

Howard Hughes®



**Supplemental Information**  
**Three Months Ended December 31, 2020**  
**NYSE: HHC**

# Cautionary Statements

## Forward Looking Statements

This presentation includes forward-looking statements. Forward-looking statements give our current expectations relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to current or historical facts. These statements may include words such as “anticipate,” “estimate,” “expect,” “project,” “forecast,” “plan,” “intend,” “believe,” “likely,” “may,” “realize,” “should,” “transform,” “would” and other statements of similar expression. Forward-looking statements give our expectations about the future and are not guarantees. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance and achievements to materially differ from any future results, performance and achievements expressed or implied by such forward-looking statements. We caution you not to rely on these forward-looking statements. For a discussion of the risk factors that could have an impact on these forward-looking statements, see our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, as filed with the Securities and Exchange Commission (“SEC”) on February 25, 2021. The statements made herein speak only as of the date of this presentation, and we do not undertake to update this information except as required by law. Past performance does not guarantee future results. Performance during time periods shown is limited and may not reflect the performance for the full year or future years, or in different economic and market cycles.

## Non-GAAP Financial Measures

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

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

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

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

## Additional Information

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

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# Company Profile - Summary & Results

## Company Overview - Q4 2020

|                                 |       |        |
|---------------------------------|-------|--------|
| Exchange / Ticker               | NYSE: | HHC    |
| Share Price - December 31, 2020 | \$    | 78.93  |
| Diluted Earnings / Share        | \$    | (0.12) |
| FFO / Diluted Share             | \$    | 0.73   |
| Core FFO / Diluted Share        | \$    | 0.99   |
| AFFO / Diluted Share            | \$    | 0.86   |

## Operating Portfolio by Region



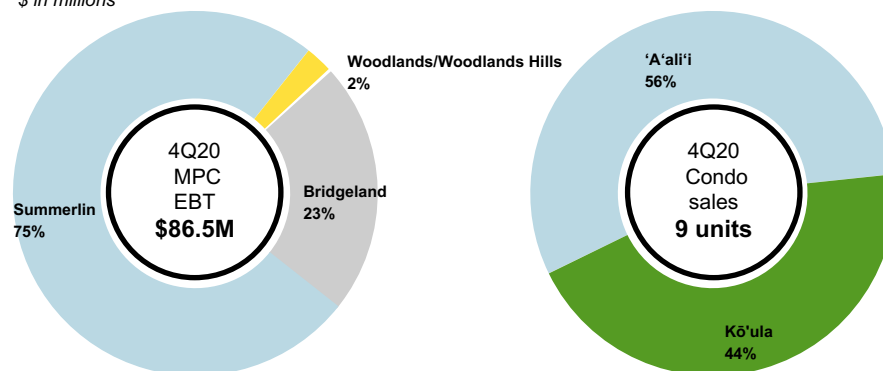
## Recent Company Highlights

HOUSTON, Dec. 8, 2020 (PRNewswire) - The Howard Hughes Corporation (HHC) announced the hiring of Nathaniel Milner as Vice President of E-Commerce & Logistics to spearhead the development of an innovative e-commerce platform for the relaunch of the historic Tin Building at the Seaport District in Lower Manhattan. An industry veteran with almost 20 years of executive-level experience in the e-commerce and culinary realm, Mr. Milner's customer-centric vision for the on-demand delivery experience combined with the global renown of chef Jean-Georges Vongerichten will further distinguish the 53,000-square-foot marketplace as a unique, new culinary experience.

HOUSTON, Dec. 1, 2020 (PRNewswire) - HHC announced the appointment of a new executive leadership team that will lead the continued growth of the company's acclaimed national portfolio of master planned communities (MPCs) and small cities. The company's Interim CEO, David R. O'Reilly, has been named Chief Executive Officer, and L. Jay Cross, the former President of Related Hudson Yards, has joined the company as its new President. Both appointments are effective immediately.

## Q4 2020 MPC & Condominium Results

\$ in millions



### Q4 2020 MPC EBT

|                           |           |             |
|---------------------------|-----------|-------------|
| Bridgeland                | \$        | 19.6        |
| Columbia                  |           | (0.2)       |
| Summerlin                 |           | 65.1        |
| Woodlands/Woodlands Hills |           | 2.1         |
| <b>Total</b>              | <b>\$</b> | <b>86.5</b> |

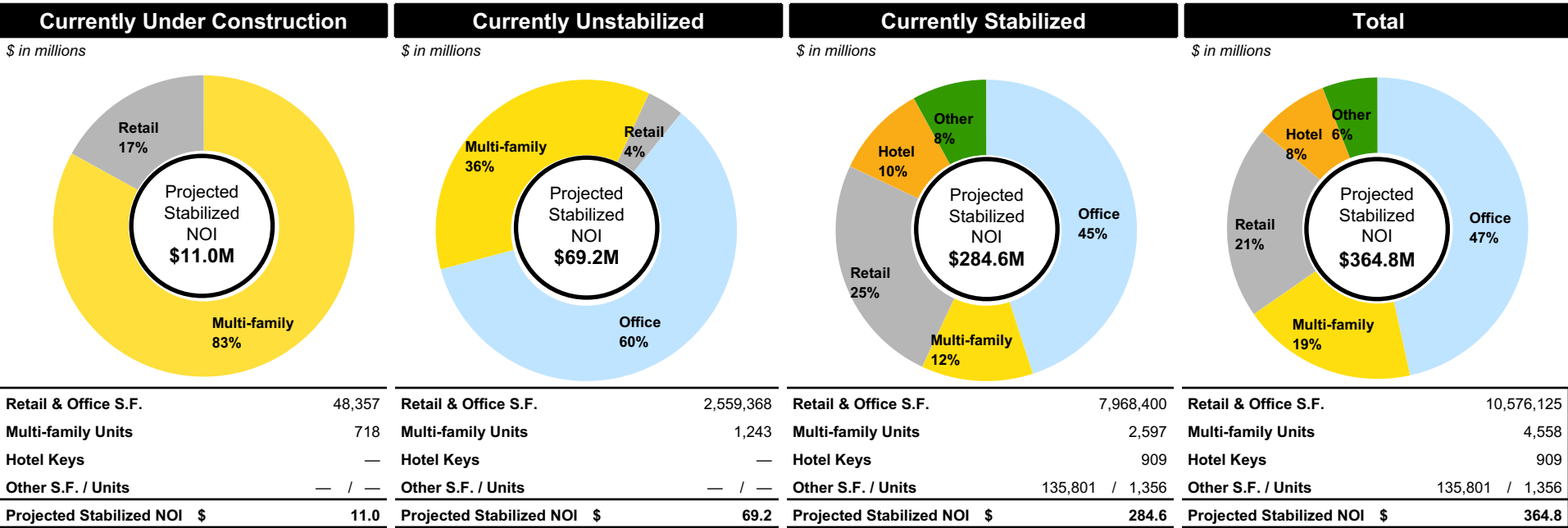
### Q4 2020 Condo Units Contracted (a)

|              |          |
|--------------|----------|
| Waiea        | —        |
| Anaha        | —        |
| 'A'ali'i     | 5        |
| Kō'ula       | 4        |
| <b>Total</b> | <b>9</b> |

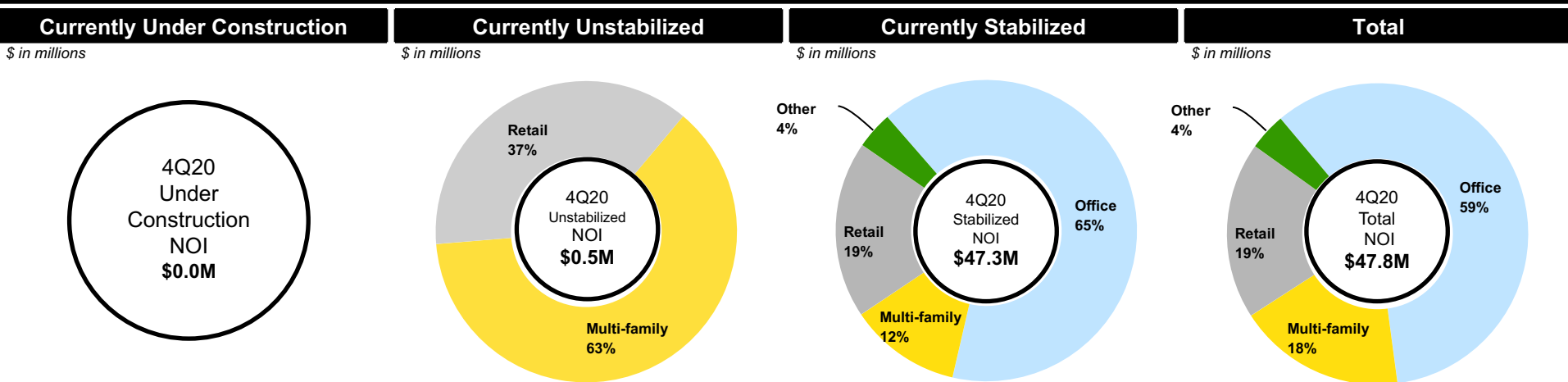
(a) Excludes 19 units contracted in Q4 2020 at Victoria Place as construction has not yet commenced.

# Company Profile - Summary & Results (con't)

## Q4 2020 Path to Projected Annual Stabilized NOI



## Q4 2020 Operating Results by Property Type



Path to Projected Annual Stabilized NOI charts exclude Seaport NOI, units, and square footage until we have greater clarity with respect to the performance of our tenants. See page 17 for Seaport NOI and other project information. See page 31 for definitions of "Under Construction," "Unstabilized," "Stabilized" and "Net Operating Income (NOI)."

# Financial Summary

*\$ in thousands except share price and billions*

|                                                     | Q4 2020      | Q3 2020      | Q2 2020      | Q1 2020      | Q4 2019      | YTD 2020     | YTD 2019     |
|-----------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Company Profile</b>                              |              |              |              |              |              |              |              |
| Share price (a)                                     | \$ 78.93     | \$ 57.60     | \$ 51.95     | \$ 50.52     | \$ 126.80    | \$ 78.93     | \$ 126.80    |
| Market Capitalization (b)                           | \$4.3b       | \$3.2b       | \$2.9b       | \$2.8b       | \$5.4b       | \$4.3b       | \$5.4b       |
| Enterprise Value (c)                                | \$7.6b       | \$6.5b       | \$6.5b       | \$6.3b       | \$9.3b       | \$7.6b       | \$9.3b       |
| Weighted avg. shares - basic                        | 55,571       | 55,542       | 55,530       | 43,380       | 43,190       | 52,522       | 43,136       |
| Weighted avg. shares - diluted                      | 55,571       | 55,585       | 55,530       | 43,380       | 43,356       | 52,522       | 43,308       |
| Total diluted share equivalents outstanding         | 54,999       | 54,922       | 54,931       | 54,939       | 42,673       | 54,999       | 42,678       |
| <b>Debt Summary</b>                                 |              |              |              |              |              |              |              |
| Total debt payable (d)                              | \$ 4,320,166 | \$ 4,253,595 | \$ 4,439,153 | \$ 4,345,066 | \$ 4,138,618 | \$ 4,320,166 | \$ 4,138,618 |
| Fixed-rate debt                                     | \$ 2,374,822 | \$ 2,387,189 | \$ 1,902,175 | \$ 1,906,187 | \$ 1,908,660 | \$ 2,374,822 | \$ 1,908,660 |
| Weighted avg. rate - fixed                          | 5.07 %       | 5.12 %       | 5.06 %       | 5.06 %       | 5.05 %       | 5.07 %       | 5.05 %       |
| Variable-rate debt, excluding condominium financing | \$ 1,725,461 | \$ 1,686,979 | \$ 2,411,620 | \$ 2,362,424 | \$ 2,199,241 | \$ 1,725,461 | \$ 2,199,241 |
| Weighted avg. rate - variable                       | 3.41 %       | 3.52 %       | 3.44 %       | 3.91 %       | 4.32 %       | 3.41 %       | 4.32 %       |
| Condominium debt outstanding at end of period       | \$ 219,883   | \$ 179,427   | \$ 125,358   | \$ 76,455    | \$ 30,717    | \$ 219,883   | \$ 30,717    |
| Weighted avg. rate - condominium financing          | 3.82 %       | 3.21 %       | 3.22 %       | 4.29 %       | 4.83 %       | 3.82 %       | 4.83 %       |
| Leverage ratio (debt to enterprise value)           | 56.31 %      | 64.66 %      | 67.61 %      | 68.40 %      | 44.19 %      | 56.31 %      | 44.19 %      |

(a) Presented as of period end date.

(b) Market capitalization = Closing share price as of the last trading day of the respective period times total diluted share equivalents outstanding as of the date presented.

(c) Enterprise Value = Market capitalization + book value of debt + noncontrolling interest - cash and equivalents.

(d) Represents total mortgages, notes and loans payable, as stated in our GAAP financial statements as of the respective date, excluding unamortized deferred financing costs and bond issuance costs.

# Financial Summary (con't)

\$ in thousands

|                                                        | Q4 2020           | Q3 2020           | Q2 2020           | Q1 2020            | Q4 2019           | FY 2020             | FY 2019            |
|--------------------------------------------------------|-------------------|-------------------|-------------------|--------------------|-------------------|---------------------|--------------------|
| <b>Earnings Profile</b>                                |                   |                   |                   |                    |                   |                     |                    |
| <b>Operating Assets Segment Income</b>                 |                   |                   |                   |                    |                   |                     |                    |
| Revenues                                               | \$ 87,916         | \$ 83,430         | \$ 81,004         | \$ 111,170         | \$ 93,639         | \$ 363,520          | \$ 391,044         |
| Expenses                                               | (42,166)          | (47,508)          | (42,007)          | (53,264)           | (48,414)          | (184,945)           | (187,638)          |
| Company's Share NOI - Equity investees                 | 1,362             | 2,315             | 1,836             | 5,961              | 2,123             | 11,474              | 10,943             |
| Operating Assets NOI (a)                               | <u>\$ 47,112</u>  | <u>\$ 38,237</u>  | <u>\$ 40,833</u>  | <u>\$ 63,867</u>   | <u>\$ 47,348</u>  | <u>\$ 190,049</u>   | <u>\$ 214,349</u>  |
| Avg. NOI margin                                        | 54%               | 46%               | 50%               | 57%                | 51%               | 52%                 | 55%                |
| <b>MPC Segment Earnings</b>                            |                   |                   |                   |                    |                   |                     |                    |
| Total revenues                                         | \$ 112,436        | \$ 52,158         | \$ 68,913         | \$ 50,446          | \$ 170,739        | \$ 283,953          | \$ 386,781         |
| Total expenses (b)                                     | (49,938)          | (23,150)          | (32,061)          | (23,813)           | (73,886)          | (128,962)           | (189,550)          |
| Interest (expense) income, net (c)                     | 10,554            | 9,176             | 8,303             | 8,554              | 7,643             | 36,587              | 32,019             |
| Equity in earnings in real estate and other affiliates | 13,442            | (1,563)           | (2,968)           | 8,934              | 9,477             | 17,845              | 28,336             |
| MPC Segment EBT (c)                                    | <u>\$ 86,494</u>  | <u>\$ 36,621</u>  | <u>\$ 42,187</u>  | <u>\$ 44,121</u>   | <u>\$ 113,973</u> | <u>\$ 209,423</u>   | <u>\$ 257,586</u>  |
| <b>Seaport District Segment Income</b>                 |                   |                   |                   |                    |                   |                     |                    |
| Revenues                                               | \$ 6,969          | \$ 4,214          | \$ 2,653          | \$ 8,736           | \$ 11,550         | \$ 22,572           | \$ 52,850          |
| Expenses                                               | (10,014)          | (10,313)          | (6,093)           | (12,626)           | (16,802)          | (39,046)            | (67,870)           |
| Company's Share NOI - Equity investees                 | (124)             | (106)             | (305)             | (376)              | (325)             | (911)               | (710)              |
| Seaport District NOI (d)                               | <u>\$ (3,169)</u> | <u>\$ (6,205)</u> | <u>\$ (3,745)</u> | <u>\$ (4,266)</u>  | <u>\$ (5,577)</u> | <u>\$ (17,385)</u>  | <u>\$ (15,730)</u> |
| Avg. NOI margin                                        | (45%)             | (147%)            | (141%)            | (49%)              | (48%)             | (77%)               | (30%)              |
| <b>Condo Gross Profit</b>                              |                   |                   |                   |                    |                   |                     |                    |
| Condominium rights and unit sales                      | \$ 958            | \$ 142            | \$ —              | \$ 43              | \$ 5,009          | \$ 1,143            | \$ 448,940         |
| Condominium rights and unit cost of sales              | (2,893)           | (1,087)           | (6,348)           | (97,901)           | (4,435)           | (108,229)           | (369,759)          |
| Condo Net Income (e)                                   | <u>\$ (1,935)</u> | <u>\$ (945)</u>   | <u>\$ (6,348)</u> | <u>\$ (97,858)</u> | <u>\$ 574</u>     | <u>\$ (107,086)</u> | <u>\$ 79,181</u>   |

(a) Operating Assets NOI = Operating Assets NOI excluding properties sold or in redevelopment + the Howard Hughes Corporation's (the "Company" or "HHC") share of equity method investments NOI and the annual distribution from our cost basis investment. Prior periods have been adjusted to be consistent with current period presentation.

(b) Expenses include both actual and estimated future costs of sales allocated on a relative sales value to land parcels sold, including Master Planned Communities ("MPC")-level G&A and real estate taxes on remaining residential and commercial land.

(c) MPC Segment EBT (Earnings before tax, as discussed in our GAAP financial statements), includes negative interest expense relating to capitalized interest for the segment on debt held in other segments and at corporate.

(d) Seaport District NOI = Seaport District NOI excluding properties sold or in redevelopment + Company's share of equity method investments NOI.

(e) As a result of significantly lower available inventory, we closed on no condominium units during the twelve months ended December 31, 2020. The Company closed on a large number of units at Ke Kilohana and Ae'o in 2019, with no new condominium towers scheduled for completion in 2020. However, as highlighted on page 23 of this presentation, overall progress at our condominium projects remains strong. Additionally, during the first quarter of 2020, the Company recorded a \$97.9 million charge for the estimated costs related to construction defects at the Waiea tower. The Company expects to recover all the repair costs from the general contractor, other responsible parties and insurance proceeds.



# Balance Sheets

thousands except par values and share amounts

|                                                                                                                                                                                                                     | FY 2020             | FY 2019             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
|                                                                                                                                                                                                                     | Unaudited           | Unaudited           |
| <b>ASSETS</b>                                                                                                                                                                                                       |                     |                     |
| Investment in real estate:                                                                                                                                                                                          |                     |                     |
| Master Planned Communities assets                                                                                                                                                                                   | \$ 1,687,519        | \$ 1,655,674        |
| Buildings and equipment                                                                                                                                                                                             | 4,115,493           | 3,813,595           |
| Less: accumulated depreciation                                                                                                                                                                                      | (634,064)           | (507,933)           |
| Land                                                                                                                                                                                                                | 363,447             | 353,022             |
| Developments                                                                                                                                                                                                        | 1,152,674           | 1,445,997           |
| Net property and equipment                                                                                                                                                                                          | 6,685,069           | 6,760,355           |
| Investment in real estate and other affiliates                                                                                                                                                                      | 377,145             | 121,757             |
| Net investment in real estate                                                                                                                                                                                       | 7,062,214           | 6,882,112           |
| Net investment in lease receivable                                                                                                                                                                                  | 2,926               | 79,166              |
| Cash and cash equivalents                                                                                                                                                                                           | 1,014,686           | 422,857             |
| Restricted cash                                                                                                                                                                                                     | 228,311             | 197,278             |
| Accounts receivable, net                                                                                                                                                                                            | 7,437               | 12,279              |
| Municipal Utility District receivables, net                                                                                                                                                                         | 314,394             | 280,742             |
| Notes receivable, net                                                                                                                                                                                               | 622                 | 36,379              |
| Deferred expenses, net                                                                                                                                                                                              | 112,097             | 133,182             |
| Operating lease right-of-use assets, net                                                                                                                                                                            | 56,255              | 69,398              |
| Prepaid expenses and other assets, net                                                                                                                                                                              | 341,390             | 300,373             |
| <b>Total assets</b>                                                                                                                                                                                                 | <b>\$ 9,140,332</b> | <b>\$ 8,413,766</b> |
| <b>LIABILITIES</b>                                                                                                                                                                                                  |                     |                     |
| Mortgages, notes and loans payable, net                                                                                                                                                                             | \$ 4,287,369        | \$ 4,096,470        |
| Operating lease obligations                                                                                                                                                                                         | 68,929              | 70,413              |
| Deferred tax liabilities                                                                                                                                                                                            | 187,639             | 180,748             |
| Accounts payable and accrued expenses                                                                                                                                                                               | 852,258             | 733,147             |
| <b>Total liabilities</b>                                                                                                                                                                                            | <b>5,396,195</b>    | <b>5,080,778</b>    |
| Redeemable noncontrolling interest                                                                                                                                                                                  | \$ 29,114           | \$ —                |
| <b>EQUITY</b>                                                                                                                                                                                                       |                     |                     |
| Preferred stock: \$.01 par value; 50,000,000 shares authorized, none issued                                                                                                                                         | —                   | —                   |
| Common stock: \$.01 par value; 150,000,000 shares authorized, 56,042,814 issued and 54,972,256 outstanding as of December 31, 2020, and 43,635,893 shares issued and 42,585,633 outstanding as of December 31, 2019 | 562                 | 437                 |
| Additional paid-in capital                                                                                                                                                                                          | 3,947,278           | 3,343,983           |
| Accumulated deficit                                                                                                                                                                                                 | (72,556)            | (46,385)            |
| Accumulated other comprehensive loss                                                                                                                                                                                | (38,590)            | (29,372)            |
| Treasury stock, at cost, 1,070,558 and 1,050,260 shares as of December 31, 2020 and 2019                                                                                                                            | (122,091)           | (120,530)           |
| Total stockholders' equity                                                                                                                                                                                          | 3,714,603           | 3,148,133           |
| Noncontrolling interests                                                                                                                                                                                            | 420                 | 184,855             |
| <b>Total equity</b>                                                                                                                                                                                                 | <b>3,715,023</b>    | <b>3,332,988</b>    |
| <b>Total liabilities and equity</b>                                                                                                                                                                                 | <b>\$ 9,140,332</b> | <b>\$ 8,413,766</b> |
| <b>Share Count Details (thousands)</b>                                                                                                                                                                              |                     |                     |
| Shares outstanding at end of period (including restricted stock)                                                                                                                                                    | 54,972              | 42,586              |
| Dilutive effect of stock options (a)                                                                                                                                                                                | 27                  | 88                  |
| Dilutive effect of warrants (b)                                                                                                                                                                                     | —                   | 4                   |
| <b>Total diluted share equivalents outstanding</b>                                                                                                                                                                  | <b>54,999</b>       | <b>42,678</b>       |

(a) Stock options assume net share settlement calculated for the period presented.

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

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# Statements of Operations

*thousands except per share amounts*

|                                                                      | Q4 2020           | Q4 2019           | FY 2020            | FY 2019          |
|----------------------------------------------------------------------|-------------------|-------------------|--------------------|------------------|
|                                                                      | Unaudited         | Unaudited         | Unaudited          | Unaudited        |
| <b>REVENUES</b>                                                      |                   |                   |                    |                  |
| Condominium rights and unit sales                                    | \$ 958            | \$ 5,009          | \$ 1,143           | \$ 448,940       |
| Master Planned Communities land sales                                | 96,991            | 153,145           | 233,044            | 330,146          |
| Rental revenue                                                       | 81,660            | 72,638            | 323,182            | 278,806          |
| Other land, rental and property revenues                             | 22,956            | 41,912            | 105,048            | 206,966          |
| Builder price participation                                          | 11,136            | 11,457            | 37,072             | 35,681           |
| <b>Total revenues</b>                                                | <u>213,701</u>    | <u>284,161</u>    | <u>699,489</u>     | <u>1,300,539</u> |
| <b>EXPENSES</b>                                                      |                   |                   |                    |                  |
| Condominium rights and unit cost of sales                            | 2,893             | 4,435             | 108,229            | 369,759          |
| Master Planned Communities cost of sales                             | 42,945            | 63,724            | 101,505            | 141,852          |
| Operating costs                                                      | 58,028            | 72,957            | 226,791            | 294,486          |
| Rental property real estate taxes                                    | 8,590             | 8,276             | 52,815             | 36,861           |
| Provision for (recovery of) doubtful accounts                        | 1,055             | (219)             | 6,009              | (414)            |
| Demolition costs                                                     | —                 | 118               | —                  | 855              |
| Development-related marketing costs                                  | 1,625             | 6,193             | 8,166              | 23,067           |
| General and administrative                                           | 24,647            | 70,184            | 109,402            | 162,506          |
| Depreciation and amortization                                        | 56,472            | 40,656            | 217,467            | 155,798          |
| <b>Total expenses</b>                                                | <u>196,255</u>    | <u>266,324</u>    | <u>830,384</u>     | <u>1,184,770</u> |
| <b>OTHER</b>                                                         |                   |                   |                    |                  |
| Provision for impairment                                             | —                 | —                 | (48,738)           | —                |
| Gain (loss) on sale or disposal of real estate and other assets, net | 13,710            | (1,689)           | 59,942             | 22,362           |
| Other income (loss), net                                             | 923               | 381               | 130                | 12,179           |
| <b>Total other</b>                                                   | <u>14,633</u>     | <u>(1,308)</u>    | <u>11,334</u>      | <u>34,541</u>    |
| <b>Operating income (loss)</b>                                       | <u>32,079</u>     | <u>16,529</u>     | <u>(119,561)</u>   | <u>150,310</u>   |
| Selling profit from sales-type leases                                | —                 | —                 | —                  | 13,537           |
| Interest income                                                      | 460               | 2,101             | 2,368              | 9,797            |
| Interest expense                                                     | (33,540)          | (29,016)          | (132,257)          | (105,374)        |
| Gain (loss) on extinguishment of debt                                | (3)               | 4,641             | (13,169)           | 4,641            |
| Equity in earnings (losses) from real estate and other affiliates    | 1,464             | 9,782             | 271,099            | 30,629           |
| Income (loss) before income taxes                                    | 460               | 4,037             | 8,480              | 103,540          |
| Income tax expense (benefit)                                         | 8,450             | 5,038             | 11,653             | 29,245           |
| Net income (loss)                                                    | (7,990)           | (1,001)           | (3,173)            | 74,295           |
| Net (income) loss attributable to noncontrolling interests           | 1,344             | (99)              | (22,981)           | (339)            |
| <b>Net income (loss) attributable to common stockholders</b>         | <u>\$ (6,646)</u> | <u>\$ (1,100)</u> | <u>\$ (26,154)</u> | <u>\$ 73,956</u> |
| <b>Basic income (loss) per share</b>                                 | <u>\$ (0.12)</u>  | <u>\$ (0.03)</u>  | <u>\$ (0.50)</u>   | <u>\$ 1.71</u>   |
| <b>Diluted income (loss) per share</b>                               | <u>\$ (0.12)</u>  | <u>\$ (0.03)</u>  | <u>\$ (0.50)</u>   | <u>\$ 1.71</u>   |

# Reconciliations of Net Income to FFO, Core FFO and AFFO

*thousands except share amounts*

|                                                                                                  | Q4 2020          | Q4 2019          | FY 2020           | FY 2019           |
|--------------------------------------------------------------------------------------------------|------------------|------------------|-------------------|-------------------|
|                                                                                                  | Unaudited        | Unaudited        | Unaudited         | Unaudited         |
| <b>RECONCILIATIONS OF NET INCOME TO FFO</b>                                                      |                  |                  |                   |                   |
| Net income attributable to common shareholders                                                   | \$ (6,646)       | \$ (1,100)       | \$ (26,154)       | \$ 73,956         |
| Adjustments to arrive at FFO:                                                                    |                  |                  |                   |                   |
| Segment real estate related depreciation and amortization                                        | 55,205           | 38,454           | 210,836           | 147,777           |
| (Gain) loss on sale or disposal of real estate and other assets, net                             | (13,710)         | 1,689            | (59,942)          | (22,362)          |
| (Gain) on 110 North Wacker deconsolidation                                                       | —                | —                | (267,518)         | —                 |
| Development management fees recognized at the time of 110 North Wacker deconsolidation           | —                | —                | (15,353)          | —                 |
| Selling profit from sales-type leases                                                            | —                | —                | —                 | (13,537)          |
| Income tax expense adjustments:                                                                  |                  |                  |                   |                   |
| Gain on sale or disposal of real estate and other assets, net                                    | 4,977            | (389)            | 14,686            | 5,479             |
| Gain on 110 North Wacker deconsolidation                                                         | —                | —                | 56,179            | —                 |
| Development management fees recognized at the time of 110 North Wacker deconsolidation           | —                | —                | 3,224             | —                 |
| Selling profit from sales-type leases                                                            | —                | (460)            | —                 | 2,843             |
| Impairment of depreciable real estate properties                                                 | —                | —                | 48,738            | —                 |
| Reconciling items related to noncontrolling interests                                            | (1,344)          | 99               | 22,981            | 339               |
| Our share of the above reconciling items included in earnings from unconsolidated joint ventures | 2,176            | 1,014            | 11,195            | 3,688             |
| <b>FFO</b>                                                                                       | <b>\$ 40,658</b> | <b>\$ 39,307</b> | <b>\$ (1,128)</b> | <b>\$ 198,183</b> |
| Adjustments to arrive at Core FFO:                                                               |                  |                  |                   |                   |
| (Gain) loss on extinguishment of debt                                                            | 3                | (4,641)          | 13,169            | (4,641)           |
| Severance expenses                                                                               | 592              | 26,054           | 2,650             | 29,144            |
| Non-real estate related depreciation and amortization                                            | 1,267            | 2,202            | 6,631             | 8,021             |
| Straight-line amortization                                                                       | (2,594)          | (1,107)          | (4,786)           | (7,364)           |
| Deferred income tax (expense) benefit                                                            | 9,641            | 4,627            | 10,827            | 27,816            |
| Non-cash fair value adjustments related to hedging instruments                                   | 623              | 791              | 9,064             | 770               |
| Share-based compensation                                                                         | 4,154            | 8,456            | 7,150             | 17,349            |
| Other non-recurring expenses (development-related marketing and demolition costs)                | 1,625            | 6,311            | 8,166             | 23,922            |
| Our share of the above reconciling items included in earnings from unconsolidated joint ventures | (735)            | 89               | (499)             | 190               |
| <b>Core FFO</b>                                                                                  | <b>\$ 55,234</b> | <b>\$ 82,089</b> | <b>\$ 51,244</b>  | <b>\$ 293,390</b> |
| Adjustments to arrive at AFFO:                                                                   |                  |                  |                   |                   |
| Tenant and capital improvements                                                                  | \$ (6,719)       | \$ (1,236)       | \$ (19,728)       | \$ (5,237)        |
| Leasing commissions                                                                              | (2,180)          | (1,603)          | (5,218)           | (4,192)           |
| Condominium inventory writedown                                                                  | 1,622            | —                | 7,644             | —                 |
| <b>AFFO</b>                                                                                      | <b>\$ 47,957</b> | <b>\$ 79,250</b> | <b>\$ 33,942</b>  | <b>\$ 283,961</b> |
| <b>FFO per diluted share value</b>                                                               | <b>\$ 0.73</b>   | <b>\$ 0.91</b>   | <b>\$ (0.02)</b>  | <b>\$ 4.58</b>    |
| <b>Core FFO per diluted share value</b>                                                          | <b>\$ 0.99</b>   | <b>\$ 1.90</b>   | <b>\$ 0.98</b>    | <b>\$ 6.77</b>    |
| <b>AFFO per diluted share value</b>                                                              | <b>\$ 0.86</b>   | <b>\$ 1.84</b>   | <b>\$ 0.65</b>    | <b>\$ 6.56</b>    |

# NOI by Region, excluding the Seaport District

in thousands except Sq. Ft. and units

| Property                               | % Ownership (a) | Total     |       | Q4 2020 Occupied (#) |       | Q4 2020 Leased (#) |       | Q4 2020 Occupied (%) |       | Q4 2020 Leased (%) |       | Q4 2020 Annualized NOI (b) | Stabilized NOI (c) | Time to Stabilize (Years) |
|----------------------------------------|-----------------|-----------|-------|----------------------|-------|--------------------|-------|----------------------|-------|--------------------|-------|----------------------------|--------------------|---------------------------|
|                                        |                 | Sq. Ft.   | Units | Sq. Ft.              | Units | Sq. Ft.            | Units | Sq. Ft.              | Units | Sq. Ft.            | Units |                            |                    |                           |
| <b>Stabilized Properties</b>           |                 |           |       |                      |       |                    |       |                      |       |                    |       |                            |                    |                           |
| Office - Houston                       | 100 %           | 3,373,048 | —     | 3,145,988            | —     | 3,164,008          | —     | 93 %                 | — %   | 94 %               | — %   | \$ 82,022                  | \$ 89,396          | —                         |
| Office - Columbia                      | 100 %           | 1,391,123 | —     | 1,213,883            | —     | 1,232,731          | —     | 87 %                 | — %   | 89 %               | — %   | 21,491                     | 25,579             | —                         |
| Office - Summerlin                     | 100 %           | 532,428   | —     | 519,960              | —     | 523,325            | —     | 98 %                 | — %   | 98 %               | — %   | 13,631                     | 13,800             | —                         |
| Retail - Houston                       | 100 %           | 420,527   | —     | 339,978              | —     | 341,351            | —     | 81 %                 | — %   | 81 %               | — %   | 10,011                     | 13,273             | —                         |
| Retail - Columbia                      | 100 %           | 89,199    | —     | 89,199               | —     | 89,199             | —     | 100 %                | — %   | 100 %              | — %   | 2,264                      | 2,300              | —                         |
| Retail - Hawaii                        | 100 %           | 1,031,983 | —     | 879,213              | —     | 914,624            | —     | 85 %                 | — %   | 89 %               | — %   | 6,335                      | 23,559             | —                         |
| Retail - Summerlin                     | 100 %           | 801,031   | —     | 727,214              | —     | 733,964            | —     | 91 %                 | — %   | 92 %               | — %   | 15,569                     | 26,301             | —                         |
| Retail - Other                         | 100 %           | 264,473   | —     | 216,033              | —     | 229,831            | —     | 82 %                 | — %   | 87 %               | — %   | (481)                      | 6,501              | —                         |
| Multi-Family - Houston (d)             | 100 %           | 22,971    | 1,389 | 17,322               | 1,162 | 17,322             | 1,213 | 75 %                 | 84 %  | 75 %               | 87 %  | 12,624                     | 19,800             | —                         |
| Multi-Family - Columbia (d)            | 50 %            | 41,617    | 817   | 39,497               | 758   | 39,497             | 793   | 95 %                 | 93 %  | 95 %               | 97 %  | 6,172                      | 7,140              | —                         |
| Multi-Family - Summerlin (d)           | 100 %           | —         | 391   | —                    | 362   | —                  | 381   | — %                  | 93 %  | — %                | 97 %  | 5,106                      | 6,600              | —                         |
| Hospitality - Houston (e)              | 100 %           | —         | 909   | —                    | 305   | —                  | —     | — %                  | 34 %  | — %                | — %   | 2,927                      | 28,900             | —                         |
| Self-Storage - Houston                 | 100 %           | —         | 1,356 | —                    | 1,232 | —                  | 1,248 | — %                  | 91 %  | — %                | 92 %  | 823                        | 823                | —                         |
| Other - Summerlin                      | 100 %           | —         | —     | —                    | —     | —                  | —     | — %                  | — %   | — %                | — %   | 6,881                      | 12,347             | —                         |
| Other Assets (f)                       | Various         | 135,801   | —     | 135,801              | —     | 135,801            | —     | 100 %                | — %   | 100 %              | — %   | 7,003                      | 8,368              | —                         |
| <b>Total Stabilized Properties (g)</b> |                 |           |       |                      |       |                    |       |                      |       |                    |       | <b>\$ 192,378</b>          | <b>\$ 284,687</b>  | <b>—</b>                  |
| <b>Unstabilized Properties</b>         |                 |           |       |                      |       |                    |       |                      |       |                    |       |                            |                    |                           |
| Office - Houston                       | 100 %           | 595,618   | —     | 164,146              | —     | 182,017            | —     | 28 %                 | — %   | 31 %               | — %   | \$ (1,352)                 | \$ 17,900          | 3.0                       |
| Office - Columbia                      | 100 %           | 319,002   | —     | 159,900              | —     | 199,570            | —     | 50 %                 | — %   | 63 %               | — %   | (1,026)                    | 9,200              | 3.0                       |
| Office - Other                         | 23 %            | 1,492,940 | —     | 522,265              | —     | 1,146,368          | —     | 35 %                 | — %   | 77 %               | — %   | —                          | 14,421             | 3.0                       |
| Retail - Columbia                      | 100 %           | 10,700    | —     | —                    | —     | 10,700             | —     | — %                  | — %   | 100 %              | — %   | (2)                        | 400                | 2.0                       |
| Retail - Houston                       | 100 %           | 72,977    | —     | 45,454               | —     | 45,454             | —     | 62 %                 | — %   | 62 %               | — %   | 803                        | 2,200              | 2.0                       |
| Multi-Family - Houston (d)             | 100 %           | 11,448    | 861   | 6,146                | 440   | 6,146              | 467   | 54 %                 | 51 %  | 54 %               | 54 %  | 7,120                      | 15,904             | 3.1                       |
| Multi-Family - Columbia (d)            | 100 %           | 56,683    | 382   | —                    | 212   | —                  | 236   | — %                  | 55 %  | — %                | 62 %  | 4,069                      | 9,162              | 3.0                       |
| <b>Total Unstabilized Properties</b>   |                 |           |       |                      |       |                    |       |                      |       |                    |       | <b>\$ 9,612</b>            | <b>\$ 69,187</b>   | <b>2.8</b>                |

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

in thousands except Sq. Ft. and units

| Property                                   | % Ownership (a) | Total   |       | Q4 2020 Occupied (#) |       | Q4 2020 Leased (#) |       | Q4 2020 Occupied (%) |       | Q4 2020 Leased (%) |       | Q4 2020 Annualized NOI (b) | Stabilized NOI (c) | Time to Stabilize (Years) |  |
|--------------------------------------------|-----------------|---------|-------|----------------------|-------|--------------------|-------|----------------------|-------|--------------------|-------|----------------------------|--------------------|---------------------------|--|
|                                            |                 | Sq. Ft. | Units | Sq. Ft.              | Units | Sq. Ft.            | Units | Sq. Ft.              | Units | Sq. Ft.            | Units |                            |                    |                           |  |
| <b>Under Construction Properties</b>       |                 |         |       |                      |       |                    |       |                      |       |                    |       |                            |                    |                           |  |
| Retail - Hawaii                            | 100 %           | 48,357  | —     | —                    | —     | 1,688              | —     | — %                  | — %   | 3 %                | — %   | n/a \$                     | 1,918              | 2.7                       |  |
| Multi-Family - Houston (d)                 | 100 %           | —       | 718   | —                    | —     | —                  | —     | — %                  | — %   | — %                | — %   | n/a                        | 9,057              | 3.5                       |  |
| <b>Total Under Construction Properties</b> |                 |         |       |                      |       |                    |       |                      |       |                    |       | <b>n/a \$</b>              | <b>10,975</b>      | <b>3.1</b>                |  |
| <b>Total/ Wtd. Avg. for Portfolio</b>      |                 |         |       |                      |       |                    |       |                      |       |                    |       | <b>\$ 201,990</b>          | <b>\$ 364,849</b>  | <b>2.9</b>                |  |

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

(b) To better reflect the full-year performance of the properties, the impacts of certain prior period accruals and adjustments included in Q4 2020 NOI were not annualized. Annualized Q4 2020 NOI also includes distribution received from cost method investment in Q1 2020. For purposes of this calculation, this one time annual distribution is not annualized.

(c) Table above excludes Seaport District NOI, units, and square feet until we have greater clarity with respect to the performance of our tenants. See page 17 for Seaport District Est. stabilized yield and other project information.

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

(e) Hospitality percentage occupied is the average for Q4 2020. As a result of COVID-19, our Hospitality assets were temporarily shut down beginning in March 2020, and were gradually reopened in a phased approach starting May 2020. Despite these reopenings, we continue to see declines in occupancy through the third quarter of 2020, compared to levels achieved prior to the impact of the pandemic.

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

(g) For Stabilized Properties, the difference between 4Q20 Annualized NOI and Stabilized NOI is attributable to a number of factors which may include temporary abatements, deferrals or lost revenue due to COVID-19 restrictions, timing of lease turnovers, free rent and other market factors.

# Stabilized Properties - Operating Assets Segment

in thousands except Sq. Ft. and units

| Property                              | Location        | % Ownership | Rentable Sq. Ft. | Q4 2020 % Occ. | Q4 2020 % Leased | Annualized Q4 2020 NOI (a) (b) | Est. Stabilized NOI (a) |
|---------------------------------------|-----------------|-------------|------------------|----------------|------------------|--------------------------------|-------------------------|
| <b>Office</b>                         |                 |             |                  |                |                  |                                |                         |
| One Hughes Landing                    | Houston, TX     | 100 %       | 197,719          | 92 %           | 97 %             | \$ 5,858                       | \$ 5,900                |
| Two Hughes Landing                    | Houston, TX     | 100 %       | 197,714          | 83 %           | 83 %             | 4,230                          | 6,000                   |
| Three Hughes Landing                  | Houston, TX     | 100 %       | 320,815          | 88 %           | 90 %             | 7,962                          | 7,600                   |
| 1725 Hughes Landing Boulevard         | Houston, TX     | 100 %       | 331,176          | 95 %           | 96 %             | 5,599                          | 6,900                   |
| 1735 Hughes Landing Boulevard         | Houston, TX     | 100 %       | 318,170          | 100 %          | 100 %            | 8,324                          | 7,696                   |
| 2201 Lake Woodlands Drive             | Houston, TX     | 100 %       | 24,119           | 100 %          | 100 %            | 168                            | 410                     |
| Lakefront North                       | Houston, TX     | 100 %       | 258,058          | 82 %           | 82 %             | 7,061                          | 6,458                   |
| 8770 New Trails                       | Houston, TX     | 100 %       | 180,000          | 100 %          | 100 %            | 2,020                          | 4,400                   |
| 9303 New Trails                       | Houston, TX     | 100 %       | 97,967           | 80 %           | 80 %             | 1,359                          | 1,800                   |
| 3831 Technology Forest Drive          | Houston, TX     | 100 %       | 95,078           | 100 %          | 100 %            | 2,376                          | 2,376                   |
| 3 Waterway Square                     | Houston, TX     | 100 %       | 232,021          | 96 %           | 96 %             | 5,438                          | 6,500                   |
| 4 Waterway Square                     | Houston, TX     | 100 %       | 218,551          | 100 %          | 100 %            | 6,509                          | 6,856                   |
| 1201 Lake Robbins Tower (c)           | Houston, TX     | 100 %       | 805,993          | 100 %          | 100 %            | 24,507                         | 25,000                  |
| 1400 Woodloch Forest                  | Houston, TX     | 100 %       | 95,667           | 48 %           | 48 %             | 611                            | 1,500                   |
| 10 - 70 Columbia Corporate Center     | Columbia, MD    | 100 %       | 898,054          | 85 %           | 87 %             | 12,979                         | 14,330                  |
| Columbia Office Properties            | Columbia, MD    | 100 %       | 62,038           | 68 %           | 68 %             | 145                            | 1,402                   |
| One Mall North                        | Columbia, MD    | 100 %       | 96,977           | 94 %           | 96 %             | 1,879                          | 1,947                   |
| One Merriweather                      | Columbia, MD    | 100 %       | 206,632          | 97 %           | 97 %             | 4,664                          | 4,800                   |
| Two Merriweather                      | Columbia, MD    | 100 %       | 127,422          | 91 %           | 91 %             | 1,824                          | 3,100                   |
| Aristocrat                            | Las Vegas, NV   | 100 %       | 181,534          | 100 %          | 100 %            | 4,293                          | 4,300                   |
| One Summerlin                         | Las Vegas, NV   | 100 %       | 206,279          | 94 %           | 96 %             | 6,196                          | 5,700                   |
| Two Summerlin                         | Las Vegas, NV   | 100 %       | 144,615          | 100 %          | 100 %            | 3,142                          | 3,800                   |
| <b>Total Office</b>                   |                 |             | <b>5,296,599</b> |                |                  | <b>\$ 117,144</b>              | <b>\$ 128,775</b>       |
| <b>Retail</b>                         |                 |             |                  |                |                  |                                |                         |
| Creeside Village Green                | Houston, TX     | 100 %       | 74,670           | 80 %           | 80 %             | \$ 1,777                       | \$ 2,097                |
| Hughes Landing Retail                 | Houston, TX     | 100 %       | 125,798          | 85 %           | 85 %             | 3,240                          | 4,375                   |
| 1701 Lake Robbins                     | Houston, TX     | 100 %       | 12,376           | 100 %          | 100 %            | 546                            | 550                     |
| Lake Woodlands Crossing Retail        | Houston, TX     | 100 %       | 60,261           | 87 %           | 87 %             | 1,492                          | 1,668                   |
| Lakeland Village Center at Bridgeland | Houston, TX     | 100 %       | 67,947           | 66 %           | 68 %             | 977                            | 1,700                   |
| 20/25 Waterway Avenue                 | Houston, TX     | 100 %       | 50,062           | 76 %           | 76 %             | 1,459                          | 2,013                   |
| Waterway Garage Retail                | Houston, TX     | 100 %       | 21,513           | 78 %           | 78 %             | 299                            | 600                     |
| 2000 Woodlands Parkway                | Houston, TX     | 100 %       | 7,900            | 100 %          | 100 %            | 221                            | 270                     |
| Columbia Regional Building            | Columbia, MD    | 100 %       | 89,199           | 100 %          | 100 %            | 2,264                          | 2,300                   |
| Ward Village Retail                   | Honolulu, HI    | 100 %       | 1,031,983        | 85 %           | 89 %             | 6,335                          | 23,559                  |
| Downtown Summerlin (d)                | Las Vegas, NV   | 100 %       | 801,031          | 91 %           | 92 %             | 15,569                         | 26,301                  |
| Outlet Collection at Riverwalk        | New Orleans, LA | 100 %       | 264,473          | 82 %           | 87 %             | (481)                          | 6,501                   |
| <b>Total Retail</b>                   |                 |             | <b>2,607,213</b> |                |                  | <b>\$ 33,698</b>               | <b>\$ 71,934</b>        |

*Howard Hughes*

# Stabilized Properties - Operating Assets Segment (con't)

in thousands except Sq. Ft. and units

| Property                                     | Location      | % Ownership | Rentable       |              | Q4 2020 %Occ.(e) |       | Q4 2020 % Leased (e) |       | Annualized Q4 2020 NOI (a) (b) | Est. Stabilized NOI (a) |
|----------------------------------------------|---------------|-------------|----------------|--------------|------------------|-------|----------------------|-------|--------------------------------|-------------------------|
|                                              |               |             | Sq. Ft.        | Units        | Rentable Sq. Ft. | Units | Rentable Sq. Ft.     | Units |                                |                         |
| <b>Multi-family</b>                          |               |             |                |              |                  |       |                      |       |                                |                         |
| Creekside Park Apartments                    | Houston, TX   | 100 %       | —              | 292          | n/a              | 93 %  | n/a                  | 97 %  | \$ 1,864                       | \$ 3,500                |
| Millennium Six Pines Apartments              | Houston, TX   | 100 %       | —              | 314          | n/a              | 81 %  | n/a                  | 83 %  | 2,231                          | 4,500                   |
| Millennium Waterway Apartments               | Houston, TX   | 100 %       | —              | 393          | n/a              | 82 %  | n/a                  | 89 %  | 3,298                          | 4,600                   |
| One Lakes Edge                               | Houston, TX   | 100 %       | 22,971         | 390          | 75 %             | 80 %  | 75 %                 | 82 %  | 5,231                          | 7,200                   |
| The Metropolitan Downtown Columbia           | Columbia, MD  | 50 %        | 13,591         | 380          | 84 %             | 94 %  | 84 %                 | 96 %  | 2,784                          | 3,132                   |
| m.flats/TEN.M                                | Columbia, MD  | 50 %        | 28,026         | 437          | 100 %            | 92 %  | 100 %                | 98 %  | 3,388                          | 4,008                   |
| Constellation Apartments                     | Las Vegas, NV | 100 %       | —              | 124          | n/a              | 92 %  | n/a                  | 95 %  | 2,062                          | 2,200                   |
| Tanager Apartments                           | Las Vegas, NV | 100 %       | —              | 267          | n/a              | 93 %  | n/a                  | 99 %  | 3,044                          | 4,400                   |
| <b>Total Multi-family (f)</b>                |               |             | <b>64,588</b>  | <b>2,597</b> |                  |       |                      |       | <b>\$ 23,902</b>               | <b>\$ 33,540</b>        |
| <b>Hotel</b>                                 |               |             |                |              |                  |       |                      |       |                                |                         |
| Embassy Suites at Hughes Landing (g)         | Houston, TX   | 100 %       | —              | 205          | n/a              | 55 %  | n/a                  | n/a   | \$ 1,271                       | \$ 5,600                |
| The Westin at The Woodlands (g)              | Houston, TX   | 100 %       | —              | 302          | n/a              | 28 %  | n/a                  | n/a   | (132)                          | 9,600                   |
| The Woodlands Resort & Conference Center (g) | Houston, TX   | 100 %       | —              | 402          | n/a              | 27 %  | n/a                  | n/a   | 1,788                          | 13,700                  |
| <b>Total Hotel</b>                           |               |             | <b>—</b>       | <b>909</b>   |                  |       |                      |       | <b>\$ 2,927</b>                | <b>\$ 28,900</b>        |
| <b>Other</b>                                 |               |             |                |              |                  |       |                      |       |                                |                         |
| Hughes Landing Daycare                       | Houston, TX   | 100 %       | 10,000         | —            | 100 %            | — %   | 100 %                | — %   | \$ 278                         | \$ 278                  |
| The Woodlands Warehouse                      | Houston, TX   | 100 %       | 125,801        | —            | 100 %            | — %   | 100 %                | — %   | 1,308                          | 1,200                   |
| HHC 242 Self-Storage                         | Houston, TX   | 100 %       | —              | 629          | n/a              | 91 %  | n/a                  | 92 %  | 450                            | 450                     |
| HHC 2978 Self-Storage                        | Houston, TX   | 100 %       | —              | 727          | n/a              | 91 %  | n/a                  | 92 %  | 373                            | 373                     |
| Woodlands Sarofim #1                         | Houston, TX   | 20 %        | n/a            | n/a          | n/a              | n/a   | n/a                  | n/a   | 2,104                          | 2,202                   |
| Stewart Title of Montgomery County, TX       | Houston, TX   | 50 %        | n/a            | n/a          | n/a              | n/a   | n/a                  | n/a   | 1,888                          | 1,864                   |
| The Woodlands Ground Leases                  | Houston, TX   | 100 %       | n/a            | n/a          | n/a              | n/a   | n/a                  | n/a   | 1,949                          | 1,662                   |
| Kewalo Basin Harbor                          | Honolulu, HI  | 100 %       | n/a            | n/a          | n/a              | n/a   | n/a                  | n/a   | 963                            | 1,100                   |
| Hockey Ground Lease                          | Las Vegas, NV | 100 %       | n/a            | n/a          | n/a              | n/a   | n/a                  | n/a   | 522                            | 523                     |
| Summerlin Hospital Medical Center            | Las Vegas, NV | 5 %         | n/a            | n/a          | n/a              | n/a   | n/a                  | n/a   | 3,724                          | 3,724                   |
| Las Vegas Ballpark (g)(h)                    | Las Vegas, NV | 100 %       | n/a            | n/a          | n/a              | n/a   | n/a                  | n/a   | 2,635                          | 8,100                   |
| Other Assets                                 | Various       | 100 %       | n/a            | n/a          | n/a              | n/a   | n/a                  | n/a   | (1,487)                        | 62                      |
| <b>Total Other</b>                           |               |             | <b>135,801</b> | <b>1,356</b> |                  |       |                      |       | <b>\$ 14,707</b>               | <b>\$ 21,538</b>        |
| <b>Total Stabilized</b>                      |               |             |                |              |                  |       |                      |       | <b>\$ 192,378</b>              | <b>\$ 284,687</b>       |

(a) For Stabilized Properties, the difference between 4Q20 Annualized NOI and Stabilized NOI is attributable to a number of factors which may include temporary abatements, deferrals or lost revenue due to COVID-19 restrictions, timing of lease turnovers, free rent and other market factors.

(b) To better reflect the full-year performance of the properties, the impacts of certain prior period accruals and adjustments included in Q4 2020 NOI were not annualized.

(c) 1201 Lake Robbins Tower and 9950 Woodloch Forest Tower, collectively known as The Woodlands Towers at the Waterway, were acquired on December 30, 2019. 9950 Woodloch Forest Tower is an unstabilized property as of December 31, 2020. See page 15 for further details.

(d) Downtown Summerlin rentable sq. ft. excludes 381,767 sq. ft. of anchor space and 41,606 sq. ft. of office space.

(e) With the exception of Hotel properties, Percentage Occupied and Percentage Leased are as of December 31, 2020. Each Hotel property Percentage Occupied is the average for Q4 2020.

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

(g) Annualized NOI for these properties are based on a trailing 12-month calculation due to seasonality of the respective businesses.

(h) The Las Vegas Ballpark presentation is inclusive of the results from both the stadium operations and those of our wholly-owned team, the Las Vegas Aviators.

# Unstabilized Properties - Operating Assets Segment

thousands except Sq. Ft. and units

| Project Name                                       | Location     | % Ownership | Rentable Sq. Ft. | Units        | Q4 2020 %Occ.(a) |       | Q4 2020 % Leased (a) |       | Develop. Costs Incurred | Est. Total Cost (Excl. Land) | Annualized Q4 2020 NOI (b) | Est. Stabilized NOI (c) | Est. Stab. Date | Est. Stab. Yield |
|----------------------------------------------------|--------------|-------------|------------------|--------------|------------------|-------|----------------------|-------|-------------------------|------------------------------|----------------------------|-------------------------|-----------------|------------------|
|                                                    |              |             |                  |              | Rentable Sq. Ft. | Units | Rentable Sq. Ft.     | Units |                         |                              |                            |                         |                 |                  |
| <b>Office</b>                                      |              |             |                  |              |                  |       |                      |       |                         |                              |                            |                         |                 |                  |
| 9950 Woodloch Forest Tower (d)(e)                  | Houston, TX  | 100 %       | 595,618          | —            | 28 %             | n/a   | 31 %                 | n/a   | \$ 144,000              | \$ 210,571                   | \$ (1,352)                 | \$ 17,900               | 2023            | 9 %              |
| 110 North Wacker (f)                               | Chicago, IL  | 23 %        | 1,492,940        | —            | 35 %             | n/a   | 77 %                 | n/a   | 16,078                  | 16,078                       | —                          | 14,421                  | 2023            | 8 %              |
| 6100 Merriweather                                  | Columbia, MD | 100 %       | 319,002          | —            | 50 %             | n/a   | 63 %                 | n/a   | 108,360                 | 138,221                      | (1,026)                    | 9,200                   | 2023            | 7 %              |
| <b>Total Office</b>                                |              |             | <b>2,407,560</b> | <b>—</b>     |                  |       |                      |       | <b>\$ 268,438</b>       | <b>\$ 364,870</b>            | <b>\$ (2,378)</b>          | <b>\$ 41,521</b>        |                 |                  |
| <b>Retail</b>                                      |              |             |                  |              |                  |       |                      |       |                         |                              |                            |                         |                 |                  |
| Creeside Park West                                 | Houston, TX  | 100 %       | 72,977           | —            | 62 %             | n/a   | 62 %                 | n/a   | \$ 18,997               | \$ 20,777                    | \$ 803                     | \$ 2,200                | 2022            | 11 %             |
| Merriweather District Area 3 Standalone Restaurant | Columbia, MD | 100 %       | 10,700           | —            | — %              | n/a   | 100 %                | n/a   | 3,050                   | 6,530                        | (2)                        | 400                     | 2022            | 6 %              |
| <b>Total Retail</b>                                |              |             | <b>83,677</b>    | <b>—</b>     |                  |       |                      |       | <b>\$ 22,047</b>        | <b>\$ 27,307</b>             | <b>\$ 801</b>              | <b>\$ 2,600</b>         |                 |                  |
| <b>Multi-family</b>                                |              |             |                  |              |                  |       |                      |       |                         |                              |                            |                         |                 |                  |
| Juniper Apartments                                 | Columbia, MD | 100 %       | 56,683           | 382          | — %              | 56 %  | — %                  | 62 %  | \$ 95,325               | \$ 116,386                   | \$ 4,069                   | \$ 9,162                | 2023            | 8 %              |
| Lakeside Row                                       | Houston, TX  | 100 %       | —                | 312          | n/a              | 88 %  | n/a                  | 91 %  | 44,881                  | 45,587                       | 2,533                      | 3,875                   | 2022            | 9 %              |
| The Lane at Waterway (g)                           | Houston, TX  | 100 %       | —                | 163          | n/a              | 3 %   | n/a                  | 4 %   | 35,232                  | 45,033                       | (117)                      | 3,500                   | 2022            | 8 %              |
| Two Lakes Edge                                     | Houston, TX  | 100 %       | 11,448           | 386          | 54 %             | 41 %  | 54 %                 | 46 %  | 95,314                  | 107,706                      | 4,704                      | 8,529                   | 2024            | 8 %              |
| <b>Total Multi-family (h)</b>                      |              |             | <b>68,131</b>    | <b>1,243</b> |                  |       |                      |       | <b>\$ 270,752</b>       | <b>\$ 314,712</b>            | <b>\$ 11,189</b>           | <b>\$ 25,066</b>        |                 |                  |
| <b>Total Unstabilized</b>                          |              |             |                  |              |                  |       |                      |       | <b>\$ 561,237</b>       | <b>\$ 706,889</b>            | <b>\$ 9,612</b>            | <b>\$ 69,187</b>        |                 |                  |

(a) With the exception of Hotel properties, Percentage Occupied and Percentage Leased are as of December 31, 2020. Each Hotel property Percentage Occupied is the average for Q4 2020.

(b) To better reflect the full-year performance of the properties, the impacts of certain prior period accruals and adjustments included in Q4 2020 NOI were not annualized.

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

(d) 9950 Woodloch Forest Tower development costs incurred and estimated total cost are inclusive of acquisition and tenant lease-up costs.

(e) 1201 Lake Robbins Tower and 9950 Woodloch Forest Tower, collectively known as The Woodlands Towers at the Waterway, were acquired on December 30, 2019. 1201 Lake Robbins Tower is a stabilized property as of December 31, 2020, and 9950 Woodloch Forest Tower is unstabilized as Occidental Petroleum's lease in this building expired in the second quarter of 2020. Occidental Petroleum has leased 100% of 1201 Lake Robbins Tower through 2032. See page 13 for further details.

(f) 110 North Wacker was placed in service during the third quarter of 2020. The above represents only our membership interest and HHC's total cash equity requirement. Est. Stabilized NOI Yield is based on the projected building NOI at stabilization and our percentage ownership of the equity capitalized of the projects. It does not include the impact of the partnership distribution waterfall.

(g) Millennium Phase III Apartments was renamed The Lane at Waterway.

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



# Under Construction Projects - Strategic Developments Segment

in thousands except Sq. Ft. and units

| (Owned & Managed) Project Name | Location     | % Ownership | Est. Rentable Sq. Ft. | Percent Pre-Leased (a) | Project Status     | Const. Start Date | Est. Stabilized Date (b) | Develop. Costs Incurred | Est. Total Cost (Excl. Land) | Est. Stabilized NOI | Est. Stab. Yield |
|--------------------------------|--------------|-------------|-----------------------|------------------------|--------------------|-------------------|--------------------------|-------------------------|------------------------------|---------------------|------------------|
| <b>Retail</b>                  |              |             |                       |                        |                    |                   |                          |                         |                              |                     |                  |
| 'A'ali'i (c)                   | Honolulu, HI | 100 %       | 11,570                | — %                    | Under Construction | Q4 2018           | 2022                     | \$ —                    | \$ —                         | \$ 637              | — %              |
| Kō'ula (c)                     | Honolulu, HI | 100 %       | <u>36,787</u>         | 5 %                    | Under Construction | Q3 2019           | 2023                     | <u>—</u>                | <u>—</u>                     | <u>1,281</u>        | <u>— %</u>       |
| <b>Total Retail</b>            |              |             | <b>48,357</b>         |                        |                    |                   |                          | <b>\$ —</b>             | <b>\$ —</b>                  | <b>\$ 1,918</b>     |                  |

| Project Name                    | Location    | % Ownership | # of Units | Monthly Est. Rent Per Unit | Project Status     | Const. Start Date | Est. Stabilized Date (b) | Develop. Costs Incurred | Est. Total Cost (Excl. Land) | Est. Stabilized NOI | Est. Stab. Yield |
|---------------------------------|-------------|-------------|------------|----------------------------|--------------------|-------------------|--------------------------|-------------------------|------------------------------|---------------------|------------------|
| <b>Multi-family</b>             |             |             |            |                            |                    |                   |                          |                         |                              |                     |                  |
| Creekside Park The Grove (d)    | Houston, TX | 100 %       | 360        | \$ 1,744                   | Under Construction | Q3 2019           | 2023                     | \$ 29,890               | \$ 57,472                    | \$ 4,697            | 8 %              |
| Starling at Bridgeland          | Houston, TX | 100 %       | <u>358</u> | <u>1,622</u>               | Under Construction | Q4 2020           | 2024                     | <u>1,039</u>            | <u>58,072</u>                | <u>4,360</u>        | <u>8 %</u>       |
| <b>Total Multi-family</b>       |             |             | <b>718</b> |                            |                    |                   |                          | <b>\$ 30,929</b>        | <b>\$ 115,544</b>            | <b>\$ 9,057</b>     |                  |
| <b>Total Under Construction</b> |             |             |            |                            |                    |                   |                          | <b>\$ 30,929</b>        | <b>\$ 115,544</b>            | <b>\$ 10,975</b>    |                  |

(a) Represents leases signed as of December 31, 2020, and is calculated as the total leased square feet divided by total leasable square feet, expressed as a percentage.

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

(c) Condominium retail Develop. Cost Incurred and Est. Total Costs (Excl. Land) are combined with their respective condominium costs on page 23 of this supplement.

(d) Creekside Park Apartments Phase II was renamed to Creekside Park The Grove.

# Seaport District Operating Performance

Q4 2020

\$ in thousands

|                                                           | Real Estate Operations (Landlord) (a) |                  | Managed Businesses (b)          |                    | Events, Sponsorships & Catering Business (f) | Q4 2020 Total     |
|-----------------------------------------------------------|---------------------------------------|------------------|---------------------------------|--------------------|----------------------------------------------|-------------------|
|                                                           | Historic District & Pier 17           | Multi-Family (c) | Historic District & Pier 17 (d) | Tin Building (e)   |                                              |                   |
| <b>Revenues</b>                                           |                                       |                  |                                 |                    |                                              |                   |
| Rental revenue (g)                                        | \$ 1,141                              | \$ 211           | \$ —                            | \$ —               | \$ —                                         | \$ 1,352          |
| Tenant recoveries                                         | 280                                   | —                | (12)                            | —                  | —                                            | 268               |
| Other rental and property (expense) revenue               | (39)                                  | —                | 3,572                           | —                  | 1,816                                        | 5,349             |
| <b>Total Revenues</b>                                     | <b>1,382</b>                          | <b>211</b>       | <b>3,560</b>                    | <b>—</b>           | <b>1,816</b>                                 | <b>6,969</b>      |
| <b>Expenses</b>                                           |                                       |                  |                                 |                    |                                              |                   |
| Other property operating costs (g)                        | (4,414)                               | (181)            | (4,329)                         | —                  | (1,214)                                      | (10,138)          |
| <b>Total Expenses</b>                                     | <b>(4,414)</b>                        | <b>(181)</b>     | <b>(4,329)</b>                  | <b>—</b>           | <b>(1,214)</b>                               | <b>(10,138)</b>   |
| <b>Net Operating (Loss) Income - Seaport District (h)</b> | <b>\$ (3,032)</b>                     | <b>\$ 30</b>     | <b>\$ (769)</b>                 | <b>\$ —</b>        | <b>\$ 602</b>                                | <b>\$ (3,169)</b> |
| <b>Project Status</b>                                     | Unstabilized                          | Stabilized       | Unstabilized                    | Under Construction | Unstabilized                                 |                   |
| <b>Rentable Sq. Ft. / Units</b>                           |                                       |                  |                                 |                    |                                              |                   |
| Total Sq. Ft. / units                                     | 333,899                               | 13,000 / 21      | 44,854                          | 53,000             | 21,077                                       |                   |
| Leased Sq. Ft. / units (i)                                | 118,489                               | — / 20           | 44,854                          | 53,000             | 21,077                                       |                   |
| % Leased or occupied (i)                                  | 35 %                                  | — % / 95 %       | 100 %                           | 100 %              | 100 %                                        |                   |
| <b>Development (j)</b>                                    |                                       |                  |                                 |                    |                                              |                   |
| Development costs incurred                                | \$ 538,513                            | \$ —             | \$ —                            | \$ 107,147         | \$ —                                         | \$ 645,660        |
| Estimated total costs (excl. land)                        | \$ 594,368                            | \$ —             | \$ —                            | \$ 194,613         | \$ —                                         | \$ 788,981        |

(a) Real Estate Operations (Landlord) represents physical real estate developed and owned by HHC and leased to third parties.

(b) Managed Businesses represents retail and food and beverage businesses that HHC owns, either wholly or through joint ventures, and operates, including license and management agreements. For the three months ended December 31, 2020, our managed businesses include, among others, The Fulton, SJP by Sarah Jessica Parker, R17, Cobble & Co., Malibu Farm and Bar Wayo.

(c) Multi-Family represents 85 South Street which includes base level retail in addition to residential units..

(d) Includes our 90% share of NOI from Bar Wayo.

(e) Represents the marketplace by Jean-Georges. As a result of impacts related to COVID-19, there were delays in construction on the Tin Building, however construction is still on track for completion in the fourth quarter of 2021 with opening expected in early 2022.

(f) Events, Sponsorships & Catering Business includes private events, catering, sponsorships, concert series and other rooftop activities.

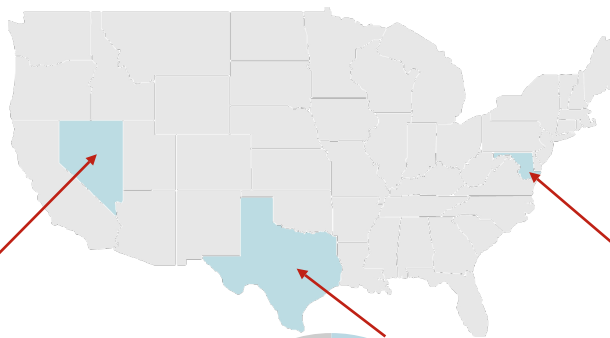
(g) Rental revenue and expense earned from and paid by businesses we own and operate is eliminated in consolidation.

(h) See page 33 for the reconciliation of Seaport District NOI.

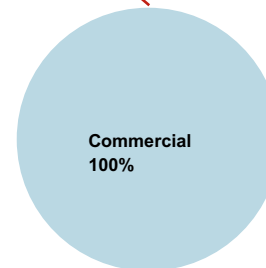
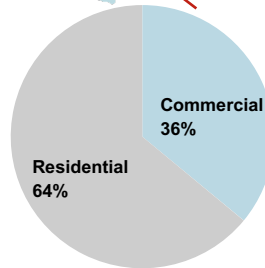
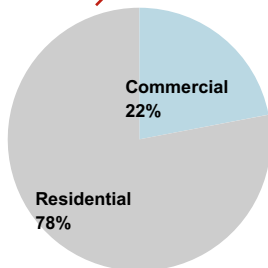
(i) The percent leased for Historic District & Pier 17 landlord operations includes agreements with terms of less than one year and excludes leases with our managed businesses.

(j) Development costs incurred and Estimated total costs (excl. land) are shown net of insurance proceeds of approximately \$64.7 million.

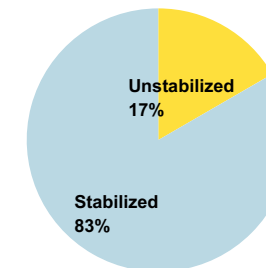
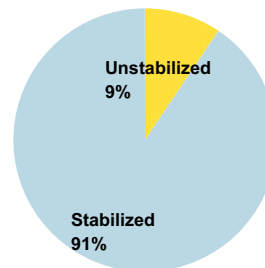
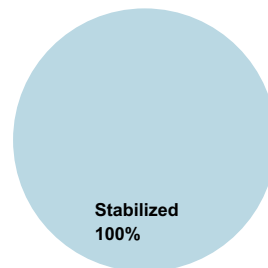
# MPC Portfolio



Master Planned Communities - Remaining Saleable Acres (a)



Income Producing Assets - Stabilized and Unstabilized



\$ in thousands

## MPC Performance - 4Q20 & 4Q19

|                                 | Nevada     | Texas     | Maryland | Total      |
|---------------------------------|------------|-----------|----------|------------|
| MPC Net Contribution (4Q20) (b) | \$ 57,026  | \$ 38,202 | \$ (229) | \$ 94,999  |
| MPC Net Contribution (4Q19) (b) | \$ 106,693 | \$ 28,477 | \$ (317) | \$ 134,853 |

## Operating Asset Performance - 2020 & Future

|                                  | Nevada    | Texas      | Maryland  | Total      |
|----------------------------------|-----------|------------|-----------|------------|
| Annualized 4Q20 in-place NOI     | \$ 39,867 | \$ 122,777 | \$ 32,968 | \$ 195,612 |
| Est. stabilized NOI (future) (c) | \$ 59,047 | \$ 204,539 | \$ 53,765 | \$ 317,351 |
| Wtd. avg. time to stab. (yrs.)   | —         | 3.3        | 3.0       | —          |

(a) Commercial acres may be developed by us or sold.

(b) Reconciliation of GAAP MPC segment EBT to MPC Net Contribution for the three months ended December 31, 2020 is found under Reconciliation of Non-GAAP Measures on page 34.

(c) Est. Stabilized NOI (Future) represents all assets within the respective MPC regions, inclusive of stabilized, unstabilized and under construction.

# Portfolio Key Metrics

|                                                  | MPC Regions                  |                                    |                           |                            |                          | Total<br>MPC Regions | Non-MPC Regions             |                         |           | Total<br>Non-MPC |
|--------------------------------------------------|------------------------------|------------------------------------|---------------------------|----------------------------|--------------------------|----------------------|-----------------------------|-------------------------|-----------|------------------|
|                                                  | The Woodlands<br>Houston, TX | The Woodlands Hills<br>Houston, TX | Bridgeland<br>Houston, TX | Summerlin<br>Las Vegas, NV | Columbia<br>Columbia, MD |                      | Hawai'i (a)<br>Honolulu, HI | Seaport<br>New York, NY | Other     |                  |
| <b>Operating - Stabilized Properties</b>         |                              |                                    |                           |                            |                          |                      |                             |                         |           |                  |
| Office Sq.Ft.                                    | 3,373,048                    | —                                  | —                         | 532,428                    | 1,391,123                | 5,296,599            | —                           | —                       | —         | —                |
| Retail Sq. Ft. (b)                               | 375,551                      | —                                  | 67,947                    | 801,031                    | 130,816                  | 1,375,345            | 1,031,983                   | 13,000                  | 264,473   | 1,309,456        |
| Multifamily units                                | 1,389                        | —                                  | —                         | 391                        | 817                      | 2,597                | —                           | 21                      | —         | 21               |
| Hotel Rooms                                      | 909                          | —                                  | —                         | —                          | —                        | 909                  | —                           | —                       | —         | —                |
| Self-Storage Units                               | 1,356                        | —                                  | —                         | —                          | —                        | 1,356                | —                           | —                       | —         | —                |
| Other Sq. Ft.                                    | 135,801                      | —                                  | —                         | —                          | —                        | 135,801              | —                           | —                       | —         | —                |
| <b>Operating - Unstabilized Properties</b>       |                              |                                    |                           |                            |                          |                      |                             |                         |           |                  |
| Office Sq.Ft.                                    | 595,618                      | —                                  | —                         | —                          | 319,002                  | 914,620              | —                           | 146,935                 | 1,492,940 | 1,639,875        |
| Retail Sq.Ft.                                    | 84,425                       | —                                  | —                         | —                          | 67,383                   | 151,808              | —                           | 252,895                 | —         | 252,895          |
| Multifamily units                                | 549                          | —                                  | 312                       | —                          | 382                      | 1,243                | —                           | —                       | —         | —                |
| Hotel rooms                                      | —                            | —                                  | —                         | —                          | —                        | —                    | —                           | —                       | —         | —                |
| Self-Storage Units                               | —                            | —                                  | —                         | —                          | —                        | —                    | —                           | —                       | —         | —                |
| Other Sq. Ft.                                    | —                            | —                                  | —                         | —                          | —                        | —                    | —                           | —                       | —         | —                |
| <b>Operating - Under Construction Properties</b> |                              |                                    |                           |                            |                          |                      |                             |                         |           |                  |
| Office Sq.Ft.                                    | —                            | —                                  | —                         | —                          | —                        | —                    | —                           | —                       | —         | —                |
| Retail Sq.Ft.                                    | —                            | —                                  | —                         | —                          | —                        | —                    | 48,357                      | 53,000                  | —         | 101,357          |
| Other Sq. Ft.                                    | —                            | —                                  | —                         | —                          | —                        | —                    | —                           | —                       | —         | —                |
| Multifamily units                                | 360                          | —                                  | 358                       | —                          | —                        | 718                  | —                           | —                       | —         | —                |
| Hotel rooms                                      | —                            | —                                  | —                         | —                          | —                        | —                    | —                           | —                       | —         | —                |
| Self-Storage Units                               | —                            | —                                  | —                         | —                          | —                        | —                    | —                           | —                       | —         | —                |
| <b>Residential Land</b>                          |                              |                                    |                           |                            |                          |                      |                             |                         |           |                  |
| Total gross acreage/condos (c)                   | 28,505 ac.                   | 2,055 ac.                          | 11,506 ac.                | 22,500 ac.                 | 16,450 ac.               | 81,016 ac.           | 2,697                       | n.a.                    | n.a.      | 2,697            |
| Current Residents (c)                            | 119,000                      | 750                                | 15,500                    | 116,000                    | 112,000                  | 363,250              | n.a.                        | n.a.                    | n.a.      | —                |
| Remaining saleable acres/condos                  | 27 ac.                       | 1,292 ac.                          | 2,770 ac.                 | 2,864 ac.                  | n/a                      | 6,953 ac.            | 242                         | n.a.                    | n.a.      | 242              |
| Estimated price per acre (d)                     | \$ 1,402                     | \$ 286                             | \$ 451                    | \$ 743                     | n/a                      | \$ —                 | n.a.                        | n.a.                    | n.a.      | \$ —             |
| <b>Commercial Land</b>                           |                              |                                    |                           |                            |                          |                      |                             |                         |           |                  |
| Total acreage remaining                          | 721 ac.                      | 175 ac.                            | 1,375 ac.                 | 831 ac.                    | 96 ac.                   | 3,198 ac.            | n.a.                        | n.a.                    | n.a.      | —                |
| Estimated price per acre (d)                     | \$ 987                       | \$ 515                             | \$ 615                    | \$ 1,012                   | \$ 580                   | \$ —                 | n.a.                        | n.a.                    | n.a.      | \$ —             |

Portfolio Key Metrics herein include square feet, units and rooms included in joint venture projects. Sq. Ft. and units are not shown at share. Retail Sq. Ft. includes multi-family Sq. Ft.

(a) Excludes Victoria Place as construction has not yet commenced.

(b) Retail Sq. Ft. within the Summerlin region excludes 381,767 Sq. Ft. of anchors and 41,606 Sq. Ft. of additional office space above our retail space.

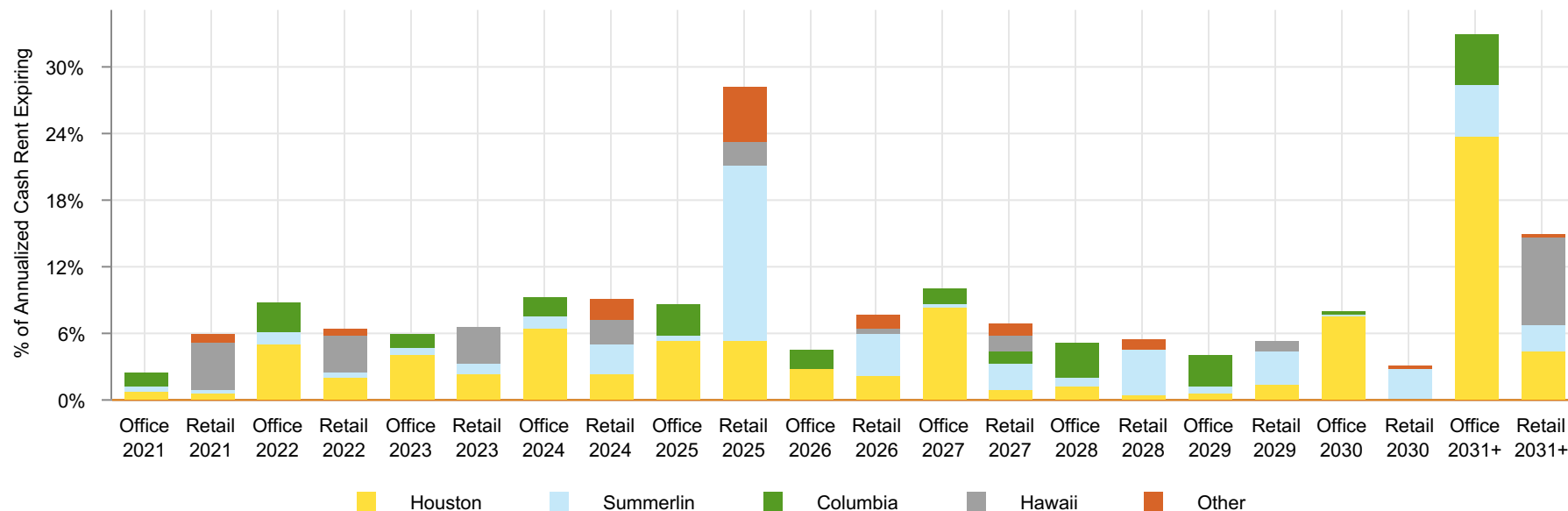
(c) Acreage shown as of December 31, 2020; current residents shown as of December 31, 2020.

(d) Residential and commercial pricing represents the Company's estimate of price per acre per its 2021 land models.

# Lease Expirations

## Office and Retail Lease Expirations

Total Office and Retail Portfolio as of December 31, 2020



### Office Expirations (a)

| Expiration Year | Annualized Cash Rent (\$ in thousands) | Percentage of Annualized Cash Rent | Wtd. Avg. Annualized Cash Rent Per Leased Sq. Ft. |
|-----------------|----------------------------------------|------------------------------------|---------------------------------------------------|
| 2021            | \$ 5,206                               | 2.51 %                             | \$ 13.47                                          |
| 2022            | 18,472                                 | 8.92 %                             | 11.74                                             |
| 2023            | 12,306                                 | 5.94 %                             | 21.83                                             |
| 2024            | 19,151                                 | 9.24 %                             | 29.72                                             |
| 2025            | 17,678                                 | 8.53 %                             | 21.15                                             |
| 2026            | 9,224                                  | 4.45 %                             | 38.85                                             |
| 2027            | 20,931                                 | 10.10 %                            | 36.01                                             |
| 2028            | 10,535                                 | 5.08 %                             | 40.20                                             |
| 2029            | 8,495                                  | 4.10 %                             | 17.09                                             |
| 2030            | 16,879                                 | 8.15 %                             | 44.04                                             |
| Thereafter      | 68,317                                 | 32.98 %                            | 45.62                                             |
| <b>Total</b>    | <b>\$ 207,194</b>                      | <b>100.00 %</b>                    |                                                   |

### Retail Expirations (a)

| Expiration Year | Annualized Cash Rent (\$ in thousands) | Percentage of Annualized Cash Rent | Wtd. Avg. Annualized Cash Rent Per Leased Sq. Ft. |
|-----------------|----------------------------------------|------------------------------------|---------------------------------------------------|
| 2021            | \$ 4,429                               | 6.00 %                             | \$ 23.42                                          |
| 2022            | 4,800                                  | 6.50 %                             | 36.46                                             |
| 2023            | 4,947                                  | 6.70 %                             | 41.69                                             |
| 2024            | 6,672                                  | 9.04 %                             | 44.22                                             |
| 2025            | 20,828                                 | 28.22 %                            | 47.57                                             |
| 2026            | 5,678                                  | 7.69 %                             | 41.17                                             |
| 2027            | 5,121                                  | 6.94 %                             | 57.04                                             |
| 2028            | 4,029                                  | 5.46 %                             | 39.78                                             |
| 2029            | 3,994                                  | 5.41 %                             | 39.63                                             |
| 2030            | 2,310                                  | 3.13 %                             | 45.23                                             |
| Thereafter      | 11,006                                 | 14.91 %                            | 37.30                                             |
| <b>Total</b>    | <b>\$ 73,814</b>                       | <b>100.00 %</b>                    |                                                   |

(a) Excludes leases with an initial term of 12 months or less. Also excludes Seaport leases.

# Acquisition / Disposition Activity

thousands except rentable Sq. Ft. / Units / Acres

## Q4 2020 Acquisitions

| Date Acquired | Property | % Ownership | Location | Rentable<br>Sq. Ft. / Units / Acres | Acquisition Price |
|---------------|----------|-------------|----------|-------------------------------------|-------------------|
|---------------|----------|-------------|----------|-------------------------------------|-------------------|

No acquisition activity in Q4 2020

## Q4 2020 Dispositions

| Date Sold  | Property                 | % Ownership | Location            | Rentable<br>Sq. Ft. / Units / Acres | Sale Price     |
|------------|--------------------------|-------------|---------------------|-------------------------------------|----------------|
| 12/18/2020 | Circle T Ranch and Power | 50%         | Dallas/Ft Worth, TX | N/A                                 | \$13.0 million |
| 11/20/2020 | Elk Grove                | 100%        | Elk Grove, CA       | 6,400                               | \$24.6 million |

# Master Planned Community Land

\$ in thousands

|                                                | The Woodlands    |                | The Woodlands Hills |                | Bridgeland      |                 | Summerlin       |                 | Columbia        |                 | Total            |                   |
|------------------------------------------------|------------------|----------------|---------------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|-------------------|
|                                                | Q4 2020          | Q4 2019        | Q4 2020             | Q4 2019        | Q4 2020         | Q4 2019         | Q4 2020         | Q4 2019         | Q4 2020         | Q4 2019         | Q4 2020          | Q4 2019           |
| <b>Revenues:</b>                               |                  |                |                     |                |                 |                 |                 |                 |                 |                 |                  |                   |
| Residential land sale revenues                 | \$2,569          | \$11,427       | \$5,769             | \$2,539        | \$22,708        | \$15,512        | \$65,946        | \$123,621       | \$ —            | \$ —            | \$ 96,992        | \$ 153,099        |
| Commercial land sale revenues                  | —                | —              | —                   | —              | —               | 46              | —               | —               | —               | —               | —                | 46                |
| Builder price participation                    | 24               | 52             | 92                  | 18             | 599             | 264             | 10,420          | 11,123          | —               | —               | 11,135           | 11,457            |
| Other land sale revenues                       | 45               | 2,534          | —                   | —              | 45              | 43              | 4,219           | 3,560           | —               | —               | 4,309            | 6,137             |
| <b>Total revenues</b>                          | <b>2,638</b>     | <b>14,013</b>  | <b>5,861</b>        | <b>2,557</b>   | <b>23,352</b>   | <b>15,865</b>   | <b>80,585</b>   | <b>138,304</b>  | <b>—</b>        | <b>—</b>        | <b>112,436</b>   | <b>170,739</b>    |
| <b>Expenses:</b>                               |                  |                |                     |                |                 |                 |                 |                 |                 |                 |                  |                   |
| Cost of sales - residential land               | (1,467)          | (5,085)        | (2,192)             | (955)          | (7,403)         | (5,181)         | (31,883)        | (52,492)        | —               | —               | (42,945)         | (63,713)          |
| Cost of sales - commercial land                | —                | —              | —                   | —              | —               | (12)            | —               | —               | —               | —               | —                | (12)              |
| Real estate taxes                              | (439)            | 85             | 157                 | 36             | (124)           | (636)           | (429)           | (887)           | (145)           | (144)           | (980)            | (1,546)           |
| Land sales operations                          | (1,437)          | (4,084)        | (828)               | (749)          | (920)           | (1,357)         | (2,652)         | (2,166)         | (84)            | (169)           | (5,921)          | (8,525)           |
| Depreciation and amortization                  | (34)             | (34)           | —                   | —              | (33)            | (34)            | (25)            | (22)            | —               | —               | (92)             | (90)              |
| <b>Total operating expenses</b>                | <b>(3,377)</b>   | <b>(9,118)</b> | <b>(2,863)</b>      | <b>(1,668)</b> | <b>(8,480)</b>  | <b>(7,220)</b>  | <b>(34,989)</b> | <b>(55,567)</b> | <b>(229)</b>    | <b>(313)</b>    | <b>(49,938)</b>  | <b>(73,886)</b>   |
| Net interest capitalized (expense)             | (459)            | (1,569)        | 277                 | 261            | 4,700           | 3,791           | 6,036           | 5,160           | —               | —               | 10,554           | 7,643             |
| Equity in earnings from real estate affiliates | —                | —              | —                   | —              | —               | —               | 13,442          | 9,477           | —               | —               | 13,442           | 9,477             |
| <b>EBT</b>                                     | <b>\$(1,198)</b> | <b>\$3,326</b> | <b>\$3,275</b>      | <b>\$1,150</b> | <b>\$19,572</b> | <b>\$12,436</b> | <b>\$65,074</b> | <b>\$97,374</b> | <b>\$ (229)</b> | <b>\$ (313)</b> | <b>\$ 86,494</b> | <b>\$ 113,973</b> |

## Key Performance Metrics:

|                                      | The Woodlands |          | The Woodlands Hills |         | Bridgeland |          | Summerlin |           | Columbia |    |
|--------------------------------------|---------------|----------|---------------------|---------|------------|----------|-----------|-----------|----------|----|
| <b>Residential</b>                   |               |          |                     |         |            |          |           |           |          |    |
| Total acres closed in current period | 4.1 ac.       | 11.6 ac. | 17.6 ac.            | 9.5 ac. | 51.4 ac.   | 35.7 ac. | 86.5 ac.  | 177.0 ac. | —        | —  |
| Price per acre achieved (a)          | \$ 627        | \$ 985   | \$ 328              | \$ 267  | \$ 442     | \$ 435   | \$ 762    | \$ 639    | NM       | NM |
| Avg. gross margins                   | 42.9 %        | 55.5 %   | 62.0 %              | 62.4 %  | 67.4 %     | 66.6 %   | 51.7 %    | 57.5 %    | NM       | NM |
| <b>Commercial</b>                    |               |          |                     |         |            |          |           |           |          |    |
| Total acres closed in current period | —             | —        | —                   | —       | —          | —        | —         | — ac.     | —        | —  |
| Price per acre achieved              | NM            | NM       | NM                  | NM      | NM         | NM       | NM        | NM        | NM       | NM |
| Avg. gross margins                   | NM            | NM       | NM                  | NM      | NM         | 74.4 %   | NM        | NM        | NM       | NM |
| Avg. combined before-tax net margins | 42.9 %        | 55.5 %   | 62.0 %              | 62.4 %  | 67.4 %     | 66.6 %   | 51.7 %    | 57.5 %    | NM       | NM |

## Key Valuation Metrics

|                                                                | The Woodlands |   | The Woodlands Hills |       | Bridgeland |         | Summerlin |   | Columbia |       |   |         |
|----------------------------------------------------------------|---------------|---|---------------------|-------|------------|---------|-----------|---|----------|-------|---|---------|
| <b>Remaining saleable acres</b>                                |               |   |                     |       |            |         |           |   |          |       |   |         |
| Residential                                                    | 27 ac.        |   | 1,292 ac.           |       | 2,770 ac.  |         | 2,864 ac. |   | —        |       |   |         |
| Commercial (b)                                                 | 721 ac.       |   | 175 ac.             |       | 1,375 ac.  |         | 831 ac.   |   | 96 ac.   |       |   |         |
| Projected est. % superpads / lot size                          | —%            | / | —%                  | /     | —%         | /       | 87%       | / | 0.25 ac  | NM    |   |         |
| Projected est. % single-family detached lots / lot size        | 34%           | / | 0.80 ac             | 85%   | /          | 0.22 ac | 82%       | / | 0.22 ac  | —%    | / | —       |
| Projected est. % single-family attached lots / lot size        | 66%           | / | 0.12 ac             | 15%   | /          | 0.13 ac | 17%       | / | 0.11 ac  | —%    | / | —       |
| Projected est. % custom homes / lot size                       | —%            | / | —                   | —%    | /          | —       | 1%        | / | 0.63 ac  | 13%   | / | 0.45 ac |
| Estimated builder sale velocity (blended total - TTM) (c)      | 14            |   | 26                  |       | 101        |         | 116       |   | NM       |       |   |         |
| Projected GAAP gross margin (d)                                | 76.2%         | / | 75.6%               | 60.0% | /          | 62.4%   | 73.1%     | / | 67.4%    | 52.8% | / | 53.7%   |
| Projected cash gross margin (d)                                | 96.8%         |   | 86.1%               |       | 86.8%      |         | 74.6%     |   | NM       |       |   |         |
| <b>Residential sellout / Commercial buildout date estimate</b> |               |   |                     |       |            |         |           |   |          |       |   |         |
| Residential                                                    | 2023          |   | 2030                |       | 2035       |         | 2039      |   | —        |       |   |         |
| Commercial                                                     | 2034          |   | 2030                |       | 2045       |         | 2039      |   | 2023     |       |   |         |

- (a) The price per acre achieved for Summerlin residential lots is mostly attributable to custom lots sales, impacting results. The price per acre achieved for The Woodlands residential lots is mostly attributable to the mix of lots sold, positively impacting results.
- (b) Columbia Commercial excludes 31 commercial acres held in the Strategic Developments segment in Downtown Columbia.
- (c) Represents the average monthly builder homes sold over the last twelve months ended December 31, 2020.
- (d) Projected GAAP gross margin is based on GAAP revenues and expenses which exclude revenues deferred on sales closed where revenue did not meet criteria for recognition and includes revenues previously deferred that met criteria for recognition in the current period. Gross margin for each MPC may vary from period to period based on the locations of the land sold and the related costs associated with developing the land sold. Projected cash gross margin includes all future projected revenues less all future projected development costs, net of expected reimbursable costs, and capitalized overhead, taxes and interest.

NM Not meaningful.



# Ward Village Condominiums

As of December 31, 2020

## Key Metrics (\$ in thousands)

|                       | Waiea (a)    | Anaha (a) | Ae'o     | Ke Kiloohana (b) | 'A'ali'i | Kō'ula   | Total (c) |
|-----------------------|--------------|-----------|----------|------------------|----------|----------|-----------|
| Type of building      | Ultra-Luxury | Luxury    | Upscale  | Workforce        | Upscale  | Upscale  |           |
| Number of units       | 177          | 317       | 465      | 423              | 750      | 565      | 2,697     |
| Avg. unit Sq. Ft.     | 2,138        | 1,417     | 838      | 696              | 520      | 725      | 857       |
| Condo Sq. Ft.         | 378,488      | 449,205   | 389,663  | 294,273          | 390,097  | 409,612  | 2,311,338 |
| Street retail Sq. Ft. | 7,716        | 16,048    | 70,800   | 28,386           | 11,570   | 36,787   | 171,307   |
| Stabilized retail NOI | \$ 453       | \$ 1,152  | \$ 1,557 | \$ 1,081         | \$ 637   | \$ 1,281 | \$ 6,161  |
| Stabilization year    | 2017         | 2020      | 2019     | 2020             | 2022     | 2023     |           |

## Development progress (\$ in millions)

| Status                            | Opened     | Opened     | Opened  | Opened     | Under Construction | Under Construction |              |
|-----------------------------------|------------|------------|---------|------------|--------------------|--------------------|--------------|
| Start date                        | Q2 2014    | Q4 2014    | Q1 2016 | Q4 2016    | Q4 2018            | Q3 2019            |              |
| Completion / Est. Completion date | Q4 2016    | Q4 2017    | Q4 2018 | Q2 2019    | Q4 2021            | 2022               |              |
| Total development cost (d)        | \$ 566,256 | \$ 402,797 | \$ —    | \$ 217,483 | \$ 411,900         | \$ 487,039         | \$ 2,085,475 |
| Cost-to-date (d)                  | 431,836    | 400,182    | —       | 215,811    | 268,117            | 117,698            | 1,433,644    |
| Remaining to be funded            | \$ 134,420 | \$ 2,615   | \$ —    | \$ 1,672   | \$ 143,783         | \$ 369,341         | \$ 651,831   |

## Financial Summary (\$ in thousands except per Sq. Ft.)

|                                                            |                 |                 |                 |             |                 |                 |                 |
|------------------------------------------------------------|-----------------|-----------------|-----------------|-------------|-----------------|-----------------|-----------------|
| Units closed (through Q4 2020)                             | 170             | 315             | 465             | 423         | —               | —               | 1,373           |
| Units under contract (through Q4 2020)                     | 2               | 1               | —               | —           | 640             | 439             | 1,082           |
| Units remaining to be sold (through Q4 2020)               | 5               | 1               | —               | —           | 110             | 126             | 242             |
| Total % of units closed or under contract                  | 97.2 %          | 99.7 %          | 100.0 %         | 100.0 %     | 85.3 %          | 77.7 %          | 91.0 %          |
| Units closed (current quarter)                             | —               | —               | —               | —           | —               | —               | —               |
| Units under contract (current quarter)                     | —               | —               | —               | —           | 5               | 4               | 9               |
| Square footage closed or under contract (total)            | 360,161         | 443,386         | 389,663         | 294,273     | 314,711         | 327,906         | 2,130,100       |
| Total % square footage closed or under contract            | 95.2 %          | 98.7 %          | 100.0 %         | 100.0 %     | 80.7 %          | 80.1 %          | 92.2 %          |
| Target condo profit margin at completion (excl. land cost) |                 |                 |                 |             |                 |                 | ~30%            |
| Total cash received (closings & deposits)                  | \$ 656,365      | \$ 493,109      | \$ 512,638      | \$ 217,797  | \$ 83,322       | \$ 104,266      | \$ 2,067,497    |
| Total GAAP revenue recognized                              |                 |                 |                 |             |                 |                 | \$ 1,878,248    |
| Expected avg. price per Sq. Ft.                            | \$1,900 - 1,950 | \$1,100 - 1,150 | \$1,300 - 1,350 | \$700 - 750 | \$1,300 - 1,350 | \$1,500 - 1,550 | \$1,300 - 1,325 |
| Expected construction costs per retail Sq. Ft.             |                 |                 |                 |             |                 |                 | \$~1,100        |

## Deposit Reconciliation (in thousands)

|                                      |      |      |      |      |           |            |            |
|--------------------------------------|------|------|------|------|-----------|------------|------------|
| Spent towards construction           | \$ — | \$ — | \$ — | \$ — | \$ 82,527 | \$ 41,337  | \$ 123,864 |
| Held for future use (e)              | —    | —    | —    | —    | 795       | 62,929     | 63,724     |
| Total deposits from sales commitment | \$ — | \$ — | \$ — | \$ — | \$ 83,322 | \$ 104,266 | \$ 187,588 |

(a) Subsequent to year end, we closed on 4 units at Waiea and 1 unit at Anaha.

(b) Ke Kiloohana consists of 375 workforce units and 48 market rate units.

(c) Excludes Victoria Place as construction has not commenced.

(d) Development costs and cost-to-date are included only if the project has more than \$1.0 million of estimated costs remaining to be incurred.

(e) Total deposits held for future use are presented above only for projects under construction and are included in Restricted cash on the balance sheet.

## Other/Non-core Assets

| Property Name                           | City, State    | % Own | Acres | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------|----------------|-------|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Landmark Mall                           | Alexandria, VA | 100 % | 33    | Plan to transform the mall into an open-air, mixed-use community. In January 2017, we acquired the 11.4 acre Macy's site for \$22.2 million.                                                                                                                                                                                                                                                                                                                                                                     |
| Monarch City                            | Allen, TX      | 100 % | 230   | Located north of Downtown Dallas, this 230-acre mixed-use development received unanimous zoning approval June 26, 2019.                                                                                                                                                                                                                                                                                                                                                                                          |
| Century Park                            | Houston, TX    | 100 % | 63    | In conjunction with the acquisition of the Occidental Towers in The Woodlands in December 2019, we acquired Century Park, a 63-acre, 1.3 million square foot campus with 17 office buildings in the West Houston Energy Corridor in Houston, TX.                                                                                                                                                                                                                                                                 |
| Maui Ranch Land                         | Maui, HI       | 100 % | 20    | Two, non-adjacent, ten-acre parcels zoned for native vegetation.                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 80% Interest in Fashion Show Air Rights | Las Vegas, NV  | 80 %  | N/A   | Air rights above the Fashion Show Mall located on the Las Vegas Strip.                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 250 Water Street                        | New York, NY   | 100 % | 1     | The one-acre site is situated at the entrance of the Seaport District. In October 2020, the Company announced it's comprehensive proposal for this site, which includes the transformation of this underutilized full-block surface parking lot into a mixed-use development that would include affordable housing, condominium units, community-oriented spaces and office space. While the Company moves forward in the planning stages for this strategic site, it will continue to be used as a parking lot. |

# Debt Summary

thousands

|                                                                         | December 31, 2020   | December 31, 2019   |
|-------------------------------------------------------------------------|---------------------|---------------------|
| <b>Fixed-rate debt:</b>                                                 |                     |                     |
| Unsecured 5.375% Senior Notes due 2025                                  | \$ 1,000,000        | \$ 1,000,000        |
| Unsecured 5.375% Senior Notes due 2028                                  | \$ 750,000          | \$ —                |
| Secured mortgages, notes and loans payable                              | 590,517             | 884,935             |
| Special Improvement District bonds                                      | 34,305              | 23,725              |
| <b>Variable-rate debt:</b>                                              |                     |                     |
| Mortgages, notes and loans payable, excluding condominium financing (a) | 1,725,461           | 2,199,241           |
| Condominium financing (a) (c)                                           | 219,883             | 30,717              |
| <b>Mortgages, notes and loans payable</b>                               | <b>4,320,166</b>    | <b>4,138,618</b>    |
| Unamortized bond issuance costs                                         | (4,355)             | (5,249)             |
| Deferred financing costs                                                | (28,442)            | (36,899)            |
| <b>Total mortgages, notes and loans payable, net</b>                    | <b>\$ 4,287,369</b> | <b>\$ 4,096,470</b> |

## Net Debt on a Segment Basis, at share as of December 31, 2020 (b)

| thousands                                                                  | Operating Assets    | Master Planned Communities | Seaport District | Strategic Developments | Segment Totals      | Non-Segment Amounts | Total               |
|----------------------------------------------------------------------------|---------------------|----------------------------|------------------|------------------------|---------------------|---------------------|---------------------|
| Mortgages, notes and loans payable, net (a) (c)                            | \$ 2,039,359        | \$ 179,982                 | \$ 99,074        | \$ 236,038             | \$ 2,554,453        | \$ 1,732,916        | \$ 4,287,369        |
| Mortgages, notes and loans payable of real estate and other affiliates (d) | \$ 268,724          | \$ 5,808                   | \$ —             | \$ —                   | \$ 274,532          | \$ —                | \$ 274,532          |
| Less:                                                                      |                     |                            |                  |                        |                     |                     |                     |
| Cash and cash equivalents                                                  | (86,171)            | (109,478)                  | (8,517)          | (1,289)                | (205,455)           | (809,231)           | (1,014,686)         |
| Cash and cash equivalents of real estate and other affiliates (d)          | (4,621)             | (101,584)                  | (56)             | (343)                  | (106,604)           | —                   | (106,604)           |
| Special Improvement District receivables                                   | —                   | (54,770)                   | —                | —                      | (54,770)            | —                   | (54,770)            |
| Municipal Utility District receivables, net                                | —                   | (314,394)                  | —                | —                      | (314,394)           | —                   | (314,394)           |
| TIF receivable                                                             | —                   | —                          | —                | (893)                  | (893)               | —                   | (893)               |
| <b>Net Debt</b>                                                            | <b>\$ 2,217,291</b> | <b>\$ (394,436)</b>        | <b>\$ 90,501</b> | <b>\$ 233,513</b>      | <b>\$ 2,146,869</b> | <b>\$ 923,685</b>   | <b>\$ 3,070,554</b> |

## Consolidated Debt Maturities and Contractual Obligations by Extended Maturity Date as of December 31, 2020 (e)

| thousands                                                             | 2021              | 2022              | 2023                | 2024              | 2025                | Thereafter          | Total               |
|-----------------------------------------------------------------------|-------------------|-------------------|---------------------|-------------------|---------------------|---------------------|---------------------|
| Mortgages, notes and loans payable                                    | \$ 321,712        | \$ 77,689         | \$ 1,091,049        | \$ 430,490        | \$ 1,136,625        | \$ 1,262,601        | \$ 4,320,166        |
| Interest payments                                                     | 182,862           | 176,740           | 163,137             | 127,829           | 74,650              | 230,763             | 955,981             |
| Ground lease and other leasing commitments                            | 3,951             | 4,325             | 4,371               | 4,419             | 4,468               | 249,941             | 271,475             |
| <b>Total consolidated debt maturities and contractual obligations</b> | <b>\$ 508,525</b> | <b>\$ 258,754</b> | <b>\$ 1,258,557</b> | <b>\$ 562,738</b> | <b>\$ 1,215,743</b> | <b>\$ 1,743,305</b> | <b>\$ 5,547,622</b> |

(a) As of December 31, 2020, \$649.9 million of variable-rate debt has been swapped to a fixed rate for the term of the related debt. As of December 31, 2019, \$630.1 million of variable-rate debt has been swapped to a fixed rate for the term of the related debt and an additional \$184.3 million of variable-rate debt was subject to interest rate collars. As of both December 31, 2020, and December 31, 2019, \$75.0 million of variable-rate debt was capped at a maximum interest rate as of December 31, 2020 and December 31, 2019.

(b) Net debt is a non-GAAP financial measure that we believe is useful to our investors and other users of our financial statements as its components are important indicators of our overall liquidity, capital structure and financial position. However, it should not be used as an alternative to our debt calculated in accordance with GAAP.

(c) As of December 31, 2020, \$219.9 million of the Mortgages, notes and loans payable, net related to financing for the condominium towers at Ward Village in the Strategic Developments segment.

(d) Each segment includes our share of the Mortgages, notes and loans payable, net and Cash and cash equivalents for all joint ventures included in Investments in real estate and other affiliates.

(e) Mortgages, notes and loans payable and Condominium financing are presented based on extended maturity date. Extension periods generally may be exercised at our option at the initial maturity date, subject to customary extension terms that are based on property performance as of the initial maturity date and/or extension date. Such extension terms may include, but are not limited to, minimum debt service coverage, minimum occupancy levels or condominium sales levels, as applicable, and other performance criteria. We may have to pay down a portion of the debt if we do not meet the requirements to exercise the extension option.

# Property-Level Debt

\$ in thousands

| Asset                                    | Q4 2020 Principal Balance | Contract Interest Rate | Interest Rate Hedge | Current Annual Interest Rate | Initial / Extended Maturity (a) |
|------------------------------------------|---------------------------|------------------------|---------------------|------------------------------|---------------------------------|
| <b>Operating Assets</b>                  |                           |                        |                     |                              |                                 |
| 1201 Lake Robbins                        | \$ 273,070                | L+235                  | Floating            | 2.49 %                       | Dec-20 / Jun-21                 |
| The Woodlands Warehouse                  | 7,230                     | L+235                  | Floating            | 2.49 %                       | Dec-20 / Jun-21                 |
| Outlet Collection at Riverwalk           | 28,679                    | L+250                  | Floating            | 3.50 %                       | Oct-21                          |
| 20/25 Waterway Avenue                    | 12,855                    | 0.0479                 | Fixed               | 4.79 %                       | May-22                          |
| Millennium Waterway Apartments           | 51,946                    | 0.0375                 | Fixed               | 3.75 %                       | Jun-22                          |
| Lake Woodlands Crossing Retail           | 12,329                    | L+180                  | Floating            | 1.94 %                       | Jan-23                          |
| Lakeside Row                             | 31,566                    | L+225                  | Floating            | 2.39 %                       | Jul-22 / Jul-23                 |
| Senior Secured Credit Facility           | 615,000                   | 4.61 %                 | Floating/Swap       | 4.61 % (b) (c)               | Sep-23                          |
| Two Lakes Edge                           | 66,198                    | L+215                  | Floating            | 2.40 %                       | Oct-22 / Oct-23                 |
| The Woodlands Resort & Conference Center | 62,500                    | L+250                  | Floating            | 3.00 %                       | Dec-21 / Dec-23                 |
| 9303 New Trails                          | 10,763                    | 0.0488                 | Fixed               | 4.88 %                       | Dec-23                          |
| 4 Waterway Square                        | 31,519                    | 0.0488                 | Fixed               | 4.88 %                       | Dec-23                          |
| Creekside Park West                      | 14,719                    | L+225                  | Floating            | 2.39 %                       | Mar-23 / Mar-24                 |
| The Lane at Waterway                     | 22,167                    | L+175                  | Floating            | 1.89 % (d)                   | Aug-23 / Aug-24                 |
| 6100 Merriweather                        | 62,040                    | L+275                  | Floating            | 2.89 %                       | Sep-22 / Sep-24                 |
| Juniper Apartments                       | 65,808                    | L+275                  | Floating            | 2.89 %                       | Sep-22 / Sep-24                 |
| Tanager Apartments                       | 39,744                    | L+225                  | Floating            | 2.50 %                       | Oct-21 / Oct-24                 |
| 9950 Woodloch Forest Drive               | 71,106                    | L+195                  | Floating            | 2.09 %                       | Mar-25                          |
| Ae'o Retail                              | 30,532                    | L+265                  | Floating            | 2.90 %                       | Oct-25                          |
| Ke Kilohana Retail                       | 9,327                     | L+265                  | Floating            | 2.90 %                       | Oct-25                          |
| 3831 Technology Forest Drive             | 20,686                    | 0.045                  | Fixed               | 4.50 %                       | Mar-26                          |
| Kewalo Basin Harbor                      | 11,562                    | L+275                  | Floating            | 2.89 %                       | Sep-27                          |
| Millennium Six Pines Apartments          | 42,500                    | 3.39 %                 | Fixed               | 3.39 %                       | Aug-28                          |
| 3 Waterway Square                        | 46,224                    | 3.94 %                 | Fixed               | 3.94 %                       | Aug-28                          |
| One Lakes Edge                           | 69,440                    | 4.50 %                 | Fixed               | 4.50 %                       | Mar-29                          |
| Aristocrat                               | 37,093                    | 3.67 %                 | Fixed               | 3.67 %                       | Sep-29                          |
| Creekside Park Apartments                | 37,730                    | 3.52 %                 | Fixed               | 3.52 %                       | Oct-29                          |
| One Hughes Landing                       | 50,815                    | 4.30 %                 | Fixed               | 4.30 %                       | Dec-29                          |
| Two Hughes Landing                       | 48,000                    | 4.20 %                 | Fixed               | 4.20 %                       | Dec-30                          |
| 8770 New Trails                          | 35,417                    | 4.89 %                 | Floating/Swap       | 4.89 % (e)                   | Jun-21 / Jan-32                 |
| Constellation Apartments                 | 24,200                    | 4.07 %                 | Fixed               | 4.07 %                       | Jan-33                          |
| Hughes Landing Retail                    | 34,328                    | 3.50 %                 | Fixed               | 3.50 %                       | Dec-36                          |
| Columbia Regional Building               | 24,244                    | 4.48 %                 | Fixed               | 4.48 %                       | Feb-37                          |
| Las Vegas Ballpark                       | 48,173                    | 4.92 %                 | Fixed               | 4.92 %                       | Dec-39                          |
|                                          | <u>\$ 2,049,510</u>       |                        |                     |                              |                                 |



# Property-Level Debt (con't)

\$ in thousands

| Asset                                | Q4 2020 Principal Balance  | Contract Interest Rate | Interest Rate Hedge | Current Annual Interest Rate | Initial / Extended Maturity (a) |
|--------------------------------------|----------------------------|------------------------|---------------------|------------------------------|---------------------------------|
| <b>Master Planned Communities</b>    |                            |                        |                     |                              |                                 |
| The Woodlands Master Credit Facility | \$ 75,000                  | L+250                  | Floating/Cap        | 2.64 % (f)                   | Oct-22 / Oct-24                 |
| Bridgeland Credit Facility           | 75,000                     | L+250                  | Floating/Cap        | 2.64 % (f)                   | Oct-22 / Oct-24                 |
|                                      | <u>\$ 150,000</u>          |                        |                     |                              |                                 |
| <b>Seaport District</b>              |                            |                        |                     |                              |                                 |
| 250 Water Street                     | \$ 100,000                 | L+350                  | Floating            | 3.64 %                       | Nov-22 / Nov-23                 |
|                                      | <u>\$ 100,000</u>          |                        |                     |                              |                                 |
| <b>Strategic Developments</b>        |                            |                        |                     |                              |                                 |
| 'A'ali'i                             | \$ 154,601                 | L+310                  | Floating            | 4.10 %                       | Jun-22 / Jun-23                 |
| Kō'ula                               | 65,282                     | L+300                  | Floating            | 3.14 %                       | Mar-23 / Mar-24                 |
| Creekside Park The Grove             | 16,468                     | L+175                  | Floating            | 1.89 % (g)                   | Jan-24 / Jan -25                |
|                                      | <u>\$ 236,351</u>          |                        |                     |                              |                                 |
| <b>Total (h)</b>                     | <u><u>\$ 2,535,861</u></u> |                        |                     |                              |                                 |

(a) Extended maturity assumes all extension options are exercised if available based on property performance.

(b) The credit facility bears interest at one-month LIBOR plus 1.65%, but the \$615.0 million term loan is swapped to an overall rate equal to 4.61%. The following properties are included as collateral for the credit facility: 10-70 Columbia Corporate Center, One Mall North, One Merriweather, 1701 Lake Robbins, 1725-1735 Hughes Landing Boulevard, Creekside Village Green, Lakeland Village Center at Bridgeland, Embassy Suites at Hughes Landing, The Westin at The Woodlands and certain properties at Ward Village.

(c) Balance includes zero drawn on the revolver portion of the loan that is intended for general corporate use.

(d) Millenium Phase III Apartments was renamed The Lane at Waterway.

(e) Concurrent with the closing of the \$35.5 million construction loan for 8770 New Trails on June 27, 2019, the Company entered into an interest rate swap which is designated as a cash flow hedge. The Loan will bear interest at one-month LIBOR plus 2.45% but it is currently swapped to a fixed rate equal to 4.89%.

(f) Balance includes \$50 million drawn on the revolver portion of the The Woodlands and Bridgeland Credit Facility.

(g) Creekside Park Apartments Phase II was renamed to Creekside Park The Grove.

(h) Excludes JV debt, Corporate bond debt, and SID bond debt related to Summerlin MPC and retail.

# Summary of Ground Leases

Minimum Contractual Ground Lease Payments (\$ in thousands)

| Ground Leased Asset | Pro-Rata Share | Expiration Date | Three months ended<br>December 31, 2020 | Year Ended<br>December 31, 2020 | Future Cash Payments             |                   |                   |
|---------------------|----------------|-----------------|-----------------------------------------|---------------------------------|----------------------------------|-------------------|-------------------|
|                     |                |                 |                                         |                                 | Year Ending December 31,<br>2021 | Thereafter        | Total             |
| Riverwalk (a)       | 100%           | 2045-2046       | \$ 425                                  | \$ 1,767                        | \$ 1,708                         | \$ 40,448         | \$ 42,156         |
| Seaport             | 100%           | 2031 (b)        | 555                                     | 2,199                           | 2,243                            | 218,776           | 221,019           |
| Kewalo Basin Harbor | 100%           | 2049            | 300                                     | 300                             | —                                | 8,300             | 8,300             |
|                     |                |                 | <u>\$ 1,280</u>                         | <u>\$ 4,266</u>                 | <u>\$ 3,951</u>                  | <u>\$ 267,524</u> | <u>\$ 271,475</u> |

(a) Includes base ground rent, deferred ground rent and participation rent, as applicable. Future payments of participation rent are calculated based on the floor only.

(b) Initial expiration is December 30, 2031 but subject to extension options through December 31, 2072. Future cash payments are inclusive of extension options.

# Summary of Restructuring Expenses

*thousands*

| Restructuring Expenses                   | Liability as of<br>September 30, 2020 | Settled in Q4 2020       | (Benefit) Expense<br>Recorded in Q4 2020 | Liability as of<br>December 31, 2020 |
|------------------------------------------|---------------------------------------|--------------------------|------------------------------------------|--------------------------------------|
| <b>Estimated Expenses</b>                |                                       |                          |                                          |                                      |
| Employee relocation                      | \$ 728                                | \$ (1,020)               | \$ 592                                   | \$ 300                               |
| <b>Total Restructuring Liability (a)</b> | <b><u>\$ 728</u></b>                  | <b><u>\$ (1,020)</u></b> | <b><u>\$ 592</u></b>                     | <b><u>\$ 300</u></b>                 |

(a) Does not include additional estimated \$0.2 million - \$0.5 million remaining restructuring expenses expected to be incurred in 2021.



# Impact of COVID-19

*thousands*

| Bad Debt Breakout                                                                                   | Q4 2020         |               |
|-----------------------------------------------------------------------------------------------------|-----------------|---------------|
|                                                                                                     | OPR             | SEA           |
| Bad Debt Type                                                                                       |                 |               |
| Billed Rent Deferred Uncollectible - Operating Tenants                                              | \$ 4,783        | \$ 773        |
| Billed Rent Deferred Uncollectible - Tenants Declared Bankruptcy                                    | 1,306           | —             |
| Cash Impact                                                                                         | 6,089           | 773           |
| Previous Accounts Receivable Balance Now Deemed Uncollectible, net of Recovery of Previous Bad Debt | (3,413)         | (156)         |
| Straight-Line Rent Reserve                                                                          | 1,195           | 33            |
| <b>Total Bad Debt Expense</b>                                                                       | <b>\$ 3,871</b> | <b>\$ 650</b> |

*thousands*

| Revenue Breakdown                                                                            | Q4 2020          |                 |
|----------------------------------------------------------------------------------------------|------------------|-----------------|
|                                                                                              | OPR              | SEA             |
| Billed Rent                                                                                  | \$ 90,306        | \$ 4,857        |
| Billed Rent Deemed Uncollectible                                                             | (6,089)          | (773)           |
| Previous Billed Rent Deemed Uncollectible, net of Previous Reserves Collected in 4th Quarter | 3,413            | 156             |
| Other Revenues                                                                               | 4,226            | 3,404           |
| <b>Total Revenues</b>                                                                        | <b>\$ 91,856</b> | <b>\$ 7,644</b> |
| Total Revenues                                                                               | \$ 91,856        | \$ 7,644        |
| Previous Billed Rent Deemed Uncollectible, net of Previous Reserves Collected in 4th Quarter | (3,413)          | (156)           |
| Other Revenues                                                                               | (4,226)          | (3,404)         |
| <b>Net Recurring Revenue</b>                                                                 | <b>\$ 84,217</b> | <b>\$ 4,084</b> |

*thousands except percentages*

| Billed Rent Comparison                                       | OPR       | SEA      |
|--------------------------------------------------------------|-----------|----------|
| Q1 2020 Billed Rent                                          | \$ 96,176 | \$ 4,951 |
| Difference from Q1 2020 to Q4 2020 in Billed Rent            | (6.1)%    | (1.9)%   |
| Q1 2020 Net Recurring Revenues                               | \$ 89,610 | \$ 4,676 |
| Difference from Q1 2020 to Q4 2020 in Net Recurring Revenues | (6.0)%    | (12.7)%  |

# Definitions

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

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

**Under Construction** - Projects in the Strategic Developments and Seaport District segments for which construction has commenced as of December 31, 2020, unless otherwise noted. This excludes MPC and condominium development.

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

**Estimated Stabilized NOI** - Stabilized NOI is initially projected prior to the development of the asset based on market assumptions and is revised over the life of the asset as market conditions evolve. On a quarterly basis, each asset's Annualized NOI is compared to its projected Stabilized NOI and Stabilization Date in conjunction with forecast data to determine if an adjustment is needed. Adjustments to Stabilized NOI are made when changes to the asset's long-term performance are thought to be more than likely and permanent. Projected Stabilized Dates are adjusted when the asset is believed to reach its Stabilized NOI prior to or later than originally assumed.

# Reconciliation of Non-GAAP Measures

## Reconciliation of Operating Assets segment EBT to Total NOI:

| <i>thousands</i>                                                                       | <b>Q4 2020</b>   | <b>Q3 2020</b>   | <b>Q2 2020</b>   | <b>Q1 2020</b>   | <b>Q4 2019</b>   | <b>FY 2020</b>    | <b>FY 2019</b>    |
|----------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| <b>Total Operating Assets segment EBT (a)</b>                                          | \$ (32,294)      | \$ (28,831)      | \$ (17,342)      | \$ (7,544)       | \$ (3,507)       | \$ (86,011)       | \$ 34,632         |
| Add back:                                                                              |                  |                  |                  |                  |                  |                   |                   |
| Depreciation and amortization                                                          | 46,845           | 41,395           | 36,995           | 37,089           | 30,609           | 162,324           | 115,499           |
| Interest (income) expense, net                                                         | 21,070           | 21,045           | 23,103           | 26,193           | 20,334           | 91,411            | 81,029            |
| Equity in (earnings) losses from real estate and other affiliates                      | 13,197           | (962)            | (475)            | (4,394)          | (477)            | 7,366             | (3,672)           |
| (Gain) loss on sale or disposal of real estate and other assets, net                   | —                | (108)            | —                | (38,124)         | —                | (38,232)          | —                 |
| (Gain) loss on extinguishment of debt                                                  | —                | 1,521            | —                | —                | —                | 1,521             | —                 |
| Selling profit from sales-type leases                                                  | —                | —                | —                | —                | —                | —                 | (13,537)          |
| Provision for impairment                                                               | —                | —                | —                | 48,738           | —                | 48,738            | —                 |
| Impact of straight-line rent                                                           | (3,045)          | 1,766            | (3,248)          | (3,103)          | (1,096)          | (7,630)           | (9,007)           |
| Other                                                                                  | (24)             | 69               | (119)            | 173              | 412              | 99                | 671               |
| <b>Total Operating Assets NOI - Consolidated</b>                                       | <b>45,749</b>    | <b>35,895</b>    | <b>38,914</b>    | <b>59,028</b>    | <b>46,275</b>    | <b>179,586</b>    | <b>205,615</b>    |
| <b>Redevelopments</b>                                                                  |                  |                  |                  |                  |                  |                   |                   |
| 110 North Wacker                                                                       | —                | (11)             | 10               | 1                | 1                | —                 | 5                 |
| <b>Total Operating Asset Redevelopments NOI</b>                                        | <b>—</b>         | <b>(11)</b>      | <b>10</b>        | <b>1</b>         | <b>1</b>         | <b>—</b>          | <b>5</b>          |
| <b>Dispositions</b>                                                                    |                  |                  |                  |                  |                  |                   |                   |
| 100 Fellowship Drive                                                                   | 1                | 38               | 73               | (1,123)          | (1,051)          | (1,011)           | (2,214)           |
| <b>Total Operating Asset Dispositions NOI</b>                                          | <b>1</b>         | <b>38</b>        | <b>73</b>        | <b>(1,123)</b>   | <b>(1,051)</b>   | <b>(1,011)</b>    | <b>(2,214)</b>    |
| <b>Consolidated Operating Assets NOI excluding properties sold or in redevelopment</b> | <b>45,750</b>    | <b>35,922</b>    | <b>38,997</b>    | <b>57,906</b>    | <b>45,225</b>    | <b>178,575</b>    | <b>203,406</b>    |
| <b>Company's Share NOI - Equity Investees (b)</b>                                      | <b>1,362</b>     | <b>2,315</b>     | <b>1,836</b>     | <b>2,237</b>     | <b>2,123</b>     | <b>7,750</b>      | <b>7,318</b>      |
| <b>Distributions from Summerlin Hospital Investment</b>                                | <b>—</b>         | <b>—</b>         | <b>—</b>         | <b>3,724</b>     | <b>—</b>         | <b>3,724</b>      | <b>3,625</b>      |
| <b>Total Operating Assets NOI</b>                                                      | <b>\$ 47,112</b> | <b>\$ 38,237</b> | <b>\$ 40,833</b> | <b>\$ 63,867</b> | <b>\$ 47,348</b> | <b>\$ 190,049</b> | <b>\$ 214,349</b> |

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

(b) The Company's share of NOI related to 110 North Wacker is calculated using our stated ownership of 18% and does not include the impact of the partnership distribution waterfall.

# Reconciliation of Non-GAAP Measures (con't)

## Reconciliation of Seaport District segment EBT to Total NOI:

| <i>thousands</i>                                                     | <b>Q4 2020</b>           | <b>Q3 2020</b>           | <b>Q2 2020</b>           | <b>Q1 2020</b>           | <b>Q4 2019</b>           | <b>FY 2020</b>            | <b>FY 2019</b>            |
|----------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------|---------------------------|
| <b>Total Seaport District segment EBT (a)</b>                        | \$ (11,730)              | \$ (27,646)              | \$ (24,636)              | \$ (35,956)              | \$ (12,464)              | \$ (99,968)               | \$ (59,242)               |
| Add back:                                                            |                          |                          |                          |                          |                          |                           |                           |
| Depreciation and amortization                                        | 6,777                    | 7,174                    | 6,776                    | 20,875                   | 6,668                    | 41,602                    | 26,381                    |
| Interest (income) expense, net                                       | 22                       | 2,811                    | 4,626                    | 5,053                    | 4,425                    | 12,512                    | 12,865                    |
| Equity in (earnings) losses from real estate and other affiliates    | 328                      | 288                      | 6,633                    | 2,043                    | 804                      | 9,292                     | 2,592                     |
| (Gain) loss on sale or disposal of real estate and other assets, net | —                        | —                        | —                        | —                        | —                        | —                         | 6                         |
| (Gain) loss on extinguishment of debt                                | 3                        | 11,645                   | —                        | —                        | (4,851)                  | 11,648                    | (4,851)                   |
| Impact of straight-line rent                                         | 441                      | 1,027                    | 1,208                    | 125                      | (24)                     | 2,801                     | 1,634                     |
| Other (income) loss, net (a)                                         | 1,114                    | (1,398)                  | 1,953                    | 3,970                    | 190                      | 5,639                     | 5,595                     |
| <b>Total Seaport District NOI - Consolidated</b>                     | <b><u>(3,045)</u></b>    | <b><u>(6,099)</u></b>    | <b><u>(3,440)</u></b>    | <b><u>(3,890)</u></b>    | <b><u>(5,252)</u></b>    | <b><u>(16,474)</u></b>    | <b><u>(15,020)</u></b>    |
| <b>Company's Share NOI - Equity Investees</b>                        | <b>(124)</b>             | <b>(106)</b>             | <b>(305)</b>             | <b>(376)</b>             | <b>(325)</b>             | <b>(911)</b>              | <b>(710)</b>              |
| <b>Total Seaport District NOI</b>                                    | <b><u>\$ (3,169)</u></b> | <b><u>\$ (6,205)</u></b> | <b><u>\$ (3,745)</u></b> | <b><u>\$ (4,266)</u></b> | <b><u>\$ (5,577)</u></b> | <b><u>\$ (17,385)</u></b> | <b><u>\$ (15,730)</u></b> |

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

(b) Includes miscellaneous development-related items as well as the loss related to the write-off of inventory due to the permanent closure of 10 Corso Como Retail and Café in the first quarter of 2020, and income related to inventory liquidation sales in the third quarter of 2020.

# Reconciliation of Non-GAAP Measures (con't)

| <i>thousands</i>                                                          | Three Months Ended December 31, |            | Year Ended December 31, |            |
|---------------------------------------------------------------------------|---------------------------------|------------|-------------------------|------------|
|                                                                           | 2020                            | 2019       | 2020                    | 2019       |
| <b>Reconciliation of MPC Land Sales Closed to GAAP Land Sales Revenue</b> |                                 |            |                         |            |
| Total residential land sales closed in period                             | \$ 97,947                       | \$ 142,537 | \$ 215,872              | \$ 325,872 |
| Total commercial land sales closed in period                              | —                               | —          | 2,164                   | —          |
| Net recognized (deferred) revenue:                                        |                                 |            |                         |            |
| Bridgeland                                                                | —                               | 47         | (305)                   | 81         |
| Summerlin                                                                 | (8,146)                         | (12,521)   | 5,019                   | (19,290)   |
| Total net recognized (deferred) revenue                                   | (8,146)                         | (12,474)   | 4,714                   | (19,209)   |
| Special Improvement District bond revenue                                 | 7,191                           | 23,082     | 10,294                  | 23,483     |
| Total land sales revenue - GAAP basis                                     | \$ 96,992                       | \$ 153,145 | \$ 233,044              | \$ 330,146 |

| <i>thousands</i>                                                 | Three Months Ended December 31, |            | Year Ended December 31, |            |
|------------------------------------------------------------------|---------------------------------|------------|-------------------------|------------|
|                                                                  | 2020                            | 2019       | 2020                    | 2019       |
| <b>Reconciliation of MPC Segment EBT to MPC Net Contribution</b> |                                 |            |                         |            |
| MPC segment EBT                                                  | \$ 86,495                       | \$ 113,973 | \$ 209,423              | \$ 263,841 |
| Plus:                                                            |                                 |            |                         |            |
| Cost of sales - land                                             | 42,945                          | 63,724     | 101,505                 | 141,852    |
| Depreciation and amortization                                    | 92                              | 90         | 365                     | 424        |
| MUD and SID bonds collections, net                               | 45,289                          | 12,967     | 51,247                  | 24,047     |
| Distributions from real estate and other affiliates              | 2,469                           | 11,990     | 6,000                   | 16,051     |
| Less:                                                            |                                 |            |                         |            |
| MPC development expenditures                                     | (68,849)                        | (58,414)   | (229,065)               | (238,951)  |
| MPC land acquisitions                                            | —                               | —          | —                       | (752)      |
| Equity in (earnings) losses in real estate and other affiliates  | (13,442)                        | (9,477)    | (17,845)                | (28,336)   |
| MPC Net Contribution                                             | \$ 94,999                       | \$ 134,853 | \$ 121,630              | \$ 178,176 |

| <i>thousands</i>                                           | Three Months Ended December 31, |            | Year Ended December 31, |           |
|------------------------------------------------------------|---------------------------------|------------|-------------------------|-----------|
|                                                            | 2020                            | 2019       | 2020                    | 2019      |
| <b>Reconciliation of Segment EBTs to Net Income</b>        |                                 |            |                         |           |
| Operating Assets segment EBT                               | \$ (32,294)                     | \$ (3,507) | \$ (86,011)             | \$ 34,632 |
| MPC segment EBT                                            | 86,495                          | 113,973    | 209,423                 | 263,841   |
| Seaport District segment EBT                               | (11,730)                        | (12,464)   | (99,968)                | (59,242)  |
| Strategic Developments segment EBT                         | 9,143                           | 1,164      | 177,801                 | 101,111   |
| Corporate income, expenses and other items                 | (51,154)                        | (95,129)   | (192,765)               | (236,802) |
| Income (loss) before taxes                                 | 460                             | 4,037      | 8,480                   | 103,540   |
| (Provision) benefit for income taxes                       | (8,450)                         | (5,038)    | (11,653)                | (29,245)  |
| Net income (loss)                                          | (7,990)                         | (1,001)    | (3,173)                 | 74,295    |
| Net (income) loss attributable to noncontrolling interests | 1,344                           | (99)       | (22,981)                | (339)     |
| Net income (loss) attributable to common stockholders      | \$ (6,646)                      | \$ (1,100) | \$ (26,154)             | \$ 73,956 |