohana, our primarily workforce housing tower. We contracted to sell a total of $872 million in 2014 and 2015.

Because we offer product at a wide range of price points to meet demand, we have the opportunity to absorb the majority of new customers in this market. That said, absorption has slowed for condominium units priced over $2 million due to the increased supply of luxury product brought to market over the past several years. This will likely impact the design of future towers over the medium term.

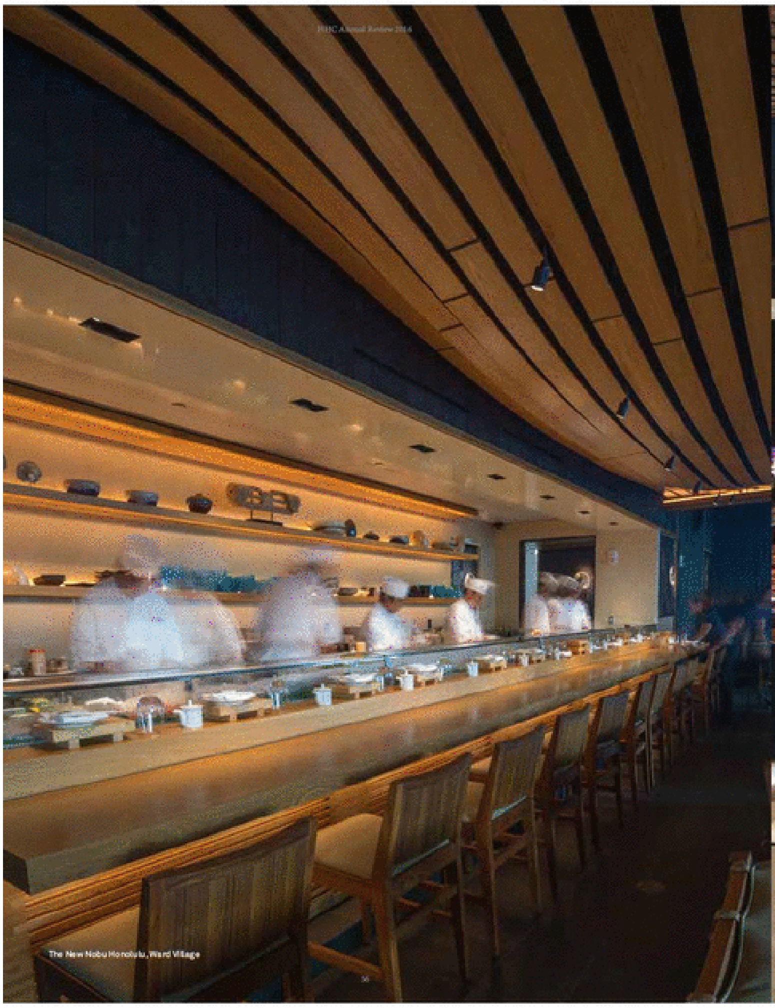
2) University of Hawaii Economic Research Organization – State Forecast Update March 2017

As of December 31, 2016, we had contracted to sell approximately $1.4 billion of residential product on towers completed or under construction and have approximately $541 million of product remaining for sale. We are on schedule to deliver one tower per year through 2019 and have executed leases to anchor the base of the towers with leading operators including Nobu, Merrimans, CVS, and Whole Foods Market. Similar to the MPC segment, the scale of this development thwarts competition in the marketplace and gives us a competitive advantage with securing labor, financing, marketing and community engagement.

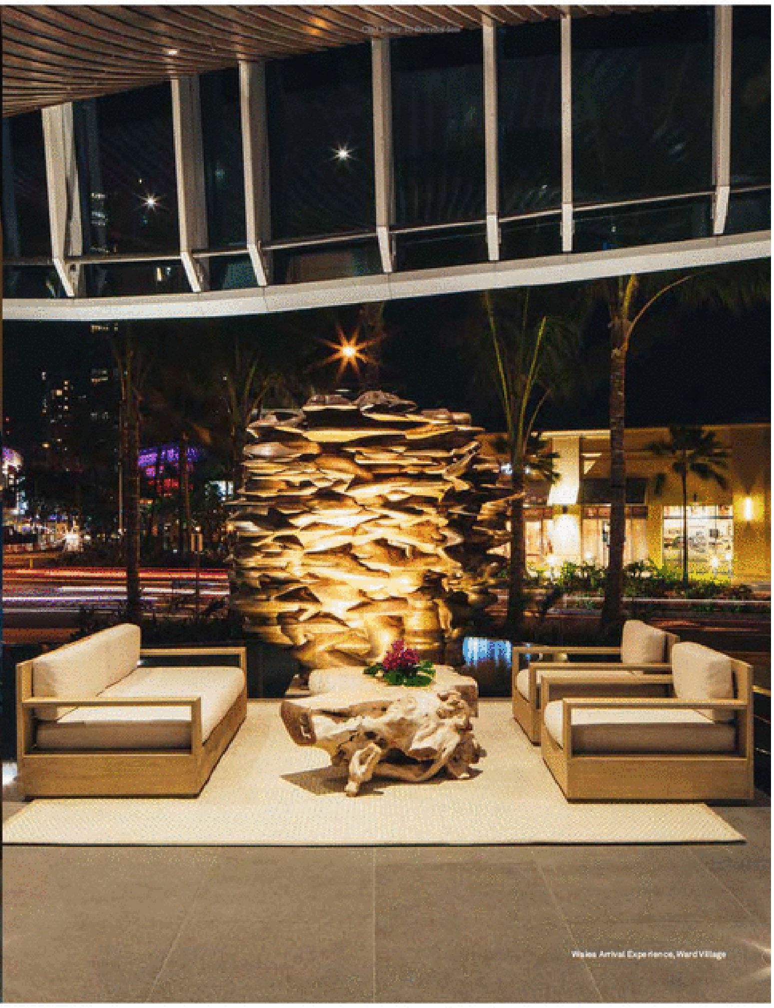
We have made important contributions to the community beyond our development activities. We created the Ward Village Foundation to give back to the community and to date have committed more than $2 million to local causes. We have also taken a leadership role in bringing art and culture into the neighborhood, as evidenced by our role as founding sponsor of the 2017 Honolulu Biennial. The hub of this inaugural biennial is located at Ward Village, featuring works from 33 local and internationally renowned artists, many being exhibited for the first time in Hawaii from March 8 to May 8. Our long-term commitment to the city goes beyond our business interests. Our local executives are members of the community and dedicated to strengthening Honolulu for future generations. Their efforts have touched organizations as wide-ranging as the YMCA of Honolulu, Make A Wish Hawaii, The Bishop Museum and HomeAid Hawaii (founded by The Ward Village Foundation to help serve Honolulu's homeless population).



Honolulu Art Biennial at the IBM Building, Ward Village - Photograph by Surface Design



The New Nobu Honolulu, Ward Village



Waiea Arrival Experience, Ward Village

WAIEA AND ANAHA

We broke ground on Waiea in June 2014 and opened in November 2016 at a total cost of approximately $414 million, excluding land. The tower has an 8,200 square foot Nobu that is projected to generate $0.5 million in annual NOI in 2017. As of March 31, 2017, we had sold 163, or 94%, of the units.

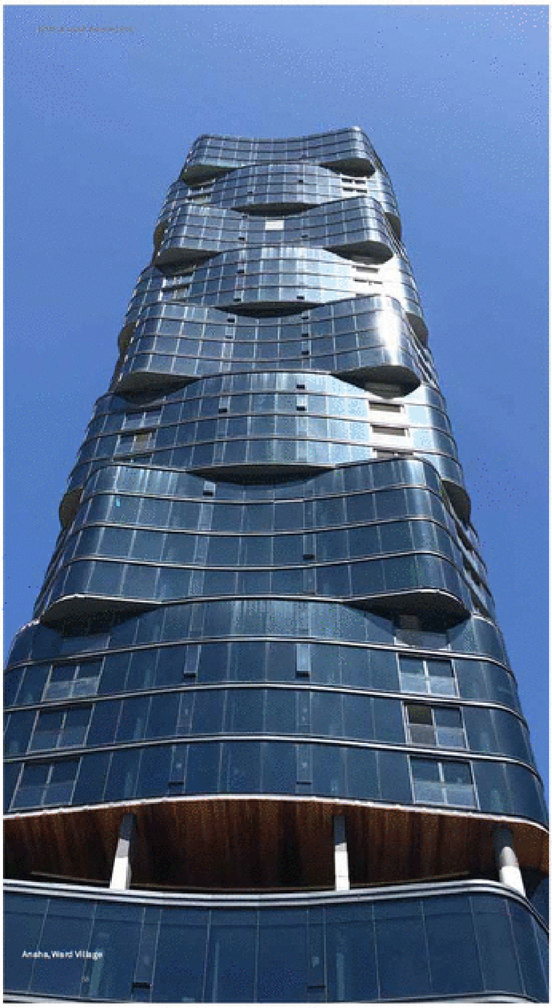
We broke ground on Anaha in November 2014, which is scheduled to begin closings in third quarter 2017 at a total cost of approximately $401 million, excluding land. This tower will include 16,000 square feet of retail which is projected to generate $1 million in annual NOI upon stabilization in 2018. As of March 31, 2017, we had sold 301, or 95%, of the units.

AE'O

We broke ground on the first phase of Ae'o in March 2016 and the tower is scheduled to begin closings in the first half of 2019 at a total cost of approximately $429 million, excluding land. Additionally, the tower will have 67,000 square feet of retail, anchored by a flagship Whole Foods Market, which is projected to generate $2 million in annual NOI upon stabilization in 2019. As of March 31, 2017, we had sold 288, or 62%, of the units.

KE KILOHANA

We broke ground on Ke Kilohana in October 2016, which is scheduled for completion in 2019 at a total cost of approximately $219 million, excluding land. The 424-unit project contains 375 workforce units, priced below-market, which allow for the development of approximately 1,500 market-rate units. The tower will include 22,000 square feet of retail leased to CVS/Longs Drugs and is projected to generate $1 million in annual NOI upon stabilization in 2020. As of March 31, 2017, we had sold 387, or 91%, of the units.


Anaha, Ward Village


Whole Foods Market & AEO, Ward Village


Ke Kilohana, Ward Village

Excluding the value of our land, we anticipate achieving a 30% gross margin on our market rate condo developments for the overall master plan with front row sites obtaining higher margins and second or third row sites obtaining lower margins.

The market-rate housing projects allow us to subsidize the development of workforce housing, which is exclusively for local residents. To date, we have averaged sales per foot of approximately $1,400 on our market-rate buildings over a wide range of product. We have approximately five million square feet of market rate residential development entitlements remaining. The completed master plan will include more than one million square feet of retail for which we expect to achieve net rents between $50 and $75 per foot. It is worth noting that Ward is located 5-7 minutes walking distance from Ala Moana Mall, one of the most productive shopping destinations in the country with sales of approximately $1,400 per foot, and as such we expect the retail of the development to grow into a valuable source of recurring income.

KEWALO HARBOR

The Kewalo Basin Harbor sits along Ward Village's frontage and forms the foreground of ocean views for thousands of condominiums planned or in construction. The Harbor, which leases slips for charter, commercial fishing, and recreational vessels, is a valuable amenity to the greater community that is unmatched on the island. In 2015 following an extensive RFP process, the Hawaii Community Development Authority (HCDA) granted us the rights to refurbish and reinvigorate two parcels of land that skirt the harbor as well as manage the harbor. This will allow us to create an integrated environment around Ward Village that maintains the integrity and rich history of the area.

The site is approximately 55 acres and is comprised of 144 boat slips. We plan to spend approximately $23 million in order to replace existing piers, improve security features, upgrade access to utilities, and add 36 boat slips for a total of 180 slips after redevelopment. In-water construction is expected to commence in late-2017 with expected completion in late 2019. In addition to being an amenity for the broader community, thanks to its depth and large slips, Kewalo is regularly home to large superyachts making their way across the Pacific.

FUTURE DEVELOPMENT

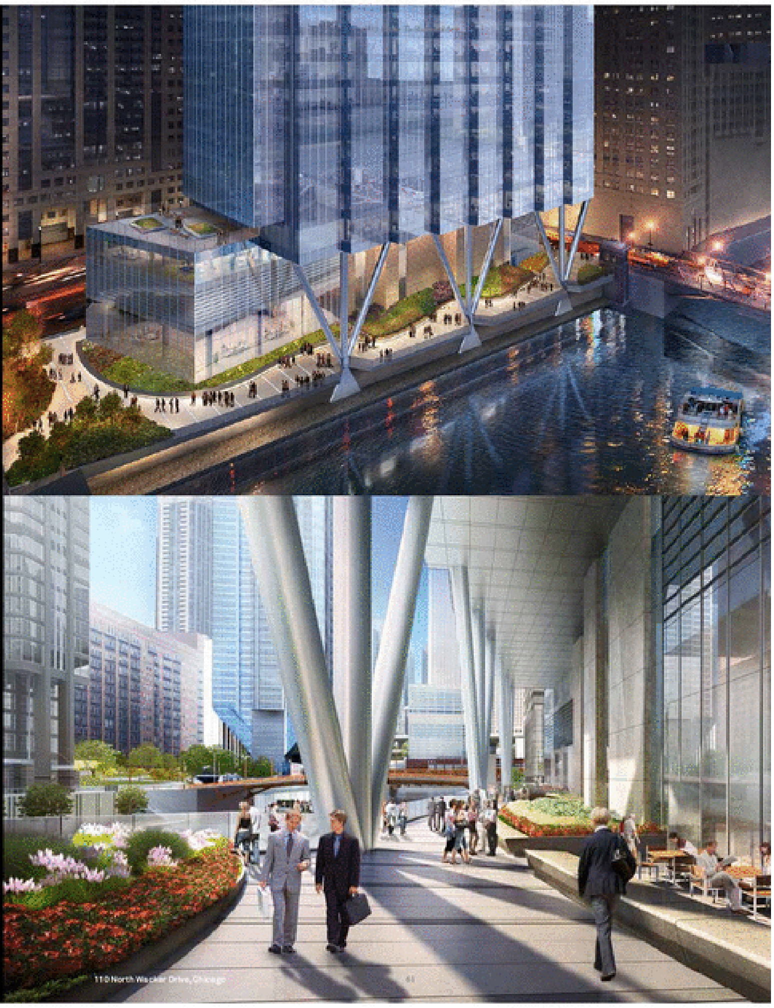
As I mentioned last year, we continue to think about how we can develop innovative product that will meet the needs of the market and enable us to accelerate sales. To that end, we are focused on bringing our next residential tower to market this summer, which will consist of smaller, more efficient units with lower nominal price points.

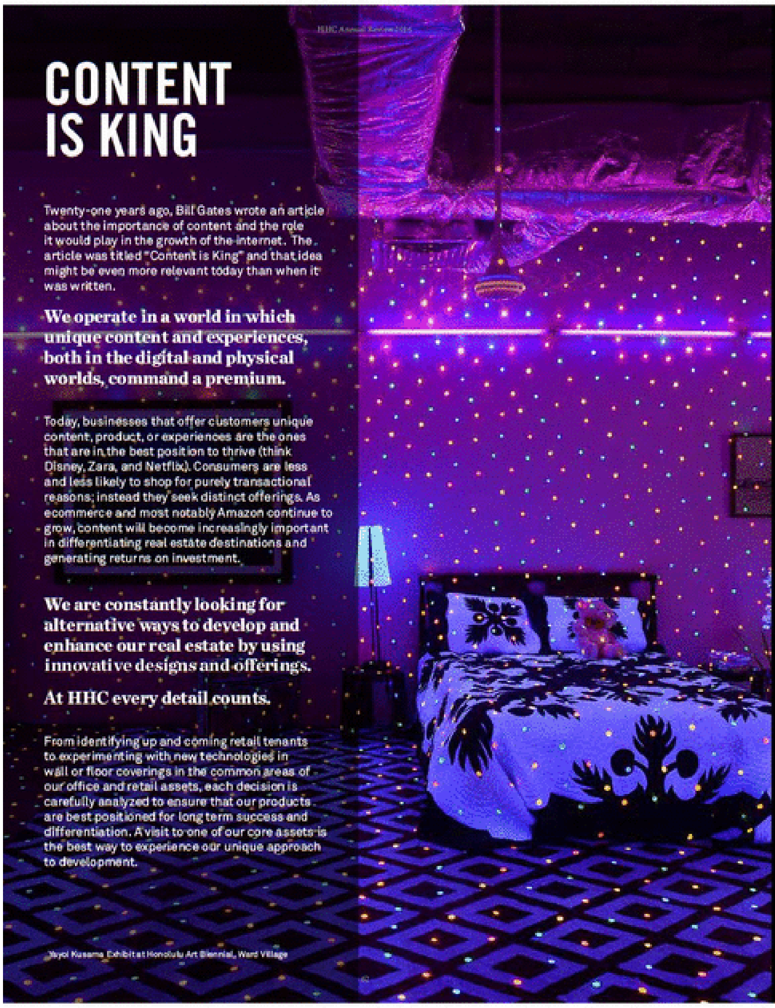
You can learn more about Ward Village at www.Wardvillage.com

Other Notable Opportunities

Other assets include 110 N. Wacker in Chicago, Landmark Mall in Alexandria, Circle T Ranch in Dallas, Elk Grove in California, and West Windsor in New Jersey. These assets are held in our Strategic Development segment. Even though they are not part of our core assets, we have significantly advanced predevelopment efforts and have taken major steps to unlock value. These steps include:

- Beginning to masterplan a large mixed-use development in partnership with Hillwood at Circle T Ranch
- Acquiring the Macy's site at Landmark Mall, providing us with the ability to transform the enclosed mall and the Macy's parcel into a vibrant open-air, mixed-use community with retail, residential, and entertainment components.
- Executing on a partial sale of land at our Elk Grove site to The Wilton Rancheria tribe for $36 million in January 2017. The tribe will construct a casino on the site which will be linked to our future outlet/hybrid lifestyle development.
- Recently announcing plans for a future 51-story, trophy-class office building to be developed on 110 North Wacker in collaboration with Riverside Investment & Development.


110 North Wacker Drive, Chicago



CONTENT IS KING

Twenty-one years ago, Bill Gates wrote an article about the importance of content and the role it would play in the growth of the internet. The article was titled "Content is King" and that idea might be even more relevant today than when it was written.

We operate in a world in which unique content and experiences, both in the digital and physical worlds, command a premium.

Today, businesses that offer customers unique content, product, or experiences are the ones that are in the best position to thrive (think Disney, Zara, and Netflix). Consumers are less and less likely to shop for purely transactional reasons; instead they seek distinct offerings. As ecommerce and most notably Amazon continue to grow, content will become increasingly important in differentiating real estate destinations and generating returns on investment.

We are constantly looking for alternative ways to develop and enhance our real estate by using innovative designs and offerings.

At HHC every detail counts.

From identifying up and coming retail tenants to experimenting with new technologies in wall or floor coverings in the common areas of our office and retail assets, each decision is carefully analyzed to ensure that our products are best positioned for long term success and differentiation. A visit to one of our core assets is the best way to experience our unique approach to development.

Yayoi Kusama Exhibit at Honolulu Art Biennial, Ward Village

TALENT

I often say that it takes both great assets and great people to be successful. To accomplish the extraordinary, we need a team of talented individuals who share a common purpose and possess the passion associated with the HHC DNA. Over the past six years, we have assembled the HHC team and continue to increase its depth. In 2016, we announced two key senior hires that further our expertise and collective experience.

In October, we announced the hiring of David R. O'Reilly as our Chief Financial Officer. David previously served as Executive Vice President, Chief Investment Officer of Parkway Properties, Inc., a Florida-based publicly traded real estate investment trust (NYSE:PKY) which focused on the ownership of office properties. During his career, David has been involved in a broad range of financial advisory and merger and acquisition activities, including leveraged buyouts, initial public offerings and single-asset and pooled CMBS transactions. He is well qualified to help us assess and execute on the many opportunities that lay ahead for HHC.

When David was hired as our CFO, he purchased a six-year warrant to acquire common shares in the company for $1 million. There is no better way to be aligned than to truly have "skin in the game."

In December, we announced that Michael J. Slosser joined us to lead our hospitality division. Michael is based in The Woodlands, TX where the hospitality portfolio includes The Westin, an Embassy Suites by Hilton in Hughes Landing®, and the highly acclaimed Woodlands® Resort & Conference Center. Michael brings a long and successful track record in hospitality ranging from top business hotels to iconic resorts. With his notable experience, Michael is a critical addition to our leadership team as we continue to strengthen our hospitality division. We look forward to leveraging his expertise across our hotel portfolio and integrating the highest level of customer experience in every segment of our business.

I am particularly proud of two employee milestones that were achieved this year. In February and March at Ward Village, we celebrated the 49th and 50th anniversaries of Lynn Onaka and Joyce Yoshida working for the property. We thank them both for their tireless hard work, commitment, and incredible loyalty. That is something to celebrate!

Lynn Onaka

Joyce Yoshida

HHC's Financial Flexibility

Historically, developers have often failed as a result of limited capital in changing market conditions. We work hard every day to mitigate liquidity risk and maintain a strong balance sheet.

In early March, we executed on an opportunistic refinancing of our existing $750 million notes. The existing notes carried a coupon of 6.875% and became open to a call in October of 2016. In refinancing this obligation, our goal was to execute a transaction that would refinance the issue on a positive net present value basis, add meaningful duration to our maturity schedule, and maintain or improve our current liquidity profile. When we closed on our new $800 million note issuance at 5.375%, which was a 150 basis point improvement to our existing issue, we accomplished all of those goals.

We believe that one way to mitigate our capital markets risk is to move with alacrity when opportunities arise and maintain access to multiple portions of the capital markets. By actively accessing the construction loan, mortgage loan and unsecured debt markets, we maintain strong capital availability for our company.

Since our initial bond offering in 2013, we have made material improvements in our credit profile. Our total assets have grown 78% from $3.6 billion to $6.4 billion, and our operating asset segment has grown 136% from $1.1 billion to $2.6 billion in total assets. During this period of growth, we have maintained discipline in our financing strategy.

Our leverage statistics at the time of our $800 million bond offering in March 2017 showed consolidated net debt to net book capitalization of 38%. Further, we have improved our unencumbered assets base such that 42% of our undepreciated real estate assets are unencumbered. Of our debt outstanding, 77% is associated with our income-producing operating asset segment. That debt represents only 56% of depreciated book value substantially less on a market value basis. We also received an upgrade on the ratings of our new bond issue from S&P to B+.

While we have made significant progress improving the financial profile of our company, we still are not satisfied with our current ratings and believe that we have and will continue to make meaningful improvements to our credit profile. We intend to work to communicate this progress with our debt investors and the rating agencies to receive better recognition for the company's strong credit profile.

Track Record of Value Creation

After emerging as an independent public company six years ago, we have delivered substantial returns for our investors while diligently working to minimize risks. We have completed the development of over 3.9 million square feet of commercial operating properties since 2011, investing approximately $1.6 billion of total capital, which is projected to generate a 9.2% yield on cost, or $144 million of NOI. Because of our low cost basis in the land relative to the market value, we only invested approximately $354 million of cash equity in these projects, generating a 21.9% return on equity assuming a 5.5% cost of debt. These investments and returns are based on the book value of our land and exclusive of condominium development as well as projects under construction such as the Seaport District.

While the value creation over the past six years has been significant, we have only begun to achieve our potential. We own one of the preeminent development pipelines with over 50 million square feet of vertical entitlements remaining across our portfolio, without the need to acquire another development site or external asset. This is a material competitive advantage over other real estate investors.

We also have a clear, short-term roadmap to unlocking shareholder value in our recent development projects. Through the stabilization of our recently completed projects, we can generate further cash net operating income growth of 47%, increasing our current annualized fourth quarter NOI of $156 million to $232 million, which excludes any future developments, acquisitions, or NOI generated from the Seaport District.

3.9M SQ FT

COMPLETED COMMERCIAL DEVELOPMENT SINCE 2011

Hughes Landing, The Woodlands

10 Corso Como - Milan
Coming Soon to the Seaport District

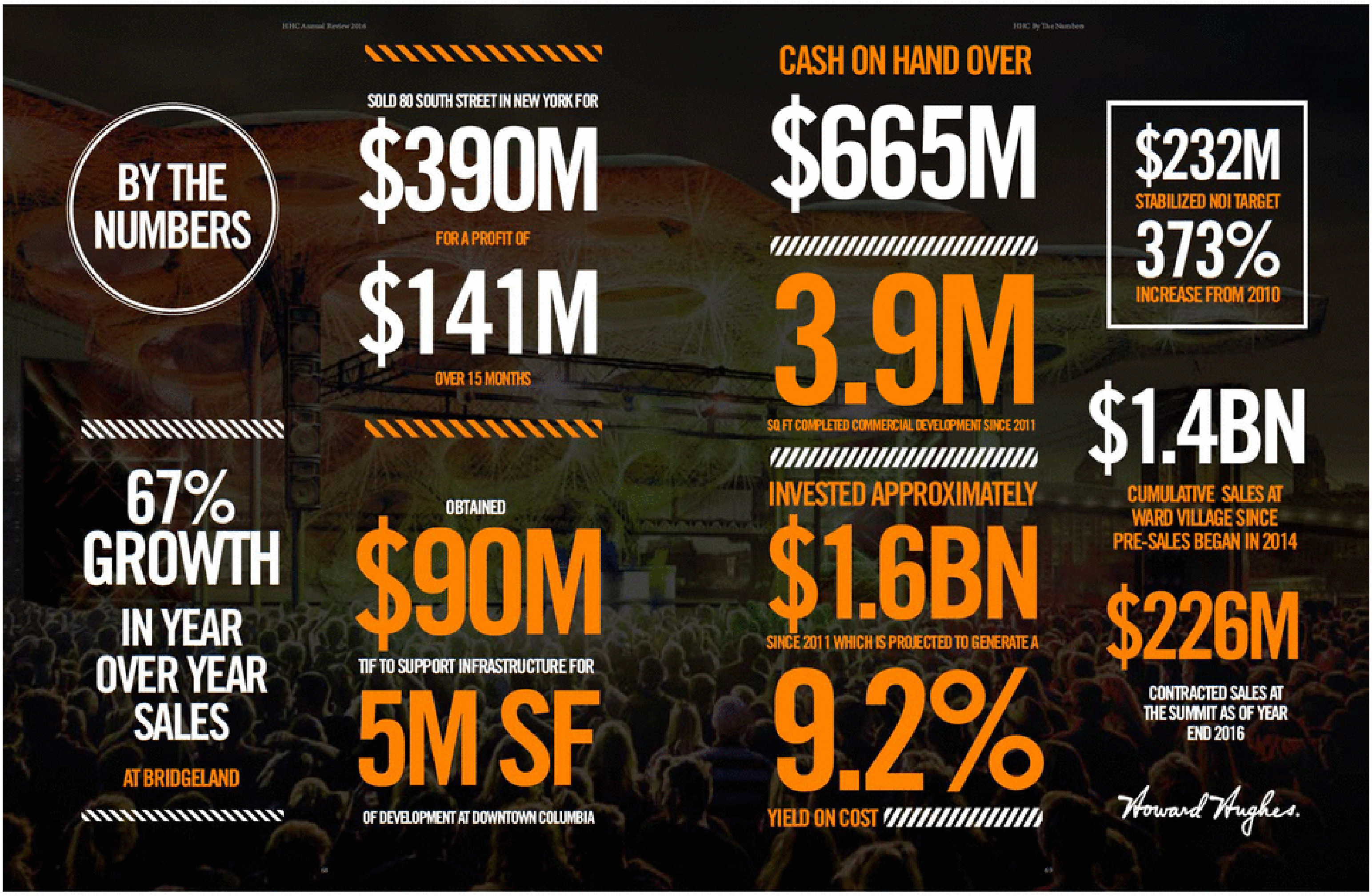
HHC Board of Directors & Senior Leadership - Pier 17 Property Tour

Conclusion

Six years from our inception, we have made significant progress creating value for shareholders and building a platform to execute on large-scale, complex developments that will enable us to further monetize our vast development pipeline. As I look to the balance of 2017 and beyond, I remain confident in our company's position as we work to accelerate value creation and continue transforming our assets into a self-sustaining revenue generating portfolio. As Frank Sinatra sang most elegantly "[our] best is yet to come."

Warm regards,

David R. Weinreb
Chief Executive Officer



BY THE NUMBERS

67% GROWTH IN YEAR OVER YEAR SALES AT BRIDGELAND

SOLD 80 SOUTH STREET IN NEW YORK FOR

$390M

FOR A PROFIT OF

$141M

OVER 15 MONTHS

OBTAINED

$90M

TIF TO SUPPORT INFRASTRUCTURE FOR

5M SF

OF DEVELOPMENT AT DOWNTOWN COLUMBIA

CASH ON HAND OVER

$665M

3.9M

SQ FT COMPLETED COMMERCIAL DEVELOPMENT SINCE 2011

INVESTED APPROXIMATELY

$1.6BN

SINCE 2011 WHICH IS PROJECTED TO GENERATE A

9.2%

YIELD ON COST

$232M

STABILIZED NOI TARGET

373%

INCREASE FROM 2010

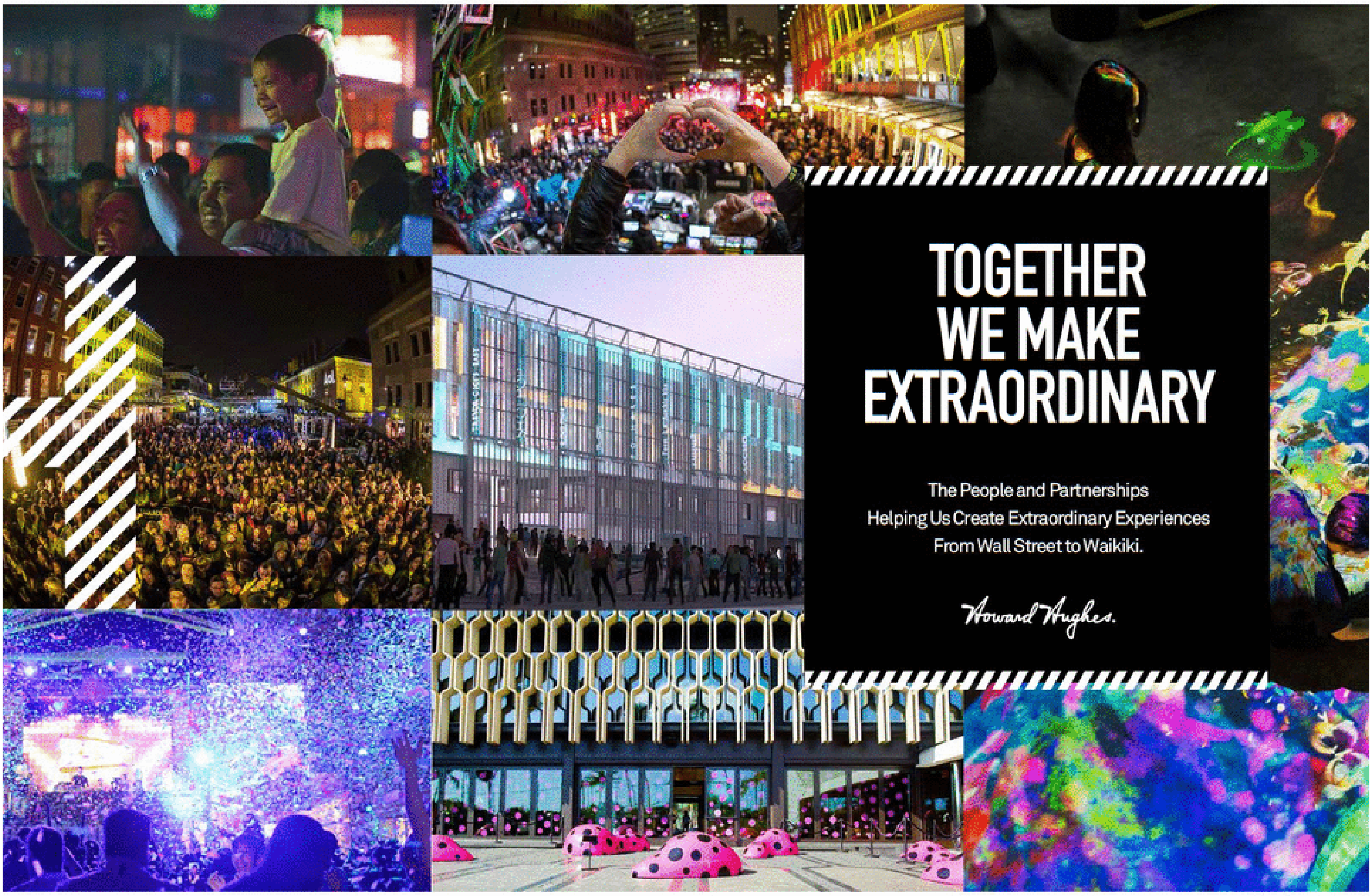
$1.4BN

CUMULATIVE SALES AT WARD VILLAGE SINCE PRE-SALES BEGAN IN 2014

$226M

CONTRACTED SALES AT THE SUMMIT AS OF YEAR END 2016

Howard Hughes.



TOGETHER WE MAKE EXTRAORDINARY

The People and Partnerships
Helping Us Create Extraordinary Experiences
From Wall Street to Waikiki.

Howard Hughes.

"iPic is a natural fit for New York and New Yorkers, and we are excited to enhance the redevelopment of such an iconic destination as the South Street Seaport."

HAMID HASHEMI
President and CEO,
iPic Entertainment

"I'M SO EXCITED TO BE PART OF THE REVITALIZATION OF THE STORIED SEAPORT DISTRICT THAT IS BECOMING A HUB FOR CUTTING-EDGE FOOD CONCEPTS IN LOWER MANHATTAN."

DAVID CHANG
Chef and Founder,
Momofuku

"As someone who looked forward to sourcing fish daily at the Fulton Fish Market at the Seaport and has watched the area lose its relevance over the last decade,

I AM HONORED TO BE A PART OF THIS CATALYTIC TRANSFORMATION.

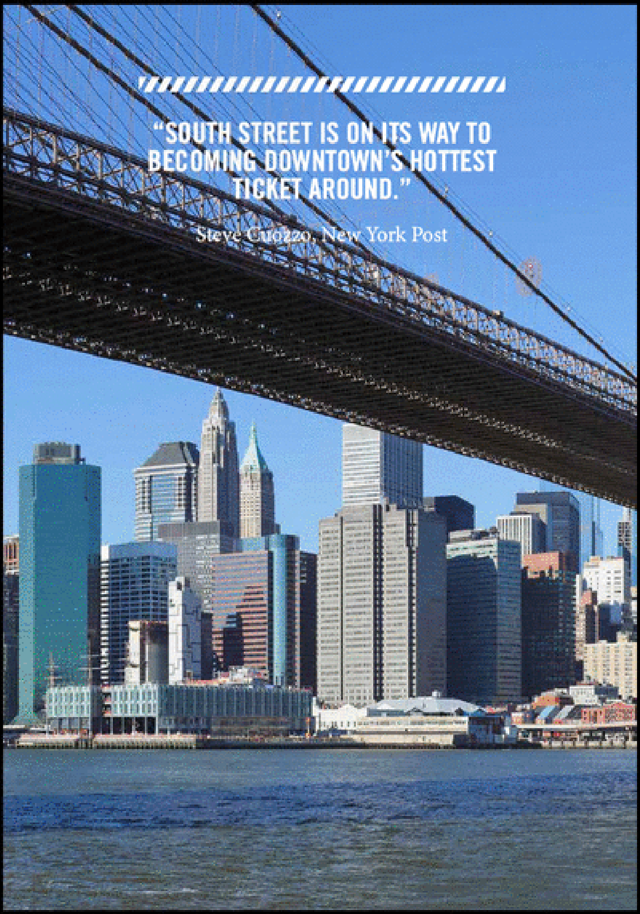
It is a privilege to be a part of the revitalization of this beloved, culturally rich and historic neighborhood alongside The Howard Hughes Corporation."

JEAN-GEORGES VONGERICHTEN
Chef and Restaurateur

Seaport District NYC

> "AS A EUROPEAN, I AM VERY EXCITED TO SEE 10 CORSO COMO COME TO THE PLACE WHERE NEW YORK CITY WAS BORN. THE SEAPORT DISTRICT'S HISTORY OF INTERNATIONAL COMMERCE AND INNOVATION IS INSPIRING. I AM LOOKING FORWARD TO CREATING AN EXTRAORDINARY DESTINATION IN SUCH A UNIQUE NEIGHBORHOOD WHERE THE INTERESTS OF THE COMMUNITY ARE A FOCUS FOR GROWTH,"

Carla Sozzani,
Founder of 10 Corso Como



> "SOUTH STREET IS ON ITS WAY TO BECOMING DOWNTOWN'S HOTTEST TICKET AROUND."

Steve Cuozzo, New York Post

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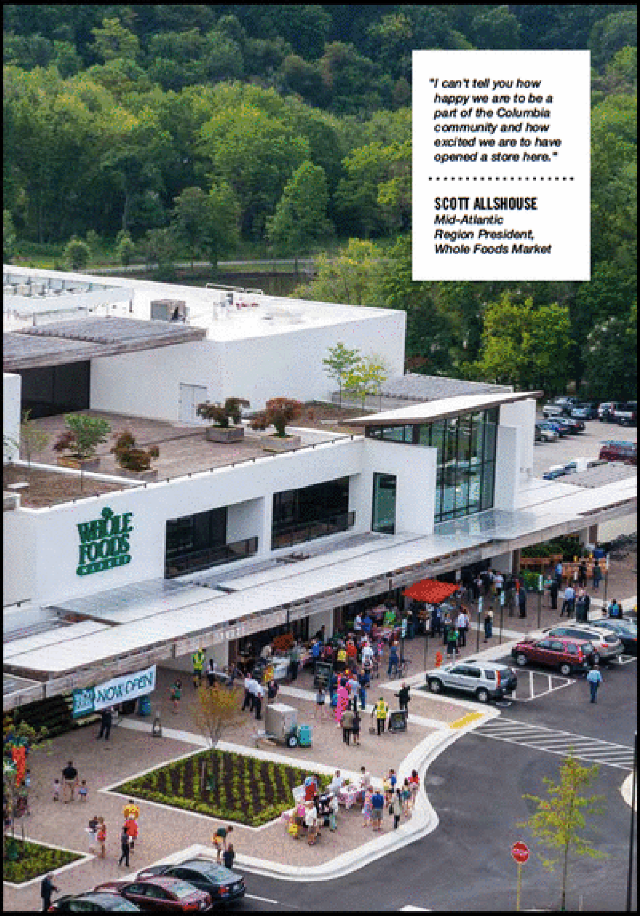
110 North Wacker Drive

> "IN MY ONGOING CONVERSATIONS WITH THE HOWARD HUGHES CORPORATION, IT IS EVIDENT THEIR TEAM UNDERSTANDS THE POSITIVE IMPACT THIS HIGH-PROFILE PROJECT WILL HAVE ON RESIDENTS, BUSINESSES AND THE OVERALL AESTHETIC APPEAL IN THE CENTRAL BUSINESS DISTRICT,"

BRENDAN REILLY – 42ND WARD ALDERMAN

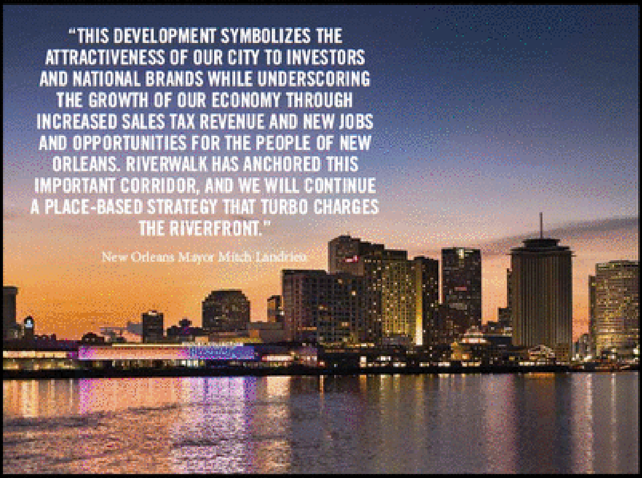
> "THIS PROJECT WILL ADD TO CHICAGO'S SKYLINE WHILE CONTINUING TO BUILD ON OUR THRIVING RIVERFRONT,"

MAYOR RAHM EMANUEL

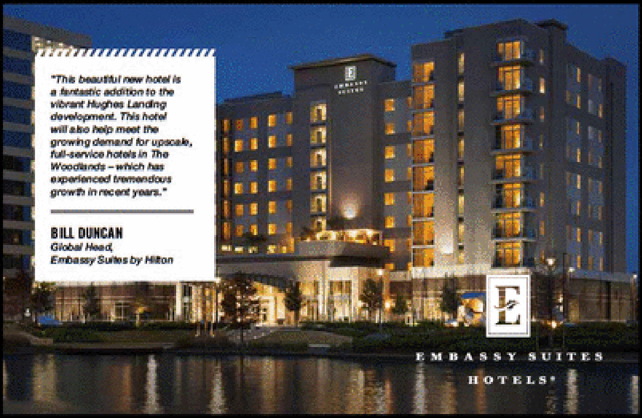


> *"I can't tell you how happy we are to be a part of the Columbia community and how excited we are to have opened a store here."*

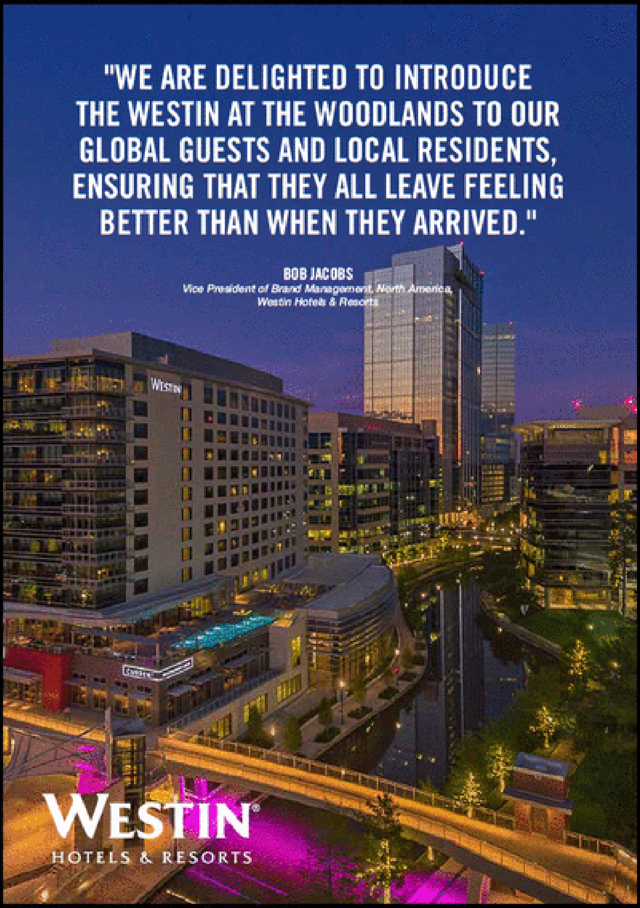
SCOTT ALLSHOUSE
Mid-Atlantic
Region President,
Whole Foods Market



> “THIS DEVELOPMENT SYMBOLIZES THE ATTRACTIVENESS OF OUR CITY TO INVESTORS AND NATIONAL BRANDS WHILE UNDERSCORING THE GROWTH OF OUR ECONOMY THROUGH INCREASED SALES TAX REVENUE AND NEW JOBS AND OPPORTUNITIES FOR THE PEOPLE OF NEW ORLEANS. RIVERWALK HAS ANCHORED THIS IMPORTANT CORRIDOR, AND WE WILL CONTINUE A PLACE-BASED STRATEGY THAT TURBO CHARGES THE RIVERFRONT.”
>
> New Orleans Mayor Mitch Landrieu

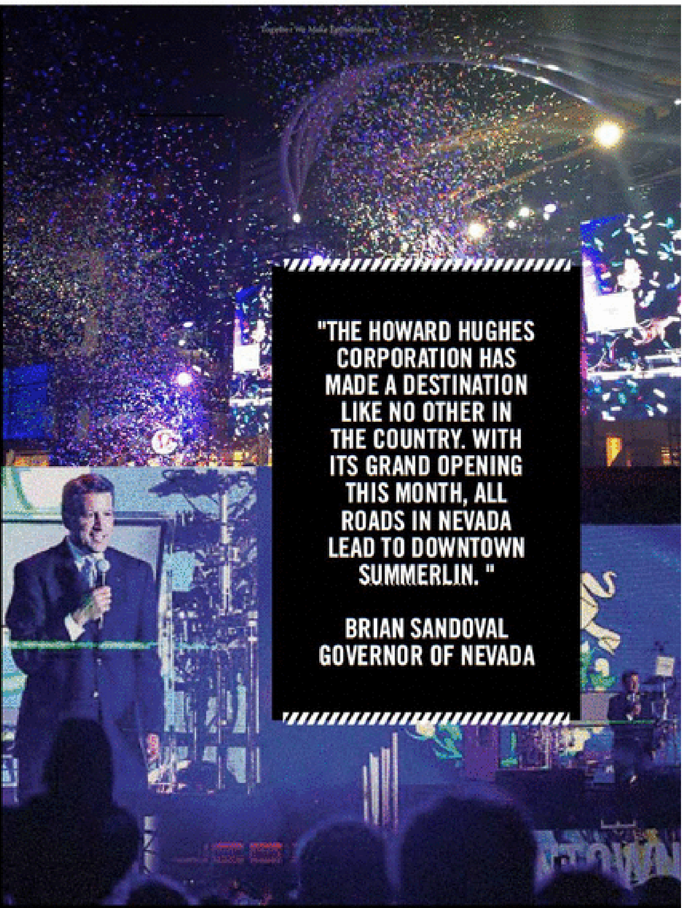


> *“This beautiful new hotel is a fantastic addition to the vibrant Hughes Landing development. This hotel will also help meet the growing demand for upscale, full-service hotels in The Woodlands – which has experienced tremendous growth in recent years.”*
>
> **BILL DUNCAN**
> *Global Head,*
> *Embassy Suites by Hilton*



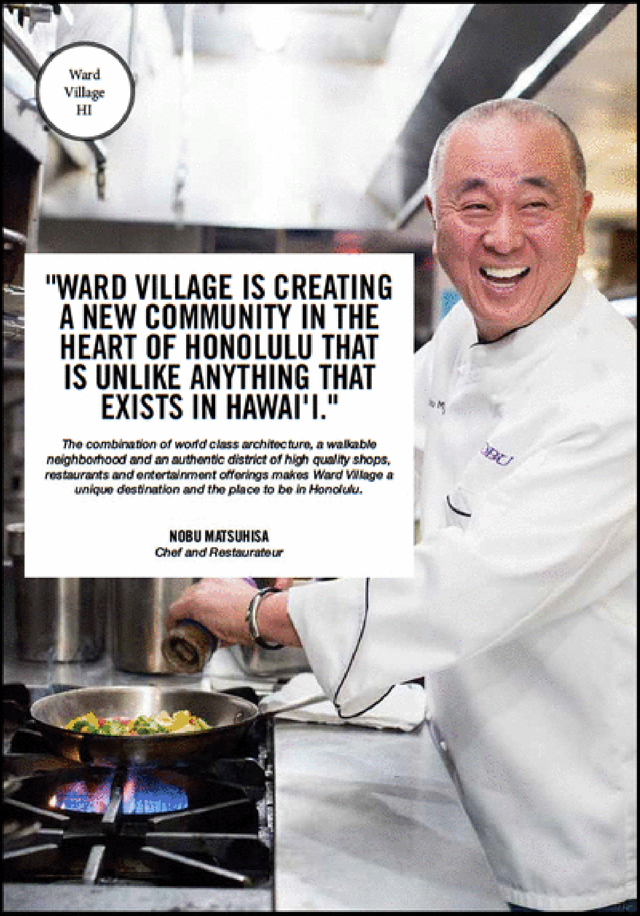
> "WE ARE DELIGHTED TO INTRODUCE THE WESTIN AT THE WOODLANDS TO OUR GLOBAL GUESTS AND LOCAL RESIDENTS, ENSURING THAT THEY ALL LEAVE FEELING BETTER THAN WHEN THEY ARRIVED."
>
> **BOB JACOBS**
> *Vice President of Brand Management, North America,*
> *Westin Hotels & Resorts*

> “DOWNTOWN SUMMERLIN IS A UNIQUE DESTINATION AND ONE IN WHICH I WAS PROUD TO BASE MY BUSINESSES, INCLUDING THE CITY'S FIRST MAJOR PROFESSIONAL SPORTS TEAM. I ALSO CHOSE SUMMERLIN AS A PLACE TO LIVE BECAUSE IT HAS THE PERFECT BLEND OF NATURAL BEAUTY AND MODERN AMENITIES.”
>
> BILL FOLEY, CHAIRMAN AND CEO,
> VEGAS GOLDEN KNIGHTS.



> "THE HOWARD HUGHES CORPORATION HAS MADE A DESTINATION LIKE NO OTHER IN THE COUNTRY. WITH ITS GRAND OPENING THIS MONTH, ALL ROADS IN NEVADA LEAD TO DOWNTOWN SUMMERLIN. "
>
> BRIAN SANDOVAL
> GOVERNOR OF NEVADA

Downtown Summerlin Grand Opening - October 9, 2014



Ward
Village
HI

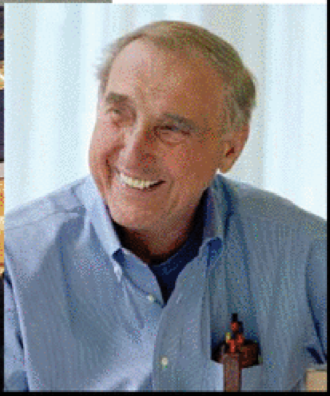
"WARD VILLAGE IS CREATING A NEW COMMUNITY IN THE HEART OF HONOLULU THAT IS UNLIKE ANYTHING THAT EXISTS IN HAWAI'I."

The combination of world class architecture, a walkable neighborhood and an authentic district of high quality shops, restaurants and entertainment offerings makes Ward Village a unique destination and the place to be in Honolulu.

NOBU MATSUHISA
Chef and Restaurateur

"The design for Ae'o is indicative of Ward Village and its bold vision of the future. We are delighted to enhance these perceptions of place through the architecture to set the stage for an active, healthy and engaged lifestyle."

PETER BOHLIN
Founding Design Principal, Bohlin Cywinski Jackson



"WHAT IS OUTSTANDING IN MY MIND ABOUT THE HOWARD HUGHES CORPORATION IS JUST HOW MUCH TIME THEY REALLY TOOK TO GET TO KNOW US. I FEEL THAT THEY HAVE TRULY GONE OUT OF THEIR WAY TO ENSURE THAT ACCOMMODATIONS WERE NOT ONLY MADE BUT THAT TRUE RESPECT HAS BEEN GIVEN TO OUR PEOPLE AND OUR PLACE IN THIS LAND."

HINA WONG-KALU

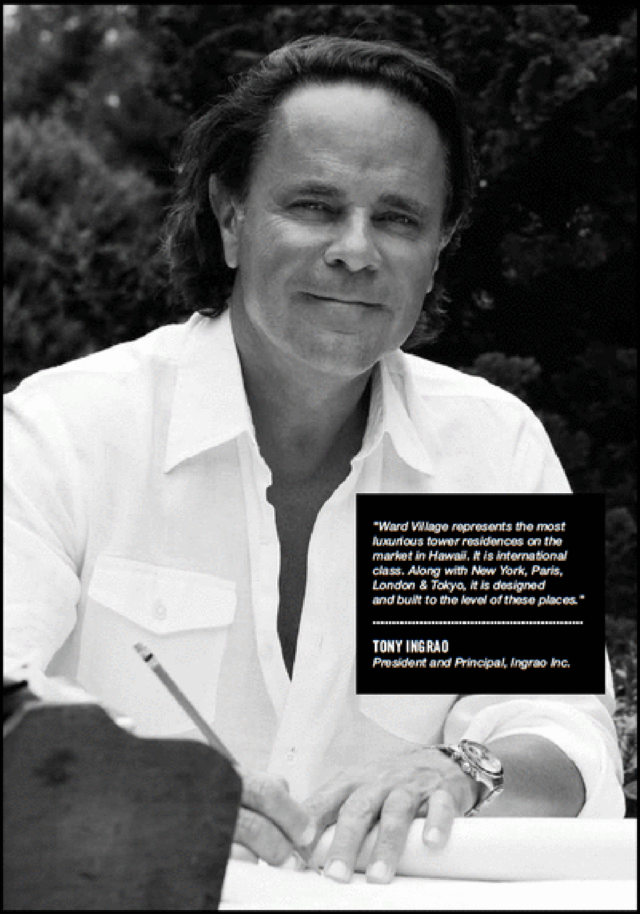
HAWAIIAN COMMUNITY LEADER

"We believe in the power that art has to bring communities and cultures together. We are incredibly excited to have launched this year the very first Honolulu Biennial with our founding, title sponsor, the Howard Hughes Corporation. This festival is game-changer for our hometown, featuring 33 dynamic contemporary artists spread across our city and in Ward Village."

**ISABELLA ELLAHEH HUGHES & KATHERINE TUIDER,
DIRECTORS AND CO-FOUNDERS,
HONOLULU BIENNIAL FOUNDATION**

"At Ward Village, Howard Hughes has set out to build not just a set of residential buildings, but a collection of major works of architecture by some of the world's great architects. It represents a level of architectural ambition that is new to Honolulu, and over the next generation will make the city a center of world class architecture."

PAUL GOLDBERGER
Architectural Consultant and Critic



"Ward Village represents the most luxurious tower residences on the market in Hawaii. It is international class. Along with New York, Paris, London & Tokyo, it is designed and built to the level of these places."

TONY INGRAO
President and Principal, Ingrao Inc.

> *"This is the company that I am most proud of because it didn't exist before, and I get real satisfaction from building something from scratch that creates meaningful long term value... It is an investment that we intend to hold forever. This is a company with the current team that has unlimited possibilities."*
>
> **BILL ACKMAN**
>
> *Founder, Pershing Square Capital Management*
> *Chairman, The Howard Hughes Corporation*

BOARD OF DIRECTORS

WILLIAM ACKMAN, CHAIRMAN OF THE BOARD
William Ackman is the CEO and Portfolio Manager of Pershing Square Capital Management, L.P., an SEC registered investment adviser founded in 2003. Pershing Square is a concentrated research-intensive fundamental value investor in long and occasionally short investments in the public markets.

Prior to forming Pershing Square, Mr. Ackman co-founded Gotham Partners Management Co., LLC, an investment adviser that managed public and private equity hedge fund portfolios. Prior to Gotham Partners, Mr. Ackman began his career in real estate investment banking at Ackman Brothers & Singer, Inc. Mr. Ackman received an MBA from the Harvard Business School and a Bachelor of Arts magna cum laude from Harvard College.

Mr. Ackman is the Chairman of the board of The Howard Hughes Corporation (NYSE: HHC). He is a Trustee of the Pershing Square Foundation, a member of the Board of Trustees at The Rockefeller University and the Board of Dean's Advisors of the Harvard Business School.

ADAM FLATTO
Adam Flatto is the President and Chief Executive Officer of the Georgetown Company, a privately-held real estate investment and development company based in New York City. He has been with The Georgetown Company since 1990, and since that time has been involved with the development, acquisition and ownership of over 20 million square feet of commercial real estate projects throughout the United States. Mr. Flatto is a trustee and board member of several civic and cultural institutions. He is Co-Chairman of the Park Avenue Armory and Co-Chairman of the Robin Hood Housing Advisory Board. He is also a trustee of the Enterprise Foundation and the Wexner Center for the Arts. Mr. Flatto graduated magna cum laude from Brown University and received his MBA from the Wharton School.

JEFFREY FURBER
Jeffrey Furber is the Chief Executive Officer of AEW Capital Management, L.P. ("AEW") and Chairman of AEW Europe. AEW provides real estate investment management services to investors worldwide. AEW and its affiliates manage over $60 billion of real estate assets and securities on behalf of many of the world's leading institutional and private investors.

ALLEN MODEL
Allen Model is the Co-Founder of Overseas Strategic Consulting, Ltd. ("OSC"), and has been Treasurer and Managing Director since 1992. OSC is an international consulting firm that provides public information services to a number of clients worldwide, including the United States Agency for International Development, The World Bank, The Asian Development Bank and host governments. He has had extensive real estate development experience as a lawyer in the field, investor, and advisor to real estate development firms.

SCOT SELLERS
Scot Sellers served as Chief Executive Officer of Archstone, one of the world's largest apartment companies, from January 1997 until his retirement in February 2013. Prior to that, he was Archstone's Chief Investment Officer from 1995 to 1997. Under his leadership, Archstone moved from being a mid-sized owner of apartments in secondary and tertiary cities to becoming the largest publicly traded owner of urban high-rise apartments in the nation's premier cities. During his 36-year career in the apartment business, Mr. Sellers has been responsible for the development, acquisition and operation of over $40 billion of apartment communities in over 50 different cities across the United States. Mr. Sellers served as the Chairman of the National Association of Real Estate Investment Trusts from November 2005 to November 2006.

STEVEN SHEPSMAN
Steven Shepsman is an Executive Managing Director and Founder of New World Realty Advisors, a real estate investment and advisory firm specializing in real estate restructurings, development and finance. Earlier in his career, Mr. Shepsman, a CPA, was a Managing Partner of Kenneth Leventhal and Company and of Ernst & Young's Real Estate Practice.

BURTON M. TANSKY
Burton M. Tansky is a luxury retail veteran who served as Non-Executive Chairman of the Board of Directors of the Neiman Marcus Group, Inc. from 2010 to 2013. He was the Chief Executive Officer of Neiman Marcus Group from 2004 to 2010, Chief Executive Officer of Neiman Marcus Stores from 1994 to 2007 and Chief Executive Officer of Bergdorf Goodman from 1990 to 1994. Prior to that, he was the President of Saks Fifth Avenue from 1980 to 1990. Mr. Tansky's philanthropic interests are both local and national.

MARY ANN TIGHE
Mary Ann Tighe has been credited with transforming New York's skyline during her more than 32 years in the real estate industry. She has been responsible for over 98 million square feet of commercial transactions, and her deals have anchored more than 14.4 million square feet of new construction in the New York region. Ms. Tighe has been CEO of CBRE's New York Tri-State region since 2002, a region of approximately 2,500 employees. In January 2010, Ms. Tighe was named Chairman of the Real Estate Board of New York, the first woman to hold this position in REBNY's 114-year history and the first broker in 30 years.

DAVID R. WEINREB
See corporate officers.

CORPORATE OFFICERS

DAVID R. WEINREB, CHIEF EXECUTIVE OFFICER
David R. Weinreb is the Chief Executive Officer and a Member of the Board of Directors of The Howard Hughes Corporation. Known for his passion, tenacity and entrepreneurial spirit, Mr. Weinreb has directed the company's efforts since its emergence in 2010, building a portfolio of some of the most sought-after real estate in the country. His vision, leadership and acumen led him to be honored as the 2013 Ernst and Young Entrepreneur Of The Year® Award in Real Estate for the region. In 2012, he was named as one of the Top 200 CEOs in the U.S. by ExecRank and in 2015 he was listed in the 2015 Commercial Observer Power 100 as one of 100 most powerful people in New York City real estate.

A real estate industry veteran for over 30 years, Mr. Weinreb spent 17 years as Chairman and CEO of TPMC Realty Corporation, a company he built into a multi-faceted investment firm prior to joining The Howard Hughes Corporation. Located in Dallas, Texas, TPMC, whose tenant roster included many Fortune 500 companies, specialized in the acquisition and repositioning of underperforming real estate and real estate related assets across the United States. In addition to development, ownership and management of real estate, the firm's activities included mezzanine financing and private equity investing.

Mr. Weinreb attended New York University and began his real estate career in the late 1980s in New York City. He is a member of the International Council of Shopping Centers and the Urban Land Institute. He also serves on the Advisory Council of the Lusk Center for Real Estate at the University of Southern California. His philanthropic interests are both local and national.

GRANT HERLITZ, PRESIDENT
Mr. Herlitz oversees the daily operation and works closely with the CEO in driving strategy for the company. Previously, Mr. Herlitz was President and Chief Financial Officer of TPMC Realty Corporation. He joined TPMC in 2000 as Vice President of Investments using his varied financial and management experience to position himself for multiple roles within the company.

DAVID O'REILLY, CHIEF FINANCIAL OFFICER
David O'Reilly joined The Howard Hughes Corporation in October 2016 as the Chief Financial Officer. He is responsible for managing the company's investment and financial strategy, working with the executive team to unlock meaningful long-term value across the company's portfolio. Prior to joining The Howard Hughes Corporation, Mr. O'Reilly served as Executive Vice President, Chief Investment Officer of Parkway Properties, Inc. - a New York Stock Exchange-traded real estate investment trust focused on office properties.

PETER F. RILEY, GENERAL COUNSEL
Mr. Riley has over 30 years of experience, working in both the public and private sector. Prior to joining the company, and since 2004, Mr. Riley was a partner at K&L Gates LLP with a significant focus on tax aspects of fund formation, joint ventures and the acquisition, disposition, operation and financing of real estate assets. Previously, Mr. Riley led the tax department at Kelly, Hart & Hallman, and was Senior Tax Counsel at Simpson Thacher & Bartlett.

SUPPLEMENTAL INFORMATION

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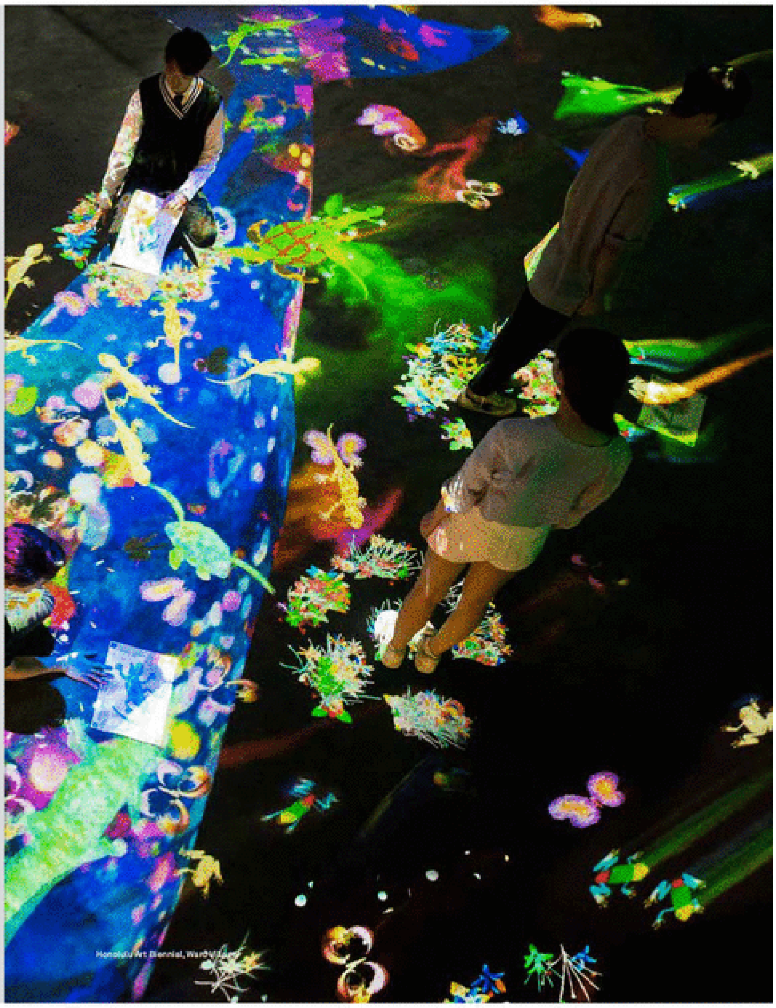

Honolulu Art Biennial, Ward Village

Howard Hughes®