

Howard Hughes
THE HOWARD HUGHES CORPORATION®

Fourth Quarter 2014
Corporate Presentation

Disclaimer and Safe Harbor Statement



The Howard Hughes Corporation (“HHC”) cautions that statements in this presentation that are forward-looking and provide other than historical information involve risks and uncertainties that may impact actual results and any future performance suggested by the forward-looking statements. The forward-looking statements in this presentation include statements relating to our anticipated financial and operating performance, our expectations regarding the real estate industry and the economy generally and our plans for development of our assets. These forward-looking statements are based on current management expectations and involve a number of risks and uncertainties, including, among other things, changes in the economic environment, particularly in the regions in which we operate, our ability to continue financing our investments in our properties, changes in our assumptions, including assumed rents, capitalization and development costs, and other changes in demand for our properties. If one or more of these or other risks materialize, actual results may vary materially from those expressed. For a more complete discussion of these and other risk factors, please see HHC’s filings with the Securities and Exchange Commission, including its annual report on Form 10-K and subsequent quarterly reports on Form 10-Q. HHC cautions not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and undertakes no obligation to update or revise any forward-looking statements, except to the extent required by applicable law.

In this presentation, we use non-GAAP financial measures, including Real Estate Property Earnings Before Taxes (“REP EBT”), Operating Assets Net Operating Income (“NOI”), net debt, and MPC net contribution. Please see pages 37-39 for non-GAAP reconciliations.

The Howard Hughes Corporation



Company overview

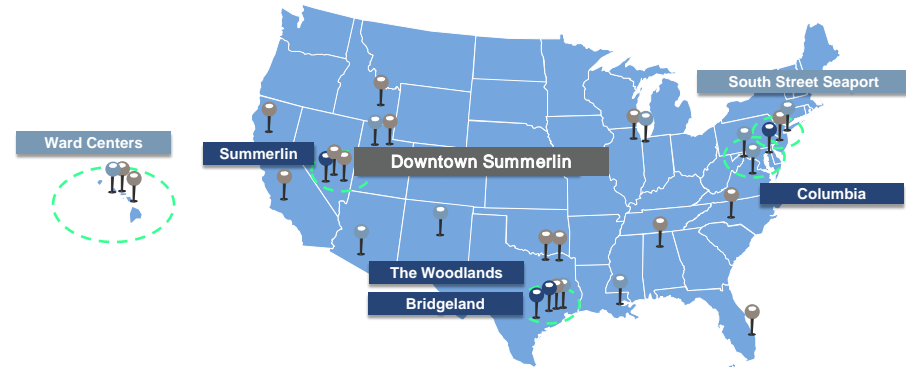
- HHC's mission is to be the preeminent real estate developer and operator of master planned communities and mixed use properties across the United States.
- HHC owns a diversified and significantly undervalued portfolio of marquee assets spanning 16 states.
- Three core business segments:
 - Master planned communities.
 - Operating assets.
 - Strategic developments.
- Potential to create significant incremental value from existing portfolio of assets.
 - Legacy of under-managed assets from financial crisis.
- Alignment of incentives allows management to focus on long-term stewardship versus short term gains.
 - CEO, President, CFO collectively invested \$20 million in cash in the form of warrants and common equity.
 - Management warrants are restricted until November 2016.
- World-class Board of Directors actively engaged in oversight of the business.

Premier portfolio in geographically diverse markets

Master Planned Communities

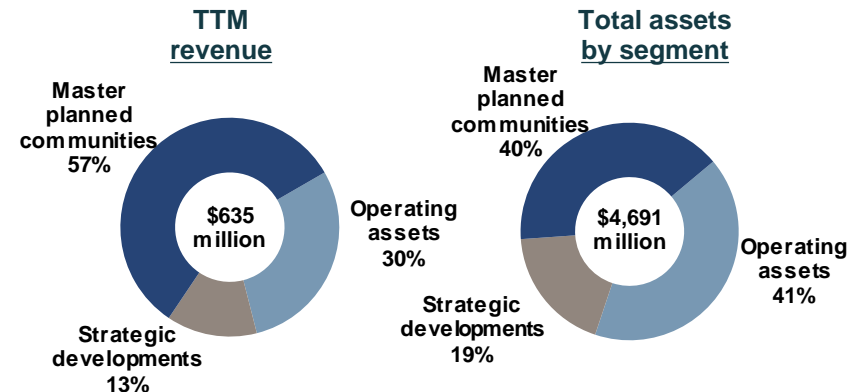
Operating Assets

Strategic Developments

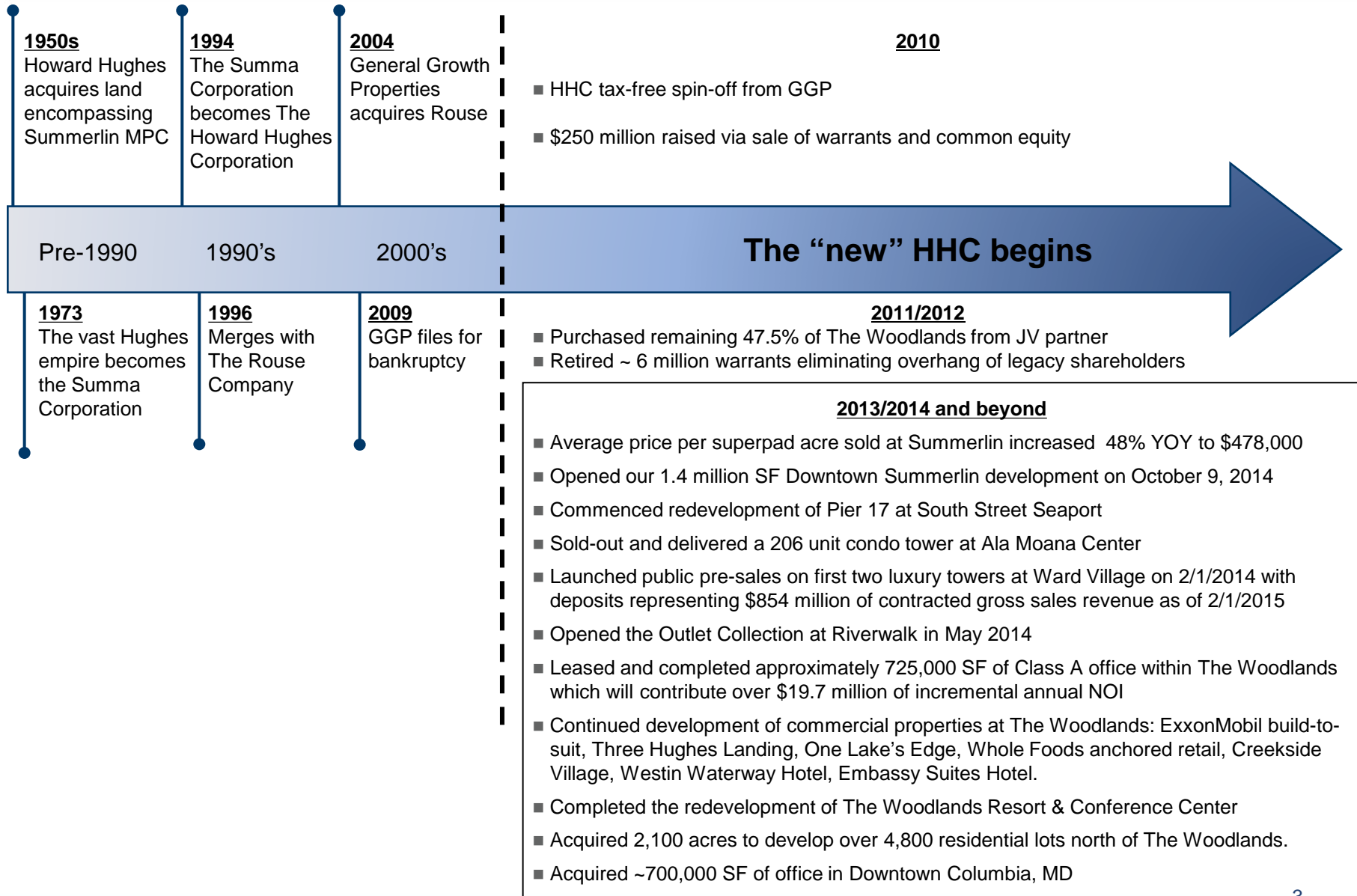


Breakdown by segment

(As of 12/31/2014)



A distinguished legacy of more than six decades of real estate operations



Seasoned senior management team with aligned incentives



- Executive officers are equity owners having purchased \$20 million of warrants and common equity
- Deep commercial real estate experience throughout HHC senior management and Board of Directors
- Incentivized to deliver long-term stability and profitability as Management and Board have a 31% economic interest in the Company⁽¹⁾

Senior HHC Management	Industry (Years experience)	Directors	Background
David R. Weinreb <i>Chief Executive Officer</i>	29	William Ackman <i>Chairman</i>	<ul style="list-style-type: none"> ◊ Founder and CEO of Pershing Square Capital Management. ◊ Former Director of GGP from June 2009 to March 2010 and led its restructuring.
Grant Herlitz <i>President</i>	17	Adam Flatto <i>Director</i>	<ul style="list-style-type: none"> ◊ President of The Georgetown Company, a privately-held real estate investment and development company.
Andrew C. Richardson <i>Chief Financial Officer</i>	19	Jeffrey Furber <i>Director</i>	<ul style="list-style-type: none"> ◊ CEO of AEW Capital Management and Chairman of AEW Europe, which manage over \$42 billion of real estate assets.
Peter F. Riley <i>General Counsel</i>	31	Gary Krow <i>Director</i>	<ul style="list-style-type: none"> ◊ President of Comdata Corp. and EVP of Ceridian from 1999 to 2007. ◊ President, CEO, and Director of GiftCertificates.com from 2008 until its sale in 2010.
Reuben Davidsohn <i>Chief Administrative Officer</i>	9	Allen Model <i>Director</i>	<ul style="list-style-type: none"> ◊ Co-Founder and Treasurer and Managing Director of Overseas Strategic Consulting. ◊ Member of Pershing Square's advisory board.
Christopher Curry <i>Sr. Exec. VP, Development</i>	21	R. Scot Sellers <i>Director</i>	<ul style="list-style-type: none"> ◊ Served as CEO of Archstone, one of the world's largest apartment companies, from 1997 through its sale in 2013. ◊ Developed, acquired and operated \$40 billion of apartments communities across U.S.
John Simon <i>Exec. VP, Strategic Planning</i>	36	Steven Shepsman <i>Director</i>	<ul style="list-style-type: none"> ◊ Executive Managing Director and Founder of New World Realty Advisors. ◊ Chair of the Official Committee of Equity Holders in the Chapter 11 proceedings of GGP.
Paul Layne <i>Exec. VP, MPCs</i>	31	Burton Tansky <i>Director</i>	<ul style="list-style-type: none"> ◊ Former Non-Executive Chairman of The Neiman Marcus Group Inc. ◊ CEO and President of The Neiman Marcus Group Inc. from May 2004 to October 2010.
David Striph <i>Sr. VP, Hawaii</i>	29	Mary Ann Tighe <i>Director</i>	<ul style="list-style-type: none"> ◊ CEO of CBRE's New York Tri-State Region since 2002. ◊ Responsible for 77 million square feet of commercial transactions in New York region.
Andrew S. Zeitman <i>Sr. VP, Capital Markets</i>	12	David R. Weinreb <i>Director</i>	<ul style="list-style-type: none"> ◊ CEO of The Howard Hughes Corporation. ◊ Spent 17 years as Chairman and CEO of TPMC Realty Corporation.

Key management team members have an average of 22 years of industry experience and provide critical local expertise.

(1) Calculated on a fully-diluted basis assuming exercise of all warrants and options.

Steady cash flow base combined with meaningful value creation opportunities

Common ownership maximizes the real estate value in each of our business segments

(\$ in millions)

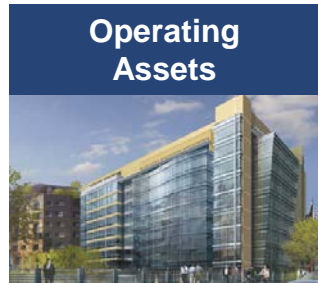
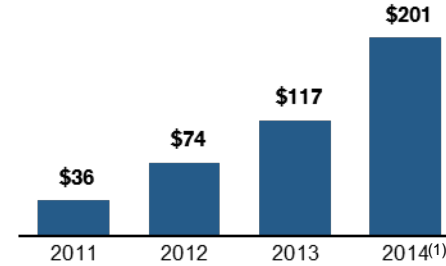


Master Planned Communities

✓ Valuable asset base generates substantial cash flow

- Substantial cash generated from residential lot sales to homebuilders and commercial land sales to developers.
- Meaningful growth upside from housing and economic rebound with entitlements representing over 64,500 remaining residential lots.
- Stability of Houston's housing market throughout cycles blends well with upside of Las Vegas market.

MPC Net Contribution

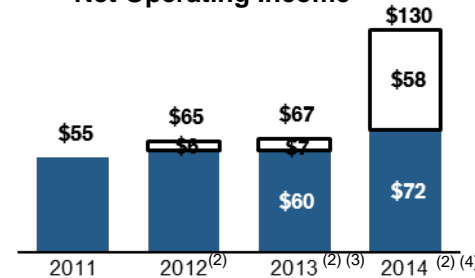


Operating Assets

✓ Consistent stream of operating income

- Steady cash flow stream to support existing operations, repay debt and fund development opportunities.
- Anticipated growth from redevelopment of key trophy assets such as South Street Seaport and Ward Village.
- Positioned to benefit from continued development of MPCs, which limit competition within their areas.

Net Operating Income

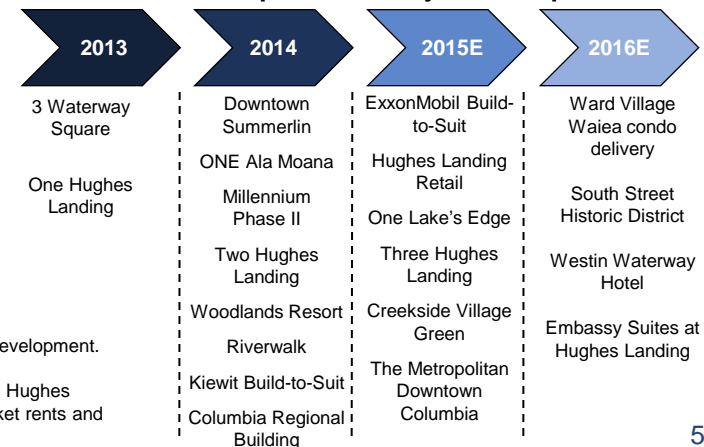


Strategic Developments

✓ Opportunity for substantial value enhancement

- Successful developments translate into rapid increases in NOI, MPC Net Contribution and residential sales.
- Projects financed with non-recourse project debt and equity in the form of contributed land and cash.

Estimated completion of major developments



Note: 2011 includes Woodlands MPC assuming 100% ownership.

(1) Excludes \$118 million of land acquisitions.

(2) Adjusted to include add back of \$5.6 million loss of NOI at South Street Seaport due to Super Storm Sandy and redevelopment.

(3) Adjusted to include add back of \$1.3 million loss at Riverwalk due to redevelopment.

(4) Adjusted to include \$52.6 million of incremental annualized NOI from the following recently completed projects: One Hughes Landing, Two Hughes Landing, Kiewit Build-to-Suit, Three Waterway, Downtown Summerlin (based on current market rents and lease-up of the property to 97.0% by 2017), and The Outlet Collection at Riverwalk.

1 Premier portfolio of master planned communities

- Diverse collection of trophy MPC assets strategically located in Houston, Las Vegas and Columbia, MD.
- Housing market and macroeconomic conditions stabilized in each market.

2 High-quality, geographically diverse income-producing real estate assets

- Mix of retail, office, multifamily and resort assets.
- Cash flow contribution increases as development and redevelopment projects are completed.

3 Robust development pipeline with meaningful near-term opportunities

- Major projects underway: South Street Seaport, Waiea and Anaha at Ward Village, Hughes Landing.

4 Conservative capital structure with low leverage and staggered debt maturities

- Net debt / net book capitalization ratio of 31%.

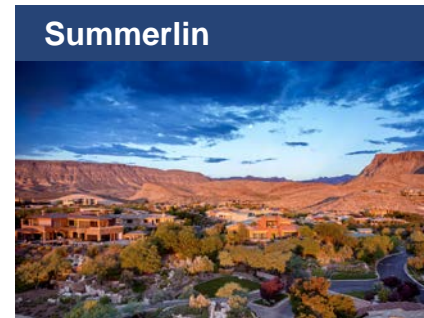
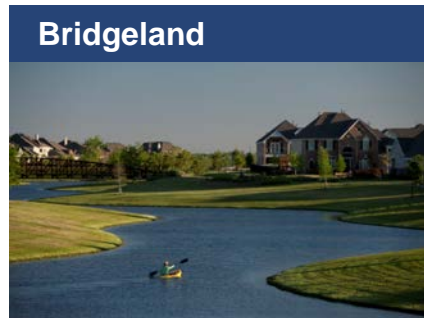
5 Experienced leadership with significant personal stake in Company

- Management and Board of Directors have 31% economic interest in HHC. ⁽¹⁾
- Key management team members have an average of 22 years of industry experience and provide critical local expertise.
- Strong sponsorship from Pershing Square Capital Management.

(1) Calculated on a fully-diluted basis, assuming exercise of all warrants and options.

1 Premier portfolio of trophy master planned communities

- Large scale, long-term communities in proximity to major employment centers with integrated amenities, residential neighborhoods, commercial office space, retail shops and entertainment venues.
- Blend of residential and commercial land sales to third parties and opportunistic commercial development.
- Ability to control cash flow by calibrating pricing, timing and residential development spend.
- Auction process for lots and builder price participation within residential developments provide upside to already stable cash flows as housing recovery strengthens.



Master planned community real estate overview

Community	Location	Total gross acres	Gross book value (\$ mm) ⁽¹⁾	Remaining saleable acres			Remaining saleable residential lots	Projected community sell-out date
				Residential	Commercial	Total		
The Woodlands	Houston, TX	28,475	\$221	478	773	1,251	1,483	2022
Bridgeland	Houston, TX	11,400	418	3,445	1,453	4,898	17,280	2036
Conroe	Houston, TX	2,055	99	1,452	161	1,613	4,787	2028
Summerlin	Las Vegas, NV	22,500	863	4,621	851	5,472	41,000	2039
Columbia	Maryland	16,450	59	–	207	207	–	2022
Total		80,880	\$1,660	9,996	3,445	13,441	64,550	

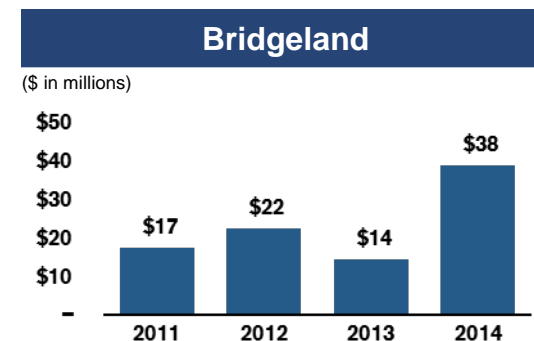
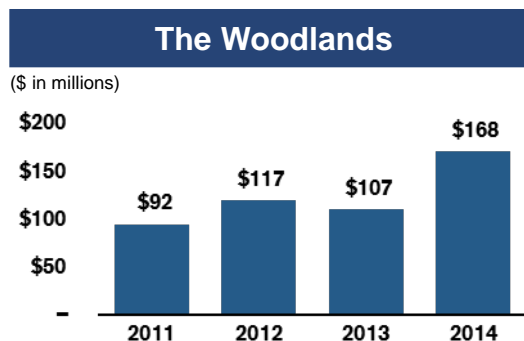
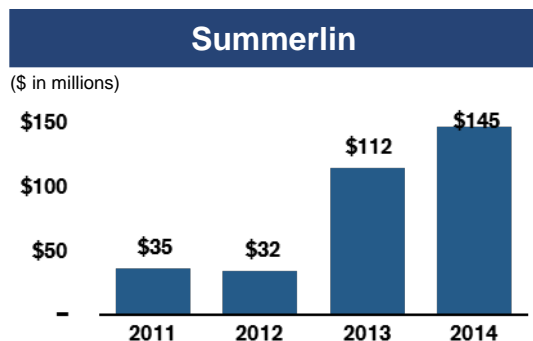
Source: 12/31/14 10-K.

(1) Recorded impairment charges of \$346 million for Summerlin South and \$59 million for the Maryland MPCs in 2010.

(2) Reflects the number of net developable acres of raw land and subdivided land parcels available for new development, but which we currently intend to hold.

1 Robust performance throughout the MPC portfolio

Acreage sales revenue



Sales summary

(\$ in thousands)

	2011	2012	2013	2014
Acres sold	101	82	316	280
Price / acre ¹	\$343	\$387	\$374	\$518
Lots sold	421	400	1,333	1,245
Superpad acre	-	\$226	\$323	\$478

(\$ in thousands)

	2011	2012	2013	2014
Acres sold	244	275	174	198
Price / acre	\$376	\$426	\$614	\$847
Lots sold	872	979	669	466
Price / lot	\$89	\$102	\$156	\$167

(\$ in thousands)

	2011	2012	2013	2014
Acres sold	63	81	50	85
Price / acre	\$214	\$272	\$273	\$453
Lots sold	289	389	143	401
Price / lot	\$52	\$56	\$77	\$96

Market update

- Scarcity of attractive developable residential land in the market and improved new housing demand.
 - Summerlin commands premium pricing in Las Vegas metro area.
- Superpads (~20 acres) sold as less developed parcels to homebuilders at lower price points but at higher margin and less risk.
- In Q3 2012, HHC modified sales program to a competitive bid process, generating over a 150% increase in revenue per lot since inception.
- ExxonMobil relocating corporate campus just south of the Woodlands.
 - 10,000 employees projected to work at new campus by 2015.
- Acquired approximately 2,100 acres north of The Woodlands to extend residential sales by eight to ten years.
- MPC in early stages of life cycle.
 - Anticipated growth from 1,800 homes and 6,250 residents to 20,000 homes and 65,000 residents.
- On February 27, 2014, received a permit from the Army Corps of Engineers to build on 806 acres of land.
 - Closed over 400 lots in 2014 at a ~25% premium to 2013 pricing.
- Completion of Grand Parkway in 2015 will connect Bridgeland to Houston's "Energy Corridor" and positively impact land values.

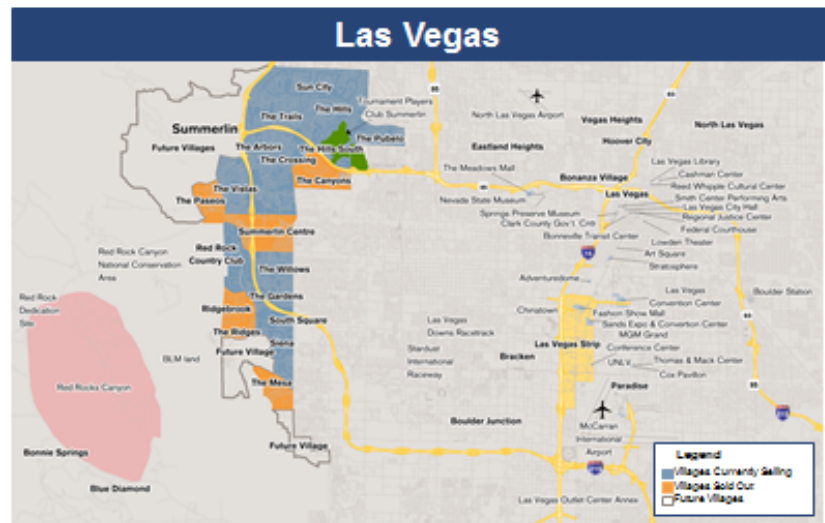
Note:

(1) Excludes 17.2 acres sold for beneficial community uses in 2013.

1 Improving fundamentals in our key MPC markets

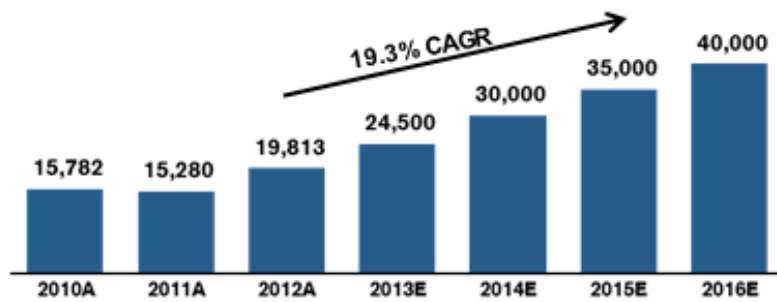


- First big metro to recover all jobs lost during the recession.
- Woodlands MPC – 1.5x the size of Manhattan.
- Bridgeland soon to be connected to Energy Corridor.

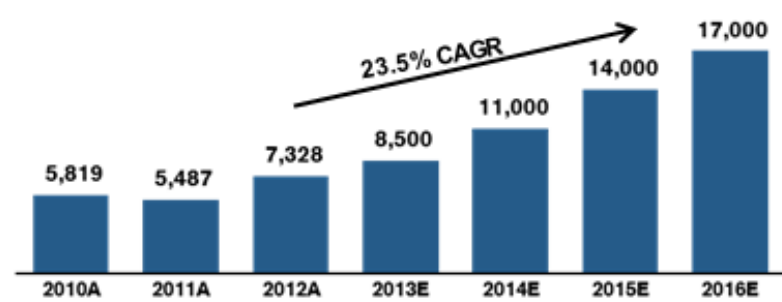


- New homes sale activity projected to increase 23.5% per annum through 2016.
- Summerlin is the premier location in a land constrained market.

Projected new home sales



Projected new home sales



Source: John Burns Real Estate Consulting.

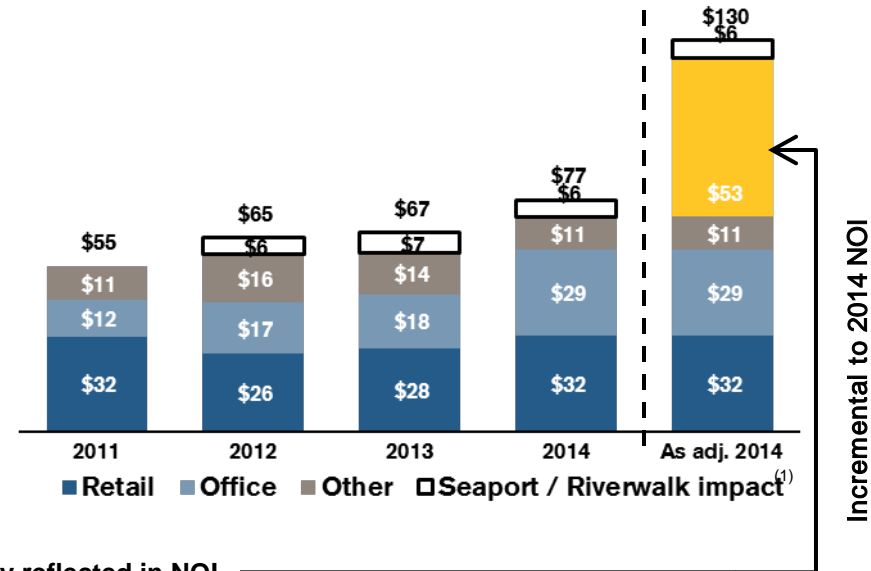
2 Operating assets: high-quality, geographically diverse cash flows

Segment overview

- Proven stable of high-quality, cash flow generating assets.
- HHC's retail assets include over 3.3 million total sq. ft. of leasable area.
- HHC's office assets include approximately 2.5 million total sq. ft. of leasable area
- These diversified operating assets have the potential for future growth through redevelopment or repositioning.
- Synergies with MPC and Strategic Development segments.
 - Control customer experience.

Operating assets NOI

(\$ in millions)



Recently completed projects not fully reflected in NOI



3 Waterway Square

100% leased
Estimated NOI⁽²⁾:
\$6.5 million



One and Two Hughes Landing

93% leased
Estimated NOI⁽²⁾:
\$11 million



Riverwalk

100% leased
Estimated NOI⁽²⁾:
\$7.8 million



Downtown Summerlin

73% leased
Estimated NOI⁽²⁾:
\$37.2 million



Kiewit Build-to-Suit

100% leased
Estimated NOI⁽²⁾:
\$2.2 million

Note: Includes share of non-consolidated investment NOI and distributions from Summerlin Hospital.

(1) NOI negatively impacted at South Street Seaport and Riverwalk Marketplace. NOI at South Street Seaport includes an approximate \$(15.2) million negative impact from Superstorm Sandy. We expect substantially all the lost income from the storm will be covered by insurance. NOI also includes a \$(1.3) million negative impact from vacating tenants for redevelopment from Riverwalk Marketplace. Construction began in Q2 2013 and was completed in Q2 2014

(2) Upon stabilization based on in-place rents. \$53 million reflects incremental NOI to 2014 NOI from 3 Waterway, One Hughes Landing, Two Hughes Landing, Riverwalk, Downtown Summerlin (based on current market rents and lease-up of the property to 97.0% by 2017), and Kiewit.

Careful and active stewardship of our assets with rigorous evaluation of risk and economics

ONE Ala Moana



- \$240 million development – closed ~99% of units as of February 1, 2015.
- 18-story tower above existing parking structure at Ala Moana Center in Honolulu.
- Sold out of all units at an average price ~\$1,170 per sq. ft.

Ward Village



- 15-year master plan to transform 60 acres in Honolulu, HI into a world-class urban MPC.
- Fully entitled for 9.3mm total sq. ft. of mixed-use development.
 - Approximately 4,000 condo units.
 - Over 1 million sq. ft. of retail and commercial space.
 - Launched public pre-sales in February 2014 on 482 condominium units.

Downtown Summerlin



- Phase I development completed in October 2014.
- 106-acre mixed use urban town center comprised of a fashion center, power center and class A office space.

The Woodlands Commercial



Woodlands Resort & Conference Center



Hughes Landing



Waterway Square Hotel



One Lake's Edge

- Projects underway and recently completed include:
 - 3 Waterway Square, 100% leased.
 - One Hughes Landing, 100% leased.
 - Two Hughes Landing, Three Hughes Landing Hughes Landing Retail, Hotel and Multifamily (One Lake's Edge).
 - ExxonMobil and Kiewit build-to-suits.
 - Millennium Woodlands Phase II (314 units).
 - The Woodlands Resort and Conference Center and Westin Waterway Hotel.

South Street Seaport



- Phase I redevelopment construction began in Q3 2013 and expected to be completed in 2017.
- The entire Seaport Phase I will comprise approximately 362K sq. ft. of GLA.
- Presented preliminary plans for a second project, which contemplates ~700K sq. ft. of additional space.

3 The Woodlands commercial developments

Overview

- Strategy is to develop and hold commercial assets given the strong fundamentals with The Woodlands Town Center and Hughes Landing.
 - Non-strategic commercial land located on fringes of The Woodlands will likely be sold over time.
- Existing Class A office space ~96% occupied.
- ExxonMobil relocation and strong Houston economy driven by the energy sector creating enormous demand for commercial space.
- Increasing land values provide “equity” to support continued commercial development with minimal cash equity exposure.

Latest demand driver: ExxonMobil



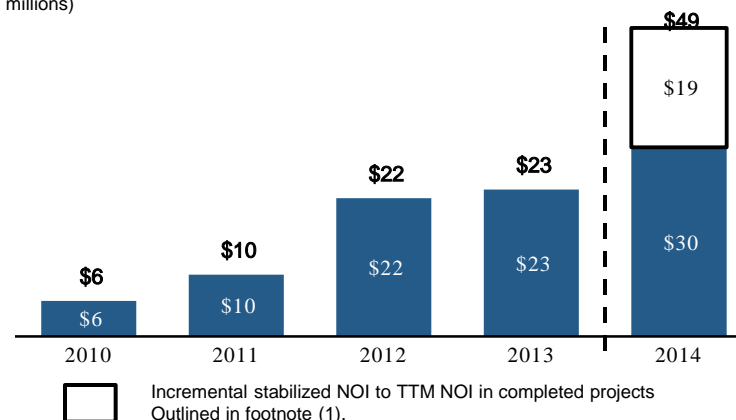
Over 10,000 new direct jobs at ExxonMobil’s 385-acre campus just south of The Woodlands

Current active project specifics

- Potential for over 6 million square feet of additional office space, 2,000 residential units, 3+ hotels and 2 condo towers.
- 3 Waterway, One Hughes Landing and Two Hughes Landing: over 96% leased 630K SF of Class A office and Millennium Woodlands Phase II (314 multifamily units) completed in 2013/2014.
- Hughes Landing developments under construction: ExxonMobil build-to-suit (650K SF), Three Hughes Landing (325K SF office), Whole Foods anchored retail (122K SF), One Lake’s Edge (390 multifamily units) and Embassy Suites Hotel (205 keys).
- Other developments recently completed or under construction: Kiewit build-to-suit (95K SF), The Woodlands Resort and Conference Center (\$75 million renovation and expansion) and Westin Waterway Hotel (301 keys).

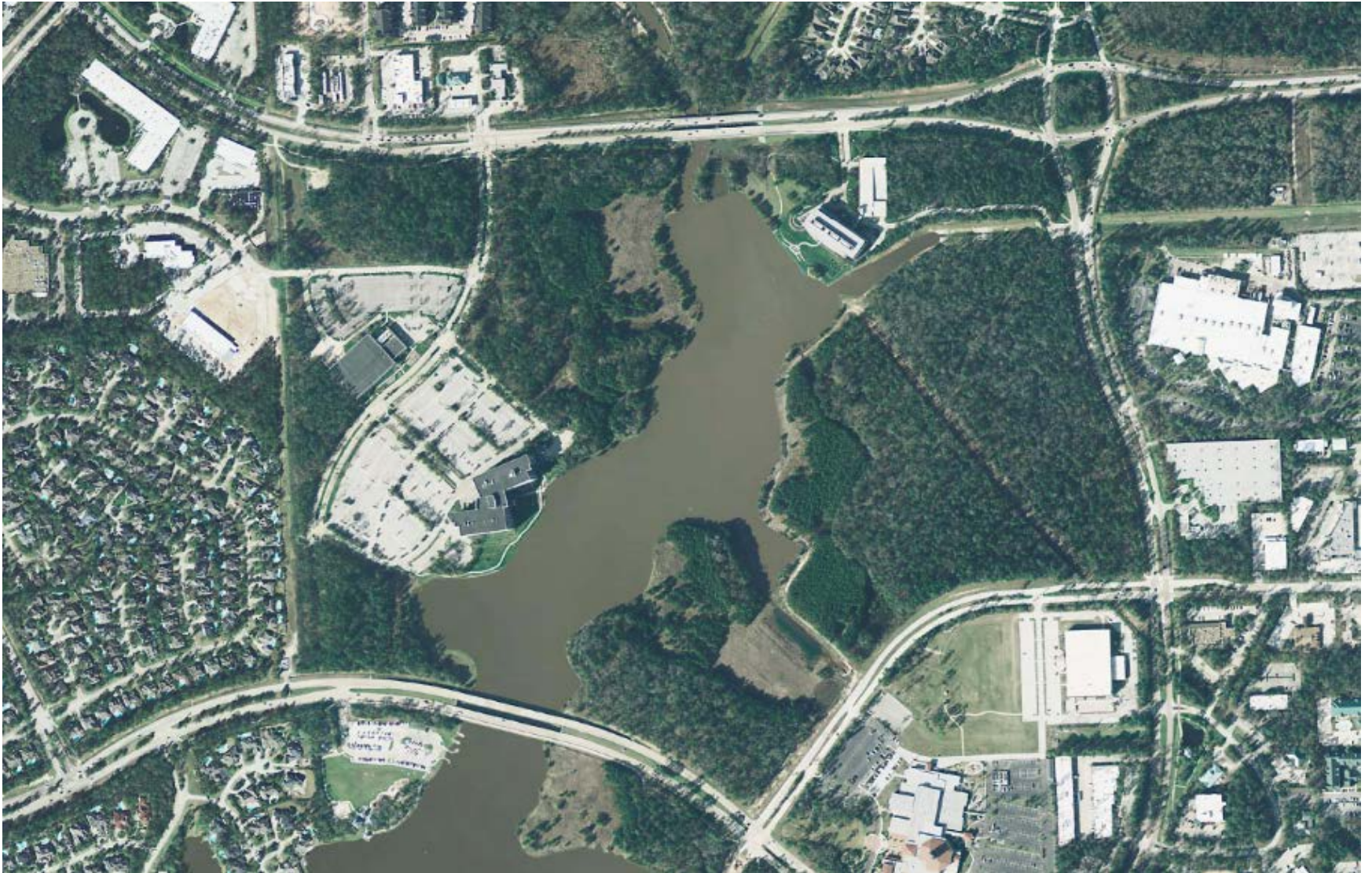
Historical NOI ⁽¹⁾

(\$ in millions)



(1) NOI for 20/25 Waterway, Waterway Garage Retail, 3 & 4 Waterway, 1400 Woodloch Forest, 9303 New Trails, 2201 Lake Robbins Drive, Millennium Waterway Apartments, The Woodlands Resort & Conference Center, The Club at Carlton Woods, One & Two Hughes Landing, and share of non-consolidated investment NOI related to The Woodlands.

3 The Woodlands



3 The Woodlands



3 The Woodlands



3 Downtown Summerlin

Overview

- First phase of a 326-acre mixed use urban town center that will include retail, office, hotel and multi-family residential components incorporated with social, civic and cultural activities to create a vibrant downtown in Summerlin.
- ~\$150 million infrastructure investment by HHC's predecessor.
- The development, totaling approximately 1.4 million leasable square feet, has three components.
 - Fashion center – 1.1 million square feet with anchor stores to be built by Macy's and Dillard's.
 - Power center – 283K square feet of power center space.
 - Office – 202K square foot, eight-story class A office building.
- Opened October 9, 2014 with over 250,000 weekly visitors.

Select tenants



Downtown Summerlin Additional controlled land



3 Downtown Summerlin



3 Downtown Summerlin



3 Downtown Summerlin



3 Downtown Summerlin



3 Downtown Summerlin



3 Summerlin – The Ridges



3 Summerlin – The Ridges



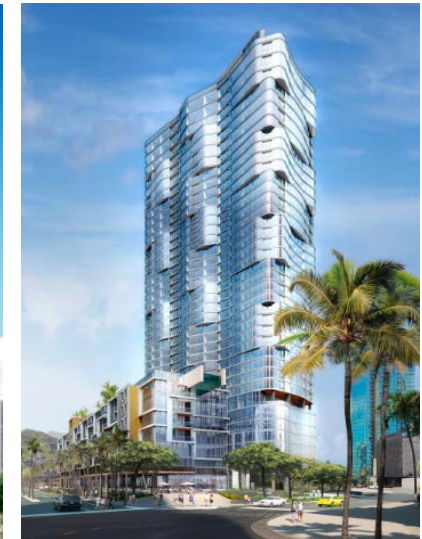
3 Summerlin – The Ridges



3 Ward Centers / Ward Village

Overview

- Currently includes a 665,000 sq. ft. shopping district with seven specialty centers, ~140 unique shops, a variety of restaurants and an entertainment center, which generates **\$24 million of annual NOI**.
- In October 2012, HHC announced plans to create a world-class urban MPC that will transform Ward Centers into Ward Village.
 - 60 acres in Kaka’ako along Ala Moana Beach Park within one mile of Waikiki and downtown Honolulu.
 - Ten minute walk from Ala Moana Center.
- 15-year master plan agreement with the Hawaii Community Development Authority fully entitled for 9.3mm sq. ft. of mixed-use development.
 - Launched public pre-sales of our two Phase I market rate towers on February 1, 2014. As of February 1, 2015, we had received \$156 million of buyer deposits, representing approximately \$854 million of gross sales revenue assuming the buyers close on the units when completed.
 - Repurposed 60,000 sq. ft. iconic IBM building into world class sales center for Ward Village master plan.
 - Announced Whole Foods Market will open flagship store at Ward Village.



Why Honolulu?

- ✓ 3.4% unemployment rate.
- ✓ Median existing single-family home price of \$738,000.
- ✓ Significant lack of housing supply – sold out of all 206 units at ONE Ala Moana at an average price ~\$1,170 per sq. ft.

3 Ward Village



3 Ward Village



3 Ward Village



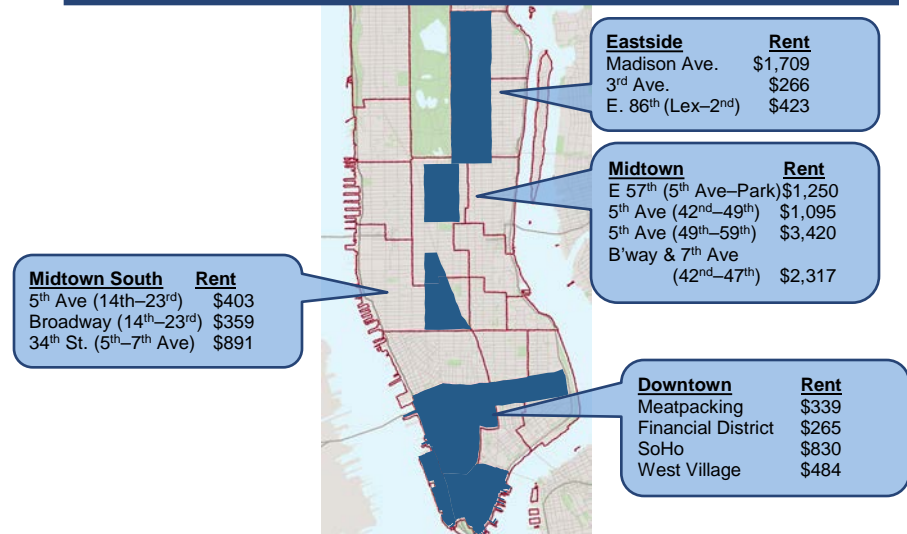
3 South Street Seaport

Overview

- Comprised of three mid-rise buildings and the Pier 17 pavilion shopping mall in historic waterfront district on Manhattan.
 - Ranked 22nd among the most visited sites around the world by Travel+Leisure with over 9 million people visiting annually.
- Received unanimous approval from NYC Council for Pier 17 redevelopment.
 - Redevelopment totals 362,000 SF (Pier17: 182,000 SF, historic area: 180,000 SF).
 - Rooftop venue ideal for concerts, films and special events.
 - Construction began in October 2013 and is expected to be completed in 2017.
- Announced plans for further redevelopment of the South Street Seaport District which includes approximately 700,000 SF of additional space.
- Purchased and/or under contract to acquire a 42,694 SF lot entitled for 817,784 SF of mixed use development (“Seaport District Assemblage”).



2014 asking rents in prime retail locations⁽¹⁾



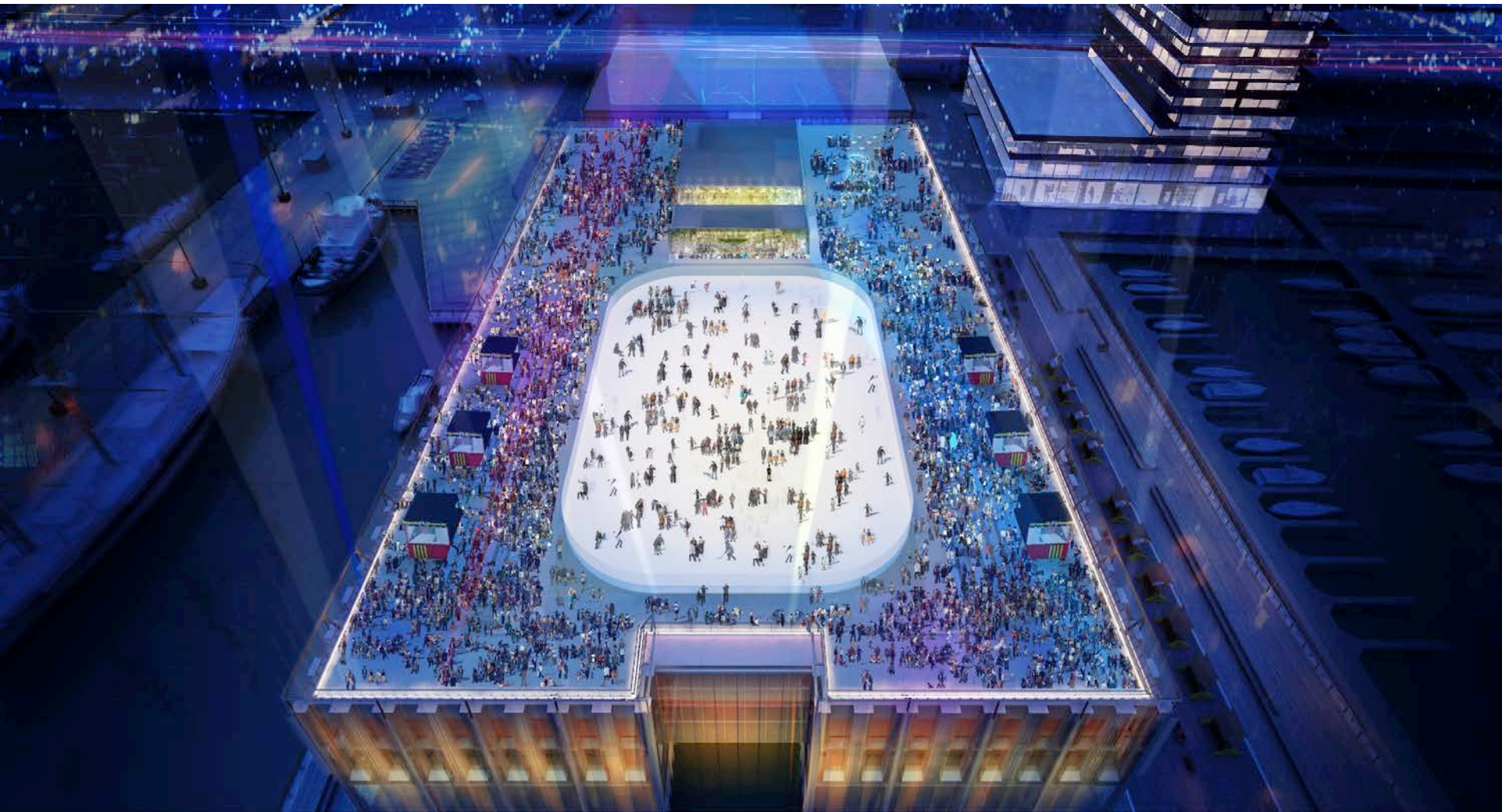
Source:

(1) Available ground floor space of Selected Major Retail.

3 South Street Seaport



3 South Street Seaport



3 South Street Seaport



3 South Street Seaport

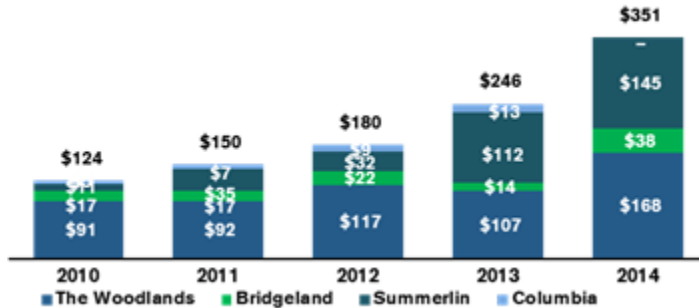


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Historical financial performance

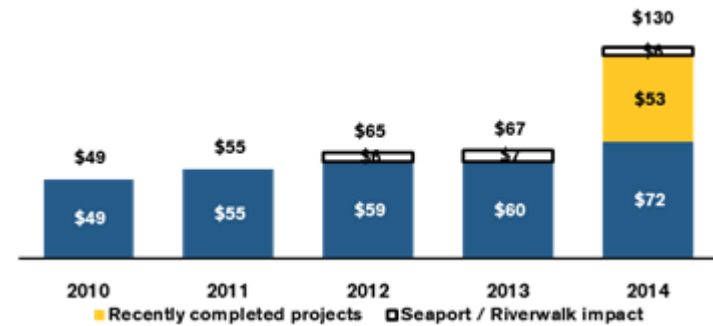
Acreage sales revenue by MPC (1)

(\$ in millions)



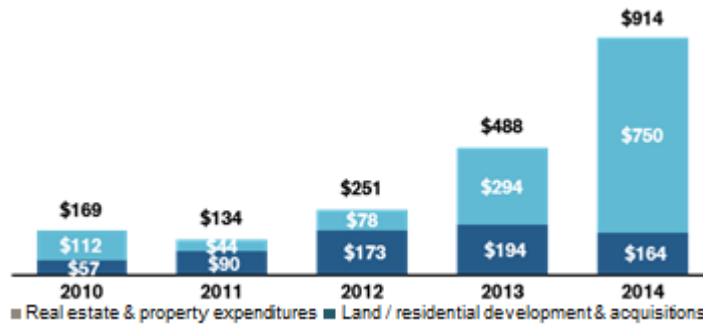
Operating Assets NOI (2)(3)

(\$ in millions)



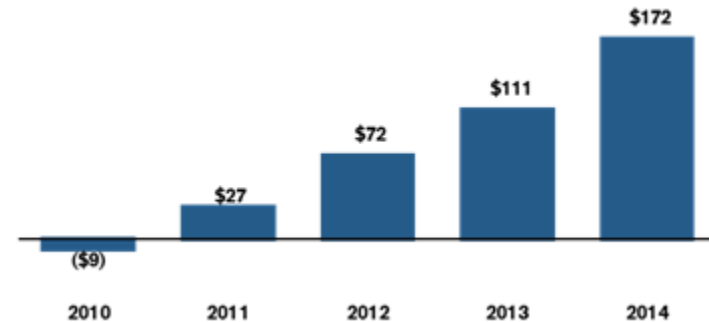
Development costs

(\$ in millions)



Operating income (4)

(\$ in millions)



(1) 2009-2011 include The Woodlands MPC assuming 100% ownership.

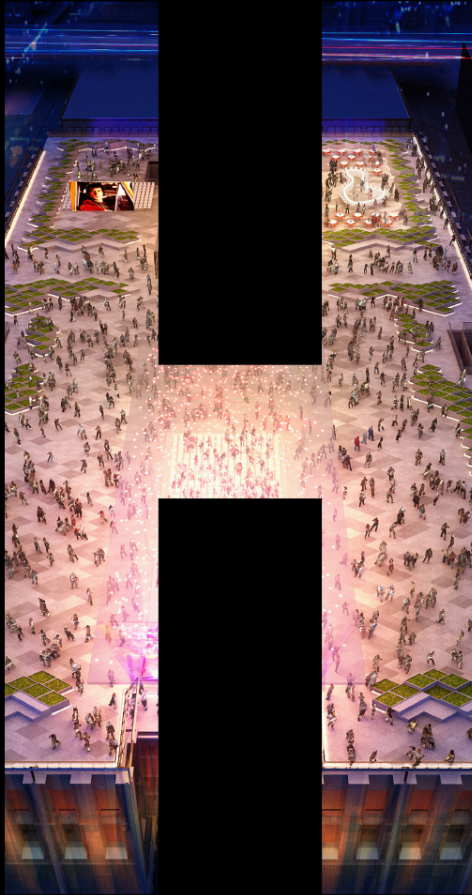
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(3) Upon stabilization based on in-place rents. \$53 million reflects incremental NOI to 2014 NOI from 3 Waterway, One Hughes Landing, Two Hughes Landing, Riverwalk, Downtown Summerlin (based on current market rents and lease-up of the property to 97.0% by 2017), and Kiewit.

(4) Excludes provisions for impairment of \$680 million in 2009 and \$503 million in 2010.

Key takeaways

- 1 Premier portfolio of master planned communities**
- 2 High-quality, geographically diverse income-producing real estate assets**
- 3 Robust development pipeline with meaningful near-term opportunities**
- 4 Conservative capital structure with low leverage and staggered debt maturities**
- 5 Experienced leadership with significant personal stake in Company**



Appendix

Financial reconciliations



	Year ended December 31,							
	2011			2012		2013		2014
(\$ in thousands)	Consolidated properties	Real estate affiliates	Segment basis	Segment basis	Segment basis	Segment basis	Segment basis	Segment basis
Reconciliation of segment revenue to REP EBT:								
MPC EBT	\$ 41,926	\$ 8,786	\$ 50,712	\$ 91,937	\$ 130,978	\$ 221,181		
Operating assets EBT	4,789	3,424	8,213	19,468	(2,551)	(13,801)		
Strategic development EBT	3,272	-	3,272	(1,700)	26,010	48,458		
REP EBT	\$ 49,987	\$ 12,210	\$ 62,197	\$ 109,705	\$ 154,437	\$ 255,838		
Reconciliation of REP EBT to GAAP - Net Income:								
REP EBT			\$ 62,197	\$ 109,705	\$ 154,437	\$ 255,838		
Real estate affiliated REP EBT			(12,210)	(3,683)	(14,428)	-		
General and administrative			(32,342)	(36,548)	(48,466)	(67,794)		
Corporate interest income, net			8,595	10,153	(10,575)	(30,819)		
Warrant liability gain (loss)			101,584	(185,017)	(181,987)	(60,520)		
Increase (reduction) in tax indemnity receivable			-	(20,260)	(1,206)	90		
Loss on settlement of tax indemnity receivable			-	-	-	(74,095)		
Equity in earnings from real estate affiliates			8,578	3,683	14,428	-		
Investment in real estate affiliate basis adjustment			(6,053)	-	-	-		
Other income			-	2,125	25,869	27,098		
Corporate depreciation			(204)	(814)	(2,197)	(4,583)		
Net income (loss) before taxes			\$ 130,145	\$ (120,656)	\$ (64,125)	\$ 45,215		
Reconciliation of MPC REP EBT to MPC net contribution:								
MPC REP EBT			\$ 50,712	\$ 91,937	\$ 130,978	\$ 221,181		
Plus:								
Cost of land-sales			82,672	89,298	124,040	119,672		
Depreciation and amortization			26	72	32	397		
Less:								
MPC land acquisitions			-	-	-	(118,319)		
MPC land/residential development acquisitions expenditures			97,216	107,144	138,328	(140,735)		
MPC net contribution			\$ 36,194	\$ 74,163	\$ 116,722	\$ 82,196		

Financial reconciliations (cont'd)

(\$ in thousands)	Year ended December 31,			
	2011	2012	2013	2014
Reconciliation of total operating assets NOI to total operating assets REP EBT:				
Total operating assets NOI	\$ 55,121	\$ 59,259	\$ 59,569	\$ 71,663
Equity method investment NOI	(3,894)	(2,783)	(1,533)	(1,488)
Distribution from Summerlin Hospital	(3,894)	(2,376)	(2,503)	(1,649)
Total operating assets NOI-consolidated	47,333	54,100	55,533	68,526
Total Operating Asset Redevelopments	-	639	(5,665)	1,234
Total Operating Asset Dispositions	-	1,204	790	77
Straight-line lease and incentives amortization	918	(736)	1,759	(763)
Development-related marketing costs	-	-	(3,461)	(9,770)
Early extinguishment of debt	(11,305)	-	-	-
Demolition costs	-	-	(2,078)	(6,712)
Depreciation and amortization	(20,309)	(23,318)	(31,427)	(49,272)
Write-off of lease intangibles and other	-	-	(2,884)	(2,216)
Equity in earnings from real estate affiliates	3,926	3,683	3,893	2,025
Interest expense, net	(12,775)	(16,104)	(19,011)	(16,930)
Less: Partners' share of operating assets REP EBT	425	-	-	-
Total operating assets Rep EBT	\$ 8,213	\$ 19,468	\$ (2,551)	\$ (13,801)
Operating assets NOI-Equity and cost method investments:				
Millennium Waterway Apartments (Phase I & II)	\$ 2,571	\$ 1,768	\$ (74)	\$ (84)
Summerlin Baseball Club	-	-	(13)	(153)
Woodlands Sarofim #1	1,489	621	1,417	1,516
Stewart Title (title company)	1,069	1,876	2,515	2,659
Forest View/Timbermill Apartments	1,826	487	-	-
Total NOI-equity investees	\$ 6,955	\$ 4,752	\$ 3,844	\$ 3,938
Adjustments to NOI	(3,862)	(1,476)	(77)	(1,112)
Equity Method Investments REP EBT	\$ 3,093	\$ 3,276	\$ 3,767	\$ 2,826
Less: Joint venture partner's share of REP EBT	(3,061)	(1,969)	(2,377)	(2,450)
Equity in earnings (loss) from real estate affiliates	32	1,307	1,390	376
Distributions from Summerlin Hospital Investment	3,894	2,376	2,503	1,649
Segment equity in earnings (loss) from real estate affiliates	\$ 3,926	\$ 3,683	\$ 3,893	\$ 2,025
Company's share of equity method investments NOI:				
Millennium Waterway Apartments (Phase I & II)	\$ 2,148	\$ 1,477	\$ -	\$ (68)
Summerlin Baseball Club	-	-	(7)	(77)
Woodlands Sarofim #1	298	124	283	303
Stewart Title (title company)	535	938	1,257	1,330
Forest View/Timbermill Apartments	913	244	-	-
Total NOI-equity investees	\$ 3,894	\$ 2,783	\$ 1,533	\$ 1,488

Financial reconciliations (cont'd)

(\$ in thousands)	Year ended December 31,			
	2011	2012	2013	2014
Reconciliation of Net debt to GAAP Total debt				
Mortgages, notes and loans payable	606,477	688,312	1,514,623	1,993,470
Total debt	606,477	688,312	1,514,623	1,993,470
Less:				
Cash and cash equivalents	(227,566)	(229,197)	(894,948)	(560,451)
Net Debt	\$ 378,911	\$ 459,115	\$ 619,675	\$ 1,433,019