

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 08, 2023



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

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

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

**36-4673192**  
(I.R.S. Employer  
Identification No.)

**9950 Woodloch Forest Drive, Suite 1100**  
**The Woodlands, Texas 77381**  
(Address of principal executive offices)

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

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

Title of each class:	Trading Symbol(s)	Name of each exchange on which registered:
Common stock \$0.01 par value per share	HHC	New York Stock Exchange

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Emerging growth company

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

**Item 2.02 Results of Operations and Financial Condition**

On May 8, 2023, The Howard Hughes Corporation (the "Company") issued a press release announcing the Company's financial results for the first quarter ended March 31, 2023. A copy of this press release is attached hereto as Exhibit 99.1.

The information contained in this Current Report on Form 8-K pursuant to this "Item 2.02 Results of Operations and Financial Condition" is being furnished. This information shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section or shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, unless specifically identified therein as being incorporated by reference.

**Item 7.01 Regulation FD Disclosure.**

On May 8, 2023, the Company issued supplemental information for the first quarter ended March 31, 2023. The supplemental information contains key information about the Company. The supplemental information is attached hereto as Exhibit 99.2 and has been posted on our website at [www.howardhughes.com](http://www.howardhughes.com) under the "Investors" tab.

The information contained in this Current Report on Form 8-K pursuant to this "Item 7.01 Regulation FD Disclosure" is being furnished. This information shall not be deemed to be filed for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section or shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, unless specifically identified therein as being incorporated by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press release dated May 8, 2023, announcing the Company's financial results for the quarter ended March 31, 2023</a>
99.2	<a href="#">Supplemental information for the quarter ended March 31, 2023</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE HOWARD HUGHES CORPORATION

By: /s/ David O'Reilly  
David O'Reilly  
Chief Executive Officer

Date: May 8, 2023



**THE HOWARD HUGHES CORPORATION® REPORTS FIRST QUARTER 2023 RESULTS**  
*MPC land sales, a sharp recovery in new homes sold, Operating Assets NOI growth, and solid leasing momentum all drive a strong start to the year*

**HOUSTON, May 8, 2023** – The Howard Hughes Corporation® (NYSE: HHC) (the “Company,” “HHC” or “we”) today announced operating results for the first quarter ended March 31, 2023. The financial statements, exhibits, and reconciliations of non-GAAP measures in the attached Appendix and the Supplemental Information at Exhibit 99.2 provide further detail of these results.

**First Quarter 2023 Highlights:**

- Net loss per diluted share of \$(0.46) compared to net income per diluted share of \$0.04 in the prior-year period
- MPC EBT of \$62 million increased 5% year-over-year driven by land sales—including a 109-acre commercial sale in Bridgeland®—higher residential price per acre, and strong builder price participation revenue
- New home sales rebounded to 552 units—a 120% sequential increase compared to the 2022 fourth quarter
- Total Operating Assets NOI of \$59 million increased 3% year-over-year with improved financial and leasing performance in office, retail, and multi-family
- Contracted to sell 35 condo units in Ward Village®

“We started 2023 on a positive note, delivering solid first quarter performance in our MPC and Operating Assets segments,” commented David R. O’Reilly, Chief Executive Officer of The Howard Hughes Corporation. “Despite continued market headwinds, HHC’s unique business model once again proved its resiliency, with meaningful MPC land sales—most notably in Bridgeland—and sequential and year-over-year NOI growth in Operating Assets.

“In our MPC segment, with mortgage rates stabilizing in the new year and many homebuilders offering incentives, we saw homebuyers step back into the market during the first quarter. New home sales—which are a leading indicator of our future land sales—increased sharply to 552 homes, or more than double sales levels recorded in the 2022 fourth quarter. Although residential land sales were down in the first quarter as expected, we continued to see declining inventories of finished homes while homebuyer demand began to rise, resulting in improving homebuilder interest for our acreage. As a result, we anticipate increased residential land sales in the coming quarters as homebuilders purchase new lots to meet higher demand.

“In Operating Assets, the strong leasing momentum we experienced during 2022 continued, with sequentially higher leasing rates in our office, multi-family, and retail portfolios. This incredible achievement during a time of market uncertainty further exemplifies the quality of HHC’s world-class assets. In office, we continued to defy market trends, executing nearly 130,000 square feet of new or expanded leases in our highly-amenitized Class-A towers.

“In Hawai’i, we continued to advance our development plan for Ward Village, commencing construction on Ulana—our final workforce housing project which is 99% presold—in early January. With strong demand for premium condos in Honolulu, we also recently announced development of The Launiu, which we expect will be delivered in 2027 and encompass 498 premium residences. During the quarter, condo sales remained favorable, with our team contracting to sell a total of 35 homes, many of which were at Kalae®—our 10<sup>th</sup> condo building which launched presales only six months ago and is remarkably already 80% presold.

“At the Seaport, the Tin Building by Jean-Georges achieved 7-day-per-week operations throughout the first quarter. This milestone, together with improved efficiencies and continued growth in foot traffic, resulted in significantly reduced losses. Although we still have work ahead to stabilize this one-of-a-kind culinary marketplace, we are extremely pleased with the strong customer demand, positive media attention, and favorable culinary reviews received to date.”

## **Financial Highlights**

### **Total Company**

- HHC reported a loss of \$22.7 million or \$(0.46) per diluted share in the quarter, compared to net income of \$2.1 million or \$0.04 per diluted share in the prior-year period.
- The year-over-year decline was primarily due to equity losses from the Tin Building, reduced inventory and fewer condos sold at 'A'ali'i® in Ward Village, non-recurring equity earnings related to the sale of 110 North Wacker in the prior-year period, and higher interest expense.
- Closed the first quarter with \$417.7 million of cash on the balance sheet and total debt of \$4.8 billion, with 87% of the balance maturing in 2026 or later and only \$226 million maturing in 2023 and 2024. At quarter end, 100% of the Company's debt was fixed, capped, or hedged.

### **MPC**

- MPC EBT totaled \$62.4 million in the quarter, a 5% increase compared to \$59.7 million in the prior-year period.
- MPC land sales revenue was \$59.4 million, a \$2.1 million or 3% decrease compared to the prior year. This reduction was primarily a result of reduced residential lots sold in Bridgeland and The Woodlands Hills®, partially offset by new Aria Isle custom lot sales in The Woodlands® and a higher average price per acre sold.
- Commercial land sales declined \$0.8 million year-over-year, with a 109-acre sale in Bridgeland in the current quarter largely offsetting sales in Summerlin® and Bridgeland during the prior-year period.
- Builder price participation revenue remained strong at \$14.0 million, representing only a 3% year-over-year decline as home prices began to normalize following the surge in home values throughout 2022.
- The average price per acre of residential land sold was approximately \$836,000 during the quarter—representing a 49% year-over-year increase—primarily due to MPC sales mix and custom lots sold in The Woodlands for \$2.9 million per acre. Excluding custom lot sales, the average price per acre increased 14%.
- New homes sold in HHC's communities totaled 552 units—representing a sharp 120% increase compared to the 2022 fourth quarter. Year-over-year, new home sales were down 9%.

### **Operating Assets**

- Total Operating Assets NOI, including contribution from unconsolidated ventures, totaled \$59.2 million in the quarter, representing a \$1.9 million or 3% improvement compared to \$57.3 million in the prior-year period. Excluding retail assets divested in 2022, NOI increased \$3.4 million or 6% year-over-year.
- Office NOI of \$27.7 million increased \$2.6 million year-over-year largely due to strong lease-up activity, abatement expirations, and tenant recoveries at various properties in The Woodlands—most notably at 9950 Woodloch Forest. These increases were partially offset by lower occupancy at One Hughes Landing in The Woodlands and various properties in Downtown Columbia®. During the quarter, HHC executed new or expanded office leases totaling 68,000 square feet in The Woodlands, 34,000 square feet in Downtown Columbia, and 27,000 square feet in Summerlin.
- Multi-family NOI of \$12.6 million increased \$1.5 million compared to the first quarter of 2022 due to winter weather-related insurance recoveries in the Houston region and 7% average in-place rent growth, partially offset by NOI losses from Starling at Bridgeland and Marlow in Downtown Columbia that are in the early stages of lease-up. Despite these losses, both properties have experienced strong leasing, with Starling at Bridgeland already 47% leased and Marlow now 25% leased.
- Retail NOI of \$14.6 million increased \$2.5 million over the prior-year period due to a strengthened tenant base and retail sales growth in Downtown Summerlin, as well as increased tenant recoveries in The Woodlands and Ward Village. At quarter end, the retail portfolio was 96% leased, representing a 5% increase compared to the prior year.
- The Company's share of NOI from unconsolidated ventures of \$4.9 million declined \$1.9 million year-over-year primarily due to lower annual distributions from the Summerlin Hospital.

### **Strategic Developments**

- Closed on five condo units in the first quarter—including four at 'A'ali'i and one at Kō'ula®—generating \$6.1 million in revenue. At quarter end, 'A'ali'i and Kō'ula were 96% and 98% sold, respectively.
- Contracted to sell three units at The Park Ward Village, ending the quarter 92% pre-sold.

- Commenced construction and closed on a new \$264 million construction loan for Ulana in early January. During the quarter, 10 condo units were contracted with the project 99% pre-sold at March 31, 2023.
- Contracted to sell 22 condo units at Kalae. This development is now 80% pre-sold with construction expected to begin in the second half of 2023.
- Announced development of The Launiu—Ward Village's 11<sup>th</sup> condo building which will include 498 residences. This project is currently expected to commence pre-sales late in 2023 or in early 2024 and be completed in 2027.

#### **Seaport**

- Seaport revenue of \$11.9 million increased \$2.5 million or 27% compared to the first quarter of 2022 primarily due to rental revenue related to the Tin Building.
- Seaport generated negative NOI of \$5.6 million, representing a \$0.2 million year-over-year improvement. Including \$9.6 million of losses from unconsolidated ventures—primarily related to the Tin Building by Jean-Georges—Total Seaport NOI was a loss of \$15.2 million.
- At the Tin Building, the marketplace was open seven days per week, and foot traffic and sales were strong despite winter seasonality in the Seaport. As a result, equity losses improved by \$6.5 million sequentially to \$9.2 million for the quarter. Inefficiencies resulting from increased employee costs, menu refinements, and continued start-up costs contributed to the equity losses, but are expected to subside in the coming quarters.

#### **Full-Year 2023 Guidance**

- Full-year 2023 guidance remains unchanged from the prior reporting period.
- MPC EBT is projected to be comparable to earnings generated on average during 2017 and 2018, prior to a period of outsized land and home sales in Summerlin, Bridgeland, and The Woodlands Hills during the COVID-19 pandemic. During 2022, a slower housing market, which was largely driven by a precipitous rise in mortgage rates and shrinking home affordability, softened new home sales and homebuilder demand for new acreage. Although new home sales started to rise, and homebuilder interest in new acreage improved in the first quarter, the Company does not expect a full recovery in land sales in the near-term. As a result, 2023 MPC EBT is expected to decline 25% to 35% year-over-year.
- Operating Assets NOI is projected to benefit from multi-family rent growth and new developments in Bridgeland, Downtown Columbia, and Summerlin encompassing nearly 1,400 units. The office portfolio is expected to benefit from strong leasing momentum experienced throughout 2022, but free rent periods on many of the new leases and the impact of some tenant vacancies during 2023 will likely result in a modest year-over-year decline in office NOI. Overall, excluding the \$3.4 million contribution from divested retail assets in the prior year, Operating Assets NOI is expected to be in a range of down 2% to up 2% year-over-year.
- Condo sales revenues are projected to range between \$45 million and \$55 million, with gross margins between 25% to 28%. Projected condo sales revenues are driven by the closing of remaining units at 'A'ali'i and Kō'ula, which were 96% and 98% sold, respectively, as of March 31, 2023. The next major condo project scheduled to be completed is Victoria Place, which is expected to be delivered in mid-2024 and is already 100% pre-sold.
- Cash G&A is projected to range between \$80 million and \$85 million, which excludes anticipated non-cash stock compensation of approximately \$5 million.

#### **Conference Call & Webcast Information**

The Howard Hughes Corporation will host its first quarter 2023 earnings conference call on **Tuesday, May 9, 2023, at 9:00 a.m. Central Time** (10:00 a.m. Eastern Time). Please visit The Howard Hughes Corporation's website to listen to the earnings call via a live webcast. To access the call via telephone, please dial **877-270-2148** within the U.S., **866-605-3850** within Canada, or **+1 412-902-6510** when dialing internationally. All participants should dial in at least five minutes prior to the scheduled start time using **10173042** as the passcode.

We are primarily focused on creating shareholder value by increasing our per-share net asset value. Often, the nature of our business results in short-term volatility in our net income due to the timing of MPC land sales, recognition of condominium revenue and operating business pre-opening expenses, and, as such, we believe the following metrics summarized below are most useful in tracking our progress towards net asset value creation.

\$ in thousands	Three Months Ended March 31,			
	2023	2022	\$ Change	% Change
<b>Operating Assets NOI (1)</b>				
Office	\$ 27,728	\$ 25,118	\$ 2,610	10 %
Retail	14,608	12,134	2,474	20 %
Multi-family	12,633	11,142	1,491	13 %
Other	(476)	789	(1,265)	(160)%
Dispositions	(183)	1,331	(1,514)	(114)%
<b>Operating Assets NOI</b>	<b>54,310</b>	<b>50,514</b>	<b>3,796</b>	<b>8 %</b>
Company's share of NOI from unconsolidated ventures	4,860	6,754	(1,894)	(28)%
<b>Total Operating Assets NOI</b>	<b>\$ 59,170</b>	<b>\$ 57,268</b>	<b>\$ 1,902</b>	<b>3 %</b>
Projected stabilized NOI Operating Assets (\$ in millions)	\$ 363.5	\$ 356.3	\$ 7.2	2 %
<b>MPC</b>				
Acres Sold - Residential	32	44	(12)	(28)%
Acres Sold - Commercial	109	26	82	NM
Price Per Acre - Residential	\$ 836	\$ 562	\$ 274	49 %
Price Per Acre - Commercial	\$ 247	\$ 1,083	\$ (835)	(77)%
<b>MPC EBT</b>	<b>\$ 62,372</b>	<b>\$ 59,678</b>	<b>\$ 2,694</b>	<b>5 %</b>
<b>Seaport NOI (1)</b>				
Landlord Operations	\$ (4,290)	\$ (2,855)	\$ (1,435)	(50)%
Landlord Operations - Multi-family	28	(132)	160	121 %
Managed Businesses	(2,536)	(2,630)	94	4 %
Tin Building	2,415	—	2,415	NM
Events and Sponsorships	(1,202)	(125)	(1,077)	NM
<b>Seaport NOI</b>	<b>(5,585)</b>	<b>(5,742)</b>	<b>157</b>	<b>3 %</b>
Company's share of NOI from unconsolidated ventures	(9,591)	(3,838)	(5,753)	(150)%
<b>Total Seaport NOI</b>	<b>\$ (15,176)</b>	<b>\$ (9,580)</b>	<b>\$ (5,596)</b>	<b>(58)%</b>
<b>Strategic Developments</b>				
Condominium rights and unit sales	\$ 6,087	\$ 19,616	\$ (13,529)	(69)%

NM - Not Meaningful

Financial Data

(1) See the accompanying appendix for a reconciliation of GAAP to non-GAAP financial measures and a statement indicating why management believes the non-GAAP financial measure provides useful information for investors.

## About The Howard Hughes Corporation®

The Howard Hughes Corporation owns, manages, and develops commercial, residential, and mixed-use real estate throughout the U.S. Its award-winning assets include the country's preeminent portfolio of master planned communities, as well as operating properties and development opportunities including: the Seaport in New York City; Downtown Columbia® in Maryland; The Woodlands®, Bridgeland®, and The Woodlands Hills® in the Greater Houston, Texas area; Summerlin®, Las Vegas; Ward Village® in Honolulu, Hawaii; and Teravalis™ in the Greater Phoenix, Arizona area. The Howard Hughes Corporation's portfolio is strategically positioned to meet and accelerate development based on market demand, resulting in one of the strongest real estate platforms in the country. Dedicated to innovative placemaking, the Company is recognized for its ongoing commitment to design excellence and to the cultural life of its communities. The Howard Hughes Corporation is traded on the New York Stock Exchange as HHC. For additional information visit [www.howardhughes.com](http://www.howardhughes.com).

## Safe Harbor Statement

Certain statements contained in this press release may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical facts, including, among others, statements regarding the Company's future financial position, results or performance, are forward-looking statements. Those statements include statements regarding the intent, belief, or current expectations of the Company, members of its management team, as well as the assumptions on which such statements are based, and generally are identified by the use of words such as "anticipate," "believe," "estimate," "expect," "forecast," "intend," "likely," "may," "plan," "project," "realize," "should," "transform," "will," "would," and other statements of similar expression. Forward-looking statements are not a guaranty of future performance and involve risks and uncertainties that actual results may differ materially from those contemplated by such forward-looking statements. Many of these factors are beyond the Company's abilities to control or predict. Some of the risks, uncertainties and other important factors that may affect future results or cause actual results to differ materially from those expressed or implied by forward-looking statements include: (i) general adverse economic and local real estate conditions; (ii) potential changes in the financial markets and interest rates; (iii) the inability of major tenants to continue paying their rent obligations due to bankruptcy, insolvency or a general downturn in their business; (iv) financing risks, such as the inability to obtain equity, debt or other sources of financing or refinancing on favorable terms, if at all; (v) ability to compete effectively, including the potential impact of heightened competition for tenants and potential decreases in occupancy at our properties; (vi) ability to successfully dispose of non-core assets on favorable terms, if at all; (vii) ability to successfully identify, acquire, develop and/or manage properties on favorable terms and in accordance with applicable zoning and permitting laws; (viii) changes in governmental laws and regulations; (ix) increases in operating costs, including construction cost increases as the result of trade disputes and tariffs on goods imported in the United States; (x) the impact of the COVID-19 pandemic on the Company's business, tenants and the economy in general, and our ability to accurately assess and predict such impacts; (xi) lack of control over certain of the Company's properties due to the joint ownership of such property; (xii) impairment charges; (xiii) the effects of geopolitical instability and risks such as terrorist attacks and trade wars; (xiv) the effects of natural disasters, including floods, droughts, wind, tornadoes and hurricanes; (xv) the inherent risks related to disruption of information technology networks and related systems, including cyber security attacks; and (xvi) the ability to attract and retain key employees. The Company refers you to the section entitled "Risk Factors" contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. Additional information concerning factors that could cause actual results to differ materially from those forward-looking statements is contained from time to time in the Company's filings with the Securities and Exchange Commission. Copies of each filing may be obtained from the Company or the Securities and Exchange Commission. The risks included here are not exhaustive and undue reliance should not be placed on any forward-looking statements, which are based on current expectations. All written and oral forward-looking statements attributable to the Company, its management, or persons acting on their behalf are qualified in their entirety by these cautionary statements. Further, forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time unless otherwise required by law.



**Financial Presentation**

As discussed throughout this release, we use certain non-GAAP performance measures, in addition to the required GAAP presentations, as we believe these measures improve the understanding of our operational results and make comparisons of operating results among peer companies more meaningful. We continually evaluate 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. A non-GAAP financial measure used throughout this release is net operating income (NOI). We provide a more detailed discussion about this non-GAAP measure in our reconciliation of non-GAAP measures provided in the appendix in this earnings release.

**Media Contact**

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**THE HOWARD HUGHES CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**UNAUDITED**

<i>thousands except per share amounts</i>	Three Months Ended March 31,	
	2023	2022
<b>REVENUES</b>		
Condominium rights and unit sales	\$ 6,087	\$ 19,616
Master Planned Communities land sales	59,361	61,468
Rental revenue	97,864	95,109
Other land, rental, and property revenues	18,968	19,537
Builder price participation	14,009	14,496
Total revenues	196,289	210,226
<b>EXPENSES</b>		
Condominium rights and unit cost of sales	4,536	14,180
Master Planned Communities cost of sales	22,003	24,686
Operating costs	72,387	65,555
Rental property real estate taxes	15,419	15,182
Provision for (recovery of) doubtful accounts	(2,420)	844
General and administrative	23,553	25,891
Depreciation and amortization	52,009	48,593
Other	3,571	2,409
Total expenses	191,058	197,340
<b>OTHER</b>		
Gain (loss) on sale or disposal of real estate and other assets, net	4,730	(9)
Other income (loss), net	4,981	(221)
Total other	9,711	(230)
Operating income (loss)	14,942	12,656
Interest income	4,092	24
Interest expense	(38,137)	(27,438)
Gain (loss) on extinguishment of debt	—	(282)
Equity in earnings (losses) from unconsolidated ventures	(4,802)	17,912
Income (loss) before income taxes	(23,905)	2,872
Income tax expense (benefit)	(1,278)	701
Net income (loss)	(22,627)	2,171
Net (income) loss attributable to noncontrolling interests	(118)	(49)
Net income (loss) attributable to common stockholders	\$ (22,745)	\$ 2,122
Basic income (loss) per share	\$ (0.46)	\$ 0.04
Diluted income (loss) per share	\$ (0.46)	\$ 0.04

**THE HOWARD HUGHES CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
**UNAUDITED**

<i>thousands except par values and share amounts</i>	March 31, 2023	December 31, 2022
<b>ASSETS</b>		
Master Planned Communities assets	\$ 2,418,631	\$ 2,411,526
Buildings and equipment	4,368,919	4,246,389
Less: accumulated depreciation	(912,636)	(867,700)
Land	310,685	312,230
Developments	1,205,501	1,125,027
Net investment in real estate	7,391,100	7,227,472
Investments in unconsolidated ventures	250,639	246,171
Cash and cash equivalents	417,746	626,653
Restricted cash	471,426	472,284
Accounts receivable, net	105,683	103,437
Municipal Utility District receivables, net	511,078	473,068
Deferred expenses, net	132,777	128,865
Operating lease right-of-use assets, net	46,220	46,926
Other assets, net	253,463	278,587
<b>Total assets</b>	<b>\$ 9,580,132</b>	<b>\$ 9,603,463</b>
<b>LIABILITIES</b>		
Mortgages, notes, and loans payable, net	\$ 4,778,106	\$ 4,747,183
Operating lease obligations	51,350	51,321
Deferred tax liabilities, net	250,892	254,336
Accounts payable and other liabilities	917,261	944,511
<b>Total liabilities</b>	<b>5,997,609</b>	<b>5,997,351</b>
<b>EQUITY</b>		
Preferred stock: \$0.01 par value; 50,000,000 shares authorized, none issued	—	—
Common stock: \$0.01 par value; 150,000,000 shares authorized, 56,427,928 issued, and 49,996,486 outstanding as of March 31, 2023, 56,226,273 shares issued, and 49,801,997 outstanding as of December 31, 2022	566	564
Additional paid-in capital	3,977,514	3,972,561
Retained earnings (accumulated deficit)	145,332	168,077
Accumulated other comprehensive income (loss)	5,005	10,335
Treasury stock, at cost, 6,431,442 shares as of March 31, 2023, and 6,424,276 shares as of December 31, 2022	(611,659)	(611,038)
<b>Total stockholders' equity</b>	<b>3,516,758</b>	<b>3,540,499</b>
<b>Noncontrolling interests</b>	<b>65,765</b>	<b>65,613</b>
<b>Total equity</b>	<b>3,582,523</b>	<b>3,606,112</b>
<b>Total liabilities and equity</b>	<b>\$ 9,580,132</b>	<b>\$ 9,603,463</b>

## Segment Earnings Before Tax (EBT)

As a result of our four segments—Operating Assets, Master Planned Communities (MPC), Seaport, and Strategic Developments—being managed separately, we use different operating measures to assess operating results and allocate resources among these four segments. The one common operating measure used to assess operating results for our business segments is EBT. EBT, as it relates to each business segment, includes the revenues and expenses of each segment, as shown below. EBT excludes corporate expenses and other items that are not allocable to the segments. We present EBT because we use this measure, among others, internally to assess the core operating performance of our assets.

<i>thousands</i>	Three Months Ended March 31,		
	2023	2022	\$ Change
<b>Operating Assets Segment EBT</b>			
Total revenues	\$ 100,925	\$ 99,687	\$ 1,238
Total operating expenses	(47,599)	(46,615)	(984)
Segment operating income (loss)	53,326	53,072	254
Depreciation and amortization	(39,632)	(38,430)	(1,202)
Interest income (expense), net	(28,911)	(20,118)	(8,793)
Other income (loss), net	2,282	(169)	2,451
Equity in earnings (losses) from unconsolidated ventures	1,905	15,175	(13,270)
Gain (loss) on sale or disposal of real estate and other assets, net	4,730	—	4,730
Gain (loss) on extinguishment of debt	—	(282)	282
Operating Assets segment EBT	(6,300)	9,248	(15,548)
<b>Master Planned Communities Segment EBT</b>			
Total revenues	77,013	80,692	(3,679)
Total operating expenses	(34,351)	(36,896)	2,545
Segment operating income (loss)	42,662	43,796	(1,134)
Depreciation and amortization	(107)	(90)	(17)
Interest income (expense), net	15,812	10,422	5,390
Other income (loss), net	(103)	—	(103)
Equity in earnings (losses) from unconsolidated ventures	4,108	5,550	(1,442)
MPC segment EBT	62,372	59,678	2,694
<b>Seaport Segment EBT</b>			
Total revenues	11,897	9,376	2,521
Total operating expenses	(18,916)	(18,859)	(57)
Segment operating income (loss)	(7,019)	(9,483)	2,464
Depreciation and amortization	(10,527)	(7,823)	(2,704)
Interest income (expense), net	1,186	(47)	1,233
Other income (loss), net	1	350	(349)
Equity in earnings (losses) from unconsolidated ventures	(10,820)	(3,711)	(7,109)
Seaport segment EBT	(27,179)	(20,714)	(6,465)
<b>Strategic Developments Segment EBT</b>			
Total revenues	6,440	20,456	(14,016)
Total operating expenses	(11,059)	(18,077)	7,018
Segment operating income (loss)	(4,619)	2,379	(6,998)
Depreciation and amortization	(943)	(1,332)	389
Interest income (expense), net	2,063	3,989	(1,926)
Other income (loss), net	94	(485)	579
Equity in earnings (losses) from unconsolidated ventures	5	898	(893)
Gain (loss) on sale or disposal of real estate and other assets, net	—	(9)	9
Strategic Developments segment EBT	(3,400)	5,440	(8,840)

### Appendix – Reconciliation of Non-GAAP Measures

Below are GAAP to non-GAAP reconciliations of certain financial measures, as required under Regulation G of the Securities Exchange Act of 1934. Non-GAAP information should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP. The non-GAAP financial information presented may be determined or calculated differently by other companies and may not be comparable to similarly titled measures.

#### Net Operating Income (NOI)

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). NOI excludes straight-line rents and amortization of tenant incentives, net; interest expense, net; ground rent amortization; demolition costs; other income (loss); 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 unconsolidated ventures. This amount is presented as Operating Assets NOI and Seaport NOI throughout this document. Total Operating Assets NOI and Total Seaport NOI represent NOI as defined above with the addition of our share of NOI from unconsolidated ventures.

We believe that NOI is a useful supplemental measure of the performance of our Operating Assets and Seaport segments because it provides a performance measure that reflects the revenues and expenses directly associated with owning and operating real estate properties. We use NOI to evaluate our operating performance on a property-by-property basis because NOI allows us to evaluate the impact that property-specific factors such as rental and occupancy rates, tenant mix, and operating costs have on our operating results, gross margins, and investment returns.

A reconciliation of segment EBT to NOI for Operating Assets and Seaport is presented in the tables below:

<i>thousands</i>	Three Months Ended March 31,		
	2023	2022	\$ Change
<b>Operating Assets Segment</b>			
Total revenues	\$ 100,925	\$ 99,687	\$ 1,238
Total operating expenses	(47,599)	(46,615)	(984)
Segment operating income (loss)	53,326	53,072	254
Depreciation and amortization	(39,632)	(38,430)	(1,202)
Interest income (expense), net	(28,911)	(20,118)	(8,793)
Other income (loss), net	2,282	(169)	2,451
Equity in earnings (losses) from unconsolidated ventures	1,905	15,175	(13,270)
Gain (loss) on sale or disposal of real estate and other assets, net	4,730	—	4,730
Gain (loss) on extinguishment of debt	—	(282)	282
<b>Operating Assets segment EBT</b>	(6,300)	9,248	(15,548)
Add back:			
Depreciation and amortization	39,632	38,430	1,202
Interest (income) expense, net	28,911	20,118	8,793
Equity in (earnings) losses from unconsolidated ventures	(1,905)	(15,175)	13,270
(Gain) loss on sale or disposal of real estate and other assets, net	(4,730)	—	(4,730)
(Gain) loss on extinguishment of debt	—	282	(282)
Impact of straight-line rent	(1,113)	(2,438)	1,325
Other	(185)	49	(234)
<b>Operating Assets NOI</b>	54,310	50,514	3,796
Company's share of NOI from equity investments	1,827	2,116	(289)
Distributions from Summerlin Hospital investment	3,033	4,638	(1,605)
Company's share of NOI from unconsolidated ventures	4,860	6,754	(1,894)
<b>Total Operating Assets NOI</b>	\$ 59,170	\$ 57,268	\$ 1,902

<i>thousands</i>	Three Months Ended March 31,		
	2023	2022	\$ Change
<b>Seaport Segment</b>			
Total revenues	11,897	9,376	2,521
Total operating expenses	(18,916)	(18,859)	(57)
Segment operating income (loss)	(7,019)	(9,483)	2,464
Depreciation and amortization	(10,527)	(7,823)	(2,704)
Interest income (expense), net	1,186	(47)	1,233
Other income (loss), net	1	350	(349)
Equity in earnings (losses) from unconsolidated ventures	(10,820)	(3,711)	(7,109)
<b>Seaport segment EBT</b>	<b>(27,179)</b>	<b>(20,714)</b>	<b>(6,465)</b>
Add back:			
Depreciation and amortization	10,527	7,823	2,704
Interest (income) expense, net	(1,186)	47	(1,233)
Equity in (earnings) losses from unconsolidated ventures	10,820	3,711	7,109
Impact of straight-line rent	586	1,888	(1,302)
Other (income) loss, net (a)	847	1,503	(656)
<b>Seaport NOI</b>	<b>(5,585)</b>	<b>(5,742)</b>	<b>157</b>
Company's share of NOI from unconsolidated ventures (b)	(9,591)	(3,838)	(5,753)
<b>Total Seaport NOI</b>	<b>\$ (15,176)</b>	<b>\$ (9,580)</b>	<b>\$ (5,596)</b>

(a) Includes miscellaneous development-related items.

(b) The Company's share of NOI related to the Tin Building by Jean-Georges is calculated using our current partnership funding provisions.

## Same Store NOI - Operating Assets Segment

The Company defines Same Store Properties as consolidated and unconsolidated properties that are acquired or placed in-service prior to the beginning of the earliest period presented and owned by the Company through the end of the latest period presented. Same Store Properties exclude properties placed in-service, acquired, repositioned or in development or redevelopment after the beginning of the earliest period presented or disposed of prior to the end of the latest period presented. Accordingly, it takes at least one year and one quarter after a property is acquired or treated as in-service for that property to be included in Same Store Properties.

We calculate Same Store Net Operating Income (Same Store NOI) as Operating Assets NOI applicable to Same Store Properties. Same Store NOI also includes the Company's share of NOI from unconsolidated ventures and the annual distribution from a cost basis investment. Same Store NOI is a non-GAAP financial measure and should not be viewed as an alternative to net income calculated in accordance with GAAP as a measurement of our operating performance. We believe that Same Store NOI is helpful to investors as a supplemental comparative performance measure of the income generated from the same group of properties from one period to the next. Other companies may not define Same Store NOI in the same manner as we do; therefore, our computation of Same Store NOI may not be comparable to that of other companies. Additionally, we do not control investments in unconsolidated properties and while we consider disclosures of our share of NOI to be useful, they may not accurately depict the legal and economic implications of our investment arrangements.

thousands	Three Months Ended March 31,		
	2023	2022	\$ Change
<b>Same Store Office</b>			
Houston, TX	\$ 18,554	\$ 16,075	\$ 2,479
Columbia, MD	6,177	5,805	372
Las Vegas, NV	3,244	3,297	(53)
<b>Total Same Store Office</b>	<b>27,975</b>	<b>25,177</b>	<b>2,798</b>
<b>Same Store Retail</b>			
Houston, TX	3,395	1,774	1,621
Columbia, MD	592	456	136
Las Vegas, NV	6,217	5,802	415
Honolulu, HI	4,576	4,000	576
<b>Total Same Store Retail</b>	<b>14,780</b>	<b>12,032</b>	<b>2,748</b>
<b>Same Store Multi-Family</b>			
Houston, TX	9,626	7,684	1,942
Columbia, MD	1,524	1,613	(89)
Las Vegas, NV	1,948	1,848	100
Company's share of NOI from unconsolidated ventures	1,811	1,744	67
<b>Total Same Store Multi-Family</b>	<b>14,909</b>	<b>12,889</b>	<b>2,020</b>
<b>Same Store Other</b>			
Houston, TX	1,853	1,745	108
Columbia, MD	1	98	(97)
Las Vegas, NV	(2,398)	(1,096)	(1,302)
Honolulu, HI	68	42	26
Company's share of NOI from unconsolidated ventures	3,049	5,010	(1,961)
<b>Total Same Store Other</b>	<b>2,573</b>	<b>5,799</b>	<b>(3,226)</b>
<b>Total Same Store NOI</b>	<b>60,237</b>	<b>55,897</b>	<b>4,340</b>
<b>Non-Same Store NOI</b>	<b>(1,067)</b>	<b>1,371</b>	<b>(2,438)</b>
<b>Total Operating Assets NOI</b>	<b>\$ 59,170</b>	<b>\$ 57,268</b>	<b>\$ 1,902</b>

**Cash G&A**

The Company defines Cash G&A as General and administrative expense less non-cash stock compensation expense. Cash G&A is a non-GAAP financial measure that we believe is useful to our investors and other users of our financial statements as an indicator of overhead efficiency without regard to non-cash expenses associated with stock compensation. However, it should not be used as an alternative to general and administrative expenses in accordance with GAAP.

<i>thousands</i>	Three Months Ended March 31,		
	2023	2022	\$ Change
<b>General and Administrative</b>			
General and administrative (G&A) (a)	\$ 23,553	\$ 25,891	\$ (2,338)
Less: Non-cash stock compensation	(3,443)	(1,437)	(2,006)
Cash G&A	\$ 20,110	\$ 24,454	\$ (4,344)

(a) G&A expense includes \$1.6 million of severance and bonus costs and \$2.1 million of non-cash stock compensation related to our former General Counsel in the first quarter of 2023 and \$2.3 million of severance and bonus costs related to our former Chief Financial Officer in the first quarter of 2022.



**The Howard Hughes Corporation  
Supplemental Information**

**Three Months Ended March 31, 2023**

**NYSE: HHC**

*Howard Hughes.*

## 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, 2022, as filed with the Securities and Exchange Commission (SEC) on February 27, 2023. 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). Non-GAAP financial measures should not be considered independently, or as a substitute, for financial information presented in accordance with GAAP.

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). NOI excludes straight-line rents and amortization of tenant incentives, net; interest expense, net; ground rent amortization; demolition costs; other income (loss); amortization; depreciation; development-related marketing cost; gain on sale or disposal of real estate and other assets, net; provision for impairment; and equity in earnings from unconsolidated ventures. We believe that NOI is a useful supplemental measure of the performance of our Operating Assets and Seaport segments because it provides a performance measure that reflects the revenues and expenses directly associated with owning and operating real estate properties. This amount is presented as Operating Assets NOI and Seaport NOI throughout this document. Total Operating Assets NOI and Total Seaport NOI represent NOI as defined above with the addition of our share of NOI from unconsolidated ventures. We use NOI to evaluate our operating performance on a property-by-property basis because NOI allows us to evaluate the impact that property-specific factors such as rental and occupancy rates, tenant mix, and operating costs have on our operating results, gross margins, and investment returns.

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 segment EBT to NOI.

### 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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## Definitions

**Stabilized** - Properties in the Operating Assets and Seaport segments that have been in service for more than 36 months or have reached 90% occupancy, whichever occurs first. If an office, retail or multi-family 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 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 segments for which construction has commenced as of March 31, 2023, unless otherwise noted. This excludes Master Planned Community (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). 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 unconsolidated ventures. We use NOI to evaluate our operating performance on a property-by-property basis because NOI allows us to evaluate the impact that property-specific factor, 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 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. This amount is presented as Operating Assets NOI and Seaport NOI throughout this document.

**Total Operating Assets NOI and Total Seaport NOI** - These terms represent NOI as defined above with the addition of our share of NOI from unconsolidated ventures.

**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 In-Place NOI is compared to its projected Stabilized NOI 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.

**Remaining Development Costs** - Development costs and related debt held for projects that are under construction or substantially complete and in service in the Operating Assets or the Seaport segment but have not reached stabilized occupancy status are disclosed on the Summary of Remaining Development Costs slide if the project has more than \$1.0 million of estimated costs remaining to be incurred. The total estimated costs and costs paid are prepared on a cash basis to reflect the total anticipated cash requirements for the projects. Projects not yet under construction are not included.

**Same Store Properties** - The Company defines Same Store Properties as consolidated and unconsolidated properties that are acquired or placed in-service prior to the beginning of the earliest period presented and owned by the Company through the end of the latest period presented. Same Store Properties exclude properties placed in-service, acquired, repositioned or in development or redevelopment after the beginning of the earliest period presented or disposed of prior to the end of the latest period presented. Accordingly, it takes at least one year and one quarter after a property is acquired or treated as in-service for that property to be included in Same Store Properties.

**Same Store NOI** - We calculate Same Store Net Operating Income (Same Store NOI) as Operating Assets NOI applicable to consolidated properties acquired or placed in-service prior to the beginning of the earliest period presented and owned by the Company through the end of the latest period presented. Same Store NOI also includes the Company's share of NOI from unconsolidated ventures and the annual distribution from a cost basis investment. Same Store NOI is a non-GAAP financial measure and should not be viewed as an alternative to net income calculated in accordance with GAAP as a measurement of our operating performance. We believe that Same Store NOI is helpful to investors as a supplemental comparative performance measure of the income generated from the same group of properties from one period to the next. Other companies may not define Same Store NOI in the same manner as we do; therefore, our computation of Same Store NOI may not be comparable to that of other companies. Additionally, we do not control investments in unconsolidated properties and while we consider disclosures of our share of NOI to be useful, they may not accurately depict the legal and economic implications of our investment arrangements.

# Company Profile - Summary & Results

NYSE: HHC

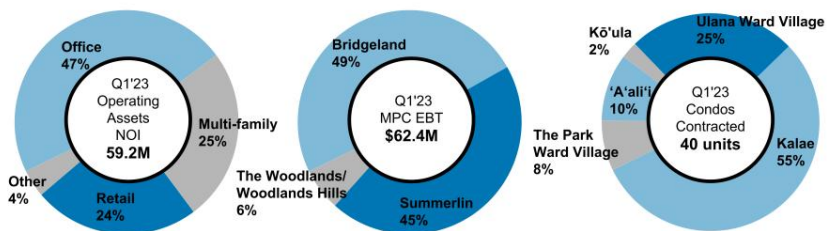
### Q1 2023 Company Performance

Share Price - March 31, 2023	\$ 80.00
Diluted Earnings / Share	\$ (0.46)
FFO / Diluted Share	\$ 0.52
Core FFO / Diluted Share	\$ 0.63
AFFO / Diluted Share	\$ 0.51

### Recent Company Highlights

HOUSTON, Jan. 10, 2023 (PRNewswire) - The Howard Hughes Corporation® (HHC) has closed \$1.3 billion in key financings across its national portfolio, increasing the company's liquidity to over \$800 million.

### Performance Highlights

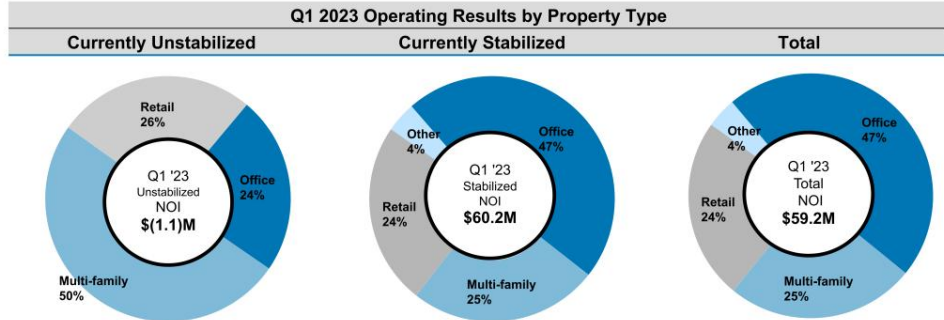
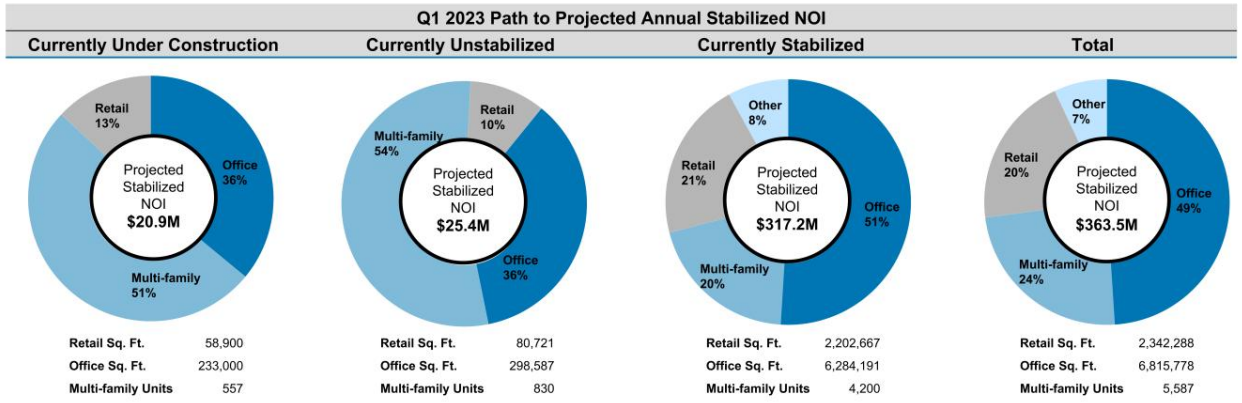


### Operating Portfolio by Region





## Company Profile - Summary & Results (cont.)



Path to Projected Annual Stabilized NOI charts exclude Seaport NOI, units, and square footage. See page 19 for Seaport NOI and other project information. See page 4 for definitions of Under Construction, Unstabilized, Stabilized, and Net Operating Income (NOI).

## Financial Summary

<i>thousands except share price and billions</i>	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
<b>Company Profile</b>					
Share price (a)	\$ 80.00	\$ 76.42	\$ 55.39	\$ 68.05	\$ 103.61
Market Capitalization (b)	\$4.0b	\$3.8b	\$2.7b	\$3.5b	\$5.4b
Enterprise Value (c)	\$8.4b	\$8.0b	\$7.1b	\$7.7b	\$9.4b
Weighted avg. shares - basic	49,455	49,426	49,445	50,786	52,453
Weighted avg. shares - diluted	49,455	49,464	49,471	50,822	52,501
<b>Debt Summary</b>					
Total debt payable (d)	\$4,831,044	\$4,802,188	\$4,675,327	\$4,847,318	\$4,722,552
Fixed-rate debt	\$3,607,734	\$3,610,618	\$3,316,050	\$3,320,845	\$3,197,722
Weighted avg. rate - fixed	4.55 %	4.55 %	4.40 %	4.40 %	4.40 %
Variable-rate debt, excluding condominium financing	\$1,174,310	\$1,142,570	\$1,310,277	\$1,255,498	\$1,291,921
Weighted avg. rate - variable	6.20 %	6.07 %	5.19 %	4.45 %	3.58 %
Condominium debt outstanding at end of period	\$ 49,000	\$ 49,000	\$ 49,000	\$ 270,975	\$ 232,909
Weighted avg. rate - condominium financing	7.00 %	7.00 %	8.14 %	5.00 %	4.79 %
Leverage ratio (debt to enterprise value)	57.00 %	59.40 %	65.16 %	62.36 %	49.63 %
<b>General and Administrative</b>					
General and administrative (G&A) (e)	\$ 23,553	\$ 20,898	\$ 19,471	\$ 15,512	\$ 25,891
Less: Non-cash stock compensation	(3,443)	(1,366)	(1,298)	(1,254)	(1,437)
Cash G&A (f)	\$ 20,110	\$ 19,532	\$ 18,173	\$ 14,258	\$ 24,454

(a) Presented as of period end date.

(b) Market capitalization = Closing share price as of the last trading day of the respective period times diluted weighted average shares.

(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.

(e) G&A expense includes \$1.6 million of severance and bonus costs and \$2.1 million of non-cash stock compensation related to our former General Counsel in the first quarter of 2023 and \$2.3 million of severance and bonus costs related to our former Chief Financial Officer in the first quarter of 2022.

(f) Cash G&A is a non-GAAP financial measure that we believe is useful to our investors and other users of our financial statements as an indicator of overhead efficiency without regard to non-cash expenses associated with stock compensation. However, it should not be used as an alternative to general and administrative expenses in accordance with GAAP.

## Financial Summary (cont.)

<i>thousands except percentages</i>	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
<b>Segment Metrics</b>					
<b>Operating Assets</b>					
Operating Assets NOI	\$ 54,310	\$ 52,652	\$ 58,657	\$ 63,961	\$ 50,514
Company's share of NOI from unconsolidated ventures	4,860	2,420	2,139	2,386	6,754
Total Operating Assets NOI	\$ 59,170	\$ 55,072	\$ 60,796	\$ 66,347	\$ 57,268
<b>MPC</b>					
MPC Segment EBT	\$ 62,372	\$ 76,660	\$ 75,383	\$ 71,266	\$ 59,678
<b>Seaport</b>					
Seaport NOI	\$ (5,585)	\$ (4,910)	\$ 1,568	\$ (684)	\$ (5,742)
Company's share of NOI from unconsolidated ventures (a)	(9,591)	(15,730)	(11,034)	(4,979)	(3,838)
Total Seaport NOI	\$ (15,176)	\$ (20,640)	\$ (9,466)	\$ (5,663)	\$ (9,580)
<b>Condo Gross Profit</b>					
Condominium rights and unit sales	\$ 6,087	\$ 217,397	\$ 418,645	\$ 21,420	\$ 19,616
Adjusted condominium rights and unit cost of sales (b)	(4,536)	(154,957)	(295,300)	(16,833)	(14,180)
Condo adjusted gross profit	\$ 1,551	\$ 62,440	\$ 123,345	\$ 4,587	\$ 5,436

(a) Company's share of NOI for the Tin Building by Jean-Georges has been updated for the first and second quarters of 2022 using our current partnership funding provisions compared to the stated ownership of 65% used previously.

(b) Excludes \$2.7 million charge in the second quarter of 2022 for the estimated costs related to construction defects at the Waiea tower. HHC should be entitled to recover all the repair costs from the general contractor, other responsible parties, and insurance proceeds; however, it can provide no assurances that all or any portion of the costs will be recovered.



## Balance Sheets

thousands except par values and share amounts (unaudited)

	March 31, 2023	December 31, 2022
<b>ASSETS</b>		
Master Planned Communities assets	\$ 2,418,631	\$ 2,411,526
Buildings and equipment	4,368,919	4,246,389
Less: accumulated depreciation	(912,636)	(867,700)
Land	310,685	312,230
Developments	1,205,501	1,125,027
Net investment in real estate	7,391,100	7,227,472
Investments in unconsolidated ventures	250,639	246,171
Cash and cash equivalents	417,746	626,653
Restricted cash	471,426	472,284
Accounts receivable, net	105,683	103,437
Municipal Utility District receivables, net	511,078	473,068
Deferred expenses, net	132,777	128,865
Operating lease right-of-use assets, net	46,220	46,926
Other assets, net	253,463	278,587
<b>Total assets</b>	<b>\$ 9,580,132</b>	<b>\$ 9,603,463</b>
<b>LIABILITIES</b>		
Mortgages, notes, and loans payable, net	\$ 4,778,106	\$ 4,747,183
Operating lease obligations	51,350	51,321
Deferred tax liabilities, net	250,892	254,336
Accounts payable and other liabilities	917,261	944,511
<b>Total liabilities</b>	<b>5,997,609</b>	<b>5,997,351</b>
<b>EQUITY</b>		
Preferred stock: \$0.01 par value; 50,000,000 shares authorized, none issued	—	—
Common stock: \$0.01 par value; 150,000,000 shares authorized, 56,427,928 issued, and 49,996,486 outstanding as of March 31, 2023, 56,226,273 shares issued, and 49,801,997 outstanding as of December 31, 2022	566	564
Additional paid-in capital	3,977,514	3,972,561
Retained earnings (accumulated deficit)	145,332	168,077
Accumulated other comprehensive income (loss)	5,005	10,335
Treasury stock, at cost, 6,431,442 shares as of March 31, 2023, and 6,424,276 shares as of December 31, 2022	(611,659)	(611,038)
Total stockholders' equity	3,516,758	3,540,499
Noncontrolling interests	65,765	65,613
<b>Total equity</b>	<b>3,582,523</b>	<b>3,606,112</b>
<b>Total liabilities and equity</b>	<b>\$ 9,580,132</b>	<b>\$ 9,603,463</b>

## Statements of Operations

<i>thousands except per share amounts (unaudited)</i>	Q1 2023	Q1 2022
<b>REVENUES</b>		
Condominium rights and unit sales	\$ 6,087	\$ 19,616
Master Planned Communities land sales	59,361	61,468
Rental revenue	97,864	95,109
Other land, rental, and property revenues	18,968	19,537
Builder price participation	14,009	14,496
<b>Total revenues</b>	<b>196,289</b>	<b>210,226</b>
<b>EXPENSES</b>		
Condominium rights and unit cost of sales	4,536	14,180
Master Planned Communities cost of sales	22,003	24,686
Operating costs	72,387	65,555
Rental property real estate taxes	15,419	15,182
Provision for (recovery of) doubtful accounts	(2,420)	844
General and administrative	23,553	25,891
Depreciation and amortization	52,009	48,593
Other	3,571	2,409
<b>Total expenses</b>	<b>191,058</b>	<b>197,340</b>
<b>OTHER</b>		
Gain (loss) on sale or disposal of real estate and other assets, net	4,730	(9)
Other income (loss), net	4,981	(221)
<b>Total other</b>	<b>9,711</b>	<b>(230)</b>
<b>Operating income (loss)</b>	<b>14,942</b>	<b>12,656</b>
Interest income	4,092	24
Interest expense	(38,137)	(27,438)
Gain (loss) on extinguishment of debt	—	(282)
Equity in earnings (losses) from unconsolidated ventures	(4,802)	17,912
Income (loss) before income taxes	(23,905)	2,872
Income tax expense (benefit)	(1,278)	701
Net income (loss)	(22,627)	2,171
Net (income) loss attributable to noncontrolling interests	(118)	(49)
<b>Net income (loss) attributable to common stockholders</b>	<b>\$ (22,745)</b>	<b>\$ 2,122</b>
<b>Basic income (loss) per share</b>	<b>\$ (0.46)</b>	<b>\$ 0.04</b>
<b>Diluted income (loss) per share</b>	<b>\$ (0.46)</b>	<b>\$ 0.04</b>

## Same Store NOI - Operating Assets Segment

<i>thousands</i>	YTD Q1 2023	YTD Q1 2022	\$ Change	% Change
<b>Same Store Office</b>				
Houston, TX	\$ 18,554	\$ 16,075	\$ 2,479	15 %
Columbia, MD	6,177	5,805	372	6 %
Las Vegas, NV	3,244	3,297	(53)	(2)%
<b>Total Same Store Office</b>	<b>27,975</b>	<b>25,177</b>	<b>2,798</b>	<b>11 %</b>
<b>Same Store Retail</b>				
Houston, TX	3,395	1,774	1,621	91 %
Columbia, MD	592	456	136	30 %
Las Vegas, NV	6,217	5,802	415	7 %
Honolulu, HI	4,576	4,000	576	14 %
<b>Total Same Store Retail</b>	<b>14,780</b>	<b>12,032</b>	<b>2,748</b>	<b>23 %</b>
<b>Same Store Multi-Family</b>				
Houston, TX	9,626	7,684	1,942	25 %
Columbia, MD	1,524	1,613	(89)	(6)%
Las Vegas, NV	1,948	1,848	100	5 %
Company's share of NOI from unconsolidated ventures	1,811	1,744	67	4 %
<b>Total Same Store Multi-Family</b>	<b>14,909</b>	<b>12,889</b>	<b>2,020</b>	<b>16 %</b>
<b>Same Store Other</b>				
Houston, TX	1,853	1,745	108	6 %
Columbia, MD	1	98	(97)	(99)%
Las Vegas, NV	(2,398)	(1,096)	(1,302)	(119)%
Honolulu, HI	68	42	26	62 %
Company's share of NOI from unconsolidated ventures	3,049	5,010	(1,961)	(39)%
<b>Total Same Store Other</b>	<b>2,573</b>	<b>5,799</b>	<b>(3,226)</b>	<b>(56)%</b>
<b>Total Same Store NOI</b>	<b>60,237</b>	<b>55,897</b>	<b>4,340</b>	<b>8 %</b>
<b>Non-Same Store NOI</b>	<b>(1,067)</b>	<b>1,371</b>	<b>(2,438)</b>	<b>(178)%</b>
<b>Total Operating Assets NOI</b>	<b>\$ 59,170</b>	<b>\$ 57,268</b>	<b>\$ 1,902</b>	<b>3 %</b>

See page 4 for definitions of Same Store Properties and Same Store NOI.

## Same Store Performance - Operating Assets Segment

<i>thousands</i>	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
<b>Same Store Metrics</b>					
<b>Stabilized Leasing Percentages</b>					
Office	86 %	85 %	89 %	88 %	90 %
Retail	96 %	95 %	96 %	95 %	93 %
Multi-Family	95 %	95 %	96 %	96 %	98 %
<b>Unstabilized Leasing Percentages (a)</b>					
Office	— %	— %	71 %	64 %	52 %
Retail	— %	— %	90 %	78 %	72 %
<b>Same Store NOI</b>					
Office	\$ 27,975	\$ 27,870	\$ 28,430	\$ 29,739	\$ 25,177
Retail	14,780	12,877	12,473	13,844	12,032
Multi-Family	14,909	12,795	13,732	13,629	12,889
Other	2,573	897	5,882	7,918	5,799
<b>Total Same Store NOI</b>	<b>\$ 60,237</b>	<b>\$ 54,439</b>	<b>\$ 60,517</b>	<b>\$ 65,130</b>	<b>\$ 55,897</b>
<b>Quarter over Quarter Change in Same Store NOI</b>	<b>11 %</b>	<b>(10)%</b>	<b>(7)%</b>	<b>17 %</b>	

See page 4 for definitions of Same Store Properties and Same Store NOI.

(a) As of Q1 2023, all same store properties are stabilized.

## NOI by Region, excluding Seaport

<i>thousands except Sq. Ft. and units</i>	% Ownership (a)	Total		Q1 2023 Occupied (#)		Q1 2023 Leased (#)		Q1 2023 Occupied (%)		Q1 2023 Leased (%)		In-Place NOI	Stabilized NOI	Time to Stabilize (Years) (b)
		Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units			
<b>Stabilized Properties</b>														
Office - Houston	100 %	3,994,920	—	3,263,061	—	3,395,321	—	82 %	— %	85 %	— %	\$ 76,470	\$ 110,640	—
Office - Columbia	100 %	1,753,291	—	1,332,835	—	1,491,243	—	76 %	— %	85 %	— %	23,080	35,380	—
Office - Summerlin	100 %	535,980	—	501,961	—	511,440	—	94 %	— %	95 %	— %	13,690	14,900	—
Retail - Houston	100 %	358,577	—	310,138	—	328,756	—	86 %	— %	92 %	— %	10,760	12,700	—
Retail - Columbia	100 %	99,899	—	99,899	—	99,899	—	100 %	— %	100 %	— %	3,820	2,710	—
Retail - Hawai'i	100 %	809,333	—	742,341	—	755,485	—	92 %	— %	93 %	— %	14,750	24,400	—
Retail - Summerlin	100 %	803,145	—	787,028	—	798,839	—	98 %	— %	99 %	— %	22,200	26,300	—
Multi-Family - Houston (c)	100 %	34,419	2,610	30,727	2,434	31,762	2,456	89 %	93 %	92 %	94 %	34,840	39,980	—
Multi-Family - Columbia (c)	Various	97,294	1,199	58,702	1,114	88,335	1,152	60 %	93 %	91 %	96 %	14,820	16,860	—
Multi-Family - Summerlin (c)	100 %	—	391	—	367	—	380	— %	94 %	— %	97 %	7,650	7,650	—
Self-Storage - Houston	100 %	—	1,367	—	1,254	—	1,269	— %	92 %	— %	93 %	1,000	1,390	—
Other - Summerlin (d)	Various	—	—	—	—	—	—	— %	— %	— %	— %	9,460	14,270	—
Other Assets (d)	Various	135,801	—	135,801	—	135,801	—	100 %	— %	100 %	— %	6,880	10,000	—
<b>Total Stabilized Properties (e)</b>												<b>\$ 239,420</b>	<b>\$ 317,180</b>	<b>—</b>
<b>Unstabilized Properties</b>														
Office - Houston	100 %	32,689	—	—	—	—	—	— %	— %	— %	— %	\$ (320)	\$ 790	2.8
Office - Summerlin	100 %	265,898	—	117,167	—	153,886	—	44 %	— %	58 %	— %	(1,090)	8,380	2.8
Retail - Hawai'i	100 %	48,029	—	2,307	—	21,935	—	5 %	— %	46 %	— %	(140)	2,530	2.1
Multi-Family - Houston (c)	100 %	—	358	—	151	—	167	— %	42 %	— %	47 %	1,220	4,360	2.3
Multi-Family - Columbia (c)	100 %	32,692	472	—	82	15,946	116	— %	17 %	49 %	25 %	(180)	9,320	2.8
<b>Total Unstabilized Properties</b>												<b>\$ (510)</b>	<b>\$ 25,380</b>	<b>2.5</b>

## NOI by Region, excluding Seaport (cont.)

<i>thousands except Sq. Ft. and units</i>	% Ownership (a)	Total		Q1 2023 Occupied (#)		Q1 2023 Leased (#)		Q1 2023 Occupied (%)		Q1 2023 Leased (%)		In-Place NOI	Stabilized NOI	Time to Stabilize (Years) (b)
		Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units	Sq. Ft.	Units			
<b>Under Construction Properties</b>														
Office - Columbia	100 %	86,000	—	—	—	—	—	—	—	—	—	n/a	\$ 3,200	3.8
Office - Summerlin	100 %	147,000	—	—	—	—	—	—	—	—	—	n/a	4,300	3.8
Retail - Hawai'i	100 %	58,900	—	—	—	—	—	—	—	—	—	n/a	2,660	5.0
Multi-Family - Houston (c)	100 %	—	263	—	—	—	—	—	—	—	—	n/a	4,860	3.0
Multi-Family - Summerlin (c)	100 %	—	294	—	—	—	—	—	—	—	—	n/a	5,900	3.8
<b>Total Under Construction Properties</b>												n/a	<b>\$ 20,920</b>	<b>4.0</b>
<b>Total / Wtd. Avg. for Portfolio</b>												<b>\$ 238,910</b>	<b>\$ 363,480</b>	<b>3.4</b>

(a) Includes our share of NOI from our unconsolidated ventures.

(b) The expected stabilization date used in the Time to Stabilize calculation for all unstabilized and under construction assets is set 36 months from the in-service or expected in-service date.

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

(d) These assets can be found on page 16 of this presentation.

(e) For Stabilized Properties, the difference between In-Place NOI and Stabilized NOI is attributable to a number of factors which may include temporary abatements, timing of lease turnovers, free rent and other market factors.

## Stabilized Properties - Operating Assets Segment

<i>thousands except Sq. Ft. and units</i>	Location	% Ownership	Rentable Sq. Ft.	Q1 2023 % Occ. (a)	Q1 2023 % Leased (a)	In-Place NOI (b)	Est. Stabilized NOI (b)
<b>Office</b>							
One Hughes Landing	Houston, TX	100 %	200,639	55 %	55 %	\$ 2,190	\$ 6,170
Two Hughes Landing	Houston, TX	100 %	197,950	79 %	82 %	3,930	6,000
Three Hughes Landing	Houston, TX	100 %	321,633	93 %	95 %	8,240	8,240
1725 Hughes Landing Boulevard	Houston, TX	100 %	339,608	63 %	63 %	3,000	6,900
1735 Hughes Landing Boulevard	Houston, TX	100 %	318,237	100 %	100 %	7,950	8,900
2201 Lake Woodlands Drive	Houston, TX	100 %	22,259	100 %	100 %	490	570
Lakefront North	Houston, TX	100 %	258,058	98 %	98 %	6,530	6,450
Memorial Hermann Medical Office Building	Houston, TX	100 %	20,000	100 %	100 %	570	600
8770 New Trails	Houston, TX	100 %	180,000	100 %	100 %	4,420	4,400
9303 New Trails	Houston, TX	100 %	98,283	37 %	42 %	120	1,530
3831 Technology Forest Drive	Houston, TX	100 %	97,360	100 %	100 %	2,450	2,620
3 Waterway Square	Houston, TX	100 %	227,617	91 %	91 %	4,140	6,500
4 Waterway Square	Houston, TX	100 %	217,952	80 %	80 %	3,440	6,860
The Woodlands Towers at the Waterway (c)	Houston, TX	100 %	1,401,048	79 %	87 %	27,920	43,400
1400 Woodloch Forest	Houston, TX	100 %	94,276	76 %	79 %	1,080	1,500
10 - 70 Columbia Corporate Center	Columbia, MD	100 %	925,584	74 %	79 %	8,340	14,330
Columbia Office Properties	Columbia, MD	100 %	67,066	83 %	83 %	680	1,400
One Mall North	Columbia, MD	100 %	99,806	58 %	65 %	480	1,950
One Merriweather	Columbia, MD	100 %	209,959	100 %	100 %	5,550	5,400
Two Merriweather	Columbia, MD	100 %	124,639	79 %	98 %	4,030	3,100
6100 Merriweather	Columbia, MD	100 %	326,237	69 %	93 %	4,000	9,200
Aristocrat	Las Vegas, NV	100 %	181,534	100 %	100 %	4,390	4,520
One Summerlin	Las Vegas, NV	100 %	207,307	84 %	88 %	5,450	6,440
Two Summerlin	Las Vegas, NV	100 %	147,139	100 %	100 %	3,850	3,940
<b>Total Office</b>			<b>6,284,191</b>			<b>\$ 113,240</b>	<b>\$ 160,920</b>
<b>Retail</b>							
Creeside Park West	Houston, TX	100 %	72,976	86 %	97 %	\$ 1,720	\$ 2,200
Hughes Landing Retail	Houston, TX	100 %	125,803	85 %	93 %	4,100	4,990
1701 Lake Robbins	Houston, TX	100 %	12,376	100 %	100 %	510	540
Lakeland Village Center at Bridgeland	Houston, TX	100 %	67,947	84 %	84 %	2,020	1,800
20/25 Waterway Avenue	Houston, TX	100 %	50,062	83 %	85 %	1,550	2,000
Waterway Garage Retail	Houston, TX	100 %	21,513	100 %	100 %	810	870
2000 Woodlands Parkway	Houston, TX	100 %	7,900	100 %	100 %	50	300
Columbia Regional Building	Columbia, MD	100 %	89,199	100 %	100 %	3,550	2,310
Merriweather District Area 3 Retail	Columbia, MD	100 %	10,700	100 %	100 %	270	400
Ward Village Retail	Honolulu, HI	100 %	809,333	92 %	93 %	14,750	24,400
Downtown Summerlin (d)	Las Vegas, NV	100 %	803,145	98 %	99 %	22,200	26,300
<b>Total Retail</b>			<b>2,070,954</b>			<b>\$ 51,530</b>	<b>\$ 66,110</b>



## Stabilized Properties - Operating Assets Segment (cont.)

thousands except Sq. Ft. and units	Location	% Ownership	Rentable Sq. Ft.	Units	Q1 2023 % Occ.(a)		Q1 2023 % Leased (a)		In-Place NOI (b)	Est. Stabilized NOI (b)
					Rentable Sq. Ft.	Units	Rentable Sq. Ft.	Units		
<b>Multi-family</b>										
Creekside Park Apartments	Houston, TX	100 %	—	292	n/a	93 %	n/a	94 %	\$ 2,690	\$ 3,000
Creekside Park The Grove	Houston, TX	100 %	—	360	n/a	93 %	n/a	94 %	4,210	4,780
Lakeside Row	Houston, TX	100 %	—	312	n/a	91 %	n/a	92 %	3,030	3,870
Millennium Six Pines Apartments	Houston, TX	100 %	—	314	n/a	93 %	n/a	93 %	3,590	4,500
Millennium Waterway Apartments	Houston, TX	100 %	—	393	n/a	92 %	n/a	94 %	4,170	4,600
One Lakes Edge	Houston, TX	100 %	22,971	390	84 %	95 %	88 %	96 %	6,600	7,200
The Lane at Waterway	Houston, TX	100 %	—	163	n/a	91 %	n/a	93 %	2,460	3,500
Two Lakes Edge	Houston, TX	100 %	11,448	386	100 %	96 %	100 %	97 %	8,090	8,530
Juniper Apartments	Columbia, MD	100 %	55,677	382	31 %	93 %	84 %	96 %	7,140	9,160
The Metropolitan Downtown Columbia	Columbia, MD	50 %	13,591	380	100 %	92 %	100 %	96 %	3,460	3,450
m.flats/TEN.M	Columbia, MD	50 %	28,026	437	100 %	93 %	100 %	97 %	4,220	4,250
Constellation Apartments	Las Vegas, NV	100 %	—	124	n/a	95 %	n/a	96 %	2,420	2,500
Tanager Apartments	Las Vegas, NV	100 %	—	267	n/a	93 %	n/a	98 %	5,230	5,150
<b>Total Multi-family (e)</b>			<b>131,713</b>	<b>4,200</b>					<b>\$ 57,310</b>	<b>\$ 64,490</b>
<b>Other</b>										
Hughes Landing Daycare	Houston, TX	100 %	10,000	—	100 %	— %	100 %	— %	\$ 250	\$ 280
The Woodlands Warehouse	Houston, TX	100 %	125,801	—	100 %	— %	100 %	— %	1,340	1,520
HHC 242 Self-Storage	Houston, TX	100 %	—	635	n/a	92 %	n/a	93 %	500	710
HHC 2978 Self-Storage	Houston, TX	100 %	—	732	n/a	91 %	n/a	93 %	500	680
Woodlands Sarofim #1	Houston, TX	20 %	n/a	n/a	n/a	n/a	n/a	n/a	150	250
Stewart Title of Montgomery County, TX	Houston, TX	50 %	n/a	n/a	n/a	n/a	n/a	n/a	—	2,380
Houston Ground Leases	Houston, TX	100 %	n/a	n/a	n/a	n/a	n/a	n/a	4,610	2,300
Kewalo Basin Harbor	Honolulu, HI	100 %	n/a	n/a	n/a	n/a	n/a	n/a	2,150	2,180
Hockey Ground Lease	Las Vegas, NV	100 %	n/a	n/a	n/a	n/a	n/a	n/a	590	580
Summerlin Hospital Medical Center	Las Vegas, NV	5 %	n/a	n/a	n/a	n/a	n/a	n/a	3,000	4,640
Las Vegas Ballpark (f)	Las Vegas, NV	100 %	n/a	n/a	n/a	n/a	n/a	n/a	5,870	9,050
Other Assets	Various	100 %	n/a	n/a	n/a	n/a	n/a	n/a	(1,620)	1,090
<b>Total Other</b>			<b>135,801</b>	<b>1,367</b>					<b>\$ 17,340</b>	<b>\$ 25,660</b>
<b>Total Stabilized</b>									<b>\$ 239,420</b>	<b>\$ 317,180</b>

(a) Percentage Occupied and Percentage Leased are as of March 31, 2023.

(b) For Stabilized Properties, the difference between In-Place NOI and Stabilized NOI is attributable to a number of factors which may include temporary abatements, timing of lease turnovers, free rent and other market factors.

(c) 1201 Lake Robbins and 9950 Woodloch Forest, are collectively known as The Woodlands Towers at the Waterway.

(d) Downtown Summerlin rentable sq. ft. excludes 381,767 sq. ft. of anchor space and 39,700 sq. ft. of office space.

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

(f) 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	Location	% Ownership	Rentable Sq. Ft.	Units	Q1 2023 % Occ. (a)		Q1 2023 % Leased (a)		Dev. Costs Incurred to Date	Total Estimated Dev. Costs	In-Place NOI	Est. Stabilized NOI (b)	Est. Stab. Date	Est. Stab. Yield
					Rentable Sq. Ft.	Units	Rentable Sq. Ft.	Units						
<b>Office</b>														
Creekside Park Medical Plaza	Houston, TX	100 %	32,689	—	— %	n/a	— %	n/a	\$ 6,636	\$ 10,351	\$ (320)	\$ 790	2025	8 %
1700 Pavilion	Las Vegas, NV	100 %	265,898	—	44 %	n/a	58 %	n/a	88,166	121,515	(1,090)	8,380	2025	7 %
<b>Total Office</b>			<b>298,587</b>	<b>—</b>					<b>\$ 94,802</b>	<b>\$ 131,866</b>	<b>\$ (1,410)</b>	<b>\$ 9,170</b>		
<b>Retail</b>														
A'ali'i (c)	Honolulu, HI	100 %	11,175	—	21 %	n/a	100 %	n/a	—	—	90	640	2023	— %
Kō'ula (c)	Honolulu, HI	100 %	36,854	—	— %	n/a	29 %	n/a	—	—	(230)	1,890	2025	— %
<b>Total Retail</b>			<b>48,029</b>	<b>—</b>					<b>\$ —</b>	<b>\$ —</b>	<b>\$ (140)</b>	<b>\$ 2,530</b>		
<b>Multi-Family</b>														
Starling at Bridgeland	Houston, TX	100 %	—	358	— %	42 %	— %	47 %	\$ 52,788	\$ 60,572	\$ 1,220	\$ 4,360	2025	7 %
Marlow	Columbia, MD	100 %	32,692	472	— %	17 %	49 %	25 %	108,742	130,490	(180)	9,320	2025	7 %
<b>Total Multi-Family</b>			<b>32,692</b>	<b>830</b>					<b>\$ 161,530</b>	<b>\$ 191,062</b>	<b>\$ 1,040</b>	<b>\$ 13,680</b>		
<b>Total Unstabilized</b>									<b>\$ 256,332</b>	<b>\$ 322,928</b>	<b>\$ (510)</b>	<b>\$ 25,380</b>		

(a) Percentage Occupied and Percentage Leased are as of March 31, 2023.

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

(c) Condominium retail Develop. Cost Incurred and Est. Total Costs (Excl. Land) are combined with their respective condominium costs on page 20 and 21 of this supplement.

## Under Construction Properties - Strategic Developments Segment

<i>thousands except Sq. Ft. and units</i>	Location	% Ownership	Est. Rentable Sq. Ft.	Percent Pre-Leased (a)	Const. Start Date	Est. Stabilized Date (b)	Dev. Costs Incurred to Date	Total Estimated Development Costs	Est. Stabilized NOI	Est. Stab. Yield
<b>Office</b>										
South Lake Medical Office Building	Columbia, MD	100 %	86,000	21 %	Q3 2022	2027	\$ 6,370	\$ 46,750	\$ 3,200	7 %
Summerlin South Office	Las Vegas, NV	100 %	147,000	— %	Q4 2022	2026	5,932	55,459	4,300	8 %
<b>Total Office</b>			<b>233,000</b>				<b>\$ 12,302</b>	<b>\$ 102,209</b>	<b>\$ 7,500</b>	
<b>Retail</b>										
Ulana Ward Village (c)	Honolulu, HI	100 %	32,100	— %	Q1 2023	2028	\$ —	\$ —	\$ 760	— %
The Park Ward Village (c)	Honolulu, HI	100 %	26,800	— %	Q4 2022	2028	—	—	1,900	— %
<b>Total Retail</b>			<b>58,900</b>				<b>\$ —</b>	<b>\$ —</b>	<b>\$ 2,660</b>	

<i>in thousands except Sq. Ft. and units</i>	Location	% Ownership	# of Units	Monthly Est. Rent Per Unit	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>										
Tanager Echo	Las Vegas, NV	100 %	294	\$ 2,148	Q2 2021	2026	\$ 70,791	\$ 86,853	\$ 5,900	7 %
Wingspan (d)	Houston, TX	100 %	263	2,460	Q2 2022	2026	26,464	87,048	4,860	6 %
<b>Total Multi-family</b>			<b>557</b>				<b>\$ 97,255</b>	<b>\$ 173,901</b>	<b>\$ 10,760</b>	
<b>Total Under Construction</b>							<b>\$ 109,557</b>	<b>\$ 276,110</b>	<b>\$ 20,920</b>	

(a) Represents leases signed as of March 31, 2023.

(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 20 and 21 of this supplement.

(d) Wingspan is our first single-family rental community in Bridgeland. The project, which will include 263 homes, is expected to start welcoming residents in 2024.

## Seaport Operating Performance

Q1 2023 <i>thousands except sq. ft. and percentages</i>	Landlord Operations (a)	Landlord Operations - Multi-family (b)	Managed Businesses (c)	Tin Building (d)	Events and Sponsorships (e)	Q1 2023 Total
Revenues (f)	\$ 2,285	\$ 342	\$ 5,222	\$ 2,818	\$ 1,230	\$ 11,897
Operating expenses (f)	(8,050)	(222)	(7,757)	(455)	(2,432)	(18,916)
Adjustments to arrive at NOI	1,475	(92)	(1)	52	—	1,434
<b>Seaport NOI</b>	<b>\$ (4,290)</b>	<b>\$ 28</b>	<b>\$ (2,536)</b>	<b>\$ 2,415</b>	<b>\$ (1,202)</b>	<b>\$ (5,585)</b>
Company's share of NOI from unconsolidated ventures (f)	—	—	(433)	(9,158)	—	(9,591)
<b>Total Seaport NOI (g)</b>	<b>\$ (4,290)</b>	<b>\$ 28</b>	<b>\$ (2,969)</b>	<b>\$ (6,743)</b>	<b>\$ (1,202)</b>	<b>\$ (15,176)</b>
<b>Rentable Sq. Ft. / Units</b>						
Total Sq. Ft. / units	346,598	13,000 / 21	50,970	53,783	21,077	
Leased Sq. Ft. / units (h)	194,405	— / 21	50,970	53,783	21,077	
% Leased or occupied (h)	56 %	— % / 100 %	100 %	100 %	100 %	
<b>Development</b>						
Development costs incurred to date	\$ 565,257	\$ —	\$ —	\$ 198,214	\$ —	\$ 763,471
Total estimated development costs	\$ 594,368	\$ —	\$ —	\$ 205,676	\$ —	\$ 800,044

(a) Landlord Operations represents physical real estate in the Historic District and Pier 17 developed and owned by HHC and leased to third parties.

(b) Landlord Operations - Multi-family represents 85 South Street which includes base level retail in addition to residential units.

(c) Managed Businesses represents retail and food and beverage businesses in the Historic District and Pier 17 that HHC owns, either wholly or through joint ventures, and operates, including license and management agreements. For the three months ended March 31, 2023, these businesses include, among others, The Fulton, Mister Dips, Carne Mare and Malibu Farm. Managed Businesses also includes the Company's share of NOI from Ssãm Bar and Jean-Georges Restaurants.

(d) The Company owns 100% of the Tin Building (Landlord Operations) with 100% of the space leased to The Tin Building by Jean-Georges joint venture, in which the Company has an equity ownership interest.

(e) Events and Sponsorships includes private events, catering, sponsorships, concert series and other rooftop activities.

(f) Rental revenue earned from and expense paid by businesses we wholly own and operate is eliminated in consolidation. For joint ventures where the Company is the landlord, the Company recognizes 100% of rental revenue earned. The Company's share of rental expense paid by joint ventures is included in the Company's share of NOI from unconsolidated ventures.

(g) Total Seaport NOI includes NOI from businesses we wholly own and operate as well as the Company's share of NOI from unconsolidated ventures. See page 32 for the reconciliation of Total Seaport NOI.

(h) Leased square footage and percent leased for Landlord Operations includes agreements with terms of less than one year.

## Ward Village - Sold Out Condominiums

As of March 31, 2023	Waiea	Anaha	Ae'o	Ke Kilohana	Victoria Place	Total
<b>Key Metrics (\$ in thousands)</b>						
Type of building	Luxury	Luxury	Upscale	Workforce	Luxury	
Number of units	177	317	465	423	349	1,731
Avg. unit Sq. Ft.	2,138	1,417	838	696	1,164	1,108
Condo Sq. Ft.	378,488	449,205	389,663	294,273	406,351	1,917,980
Street retail Sq. Ft.	7,716	16,048	70,800	28,386	n/a	122,950
Stabilized retail NOI	\$450	\$1,200	\$2,400	\$1,200	n/a	\$5,250
Stabilization year	2017	2020	2019	2020	n/a	
<b>Development progress (\$ in thousands)</b>						
Status	Completed	Completed	Completed	Completed	Under Construction	
Start date	Q2 2014	Q4 2014	Q1 2016	Q4 2016	Q1 2021	
Completion date	Q4 2016	Q4 2017	Q4 2018	Q2 2019	2024	
Total estimated development cost (a)	\$608,077	\$403,974	\$430,737	\$218,406	\$503,271	\$2,164,465
Development costs incurred to date	568,040	403,739	430,039	217,092	218,257	1,837,167
Estimated remaining to be spent	\$40,037	\$235	\$698	\$1,314	\$285,014	\$327,298
<b>Financial Summary (\$ in thousands)</b>						
Units closed through March 31, 2023	177	317	465	423	—	1,382
Units under contract through March 31, 2023	—	—	—	—	349	349
Total % of units closed or under contract	100%	100%	100%	100%	100%	100%
Units closed in Q1 2023	—	—	—	—	—	—
Square footage closed or under contract (total)	378,488	449,205	389,663	294,273	406,351	1,917,980
Total % square footage closed or under contract	100%	100%	100%	100%	100%	100%
Total cash received (closings & deposits)	\$698,208	\$515,877	\$512,770	\$218,544	\$158,228	\$2,103,627
Total GAAP revenue recognized	\$698,208	\$515,877	\$512,770	\$218,544	\$—	\$1,945,399
Total future GAAP revenue for units under contract	\$—	\$—	\$—	\$—	\$777,318	\$777,318
<b>Deposit Reconciliation (thousands)</b>						
Spent towards construction	\$—	\$—	\$—	\$—	\$139,894	\$139,894
Held for future use (b)	—	—	—	—	18,334	18,334
Total deposits from sales commitment	\$—	\$—	\$—	\$—	\$158,228	\$158,228

(a) Refer to page 22 for additional details.

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

## Ward Village - Remaining to be Sold

As of March 31, 2023	'A'ali'i	Kō'ula	The Park Ward Village	Ulana Ward Village	Kalae	Total
<b>Key Metrics (\$ in thousands)</b>						
Type of building	Upscale	Upscale	Upscale	Workforce	Luxury	
Number of units	750	565	545	696	329	2,885
Avg. unit Sq. Ft.	520	725	846	623	1,207	725
Condo Sq. Ft.	390,097	409,612	460,864	433,773	397,203	2,091,549
Street retail Sq. Ft. (a)	11,175	36,854	26,800	32,100	2,000	108,929
Stabilized retail NOI	\$640	\$1,890	\$1,900	\$760	N/A	\$5,190
Stabilization year	2023	2025	2028	2028	N/A	
<b>Development progress (\$ in thousands)</b>						
Status	Completed	Completed	Under Construction	Under Construction	Predevelopment	
Start date	Q4 2018	Q3 2019	Q4 2022	Q1 2023	2023	
Completion / Est. Completion date	Q4 2021	Q3 2022	2025	2025	2026	
Total estimated development cost (b)	\$394,908	\$487,039	\$620,065	\$402,914	N/A	\$1,904,926
Development costs incurred to date (b)	381,907	428,200	74,806	33,202	N/A	918,115
Estimated remaining to be spent	\$13,001	\$58,839	\$545,259	\$369,712	N/A	\$986,811
<b>Financial Summary (\$ in thousands)</b>						
Units closed through March 31, 2023	723	550	—	—	—	1,273
Units under contract through March 31, 2023	—	1	504	686	262	1,453
Units remaining to be sold through March 31, 2023	27	14	41	10	67	159
Total % of units closed or under contract	96.4%	97.5%	92.5%	98.6%	79.6%	94.5%
Units closed in Q1 2023	4	1	—	—	—	5
Units under contract in Q1 2023	4	1	3	10	22	40
Square footage closed or under contract (total)	368,936	401,834	430,005	430,883	327,638	1,959,296
Total % square footage closed or under contract	94.6%	98.1%	93.3%	99.3%	82.5%	93.7%
Total cash received (closings & deposits)	\$509,415	\$621,327	\$130,689	\$36,938	\$126,367	\$1,424,736
Total GAAP revenue recognized	\$509,415	\$621,195	\$—	\$—	\$—	\$1,130,610
Total future GAAP revenue for units under contract	\$—	\$1,326	\$654,322	\$369,269	\$664,498	\$1,689,415
Expected avg. price per Sq. Ft.	\$1,300 - \$1,350	\$1,500 - \$1,550	\$1,400 - \$1,450	\$850 - \$900	\$1,950 - \$2,000	
<b>Deposit Reconciliation (thousands)</b>						
Spent towards construction	\$—	\$—	\$—	\$—	\$—	\$—
Held for future use (c)	—	—	130,689	36,938	126,367	293,994
Total deposits from sales commitment	\$—	\$—	\$130,689	\$36,938	\$126,367	\$293,994

(a) Expected construction cost per retail square foot for all sold and remaining to be sold condos is approximately \$1,100.

(b) Refer to page 22 for additional details.

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



## Summary of Remaining Development Costs

As of March 31, 2023 thousands	Location	Total Estimated Development Costs (a)	Development Costs Incurred to Date	Estimated Remaining to be Spent	Remaining Buyer Deposits/ Holdback to be Drawn	Debt to be Drawn	Costs Remaining to be Paid, Net of Debt and Buyer Deposits/ Holdbacks to be Drawn (b)	Estimated Completion Date
Juniper Apartments (c)	Columbia, MD	\$ 116,386	\$ 109,183	\$ 7,203	\$ —	\$ —	7,203	Completed
Marlow	Columbia, MD	130,490	108,742	21,748	—	20,148	1,600	Completed
6100 Merriweather (c)	Columbia, MD	138,221	118,764	19,457	—	—	19,457	Completed
Creekside Park Medical Plaza (c)(d)	Houston, TX	10,351	6,636	3,715	—	4,232	(517)	Completed
Memorial Hermann Medical Office Building (c)(d)	Houston, TX	6,237	4,696	1,541	—	1,816	(275)	Completed
Starling at Bridgeland (d)	Houston, TX	60,572	52,788	7,784	—	8,172	(388)	Completed
1700 Pavilion (c)	Las Vegas, NV	121,515	88,166	33,349	—	33,197	152	Completed
<b>Total Operating Assets</b>		<b>583,772</b>	<b>488,975</b>	<b>94,797</b>	<b>—</b>	<b>67,565</b>	<b>27,232</b>	
Pier 17 and Historic District Area / Uplands (c)	New York, NY	594,368	565,257	29,111	—	—	29,111	Completed
Tin Building	New York, NY	205,676	198,214	7,462	—	—	7,462	Completed
<b>Total Seaport Assets</b>		<b>800,044</b>	<b>763,471</b>	<b>36,573</b>	<b>—</b>	<b>—</b>	<b>36,573</b>	
South Lake Medical Office Building	Columbia, MD	46,750	6,370	40,380	—	23,758	16,622	2024
Wingspan	Houston, TX	87,048	26,464	60,584	—	54,065	6,519	2024
Summerlin South Office	Las Vegas, NV	55,459	5,932	49,527	—	—	49,527	Q4 2023
Tanager Echo	Las Vegas, NV	86,853	70,791	16,062	—	18,032	(1,970)	Q2 2023
'A'ali'i	Honolulu, HI	394,908	381,907	13,001	—	—	13,001	Completed
Kō'ula	Honolulu, HI	487,039	428,200	58,839	48,604	—	10,235	Completed
The Park Ward Village	Honolulu, HI	620,065	74,806	545,259	136,902	392,000	16,357	2025
Ulana Ward Village	Honolulu, HI	402,914	33,202	369,712	36,333	264,000	69,379	2025
Victoria Place (e)	Honolulu, HI	503,271	218,257	285,014	10,748	303,630	(29,364)	2024
Waiea (f)	Honolulu, HI	608,077	568,040	40,037	—	—	40,037	Completed
<b>Total Strategic Developments</b>		<b>3,292,384</b>	<b>1,813,969</b>	<b>1,478,415</b>	<b>232,587</b>	<b>1,055,485</b>	<b>190,343</b>	
<b>Total</b>		<b>\$ 4,676,200</b>	<b>\$ 3,066,415</b>	<b>\$ 1,609,785</b>	<b>\$ 232,587</b>	<b>\$ 1,123,050</b>	<b>\$ 254,148</b>	
							Summerlin South Office financing (g)	(27,003)
							Estimated costs to be funded net of financing costs, assuming closing on estimated financing	\$ 227,145

See page 4 for definition of Remaining Development Costs.

- (a) Total Estimated Development Costs represent all costs to be incurred on the project which include construction costs, demolition costs, marketing costs, capitalized leasing, payroll or project development fees, deferred financing costs, retail costs, and certain accrued costs from lenders and excludes land costs and capitalized corporate interest allocated to the project. Total Estimated Development Costs for assets at Ward Village and Columbia exclude master plan infrastructure and amenity costs at Ward Village and Merriweather District.
- (b) We expect to be able to meet our cash funding requirements with a combination of existing and anticipated construction loans, condominium buyer deposits, free cash flow from our Operating Assets and MPC segments, net proceeds from condominium sales, our existing cash balances and as necessary, the postponement of certain projects.
- (c) Remaining cost is related to lease-up and tenant build-out.
- (d) Negative balance relates to costs paid by HHC, but not yet reimbursed by our lenders. We expect to receive funds from our lenders for these costs in the future.
- (e) The negative balance represents equity that will be paid out as loan proceeds later in 2023. Until that period, costs remaining (net of debt) will reflect a negative balance.
- (f) Total estimated cost includes \$139.2 million for warranty repairs. However, we anticipate recovering a substantial amount of these costs in the future, which is not reflected in this schedule.
- (g) We expect to secure financing to fund this development in 2023.

## Portfolio Key Metrics

As of March 31, 2023	MPC Regions							Non-MPC Regions			
	The Woodlands	The Woodlands Hills	Bridgeland	Summerlin	Teravalis	Floreo	Total	Columbia (a)	Hawai'i	Seaport	Total
	Houston, TX	Houston, TX	Houston, TX	Las Vegas, NV	Phoenix, AZ	Phoenix, AZ	MPC Regions	Columbia, MD	Honolulu, HI	New York, NY	Non-MPC
<b>Stabilized Properties</b>											
Office Sq.Ft.	3,994,920	—	—	535,980	—	—	4,530,900	1,753,291	—	—	1,753,291
Retail Sq. Ft. (b)	325,049	—	67,947	803,145	—	—	1,196,141	197,193	809,333	13,000	1,019,526
Multi-family units	2,298	—	312	391	—	—	3,001	1,199	—	21	1,220
Self-Storage Units	1,367	—	—	—	—	—	1,367	—	—	—	—
Other Sq. Ft.	135,801	—	—	—	—	—	135,801	—	—	—	—
<b>Unstabilized Properties</b>											
Office Sq.Ft.	32,689	—	—	265,898	—	—	298,587	—	—	188,450	188,450
Retail Sq.Ft.	—	—	—	—	—	—	—	32,692	48,029	283,978	364,699
Multi-family units	—	—	358	—	—	—	358	472	—	—	472
<b>Under Construction Properties</b>											
Office Sq.Ft.	—	—	—	147,000	—	—	147,000	86,000	—	—	86,000
Retail Sq.Ft.	—	—	—	—	—	—	—	—	58,900	—	58,900
Multi-family units	—	—	263	294	—	—	557	—	—	—	—
<b>Residential Land</b>											
Total gross acreage/condos (c)	28,545 ac	2,055 ac	11,506 ac	22,500 ac	33,810 ac	3,029 ac	101,445 ac	16,450 ac	4,616	n/a	n/a
Current Residents (c)	120,000	2,375	20,000	123,000	—	—	265,375	112,000	n/a	n/a	n/a
Remaining saleable acres/condos	40 ac	731 ac	2,157 ac	2,618 ac	15,804 ac	861 ac	22,211 ac	n/a	159	n/a	n/a
Estimated price per acre (d)	\$2,493,000	\$333,000	\$541,000	\$900,000	\$696,000	\$648,000		n/a	n/a	n/a	
<b>Commercial Land</b>											
Total acreage remaining	737 ac	167 ac	1,048 ac	700 ac	10,531 ac	457 ac	13,640 ac	96 ac	n/a	n/a	n/a
Estimated price per acre (d)	\$962,000	\$532,000	\$679,000	\$1,172,000	\$224,000	\$151,000		n/a	n/a	n/a	

Portfolio Key Metrics include 100% of square footage and units associated with joint venture projects. Retail space in Multi-family assets shown as Retail square feet.

(a) Columbia MPC land development is complete and the sale of remaining land or development of additional commercial assets will occur as the market dictates. As such, the remaining Columbia land was transferred to the Strategic Developments segment in the first quarter of 2023.

(b) Retail Sq. Ft. within the Summerlin region excludes 381,767 Sq. Ft. of anchors and 39,700 Sq. Ft. of additional office space above our retail space.

(c) Acreage and current residents shown as of March 31, 2023.

(d) Residential and commercial pricing represents the Company's estimate of price per acre per its 2023 land models.

## MPC Performance

Consolidated MPC Segment EBT																
thousands	The Woodlands		Woodlands Hills		Bridgeland		Summerlin		Teravalis		Columbia (a)		Total		Floreo (b)	
	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022
<b>Revenues:</b>																
Residential land sale revenues	\$10,101	\$ —	\$2,111	\$4,106	\$12,206	\$15,480	\$ 7,185	\$13,293	\$ —	\$ —	\$ —	\$ —	\$31,603	\$32,879	\$ —	\$ —
Commercial land sale revenues	—	—	6	—	27,752	2,573	—	26,016	—	—	—	—	27,758	28,589	—	—
Builder price participation	108	338	714	1,106	1,248	1,320	11,939	11,732	—	—	—	—	14,009	14,496	—	—
Other land sale revenues	230	111	29	30	166	60	3,198	3,785	20	97	—	645	3,643	4,728	—	—
<b>Total revenues</b>	<b>10,439</b>	<b>449</b>	<b>2,860</b>	<b>5,242</b>	<b>41,372</b>	<b>19,433</b>	<b>22,322</b>	<b>54,826</b>	<b>20</b>	<b>97</b>	<b>—</b>	<b>645</b>	<b>77,013</b>	<b>80,692</b>	<b>—</b>	<b>—</b>
<b>Expenses:</b>																
Cost of sales - residential land	(5,060)	—	(1,012)	(1,688)	(3,967)	(4,412)	(2,977)	(6,119)	—	—	—	—	(13,016)	(12,219)	—	—
Cost of sales - commercial land	—	—	(2)	—	(8,985)	(733)	—	(11,733)	—	—	—	—	(8,987)	(12,466)	—	—
Real estate taxes	(1,436)	(915)	(5)	(19)	(912)	(961)	(459)	(459)	(4)	(5)	—	(151)	(2,816)	(2,510)	(48)	(39)
Land sales operations	(1,788)	(4,156)	(836)	(606)	(2,687)	(1,252)	(3,728)	(3,461)	(493)	(46)	—	(180)	(9,532)	(9,701)	(528)	(71)
<b>Total operating expenses</b>	<b>(8,284)</b>	<b>(5,071)</b>	<b>(1,855)</b>	<b>(2,313)</b>	<b>(16,551)</b>	<b>(7,358)</b>	<b>(7,164)</b>	<b>(21,772)</b>	<b>(497)</b>	<b>(51)</b>	<b>—</b>	<b>(331)</b>	<b>(34,351)</b>	<b>(36,896)</b>	<b>(576)</b>	<b>(110)</b>
Depreciation and amortization	(30)	(32)	(2)	(2)	(31)	(35)	(34)	(21)	(10)	—	—	—	(107)	(90)	(23)	(4)
Interest income (expense), net	273	303	589	455	6,314	3,405	8,636	6,259	—	—	—	—	15,812	10,422	(353)	(31)
Other (loss) income, net	(103)	—	—	—	—	—	—	—	—	—	—	—	(103)	—	—	—
Equity in earnings (losses) from unconsolidated ventures (c)	—	—	—	—	—	—	4,630	5,622	(522)	(72)	—	—	4,108	5,550	—	—
<b>MPC Segment EBT</b>	<b>\$ 2,295</b>	<b>\$ (4,351)</b>	<b>\$1,592</b>	<b>\$3,382</b>	<b>\$31,104</b>	<b>\$15,445</b>	<b>\$28,390</b>	<b>\$44,914</b>	<b>\$ (1,009)</b>	<b>\$ (26)</b>	<b>\$ —</b>	<b>\$ 314</b>	<b>\$62,372</b>	<b>\$59,678</b>	<b>\$ (952)</b>	<b>\$ (145)</b>

(a) Columbia MPC land development is complete and the sale of remaining land or development of additional commercial assets will occur as the market dictates. As such, the remaining Columbia land was transferred to the Strategic Developments segment in the first quarter of 2023.

(b) This represents 100% of Floreo EBT. The Company owns a 50% interest in Floreo and accounts for its investment under the equity method.

(c) Equity in earnings (losses) from unconsolidated ventures for Teravalis reflects our share of earnings in our Floreo joint venture and for Summerlin our share of earnings in The Summit joint venture.

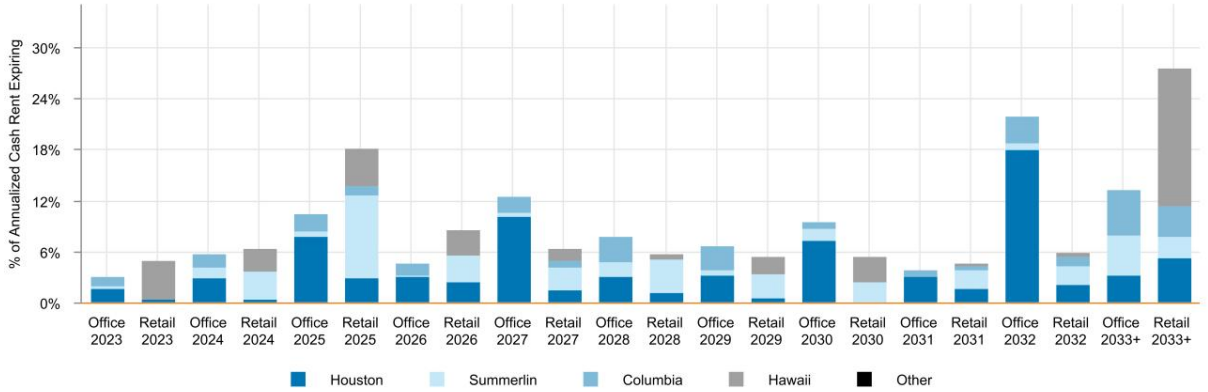


	Consolidated MPC Segment											
	The Woodlands		The Woodlands Hills		Bridgeland		Summerlin		Teravalis		Floreo (a)	
	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022
<i>thousands</i>												
<b>Key Performance Metrics:</b>												
<b>Residential</b>												
Total acres closed in current period	3.5 ac	—	4.9 ac	11.4 ac	22.5 ac	31.3 ac	0.7 ac	1.1 ac	—	—	—	—
Price per acre achieved	\$2,886	\$—	\$431	\$360	\$542	\$495	\$2,857	\$4,555	\$—	\$—	\$—	\$—
Avg. gross margins	49.9%	—%	52.1%	58.9%	67.5%	71.5%	58.6%	54.0%	—%	—%	—%	—%
<b>Commercial</b>												
Total acres closed in current period	—	—	—	—	108.8 ac	9.8 ac	—	16.6	—	—	—	—
Price per acre achieved	\$—	\$—	\$—	\$—	\$247	\$262	\$—	\$1,567	\$—	\$—	\$—	\$—
Avg. gross margins	—%	—%	—%	—%	67.6%	71.5%	—%	54.9%	—%	—%	—%	—%
Avg. combined before-tax net margins	49.9%	—%	52.1%	58.9%	67.6%	71.5%	58.6%	54.6%	—%	—%	—%	—%
<b>Key Valuation Metrics:</b>												
<b>Remaining saleable acres</b>												
Residential	40 ac		731 ac		2,157 ac		2,618 ac		15,804 ac		861 ac	
Commercial	737 ac		167 ac		1,048 ac		700 ac		10,531 ac		457 ac	
Projected est. % superpads / lot size	—% / —		—% / —		—% / —		63% / 0.25 ac		—% / —		—% / —	
Projected est. % single-family detached lots / lot size	80% / 0.18 ac		82% / 0.21 ac		91% / 0.19 ac		—% / —		81% / 0.22 ac		100% / 0.17 ac	
Projected est. % single-family attached lots / lot size	20% / 0.14 ac		18% / 0.12 ac		6% / 0.08 ac		—% / —		19% / 0.11 ac		—% / —%	
Projected est. % custom homes / lot size	—% / —		—% / —		3% / 0.63 ac		37% / 0.45 ac		—% / —		—% / —	
Estimated builder sale velocity (blended total - TTM) (b)	1		18		81		56		NM		NM	
Projected GAAP gross margin (c)	75.8%	74.7%	52.1%	58.9%	67.5%	71.5%	61.4%	52.8%	40.7%	87.3%	34.8%	44.4%
Projected cash gross margin (c)	96.5%		77.8%		84.9%		78.0%		42.0%		53.2%	
<b>Residential sellout / Commercial buildout date estimate</b>												
Residential	2026		2030		2035		2043		2086		2032	
Commercial	2034		2033		2046		2039		2086		2035	

- (a) This represents 100% of Floreo performance and valuation metrics. The Company owns a 50% interest in Floreo and accounts for its investment under the equity method.
- (b) Represents the average monthly builder homes sold over the last twelve months ended March 31, 2023.
- (c) 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.

## Lease Expirations

### Office and Retail Lease Expirations Total Office and Retail Portfolio as of March 31, 2023



Expiration Year	Office Expirations (a)			Retail Expirations (a)		
	Annualized Cash Rent (\$ in thousands)	Percentage of Annualized Cash Rent	Wtd. Avg. Annualized Cash Rent Per Leased Sq. Ft.	Annualized Cash Rent (\$ in thousands)	Percentage of Annualized Cash Rent	Wtd. Avg. Annualized Cash Rent Per Leased Sq. Ft.
2023	\$ 7,681	3.12 %	\$ 38.55	\$ 5,449	4.98 %	\$ 52.45
2024	14,337	5.82 %	40.00	7,025	6.42 %	46.11
2025	26,114	10.59 %	43.17	19,983	18.26 %	53.23
2026	11,592	4.71 %	42.30	9,517	8.70 %	41.02
2027	31,000	12.57 %	40.65	7,109	6.50 %	44.20
2028	19,190	7.79 %	44.50	6,306	5.76 %	48.42
2029	16,609	6.74 %	42.79	6,069	5.55 %	47.28
2030	23,428	9.50 %	47.40	6,055	5.54 %	64.39
2031	9,843	4.00 %	51.79	5,184	4.74 %	54.95
2032	54,055	21.92 %	52.54	6,577	6.00 %	58.13
Thereafter	32,782	13.24 %	44.71	30,209	27.55 %	47.37
<b>Total</b>	<b>\$ 246,631</b>	<b>100.00 %</b>		<b>\$ 109,483</b>	<b>100.00 %</b>	

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

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## Acquisition/Disposition Activity

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thousands except rentable Sq. Ft. / Units / Acres

### Q1 2023 Acquisitions

Date Acquired	Property	% Ownership	Location	Acres / Rentable Sq. Ft.	Acquisition Price
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No acquisition activity in Q1 2023

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### Q1 2023 Dispositions

Date Sold	Property	% Ownership	Location	Acres / Rentable Sq. Ft.	Total Consideration
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March 31, 2023	Ward Village Retail Outparcel (a)	100%	Honolulu, Hawai'i	11,929 sq. ft.	\$6.3 million
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(a) The Company completed the sale of two land parcels in Honolulu, Hawai'i, including an 11,929-square-foot building at the Ward Village Retail property.

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## Other Assets

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Property Name	Location	% Ownership	Acres	Notes
West End Alexandria (formerly Landmark Mall)	Alexandria, VA	58%	41.1	West End Alexandria is a joint venture formed to redevelop the former Landmark Mall into four million square feet of residential, retail, commercial, and entertainment offerings with a central plaza and a network of parks and public transportation. The development will be anchored by a new state-of-the-art hospital and medical campus. Demolition began in the second quarter of 2022, with completion of the first buildings expected in 2025.
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%	1.0	The Company plans to transform the underutilized full-block surface parking lot at the entrance of the Seaport into a mixed-use development including affordable and market-rate apartments, community-oriented spaces, and office space.

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## Debt Summary

<i>thousands</i>	March 31, 2023	December 31, 2022
<b>Fixed-rate debt</b>		
Unsecured 5.375% Senior Notes due 2028	\$ 750,000	\$ 750,000
Unsecured 4.125% Senior Notes due 2029	650,000	650,000
Unsecured 4.375% Senior Notes due 2031	650,000	650,000
Secured mortgages payable	1,498,444	1,500,841
Special Improvement District bonds	59,290	59,777
<b>Variable-rate debt</b>		
Secured mortgages payable, excluding condominium financing	899,310	867,570
Condominium financing	49,000	49,000
Secured Bridgeland Notes due 2026	275,000	275,000
<b>Mortgages, notes and loans payable</b>	<b>4,831,044</b>	<b>4,802,188</b>
Deferred financing costs	(52,938)	(55,005)
<b>Mortgages, notes, and loans payable, net</b>	<b>\$ 4,778,106</b>	<b>\$ 4,747,183</b>

Net Debt on a Segment Basis as of March 31, 2023 (a)							
<i>thousands</i>	Operating Assets	Master Planned Communities	Seaport	Strategic Developments	Segment Totals	Non-Segment Amounts	Total
<b>Mortgages, notes, and loans payable, net</b>	<b>\$ 2,234,017</b>	<b>\$ 329,019</b>	<b>\$ 99,833</b>	<b>\$ 88,051</b>	<b>\$ 2,750,920</b>	<b>\$ 2,027,186</b>	<b>\$ 4,778,106</b>
Mortgages, notes, and loans payable of unconsolidated ventures (b)	90,374	38,331	99	—	128,804	—	128,804
Less:							
Cash and cash equivalents	(88,797)	(85,139)	(3,230)	(2,003)	(179,169)	(238,577)	(417,746)
Cash and cash equivalents of unconsolidated ventures (b)	(1,258)	(43,756)	(9,289)	(7,601)	(61,904)	—	(61,904)
Special Improvement District receivables	—	(63,363)	—	—	(63,363)	—	(63,363)
Municipal Utility District receivables, net	—	(508,284)	—	(2,794)	(511,078)	—	(511,078)
TIF receivable	—	—	—	(1,469)	(1,469)	—	(1,469)
<b>Net Debt</b>	<b>\$ 2,234,336</b>	<b>\$ (333,192)</b>	<b>\$ 87,413</b>	<b>\$ 74,184</b>	<b>\$ 2,062,741</b>	<b>\$ 1,788,609</b>	<b>\$ 3,851,350</b>

Consolidated Debt Maturities and Contractual Obligations as of March 31, 2023							
<i>thousands</i>	Remaining in 2023	2024	2025	2026	2027	Thereafter	Total
Mortgages, notes, and loans payable	\$ 147,382	\$ 78,322	\$ 416,664	\$ 559,816	\$ 298,587	\$ 3,330,273	\$ 4,831,044
Interest payments (c)	193,537	234,400	213,274	187,948	155,557	388,069	1,372,785
Ground lease commitments (d)	2,179	2,849	2,903	2,959	3,016	241,699	255,605
<b>Total</b>	<b>\$ 343,098</b>	<b>\$ 315,571</b>	<b>\$ 632,841</b>	<b>\$ 750,723</b>	<b>\$ 457,160</b>	<b>\$ 3,960,041</b>	<b>\$ 6,459,434</b>

(a) 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.

(b) 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 unconsolidated ventures.

(c) Interest is based on the borrowings that are presently outstanding and current floating interest rates without the effects of interest rate derivatives.

(d) Primarily relates to Seaport ground lease with initial expiration in 2072 and extension options through 2120. Future cash payments are not inclusive of extension options.

## Debt Summary (cont.)

<i>thousands</i>	Q1 2023 Principal	Range of Interest Rates (a)		Weighted- average Interest Rate (a)	Weighted- average Years to Maturity (b)
<b>Operating Assets</b>					
Office	\$ 1,184,373	3.43 %	8.88 %	5.32%	5.7
Retail	272,127	3.50 %	6.29 %	5.74%	5.6
Multi-family	730,113	3.13 %	6.03 %	4.51%	6.8
Other	69,672	3.65 %	5.84 %	4.82%	13.2
Total Operating Assets	\$ 2,256,285	3.13 %	8.88 %	5.09%	6.3
<b>Master Planned Communities (c)</b>	\$ 275,000	5.28 %	5.28 %	5.28%	3.4
<b>Seaport (d)</b>	\$ 100,000	6.59 %	6.59 %	6.59%	0.6
<b>Strategic Developments</b>					
Condominiums	\$ 49,000	6.00 %	10.43 %	7.00%	1.4
Multi-family	41,469	5.44 %	5.73 %	5.44%	2.5
Total Strategic Developments	\$ 90,469	5.44 %	10.43 %	6.28%	1.9
<b>Bonds</b>					
Corporate Bonds	\$ 2,050,000	4.13 %	5.38 %	4.66%	6.3
SID Bonds	59,290	4.13 %	6.05 %	4.80%	25.7
Total Bonds	\$ 2,109,290	4.13 %	6.05 %	4.67%	6.8
<b>Total (e)</b>	\$ 4,831,044	3.13 %	10.43 %	4.97%	6.2

(a) Includes the impact of interest rate derivatives. The Company's interest rate swap with a notional amount of \$615 million matures in September 2023.

(b) Does not include extension options, some of which have performance requirements.

(c) Represents Secured Bridgeland Notes with total borrowing capacity of \$475.0 million and available capacity of \$200.0 million as of March 31, 2023.

(d) Represents 250 Water Street mortgage.

(e) Excludes the Company's share of debt related to its unconsolidated ventures, which totaled \$128.8 million as of March 31, 2023.

## Reconciliation of Non-GAAP Measures

Reconciliation of Operating Assets segment EBT to Total NOI					
<i>thousands</i>	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Total revenues	\$ 100,925	\$ 104,092	\$ 109,493	\$ 118,562	\$ 99,687
Total operating expenses	(47,599)	(47,538)	(48,994)	(51,349)	(46,615)
Segment operating income (loss)	53,326	56,554	60,499	67,213	53,072
Depreciation and amortization	(39,632)	(39,483)	(37,714)	(38,999)	(38,430)
Interest income (expense), net	(28,911)	(25,183)	(23,340)	(21,318)	(20,118)
Other income (loss), net	2,282	(1,083)	421	(309)	(169)
Equity in earnings (losses) from unconsolidated ventures	1,905	365	4,132	2,591	15,175
Gain (loss) on sale or disposal of real estate and other assets, net	4,730	25,570	—	4,018	—
Gain (loss) on extinguishment of debt	—	(1,585)	—	(363)	(282)
<b>Operating Assets segment EBT</b>	<b>(6,300)</b>	<b>15,155</b>	<b>3,998</b>	<b>12,833</b>	<b>9,248</b>
Add back:					
Depreciation and amortization	39,632	39,483	37,714	38,999	38,430
Interest (income) expense, net	28,911	25,183	23,340	21,318	20,118
Equity in (earnings) losses from unconsolidated ventures	(1,905)	(365)	(4,132)	(2,591)	(15,175)
(Gain) loss on sale or disposal of real estate and other assets, net	(4,730)	(25,570)	—	(4,018)	—
(Gain) loss on extinguishment of debt	—	1,585	—	363	282
Impact of straight-line rent	(1,113)	(3,958)	(1,744)	(3,101)	(2,438)
Other	(185)	1,139	(519)	158	49
<b>Operating Assets NOI</b>	<b>54,310</b>	<b>52,652</b>	<b>58,657</b>	<b>63,961</b>	<b>50,514</b>
Company's share of NOI from equity investments	1,827	2,420	2,139	2,386	2,116
Distributions from Summerlin Hospital investment	3,033	—	—	—	4,638
Company's share of NOI from unconsolidated ventures	4,860	2,420	2,139	2,386	6,754
<b>Total Operating Assets NOI</b>	<b>\$ 59,170</b>	<b>\$ 55,072</b>	<b>\$ 60,796</b>	<b>\$ 66,347</b>	<b>\$ 57,268</b>



## Reconciliation of Non-GAAP Measures

Reconciliation of Seaport segment EBT to Total NOI					
<i>thousands</i>	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Total revenues	\$ 11,897	\$ 18,415	\$ 32,501	\$ 28,176	\$ 9,376
Total operating expenses	(18,916)	(25,064)	(31,404)	(29,066)	(18,859)
Segment operating income (loss)	(7,019)	(6,649)	1,097	(890)	(9,483)
Depreciation and amortization	(10,527)	(11,144)	(9,651)	(7,720)	(7,823)
Interest income (expense), net	1,186	899	1,731	1,319	(47)
Other income (loss), net	1	(44)	(18)	(43)	350
Equity in earnings (losses) from unconsolidated ventures	(10,820)	(16,050)	(11,273)	(5,239)	(3,711)
<b>Seaport segment EBT</b>	<b>(27,179)</b>	<b>(32,988)</b>	<b>(18,114)</b>	<b>(12,573)</b>	<b>(20,714)</b>
Add back:					
Depreciation and amortization	10,527	11,144	9,651	7,720	7,823
Interest (income) expense, net	(1,186)	(899)	(1,731)	(1,319)	47
Equity in (earnings) losses from unconsolidated ventures	10,820	16,050	11,273	5,239	3,711
Impact of straight-line rent	586	(1,063)	(185)	(184)	1,888
Other (income) loss, net (a)	847	2,846	674	433	1,503
<b>Seaport NOI</b>	<b>(5,585)</b>	<b>(4,910)</b>	<b>1,568</b>	<b>(684)</b>	<b>(5,742)</b>
Company's share of NOI from unconsolidated ventures (b)	(9,591)	(15,730)	(11,034)	(4,979)	(3,838)
<b>Total Seaport NOI</b>	<b>\$ (15,176)</b>	<b>\$ (20,640)</b>	<b>\$ (9,466)</b>	<b>\$ (5,663)</b>	<b>\$ (9,580)</b>

(a) Includes miscellaneous development-related items.

(b) The Company's share of NOI related to the Tin Building by Jean-Georges is calculated using our current partnership funding provisions.



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

<b>RECONCILIATIONS OF NET INCOME TO FFO</b>			
<i>thousands except share amounts</i>			
	YTD Q1 2023	YTD Q1 2022	
<b>Net income attributable to common shareholders</b>	<b>\$ (22,745)</b>	<b>\$ 2,122</b>	
Adjustments to arrive at FFO:			
Segment real estate related depreciation and amortization	51,209	47,675	
(Gain) loss on sale or disposal of real estate and other assets, net	(4,730)	9	
Income recognized upon sale of interest in 110 North Wacker	—	5,016	
Income tax expense adjustments:			
Gain on sale or disposal of real estate and other assets, net	1,041	(2)	
Income recognized upon sale of interest in 110 North Wacker	—	(1,144)	
Reconciling items related to noncontrolling interests	118	49	
Company's share of the above reconciling items from unconsolidated joint ventures	746	990	
<b>FFO</b>	<b>\$ 25,639</b>	<b>\$ 54,715</b>	
Adjustments to arrive at Core FFO:			
(Gain) loss on extinguishment of debt	—	282	
Severance expenses	1,596	1,846	
Non-real estate related depreciation and amortization	800	918	
Straight-line amortization	(527)	(549)	
Deferred income tax expense (benefit)	(1,885)	(4,000)	
Non-cash fair value adjustments related to hedging instruments	(2,679)	12,660	
Share-based compensation	4,771	3,467	
Other non-recurring expenses (development-related marketing and demolition costs)	3,571	2,409	
Company's share of the above reconciling items from unconsolidated joint ventures	1	79	
<b>Core FFO</b>	<b>\$ 31,287</b>	<b>\$ 71,827</b>	
Adjustments to arrive at AFFO:			
Tenant and capital improvements	(5,282)	(4,336)	
Leasing commissions	(636)	(1,080)	
<b>AFFO</b>	<b>\$ 25,369</b>	<b>\$ 66,411</b>	
<b>FFO per diluted share value</b>	<b>\$ 0.52</b>	<b>\$ 1.04</b>	
<b>Core FFO per diluted share value</b>	<b>\$ 0.63</b>	<b>\$ 1.37</b>	
<b>AFFO per diluted share value</b>	<b>\$ 0.51</b>	<b>\$ 1.26</b>	

