

PRINCIPAL FINANCIAL GROUP INC

Form 424B5

October 03, 2005

Pricing Supplement 09/30/05  
Dated

Filed pursuant to Rule 424(b)(5)

(To Prospectus dated March 5, 2004, and  
Prospectus Supplement dated March 5, 2004)

Registration Statement Nos. 333-110499 and  
333-110499-01

CUSIP: 74254PJB9

**Principal Life Insurance Company**  
**Principal® Life CoreNotes® (Callable)**  
**Issued Through**  
**Principal Life Income Fundings Trust 2005-99 (the Trust )**

The description of this pricing supplement of the particular terms of the Principal® Life CoreNotes® offered hereby, and the Funding Agreement (specified below) sold by Principal Life Insurance Company to the Trust (specified herein), the payment obligations of which are fully and unconditionally guaranteed by the Guarantee (specified below) issued by Principal Financial Group, Inc. to the Trust, supplements the description of the general terms and provisions of the notes, the funding agreements and the guarantees set forth in the accompanying prospectus and prospectus supplement, to which reference is hereby made.

**1. The Notes**

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Principal Amount:	\$2,303,000.0	Purchasing Agent Discount:	0.750%
Issue Price:	100.0%	Original Issue Date:	10/05/05
Net Proceeds to the Trust:	\$2,285,727.5	Stated Maturity Date:	10/15/09

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Interest Payment Dates: The 15th day of every sixth month commencing on 04/15/2006.

Initial Interest Payment Date: 04/15/06

Regular Record Date: The 1st day of every sixth month commencing on 04/01/2006.

Type of Interest Rate:  Fixed Rate  Floating Rate

Fixed Rate Notes:  Yes  No. If, Yes,

Interest Rate: 4.55%

Floating Rate Notes:  Yes  No. If, Yes,

Regular Floating Rate Notes:  Yes  No. If, Yes,

Interest Rate:

Interest Rate Basis(es):

Floating Rate/Fixed Rate Note:     Yes             No.            If, Yes,

Floating Interest Rate:

Interest Rate Basis(es):

Fixed Interest Rate:

Fixed Rate Commencement Date:

Initial Interest Rate, if any:            N/A

Initial Interest Reset Date:            N/A

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*Principal<sup>®</sup> is a registered service mark of Principal Financial Services, Inc. and is used under license.  
CoreNotes<sup>®</sup> is a registered service mark of Merrill Lynch & Co.*

Interest Rate Basis(es). Check all that apply: N/A

CD Rate  CMT Rate  
 Commercial Paper Rate  LIBOR  
 Treasury Rate  Prime Rate  
 Other (See Attached)

If LIBOR:  LIBOR Reuters Page  LIBOR Moneyline Telerate Page  
LIBOR Currency:

If CMT Rate:  
 Designated CMT Telerate Page:  
 If 7052:  Weekly Average  Monthly Average  
 Designated CMT Maturity Index:

Index Maturity: N/A

Spread (+/-): N/A

Spread Multiplier: N/A

Interest Reset Date(s): N/A

Interest Rate Determination Date(s): N/A

Maximum Interest Rate, if any: N/A

Minimum Interest Rate, if any: N/A

Calculation Agent: Citibank, N.A.

Computation of Interest: N/A  
 (not applicable unless different than as specified in the prospectus and prospectus supplement)

Day Count Convention: N/A  
 (not applicable unless different than as specified in the prospectus and prospectus supplement)

Discount Note:  Yes  No. If, Yes,

Total Amount of Discount:  
 Initial Accrual Period of Discount:  
 Additional/Other Terms:

Terms of Survivor's Option:  
 Annual Put Limitation:  \$2,000,000 or 2%; or  
 \$\_\_\_\_\_or\_%

Individual Put Limitation:  \$250,000; or  
 \$\_\_\_\_\_

Trust Put Limitation:  2%; or \$\_\_\_\_\_

Redemption Provisions:  Yes  No. If, Yes,

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Initial Redemption Date: 10/15/06  
Redemption:  In whole only and not in part  
 May be in whole or in part  
Additional Other Terms: Any redemption date will be an Interest Payment Date falling on or after the Initial Redemption Date  
Repayment:  Yes  No. If, Yes,  
Repayment Date(s):  
Repayment Price:  
Repayment:  In whole only and not in part  
 May be in whole or in part  
Additional/Other Terms:  
Sinking Fund (not applicable unless specified): N/A  
Securities Exchange Listing:  Yes  No. If, Yes, Name of Exchange:  
Authorized Denominations: \$1,000

Ratings:

The Notes issued under the Program are rated AA by Standard & Poor's (S&P).

Principal Life expects the Notes to be rated Aa2 by Moody's Investors Service, Inc. (Moody's).

Purchasing Agent(s) Purchasing Notes as  Yes  No. If, Yes,  
Principal:

<u>Purchasing Agent(s)</u>	<u>Principal Amount</u>
Merrill Lynch	\$2,303,000.0
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Total:	\$2,303,000.0

State of Organization of the Trust: New York

Additional/Other Terms: None

Special Tax Considerations: None

**2. The Funding Agreement**

Funding Agreement Issuer: Principal Life Insurance Company

Funding Agreement No.: 6-12835

Deposit: \$2,303,015.0

Net Deposit: \$2,285,727.5

Effective Date: 10/05/05

Stated Maturity Date: 10/15/09

Interest Payment Dates: The 15th day of every sixth month commencing on 04/15/2006.

Initial Interest Payment Date: 04/16/06

Type of Interest Rate:  Fixed Rate  Floating Rate

Fixed Rate Funding Agreement:  Yes  No. If, Yes,

Interest Rate: 4.55%

Floating Rate Funding Agreement:  Yes  No. If, Yes,



Index Maturity: N/A

Spread (+/-): N/A

Spread Multiplier: N/A

Interest Reset Date(s): N/A

Interest Rate Determination Date(s): N/A

Maximum Interest Rate, if any: N/A

Minimum Interest Rate, if any: N/A

Computation of Interest: N/A  
(not applicable unless different than as specified in the prospectus and prospectus supplement)

Day Count Convention: N/A  
(not applicable unless different than as specified in the prospectus and prospectus supplement)

Discount Funding Agreement:  Yes  No. If, Yes,  
 Total Amount of Discount:  
 Initial Accrual Period of Discount:  
 Additional/Other Terms:

Terms of Survivor's Option:  
 Annual Put Limitation:  \$2,000,000 or 2%; or  
 \$ \_\_\_\_\_ or %  
 Individual Put Limitation:  \$250,000; or  
 \$ \_\_\_\_\_  
 Trust Put Limitation:  2%; or \$ \_\_\_\_\_

Redemption:  Yes  No. If, Yes,  
 Initial Redemption Date: 10/15/06  
 Redemption:  In whole only and not in part  
 May be in whole or in part  
 Additional Other Terms: Any redemption date will be an Interest Payment falling on or after the Initial Redemption Date

Repayment:  Yes  No. If, Yes,  
 Repayment Date(s):  
 Repayment Price:  
 Repayment:  In whole only and not in part  
 May be in whole or in part  
 Additional/Other Terms:  
 N/A

Sinking Fund (not applicable unless specified):

Ratings:

The Funding Agreement issued under the Program is rated AA by S&P.

Principal Life expects the Funding Agreement to be rated Aa2 by Moody's.

Additional/Other Terms: None

Special Tax Considerations: None

### 3. The Guarantee

Guarantee Issuer: Principal Financial Group, Inc.

Effective Date: 10/05/05

Additional/Other Terms: None

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opportunities are complementary to or in competition with our businesses. Accordingly, we have, and investors in our common stock should have, no expectation that we will be able to learn of or participate in such opportunities. However, the code provides that if any potential business opportunity is expressly presented to a director exclusively in his or her director capacity, the director is not permitted to pursue the opportunity, directly or indirectly through a controlled affiliate in which the director has an ownership interest, without the approval of the independent members of our board of directors. See Risk Factors Some of our directors are involved in other businesses including real estate activities and public and/or private investments and, therefore, may have competing or conflicting interests with us in our Annual Report on Form 10-K incorporated herein by reference.

#### *Policies With Respect To Certain Other Activities*

We have authority to offer shares of our capital stock or other securities in exchange for property. We also have authority to repurchase or otherwise reacquire our shares or any other securities.

We intend to borrow money as part of our business, and we also may issue senior securities, purchase and sell investments, offer securities in exchange for property and repurchase or reacquire shares or other securities in the future. To the extent we engage in these activities, we will comply with applicable law.

We will make reports to our security holders in accordance with the NYSE rules and containing such information, including financial statements certified by our independent public registered accounting firm, as required by the NYSE.

We do not have policies in place with respect to making loans to other persons (other than our conflict of interest policies described above), investing in the securities of other issuers for the purpose of exercising control and underwriting the securities of other issuers, and we do not currently, and do not intend to, engage in these activities.

#### **Insurance**

We have comprehensive liability, fire, flood, extended coverage and rental loss insurance with respect to our portfolio of retail properties. Our management believes that such insurance provides adequate coverage.

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**SELLING STOCKHOLDERS**

The selling stockholders may from time to time offer and sell any or all of the shares of our common stock or warrants set forth below pursuant to this prospectus. When we refer to selling stockholders in the Plan of Distribution section of this prospectus, we mean the persons listed in the table below, and the pledgees, donees, permitted transferees, assignees, successors and others who later come to hold any of the selling stockholders' interests in shares of our common stock other than through a public sale. Except as noted in this prospectus, none of the selling stockholders have, or within the past three years have had, any material relationship with us or any of our predecessors or affiliates and the selling stockholders are not or were not affiliated with registered broker-dealers.

Based on the information provided to us by the selling stockholders and as of the date the same was provided to us, assuming that the selling stockholders sell all of the shares of our common stock and warrants owned or beneficially owned by them that have been registered by us and do not acquire any additional shares during the offering, the selling stockholders will not own any shares other than those appearing in the column entitled Shares of Common Stock Beneficially Owned After the Offering Number of Shares. We cannot advise you as to whether the selling stockholders will in fact sell any or all of such shares of common stock or warrants to acquire our common stock. In addition, the selling stockholders may have sold, transferred or otherwise disposed of, or may sell, transfer or otherwise dispose of, at any time and from time to time, the shares of our common stock or warrants to acquire our common stock in transactions exempt from the registration requirements of the Securities Act after the date as of which the information is set forth on the table below.

Brookfield Investor is subject to lock-up restrictions on its ability to sell, transfer or dispose of its shares of our common stock and its warrants to acquire our common stock for an 18 month term following our spin-off on November 9, 2010. In the first six month term of the lock-up period, Brookfield Investor was not able to sell, transfer or dispose of any shares of our common stock. In the second six month term of the lock-up period, Brookfield Investor may sell, transfer or dispose of up to an aggregate of 8.25% of its shares of our common stock and up to an aggregate of 8.25% of its warrants or the shares issuable upon exercise of the warrants. In the final six month term of the lock-up period, Brookfield Investor may sell, transfer or dispose of up to an aggregate of 16.5% of its shares of our common stock and up to an aggregate of 16.5% of its warrants or the shares issuable on exercise of the warrants (in each case including any shares transferred or sold during the second six month term of the lock-up period).

Beneficial ownership of shares is determined under SEC rules and generally includes any shares over which a person exercises sole or shared voting or investment power. Shares of common stock subject to warrants or options currently exercisable or exercisable within 60 days of the date of this prospectus are deemed to be outstanding and beneficially owned by the person and any group of which that person is a member, but are not deemed outstanding for the purpose of computing the percentage of beneficial ownership for any other person.

Except as noted by footnote, and subject to community property laws where applicable, we believe based on the information provided to us that the persons and entities named in the table below have sole voting and investment power with respect to all shares of our common stock shown as beneficially owned by them. Unless otherwise noted below, the address of the persons and entities listed in the table is c/o The Howard Hughes Corporation, 13355 Noel Road, Suite 950, Dallas, Texas 75240.

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Name of Beneficial Owner	Shares of Common Stock Beneficially Owned Prior to Offering		Shares of Common Stock Underlying Warrants Beneficially Owned Prior to Offering		Percentage of Shares	Shares of Common Stock Underlying Options Beneficially Owned Prior to the Offering	Number of Shares of Common Stock Being Offered	Shares of Common Stock Beneficially Owned After the Offering	
	Number of Shares	Percentage of Shares	Number of Shares	Percentage of Shares	Upon Exercise	Number of Shares	Number of Shares	Percentage of Shares	
The Blackstone Investors(1)	400,764	1.1%	333,333	2.0%			734,097	0	0%
Brookfield Retail Holdings II LLC(2)	541,513	1.4%	856,134	3.6%			1,397,647	0	0%
Brookfield Retail Holdings III LLC(2)	621,147	1.6%	982,036	4.0%			1,603,183	0	0%
Brookfield Holdings IV-A LLC(2)	71,816	0.2%	113,541	0.5%			185,357	0	0%
Brookfield Retail Holdings IV-D LLC(2)	48,023	0.1%	75,924	0.3%			123,947	0	0%
Brookfield Retail Holdings LLC(2)	789,145	2.1%	1,247,643	5.2%			2,036,788	0	0%
Brookfield Retail Holdings V LP(2)	161,609	0.4%	255,506	1.1%			417,115	0	0%
Brookfield U.S. Retail Holdings LLC(2)	191,365	0.5%	302,549	1.3%			493,914	0	0%
Pershing Square(3)	3,568,017	9.4%	1,916,667	13.8%			5,484,684	0	0%
General Trust Company, as trustee(4)	5,875,548	15.5%					5,875,548	0	0%
M.B. Capital Partners III									

(1) Such shares are beneficially owned by Blackstone Real Estate Partners VI L.P., Blackstone Real Estate Partners (AIV) VI L.P., Blackstone Real Estate Partners VI.F L.P., Blackstone Real Estate Partners VI.TE.1 L.P., Blackstone Real Estate Partners VI.TE.2 L.P., Blackstone Real Estate Holdings VI L.P. and Blackstone GGP Principal Transaction Partners L.P. Blackstone Real Estate Associates VI L.P. is the general partner of six of the Blackstone Investors and BREP VI Side-by-Side GP L.L.C. is the general partner of the other Blackstone Investor. BREA VI L.L.C. is the general partner of Blackstone Real Estate Associates VI L.P. Blackstone Holdings III L.P. is the managing member of BREA VI L.L.C and the sole member of BREP VI Side-by-Side GP L.L.C. Blackstone Holdings III GP L.P. is the general partner of Blackstone Holdings III L.P. Blackstone

Holdings III GP Management L.L.C. is the general partner of Blackstone Holdings III GP L.P. The Blackstone Group L.P. is the managing member of Blackstone Holdings III GP Management L.L.C. Blackstone Group Management L.L.C. is the general partner of The Blackstone Group L.P. The Blackstone Group L.P. is controlled by its general partner, Blackstone Group Management L.L.C. Stephen A. Schwarzman is the founding member of Blackstone Group Management L.L.C. Each of such entities and Mr. Schwarzman may be deemed to beneficially own the shares beneficially owned by the Blackstone Investors directly or indirectly controlled by it or him, but each disclaims beneficial ownership of such shares except to the extent of its or his indirect pecuniary interest therein. The address of the Blackstone Investors and each other entity or individual described in this footnote is c/o The Blackstone Group, L.P., 345 Park Avenue, New York, New York 10154.

- (2) Such entity is managed by a controlled affiliate of Brookfield Asset Management Inc. The address of such entity is c/o Brookfield Retail Holdings LLC, Level 22, 135 King Street, Sydney NSW 2000, Australia.
- (3) The shares of our common stock beneficially owned by Pershing Square are, or may be deemed to be, beneficially held by Pershing Square Capital Management, L.P., PS Management GP, LLC and Pershing Square GP, LLC, and William A. Ackman, who collectively share, or may be deemed to share, dispositive and voting power over all shares held for the accounts of Pershing Square, L.P., Pershing Square II, L.P. and Pershing Square International, Ltd. (or its wholly owned subsidiary PSRH, Inc.), which is a Cayman Islands exempted company. Certain of the Pershing Square entities also have additional economic exposure up to approximately 5,399,839 notional shares of our common stock (approximately 13.6% of our outstanding shares as of our spin-off on November 9, 2010, including shares issuable upon exercise of the warrants). The address of Pershing Square is 888 Seventh Avenue, 42nd Floor, New York, New York 10019.
- (4) Such shares are beneficially owned by General Trust Company ( GTC ) solely in its capacity as trustee of trusts, the beneficiaries of which are members of the Bucksbaum family which, for purposes hereof, include the spouses and descendents of Martin, Matthew and Maurice Bucksbaum. Certain of these trusts are the partners of M.B. Capital Partners III ( M.B. Capital ). GTC has sole beneficial ownership of 4,242,244 shares of common stock. GTC and M.B. Capital share beneficial ownership of 1,633,304 shares of common stock. The address of M.B. Capital is 300 North Dakota Avenue, Suite 202, Sioux Falls, South Dakota 57104.

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**DESCRIPTION OF CAPITAL STOCK**

*The following is a summary of the material terms of our capital stock that are contained in our amended and restated certificate of incorporation and bylaws, and is qualified in its entirety by reference to these documents. You should refer to our amended and restated certificate of incorporation and bylaws, which are included as exhibits to the registration statement of which this prospectus is a part, along with the applicable provisions of Delaware law.*

**General**

We were incorporated as a Delaware corporation on July 1, 2010. Our authorized capital stock consists of 150 million shares of common stock, \$0.01 par value per share, and 50 million shares of preferred stock, \$0.01 par value per share. Our board of directors may establish the rights and preferences of the preferred stock from time to time. As of May 17, 2011, 37,933,154 shares of our common stock were issued and outstanding and no shares of preferred stock were issued and outstanding.

**Common Stock**

Each holder of our common stock is entitled to one vote for each share on all matters to be voted upon by the common stockholders, and there are no cumulative voting rights. Subject to any preferential rights of any outstanding preferred stock, holders of our common stock will be entitled to receive ratably the dividends, if any, as may be declared from time to time by our board of directors out of funds legally available for that purpose. If there is a liquidation, dissolution or winding up of our company, holders of our common stock would be entitled to ratable distribution of our assets remaining after the payment in full of liabilities and any preferential rights of any outstanding preferred stock.

Under the Shareholders Agreements, for so long as a Plan Sponsor and its affiliates beneficially own 5% of our common stock on a fully diluted basis, such Plan Sponsor will be provided with preemptive rights to purchase our common stock as necessary to allow them to maintain their proportional ownership interest in us on a fully diluted basis, even though other holders of outstanding shares of our common stock will not have such preemptive rights. Any such offering could have a dilutive effect on the holders of outstanding shares of our common stock. Other than the contractual preemptive rights of the Plan Sponsors, there are no preemptive or conversion rights or other subscription rights, and there are no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of our common stock are fully paid and non-assessable. The rights, preferences and privileges of the holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

**Preferred Stock**

Our amended and restated certificate of incorporation provides that our board of directors is authorized to provide for the issuance of shares of preferred stock in one or more series and, by filing a certificate of designations pursuant to the applicable law of the State of Delaware (hereinafter referred to as a Preferred Stock Designation ), to establish from time to time for each such series the number of shares to be included in each such series and to fix the designations, powers, rights and preferences of the shares of each such series, and the qualifications, limitations and restrictions thereof. The authority of the board of directors with respect to each series of Preferred Stock includes, but is not limited to, determination of the following:

the designation of the series, which may be by distinguishing number, letter or title;

the number of shares of the series, which number the board of directors may thereafter (except where otherwise provided in the Preferred Stock Designation) increase or decrease (but not below the number of shares thereof then outstanding);

whether dividends, if any, shall be paid, and, if paid, the date or dates upon which, or other times at which, such dividends shall be payable, whether such dividends shall be cumulative or noncumulative, the rate of such dividends (which may be variable) and the relative preference in payment of dividends of such series;

the redemption provisions and price or prices, if any, for shares of the series;

the terms and amounts of any sinking fund or similar fund provided for the purchase or redemption of shares of the series;

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the amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of our corporation;

whether the shares of the series shall be convertible into shares of any other class or series, or any other security, of our corporation or any other corporation, and, if so, the specification of such other class or series of such other security, the conversion price or prices, or rate or rates, any adjustments thereto, the date or dates on which such shares shall be convertible and all other terms and conditions upon which such conversion may be made;

restrictions on the issuance of shares of the same series or of any other class or series; and

the voting rights, if any, of the holders of shares of the series.

**Warrants**

This prospectus also relates to the warrants and to shares of our common stock issuable upon the exercise, if any, of the warrants.

Pursuant to the Shareholders Agreements and the Blackstone Designation on November 9, 2010, we issued:  
to Brookfield Investor warrants to purchase up to approximately 3.83 million shares of our common stock with an initial exercise price of \$50.00 per share;

to Fairholme warrants to purchase up to approximately 1.92 million shares of our common stock with an initial exercise price of \$50.00 per share, which are not being registered pursuant to the registration statement of which this prospectus is a part;

to Pershing Square warrants to purchase up to approximately 1.92 million shares of our common stock with an initial exercise price of \$50.00 per share; and

to the Blackstone Investors warrants to purchase up to 0.33 million shares of our common stock with an initial exercise price of \$50.00 per share.

The initial exercise price was determined through negotiations between GGP and the Plan Sponsors. The warrants issued to each of Brookfield Investor, Pershing Square and the Blackstone Investors are immediately exercisable; the warrants issued to Fairholme are exercisable upon 90 days prior notice for the first 6.5 years after issuance and exercisable without notice any time thereafter. Each warrant has a term of seven years from the closing date of the investments. The Pershing Square and Fairholme Warrants are net share settled, meaning that the exercise price for the warrants will not be paid in cash and will instead be netted against the shares received upon exercise of the warrants, resulting in fewer shares being issued. We will not issue any fractional shares of common stock and warrant holders do not have any voting or other rights as a stockholder of our company.

If we (i) pay a dividend in cash or other property or make a distribution on our common stock in shares of common stock, (ii) subdivide our outstanding shares of common stock into a greater number of shares or (iii) combine or reverse-split our outstanding shares of common stock into a smaller number of shares, then the per share warrant price and the number of warrant shares will be proportionately decreased and increased, respectively, in the case of a subdivision, distribution or stock dividend, or proportionately increased and decreased, respectively, in the case of a combination or reverse stock split. The warrants are also subject to adjustment upon certain rights offerings, certain tender and exchange offerings, and certain recapitalizations, reorganizations, reclassifications, mergers and sales of all or substantially all of our assets. The aggregate warrant price payable for the then total number of warrant shares available for exercise under the warrant will remain the same. In certain circumstances, upon the occurrence of a change of control, other than a public stock merger or mixed consideration merger, each as defined in the warrant agreement, holders of the warrants will have the right to require us to redeem the warrants at the fair value of such warrants in cash as of the date of the change of control event as determined by an independent financial expert employing a valuation methodology provided for in the terms of the warrants. Upon the occurrence of a public stock

merger or a mixed consideration merger, we may elect to redeem the warrants at fair value or, to the extent of stock consideration, have the warrants continue as warrants on the stock of the acquiring parent company as provided in the warrant agreement.

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On November 22, 2010, we entered into warrant agreements with David R. Weinreb, our Chief Executive Officer, and Grant Herlitz, our President and from January 31, 2011 through March 28, 2011, our Interim Chief Financial Officer, in each case prior to his appointment to such position, pursuant to which: (a) Mr. Weinreb purchased a warrant to acquire 2,367,985 shares of Company common stock for a purchase price of \$15.0 million in cash; and (b) Mr. Herlitz purchased a warrant to acquire 315,731 shares of Company common stock for a purchase price of \$2.0 million in cash, both of which purchase prices were determined to be at the warrants then current fair value. The warrants have an exercise price of \$42.23 per share and will, excluding certain specific circumstances, become exercisable in November 2016 and will expire in November 2017.

On February 25, 2011, the Company also entered into a warrant agreement with Andrew C. Richardson, our Chief Financial Officer effective as of March 28, 2011, prior to his appointment to such position, pursuant to which Mr. Richardson purchased a warrant to acquire 178,971 shares of company common stock for a purchase price of \$2.0 million in cash, which purchase price was determined to be at current fair value. The warrant has an exercise price of \$54.40 per share and will generally become exercisable in February 2017 and will expire in February 2018.

No market exists for the warrants. We cannot ensure that the warrants will be listed on any securities exchange or automated quotation system. On May 17, 2011, warrants to purchase 10,862,687 shares of our common stock were outstanding.

**Section 382 Restrictions**

Our certificate of incorporation imposes certain restrictions on the direct or indirect transferability of our securities to assist in the preservation of our valuable tax attributes (generally consisting of (1) approximately \$400 million of suspended federal income tax deductions and (2) a relatively high federal income tax basis in our assets), including, subject to certain exceptions, that until the earlier of such time as our board of directors determines that it is no longer in our best interests to continue to impose such restrictions or the date that is three years after November 9, 2010 (i) no person or entity may acquire or accumulate the Threshold Percentage or more (as determined under tax law principles governing the application of section 382 of the Code) of our securities, and (ii) no person owning directly or indirectly (as determined under such tax law principles) on November 9, 2010, after giving effect to the Plan, the Threshold Percentage or more of our securities may acquire additional securities of ours. Notwithstanding the contemplated restrictions in our certificate of incorporation, no assurance can be given regarding our ability to preserve our tax attributes. Threshold Percentage means, in the case of (i) HHC common stock, 4.99% of the number of outstanding shares of HHC common stock and (ii) any other class of equity of HHC, 4.99% of each such class.

**Anti-Takeover Effects of Various Provisions of Delaware Law and our Certificate of Incorporation and Bylaws**

Provisions of the DGCL and our amended and restated certificate of incorporation and bylaws could make it more difficult to acquire us by means of a tender offer, a proxy contest or otherwise, or to remove incumbent officers and directors. These provisions, summarized below, are expected to discourage certain types of coercive takeover practices and takeover bids that our board of directors may consider inadequate and to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of increased protection of our ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging takeover or acquisition proposals because, among other things, negotiation of these proposals could result in improved terms for our stockholders.

*Delaware Anti-Takeover Statute.* We are subject to Section 203 of the DGCL, an anti-takeover statute. In general, Section 203 of the DGCL prohibits a publicly-held Delaware corporation from engaging in a business combination with an interested stockholder for a period of three years following the time the person became an interested stockholder, unless the business combination or the acquisition of shares that resulted in a stockholder becoming an interested stockholder is approved in a prescribed manner. Generally, a business combination includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. Generally, an interested stockholder is a person who, together with affiliates and associates, owns (or within three years prior to the determination of interested stockholder status did own) 15% or more of a corporation's outstanding voting stock. The existence of this provision would be expected to have an anti-takeover effect with respect to transactions not approved in advance by the board of directors, including discouraging attempts that might result in a premium over the market price for the shares of common stock held by stockholders.

*Size of Board and Vacancies.* Our bylaws provide that the number of directors on our board of directors will be fixed exclusively by our board of directors. Subject to the rights of the holders of any series of preferred stock then outstanding, newly created directorships resulting from any increase in our authorized number of directors will be filled by a majority of our board of directors then in office, provided that a majority of the entire board of directors, or a quorum, unless the board of directors otherwise determines

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that such directorships should be filled by the affirmative vote of the stockholders of record of at least a majority of the voting stock, is present and any vacancies in our board of directors resulting from death, resignation, retirement, disqualification, removal from office or other cause will be filled generally, subject to the rights of certain parties, by the majority vote of our remaining directors in office, even if less than a quorum is present.

*Special Stockholder Meetings.* Under our amended and restated certificate of incorporation and bylaws, our board of directors may call special meetings of our stockholders as well as the Secretary upon written request by stockholders who together hold 15% or more of the voting power of the issued and outstanding shares of the capital stock of our corporation entitled to vote generally on the election of directors.

*Prohibition of Stockholder Action by Written Consent.* Our amended and restated certificate of incorporation and bylaws expressly prohibits our stockholders from acting by written consent. Stockholder action must take place at the annual or a special meeting of our stockholders.

*Requirements for Advance Notification of Stockholder Nominations and Proposals.* Our amended and restated bylaws establish advance notice procedures with respect to stockholder proposals and nomination of candidates for election as directors other than nominations made by or at the direction of our board of directors or a committee of our board of directors.

*No Cumulative Voting.* The DGCL provides that stockholders are denied the right to cumulate votes in the election of directors unless our certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation does not provide for cumulative voting.

**Indemnification of Officers and Directors**

Our amended and restated certificate of incorporation will include provisions that indemnify, to the fullest extent allowable under the DGCL, the personal liability of directors or officers for monetary damages for actions taken as a director or officer of the Company, or for serving at our request as a director or officer or another position at another corporation or enterprise, as the case may be. Our amended and restated certificate of incorporation will also provide that it must indemnify and advance reasonable expenses to our directors and officers, subject to our receipt of an undertaking from the indemnified party as may be required under the DGCL. We intend to enter into indemnification agreements with each of our directors and certain officers. These agreements, among other things, require us to indemnify each director and certain officers to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, fines and settlement amounts reasonably incurred by the director or officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's services as a director or executive officer. We are also expressly authorized to carry directors' and officers' insurance to protect us, our directors, officers and certain employees for some liabilities. The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. However, this provision does not limit or eliminate our rights, or those of any stockholder, to seek non-monetary relief such as injunction or rescission in the event of a breach of a director's duty of care. The provisions will not alter the liability of directors under the federal securities laws. In addition, your investment may be adversely affected to the extent that, in a class action or direct suit, we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions. There is currently no pending material litigation or proceeding against any of our directors, officers or employees for which indemnification is being sought.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the registrant pursuant to the foregoing provisions, the registrant has been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Act and is therefore unenforceable.

**Authorized but Unissued Shares.**

Our authorized but unissued shares of common stock and preferred stock is available for future issuance without your approval. We may use additional shares for a variety of purposes, including future public offerings to raise additional capital, to fund acquisitions and as employee compensation. The existence of authorized but unissued

shares of common stock and preferred stock could render more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.

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**Transfer Agent and Registrar**

The transfer agent and registrar for the common stock is BNY Mellon, New York, New York.

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**PLAN OF DISTRIBUTION**

We are registering shares of HHC common stock and warrants issued or issuable to the selling stockholders to permit the resale of these shares of HHC common stock and warrants by the holders thereof from time to time after the date of this prospectus. We are registering (i) shares of our common stock issuable to Pershing Square and GTC, as trustee, in connection with the spin-off, (ii) shares of our common stock issuable upon the exercise of stock options to acquire our common stock held by certain of the selling stockholders named herein, (iii) warrants issued to the Brookfield Investor, Pershing Square and the Blackstone Investors pursuant to our predecessors' plan of reorganization, (iv) shares of our common stock issuable upon exercise of the warrants issuable to Brookfield Investor, Pershing Square and the Blackstone Investors pursuant to our predecessors' plan of reorganization, and (v) shares of our common stock issued to Brookfield Investor, Pershing Square and the Blackstone Investors pursuant to the Shareholders Agreements and the Blackstone Designation. We do not know when or in what amount the selling stockholders may offer the shares or warrants for sale. We expect that the offering price for our common stock will be based on the prevailing market price of our common stock at the time of sale. There is currently no established market price for the warrants. We expect that the offering price for the warrants will be based on the relationship between the exercise price of the warrants and the prevailing market price for our common stock at the time of sale.

Some of the shares of our common stock and the warrants offered hereby were originally issued to the Plan Sponsors pursuant to an exemption from the registration requirements of the Securities Act. The Blackstone Investors are permitted assignees of the rights of the Plan Sponsors. We agreed to register such shares of our common stock and the warrants pursuant to the Shareholders Agreements and the Warrant Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Mellon Investor Services LLC. We also agreed to register the common stock issuable to GTC pursuant to a Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation and M.B. Capital. We will pay all expenses of the registration of the shares of our common stock and the warrants pursuant to the Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation, GTC and M.B. Capital, the Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation and the Brookfield Investor and the Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Pershing Square (all together, the Registration Rights Agreements), including, without limitation, SEC filing fees and expenses of compliance with state securities or "blue sky" laws; provided, however, that each selling stockholder will pay all underwriting discounts and selling commissions. We will indemnify the selling stockholders against certain liabilities, including some liabilities under the Securities Act, in accordance with the Registration Rights Agreements or the selling stockholders will be entitled to contribution. We may be indemnified by the selling stockholders against civil liabilities, including liabilities under the Securities Act that may arise from any written information furnished to us by the selling stockholders specifically for use in this prospectus, in accordance with the Registration Rights Agreements or we may be entitled to contribution.

We will not receive any proceeds from sales of any shares of our common stock or warrants by the selling stockholders.

The selling stockholders (or their pledgees, donees, transferees, distributees or successors in interest selling shares received from a named selling stockholder as a gift, partnership distribution or other non-sale-related transfer after the date of this prospectus (all of whom may be selling stockholders)) may sell all or a portion of the shares of HHC common stock or warrants beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents, and any broker-dealers or agents may arrange for other broker-dealers or agents to participate in effecting sales of these securities. These underwriters or broker-dealers may act as principals, or as an agent of a selling stockholder. If the shares of HHC common stock or warrants are sold through underwriters or broker-dealers, the selling stockholders will be responsible for underwriting discounts or commissions or agent's commissions. The shares of HHC common stock or warrants may be sold on any national securities exchange or automated interdealer quotation system on which the securities may be listed or quoted at the time of sale, in the over-the-counter market or in transactions otherwise than on these exchanges or systems or in the over-the-counter market and in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in a variety

of transactions, which may involve crosses or block transactions. The selling stockholders may use any one or more of the following methods when selling shares or warrants:

purchases by underwriters, brokers, dealers, and agents who may receive compensation in the form of underwriting discounts, concessions or commissions from the selling stockholders and/or the purchasers of the shares or warrants for whom they may act as agent;

ordinary brokerage transactions and transactions in which the broker solicits purchasers;

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one or more block trades in which a broker or dealer so engaged will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction, or in crosses in which the same broker acts as agent on both sides;

purchases by a broker or dealer (including a specialist or market maker) as principal and resale by such broker or dealer for its account pursuant to this prospectus;

an exchange distribution in accordance with the rules of any stock exchange on which the shares of HHC common stock or warrants are listed;

face-to-face privately negotiated transactions between sellers and purchasers without a broker-dealer;

an agreement between broker-dealers and the selling stockholders to sell a specified number of such shares or warrants at a stipulated price per share;

the pledge of shares or warrants as security for any loan or obligation, including pledges to brokers or dealers who may from time to time effect distributions of the shares, the warrants or other interests in the shares;

settlement of short sales or transactions to cover short sales relating to the shares or warrants entered into after the effective date of the registration statement of which this prospectus is a part;

distributions to creditors, equity holders, partners and members of the selling stockholders;

transactions in options, swaps or other derivatives (whether listed on an exchange or otherwise);

sales in other ways not involving market makers or established trading markets, including direct sales to institutions or individual purchasers; and

any combination of the foregoing or by any other legally available means.

The selling stockholders may also transfer the shares of our common stock or warrants by gift. We do not know of any arrangements by the selling stockholders for the sale of any of the shares of our common stock or warrants.

The selling stockholders also may resell all or a portion of the shares of our common stock or the warrants in open market transactions in reliance upon Rule 144 under the Securities Act, as permitted by that rule, or Section 4(1) under the Securities Act, if available, rather than under this prospectus, provided that they meet the criteria and conform to the requirements of those provisions.

Brokers or dealers engaged by the selling stockholders may arrange for other brokers or dealers to participate in sales. If the selling stockholders effect such transactions by selling shares of our common stock or warrants to or through underwriters, brokers, dealers or agents, such underwriters, brokers, dealers or agents may receive compensation in the form of discounts, concessions or commissions from the selling stockholders. Underwriters, brokers, dealers or agents may also receive compensation from the purchasers of shares of our common stock for whom they act as agents or to whom they sell as principals, or both. Such commissions will be in amounts to be negotiated, but, except as set forth in a supplement to the prospectus contained in the registration statement, in the case of an agency transaction will not be in excess of a customary brokerage commission in compliance with NASD Rule 2440; and in the case of a principal transaction a markup or markdown in compliance with NASD IM 2440-1 and NASD IM 2440-2.

In connection with sales of the shares of our common stock, the warrants or otherwise, the selling stockholders (or their pledgees, donees, transferees, distributees or successors in interest) may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of shares of our common stock or the warrants in the course of hedging in positions they assume. The selling stockholders may also sell these

securities short, and if such short sales shall take place after the date that the registration statement is declared effective by the SEC, the selling stockholders may deliver the securities covered by this prospectus to close out short positions and to return borrowed shares in connection with such short sales. The selling stockholders may also loan or pledge shares of our common stock or the warrants to broker-dealers that in turn may sell such securities, to the extent permitted by applicable law. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or one or more derivative transactions which require the delivery to such broker-dealer or other financial

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institution of securities offered by this prospectus, which securities such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction). Notwithstanding the foregoing, the selling stockholders have been advised that they may not use securities registered on the registration statement to cover short sales of our common stock made prior to the date the registration statement, of which this prospectus forms a part, has been declared effective by the SEC.

Subject to any applicable company policy, the selling stockholders (or their pledgees, donees, transferees, distributees or successors in interest) may, from time to time, pledge, hypothecate or grant a security interest in some or all of the securities registered by the registration statement owned by them and, if they default in the performance of their secured obligations, the pledgees, secured parties or persons to whom the securities have been hypothecated may offer and sell such securities from time to time pursuant to this prospectus or any amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act, amending, if necessary, the list of selling stockholders to include the pledgee, transferee, persons to whom the securities have been hypothecated or other successors in interest as selling stockholders under this prospectus. The plan of distribution for that selling stockholder's shares of our common stock or the warrants will otherwise remain unchanged. The selling stockholders (or their pledgees, donees, transferees, distributees or successors in interest) also may transfer and donate the shares of our common stock or the warrants in other circumstances in which case the transferees, donees, pledgees, persons to whom the securities have been hypothecated or other successors in interest thereof will be the selling beneficial owners for purposes of this prospectus.

The selling stockholders (or their pledgees, donees, transferees, distributees or successors in interest) and any broker-dealers or agents participating in the distribution of the shares of our common stock may be deemed to be underwriters within the meaning of Section 2(a)(11) of the Securities Act in connection with such sales. In such event, any profits realized by the selling stockholders and any compensation earned by such broker-dealers or agents may be deemed to be underwriting commissions or discounts under the Securities Act. Selling stockholders (or their pledgees, donees, transferees, distributees or successors in interest) who are underwriters within the meaning of Section 2(a)(11) of the Securities Act will be subject to the applicable prospectus delivery requirements of the Securities Act including Rule 172 thereunder and may be subject to certain statutory liabilities of, including, but not limited to, Sections 11, 12 and 17 of the Securities Act and Rule 10b-5 under the Exchange Act. We will make copies of this prospectus (as it may be amended or supplemented from time to time) available to the selling stockholders (or their pledgees, donees, transferees, distributees or successors in interest) for the purpose of satisfying any prospectus delivery requirements. Except as otherwise set forth herein, each selling stockholder has informed the Company that it is not a registered broker-dealer or is not an affiliate of a registered broker-dealer and does not have any written or oral agreement or understanding, directly or indirectly, with any person to distribute our common stock or the warrants. In no event shall any broker dealer receive fees, commissions and markups that, in the aggregate, would exceed eight percent (8%). Brookfield Financial US, LLC, an affiliate of Brookfield Investor, is a Delaware limited liability company formed on July 21, 2009 and a registered broker-dealer. Its registration with the SEC and Financial Industry Regulatory Authority (FINRA) was approved on March 31, 2010.

Under the securities laws of some states, the shares of our common stock or the warrants may be sold in such states only through registered or licensed brokers or dealers. In addition, in some states the shares of our common stock or the warrants may not be sold unless such shares or the warrants have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with by us.

The selling stockholders (or their pledgees, donees, transferees, distributees or successors in interest) may sell the shares covered by this prospectus from time to time, and may also decide not to sell all or any of the shares they are allowed to sell under this prospectus. The selling stockholders (or their pledgees, donees, transferees, distributees or successors in interest) will act independently of us in making decisions regarding the timing, manner, and size of each sale. There can be no assurance, however, that all or any of the shares will be offered by the selling stockholders. We know of no existing arrangements between any selling stockholders and any broker, dealer, finder, underwriter, or agent relating to the sale or distribution of the securities.

Each selling stockholder (or its pledgees, donees, transferees, distributees or successors in interest) and any other person participating in such distribution will be subject to applicable provisions of the Exchange Act and the rules and

regulations thereunder, including, without limitation, to the extent applicable, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the shares of our common stock or the warrants by the selling stockholder and any other participating person. To the extent applicable, Regulation M may also restrict the ability of any person engaged in the distribution of the shares of our common stock or the warrants to engage in market-making activities with respect to the shares of our common stock or the warrants. All of the foregoing may affect the marketability of the shares of our common stock and the ability of any person or entity to engage in market-making activities with respect to the shares of our common stock or the warrants.

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To the extent permitted by applicable law, this plan of distribution may be modified in a prospectus supplement or otherwise. All of the foregoing may affect the marketability of the securities offered hereby. This offering will terminate on the date that all securities offered by this prospectus have been sold by the selling stockholders.

The expenses we expect to incur in connection with the registration and distribution of the securities being offered in this prospectus are estimated to be \$1,500,256.

**Table of Contents****UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS**

The following is a summary of the material U.S. federal income tax consequences of the purchase, ownership and disposition of our common stock and warrants. Except where noted, this summary deals only with common stock and warrants held as capital assets. This summary is based upon the provisions of the Code, regulations promulgated thereunder and judicial and administrative rulings and decisions now in effect, all of which are subject to change or differing interpretations, possibly with retroactive effect. This summary does not purport to address all aspects of U.S. federal income taxation that may affect particular investors in light of their individual circumstances, or certain types of investors subject to special treatment under the U.S. federal income tax laws, such as persons that mark to market their securities, financial institutions (including banks), individual retirement and other tax-deferred accounts, tax-exempt organizations, regulated investment companies, REITs, controlled foreign corporations, passive foreign investment companies, broker-dealers, former U.S. citizens or long-term residents, life insurance companies, persons that hold common stock or warrants as part of a hedge against currency or interest rate risks or that hold common stock or warrants as part of a straddle, conversion transaction or other integrated investment, or U.S. holders that have a functional currency other than the U.S. dollar. This discussion does not address any tax consequences arising under the laws of any state, local or non-U.S. jurisdiction or any estate, gift or alternative minimum tax consequences.

For purposes of this summary, a U.S. holder is a beneficial owner of common stock or warrants that is, for U.S. federal income tax purposes.

an individual citizen or resident of the United States;

a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust if (a) a court within the United States is able to exercise primary jurisdiction over administration of the trust and one or more United States persons have authority to control all substantial decisions of the trust or (b) it was in existence on August 20, 1996 and has a valid election in effect under applicable Treasury regulations to be treated as a domestic trust for U.S. federal income tax purposes.

For purposes of this summary, a non-U.S. holder is a beneficial owner of common stock or warrants that is not a U.S. holder or a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes). If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of common stock or warrants, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. A beneficial owner that is a partnership and partners in such a partnership should consult their tax advisors about the U.S. federal income tax considerations of the purchase, ownership and disposition of our common stock and warrants.

**Taxation of U.S. holders***Sale or other disposition of common stock*

You will generally recognize capital gain or loss on a sale or other disposition of common stock. Your gain or loss will equal the difference between the proceeds you received and your adjusted tax basis in the common stock (for the initial basis of common stock acquired by exercise of a warrant, see *Exercise of warrants*). The proceeds received will include the amount of any cash and the fair market value of any other property received for the common stock. If you are a non-corporate, U.S. holder and your holding period for the common stock at the time of the sale or other disposition exceeds one year, such capital gain generally will, under current law, be subject to a reduced federal income tax rate. Your ability to offset ordinary income with capital losses is subject to limitations.

*Distributions on common stock*

Any distributions made on the our common stock will constitute dividends for U.S. federal income tax purposes to the extent of our current or accumulated earnings and profits as determined under U.S. federal income tax principles. To the extent that a U.S. holder receives distributions that would otherwise constitute dividends for U.S. federal income tax purposes but that exceed our



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current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the U.S. holder's basis in its shares. Any such distributions in excess of the U.S. holder's basis in its shares (determined on a share-by-share basis) generally will be treated as capital gain. Subject to certain exceptions, dividends received by non-corporate U.S. holders prior to 2013 will be taxed under current law at a maximum rate of 15%, provided that certain holding period requirements and other requirements are met. Any such dividends received after 2012 will be taxed at the rate applicable to ordinary income. Dividends paid to U.S. holders that are corporations generally will be eligible for the dividends-received deduction so long as we have sufficient earnings and profits.

Certain events, such as adjustments to the exercise price of the warrants, could, in some circumstances, result in a deemed taxable distribution to a U.S. holder of our common stock if the adjustment has the effect of increasing the proportionate interest of the U.S. holder in our earnings and profits or assets, without regard to whether the U.S. holder receives any cash or other property. However, adjustments to the exercise price of the warrants made pursuant to a bona fide reasonable adjustment formula that has the effect of preventing the dilution of the interests of U.S. holders generally will not result in a deemed taxable distribution. In the event of a deemed taxable distribution, a U.S. holder's basis in its common stock will be increased by the amount of the taxable distribution. If a deemed taxable distribution occurs, such deemed distribution would be taxable as a dividend, return of capital or capital gain in accordance with the rules discussed herein, and U.S. holders may recognize income as a result even though they receive no cash or property.

*Sale or other taxable disposition of warrants*

You will generally recognize capital gain or loss on a sale or other disposition of warrants. Your gain or loss will equal the difference between the proceeds you received and your adjusted tax basis in the warrants. The proceeds received will include the amount of any cash and the fair market value of any other property received for the warrants. A U.S. holder's adjusted tax basis in the warrant generally will equal the U.S. holder's cost to acquire the warrant, as adjusted in the manner described below, under Adjustments under the warrants. If you are a non-corporate U.S. holder and your holding period for the warrants at the time of the sale or other disposition exceeds one year, such capital gain generally will, under current law, be subject to a reduced federal income tax rate. Your ability to offset ordinary income with capital losses is subject to limitations.

*Exercise of warrants*

Because the warrants permit settlement through a cashless net share settlement, the U.S. federal income tax consequences of the exercise of a warrant are not entirely clear. It is expected that a U.S. holder exercising a warrant would not recognize gain or loss for U.S. federal income tax purposes because either (i) the warrant should be treated as an option to acquire common stock or (ii) the exercise of the warrant for common stock is treated as a tax free recapitalization. In either case, a U.S. holder's initial tax basis in the common stock received (including any tax basis attributable to a fractional share of common stock), would equal such U.S. holder's adjusted tax basis in the warrant exercised, increased by the amount of cash paid (if any) to exercise the warrant. If the warrant is treated as an option to acquire common stock, a U.S. holder's holding period for the common stock received on exercise generally would commence on the day following the exercise. If exercise of the warrant is treated as a tax free recapitalization, a U.S. holder's holding period generally would include the U.S. holder's holding period for the warrant exercised.

Despite the foregoing, the IRS could take the position that the exercise of a warrant constitutes a taxable exchange resulting in gain or loss, which would be capital gain or loss. The amount of capital gain or loss recognized on such an exchange and its character as short term or long term would depend on the position taken by the IRS regarding the nature of that exchange. If the U.S. holder is treated as exchanging the warrants for shares of our common stock, the amount of capital gain or loss would be the difference between the fair market value of our common stock (and cash received in lieu of a fractional share of common stock), reduced by the amount of cash paid (if any) to exercise the warrants, and the U.S. holder's adjusted tax basis in the warrants exchanged. In that case, the U.S. holder would have long term capital gain or loss if it has held the warrants for more than one year and the U.S. holder's initial tax basis in the common stock received would equal its fair market value.

Alternatively specifically if the exercising U.S. holder elects a cashless net share settlement the IRS could take the position that the U.S. holder is treated as selling a portion of the warrants or underlying common stock for cash that is used to pay the exercise price for the warrants, in which case the amount of capital gain or loss would be the

difference between that exercise price and the U.S. holder's adjusted tax basis attributable to the warrants or common stock deemed sold. If the U.S. holder is treated as selling warrants, such U.S. holder would have long term capital gain or loss if the U.S. holder held the warrants for more than one year at the time of exercise. If the U.S. holder is treated as selling underlying common stock, such U.S. holder would have short term capital gain or loss.

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The U.S. holder's initial tax basis in the common stock received would equal such U.S. holder's adjusted tax basis in the warrants deemed exercised, increased by the U.S. holder's deemed amount realized from the warrants or common stock deemed sold.

If you are a non-corporate U.S. holder and your holding period for the warrants at the time of the sale or other disposition exceeds one year, such capital gain generally will, under current law, be subject to a reduced federal income tax rate. Your ability to offset ordinary income with capital losses is subject to limitations.

A U.S. holder that receives cash in lieu of receipt of a fractional share of common stock should generally be treated as recognizing capital gain or loss in an amount equal to the difference, if any, between the amount of cash received and the adjusted tax basis allocable to the fractional share.

U.S. holders should consult their tax advisors regarding the tax consequences of the exercise of the warrants.

*Lapse of warrants*

A U.S. holder that allows a warrant to lapse would generally recognize a loss for U.S. federal income tax purposes equal to the adjusted tax basis of the warrant. In general, such a loss would be a capital loss, and would be a short term or long term capital loss depending on the U.S. holder's holding period for the warrant.

*Adjustments under the warrants*

Certain events, such as adjustment of the exercise price of the warrants, could, in certain circumstances, result in a deemed taxable distribution to a U.S. holder of warrants if the adjustment has the effect of increasing the proportionate interest of the U.S. holder in our earnings and profits or assets, without regard to whether the U.S. holder receives any cash or other property. However, adjustments to the exercise price made pursuant to a bona fide reasonable adjustment formula that has the effect of preventing the dilution of the interests of U.S. holders of the warrants generally will not result in a deemed taxable distribution. In the event of a deemed taxable distribution, a U.S. holder's basis in its warrants will be increased by the amount of the deemed taxable distribution. If a deemed taxable distribution occurs, such deemed distribution would be taxable as a dividend, return of capital or capital gain in accordance with the rules discussed herein, and U.S. holders may recognize income as a result even though they receive no cash or property.

**Taxation of non-U.S. holders***Sale or other disposition of our common stock and warrants*

You generally will not be subject to U.S. federal income tax on gain realized upon a sale or other disposition of common stock and warrants unless the shares or warrants constitute a United States Real Property Interest, or USRPI (which determination generally includes a five-year look-back period), within the meaning of the Foreign Investment in Real Property Tax Act of 1980, or FIRPTA. Shares and warrants to acquire shares of any U.S. corporation are presumed to be a USRPI unless an exception from such status under the FIRPTA rules applies.

Gain arising from a sale or exchange of a non-U.S. holder's shares of our common stock or warrants will generally not be subject to taxation under FIRPTA as a sale of a USRPI if:

1. in the case of our common stock, (a) shares of our common stock are regularly traded, as defined by applicable Treasury Regulations, on an established securities market, such as the NYSE, and (b) the non-U.S. holder owns or owned, actually and constructively, 5% or less of the shares of our common stock throughout the five-year period ending on the date of the sale or exchange; and
2. in the case of our warrants, either (a)(i) shares of our common stock are regularly traded, as defined by applicable Treasury Regulations, on an established securities market, such as the NYSE, (ii) our warrants are not considered regularly traded on an established securities market and (iii) the non-U.S. holder does not own, actually or constructively, warrants with a fair market value greater than the fair market value of 5% of the shares of our common stock, determined as of the date that such non-U.S. holder acquired its warrants, or (b)(i) our warrants are considered regularly traded on an established securities market, such as the NYSE and (ii) the non-U.S. holder owns

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or owned, actually and constructively, 5% or less of our warrants throughout the five-year period ending on the date of the sale or exchange.

We expect the shares of our common stock to be regularly traded on an established securities market. Thus, at the time a non-U.S. holder sells or exchanges its shares of our common stock or warrants, as long as our shares are regularly traded on an established securities market at that time and the non-U.S. holder does not own, or has not owned during the five-year period ending on the date of the sale or exchange, more than 5% of the shares of our common stock or, depending on whether the warrants are considered regularly traded on an established securities market, warrants having a fair market value greater than the value of more than 5% of our common stock, determined as of the date such warrants were acquired, or more than 5% of our warrants, any gain arising from the sale of the holder's shares of our common stock or warrants generally will not be subject to taxation under FIRPTA as a sale of a USRPI.

If gain on the sale or exchange of a non-U.S. holder's shares of our common stock or warrants is subject to taxation under FIRPTA, the non-U.S. holder will be subject to regular U.S. federal income tax with respect to the gain in the same manner as a U.S. holder (subject to any applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals). In addition, if at the time of the sale or exchange of shares of our common stock or warrants, the shares are not regularly traded on an established securities market, then the purchaser of the shares of our common stock or warrants will be required to withhold and remit an amount equal to 10% of the purchase price to the IRS.

Notwithstanding the foregoing, gain from the sale or exchange of shares of our common stock or warrants not otherwise subject to taxation under FIRPTA will be taxable to a non-U.S. holder if either (1) the investment in shares of our common stock or warrants is treated as effectively connected with the non-U.S. holder's United States trade or business (and, if a tax treaty applies, is attributable to a U.S. permanent establishment maintained by the non-U.S. holder) or (2) the non-U.S. holder is a nonresident alien individual who is present in the United States for 183 days or more during the taxable year and certain other conditions are met.

*Distributions*

Any distributions made with respect to common stock or a deemed distribution with respect to our common stock or warrants resulting from an adjustment to the exercise price of the warrants will constitute a dividend for U.S. federal income tax purposes to the extent of our current or accumulated earnings and profits as determined under U.S. federal income tax principles. You generally will be subject to U.S. federal withholding tax at a 30% rate on the gross amount of such taxable dividend unless:

the dividend is effectively connected with your conduct of a U.S. trade or business (and you provide to the person who otherwise would be required to withhold U.S. tax an IRS Form W-8ECI (or suitable substitute or successor form) to avoid withholding); or

an applicable tax treaty provides for a lower rate of withholding tax (and you certify your entitlement to benefits under the treaty by delivering a properly completed IRS Form W-8BEN) to the person required to withhold U.S. tax.

Except to the extent provided by an applicable tax treaty, a dividend that is effectively connected with the conduct of a U.S. trade or business will be subject to U.S. federal income tax on a net basis at the rates applicable to United States persons generally (and, if you are a corporation, may also be subject to a 30% branch profits tax unless reduced by an applicable tax treaty).

*Exercise of warrants*

Subject to the discussion above in *Taxation of U.S. holders* *Exercise of Warrants*, you will generally not recognize any income, gain or loss upon the exercise of the warrants, provided that warrants are exempt from tax under FIRPTA. However, if a disposition of the warrants would be subject to tax under FIRPTA as discussed above, the exchange of such warrants for common stock may be taxable (e.g., if the warrants are considered regularly traded on an established securities market and you own more than 5% of the total fair market value of warrants outstanding, but exercise your warrants for 5% or less of the total amount of our common stock outstanding). Non-U.S. holders should consult their tax advisors regarding the tax consequences of the exercise of the warrants.

*Information reporting and backup withholding*

Information returns may be filed with the IRS in connection with distributions on common stock or warrants and the proceeds of a sale or other disposition of common stock or warrants. A non-exempt U.S. holder may be subject to U.S. backup withholding on these

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payments if it fails to provide its taxpayer identification number to the withholding agent and comply with certification procedures or otherwise establish an exemption from backup withholding.

A non-U.S. holder may be subject to the U.S. information reporting and backup withholding on these payments unless the non-U.S. holder complies with certification procedures to establish that it is not a United States person. The certification requirements generally will be satisfied if the non-U.S. holder provides the applicable withholding agent with a statement on IRS Form W-8BEN (or suitable substitute or successor form), together with all appropriate attachments, signed under penalties of perjury, stating, among other things, that such non-U.S. holder is not a United States person (within the meaning of the Code). Applicable Treasury regulations provide alternative methods for satisfying this requirement. In addition, the amount of distributions on common stock or warrants paid to a non-U.S. holder, and the amount of any U.S. federal tax withheld there from, must be annually reported to the IRS and the holder. This information may be made available by the IRS under the provisions of an applicable tax treaty or agreement to the tax authorities of the country in which the non-U.S. holder resides.

Payment of the proceeds of the sale or other disposition of common stock or warrants to or through a non-U.S. office of a U.S. broker or of a non-U.S. broker with certain specified U.S. connections generally will be subject to information reporting requirements, but not backup withholding, unless the non-U.S. holder certifies under penalties of perjury that it is not a United States person or an exemption otherwise applies. Payments of the proceeds of a sale or other disposition of common stock or warrants to or through a U.S. office of a broker generally will be subject to information reporting and backup withholding, unless the non-U.S. holder certifies under penalties of perjury that it is not a United States person or otherwise establishes an exemption.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment generally will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is timely furnished to the IRS.

Recently enacted legislation will require, after December 31, 2012, withholding at a rate of 30% on dividends in respect of, and gross proceeds from the sale of, our common stock or warrants held by or through certain foreign financial institutions (including investment funds), unless such institution enters into an agreement with the Secretary of the Treasury to report, on an annual basis, information with respect to interests in the institution held by certain United States persons and by certain non-U.S. entities that are wholly or partially owned by United States persons. Accordingly, the entity through which our common stock or warrants is held will affect the determination of whether such withholding is required. Similarly, dividends in respect of, and gross proceeds from the sale of, our common stock or warrants held by an investor that is a non-financial non-U.S. entity will be subject to withholding at a rate of 30%, unless such entity either (i) certifies to us that such entity does not have any substantial United States owners or (ii) provides certain information regarding the entity's substantial United States owners, which we will in turn provide to the Secretary of the Treasury. Non-U.S. holders are encouraged to consult with their tax advisors regarding the possible implications of the legislation on their investment in our common stock or warrants.

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**LEGAL MATTERS**

Weil, Gotshal & Manges LLP, New York, New York, has passed upon the validity of the common stock and warrants offered hereby on behalf of us.

**EXPERTS**

The consolidated and combined financial statements of HHC, and certain entities that were transferred from GGP to HHC on November 9, 2010 (the "HHC Businesses"), as of December 31, 2010 and 2009, and for each of the three years in the period ended December 31, 2010, and the related financial statement schedule incorporated by reference into in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is incorporated by reference herein (which report expresses an unqualified opinion and includes explanatory paragraphs regarding the HHC Businesses' inclusion of allocations of certain operating expenses from GGP and emergence from bankruptcy on November 9, 2010). Such financial statements and financial statement schedule have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements of TWLDC Holdings, L.P., as of December 31, 2010 and 2009, and for each of the years in the three-year period ended December 31, 2010, incorporated by reference in the registration statement to which this prospectus is a part have been audited by BKD, LLP, an independent accounting firm, as stated in their reports appearing herein. Such financial statements are incorporated by reference in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

**WHERE YOU CAN FIND MORE INFORMATION**

We have filed a registration statement on Form S-11 with the SEC for the shares of common stock and the warrants to acquire our common stock that we are offering in this prospectus. This prospectus does not include all of the information contained in the registration statement. You should refer to the registration statement and its exhibits for additional information. Whenever we make reference in this prospectus to any of our contracts, agreements or other documents, the references are not necessarily complete and you should refer to the exhibits attached to the registration statement for copies of the actual contract, agreement or other document. When we complete this offering, we will also be required to file annual, quarterly and special reports, proxy statements and other information with the SEC.

You can read our SEC filings, including the registration statement, over the Internet at the SEC's website at <http://www.sec.gov/>. You may also read and copy any document we file with the SEC at its public reference facilities at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may also obtain copies of the documents at prescribed rates by writing to the Public Reference Section at the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference facilities.

You may obtain a copy of any of our filings, at no cost, by writing or telephoning us at:

The Howard Hughes Corporation  
13355 Noel Road, Suite 950  
Dallas, TX 75240  
(214) 741-7744

We also post our SEC filings to our website at <http://www.howardhughes.com/>. The contents of our website are not a part of this prospectus.

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**INCORPORATION OF CERTAIN INFORMATION BY REFERENCE**

We incorporate by reference in this prospectus the documents listed below, each of which should be considered an important part of this prospectus.

Our 2010 Annual Report on Form 10-K for the year ended December 31, 2010, which we filed on April 8, 2011;

Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2011, which we filed on May 10, 2011;

Our 2011 Definitive Proxy Statement on Schedule 14A (only those portions incorporated by reference into our 2010 Annual Report on Form 10-K), which we filed on May 2, 2011; and

Our Current Reports on Form 8-K, which we filed on February 3, 2011, March 3, 2011 and April 11, 2011.

Any statement incorporated by reference in this prospectus from an earlier dated document that is inconsistent with a statement contained in this prospectus or in any other document filed after the date of the earlier dated document, but prior to the date hereof, which also is incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this prospectus by such statement contained in this prospectus or in any other document filed after the date of the earlier dated document, but prior to the date hereof, which also is incorporated by reference herein.

Any person, including any beneficial owner, to whom this prospectus is delivered may request copies of this prospectus and any of the documents incorporated by reference in this prospectus, without charge, by written or oral request directed to The Howards Hughes Corporation, 13355 Noel Road, Suite 950, Dallas, Texas 75240, telephone (214) 741-7744, on the Investor Relations section of our website at <http://www.howardhughes.com/> or from the SEC through the SEC's website at [www.sec.gov](http://www.sec.gov). Documents incorporated by reference are available without charge, excluding any exhibits to those documents unless the exhibit is specifically incorporated by reference into those documents.

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**PART II**  
**INFORMATION NOT REQUIRED IN PROSPECTUS**

**ITEM 31. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION**

The expenses expected to be incurred by The Howard Hughes Corporation (the Registrant) in connection with the registration and distribution of the securities being registered under this registration statement are estimated to be as follows:

SEC Fee	\$ 66,256
Printing	400,000
Legal Fees and Expenses	500,000
Accounting Fees and Expenses	500,000
Miscellaneous	34,000
 Total	 \$ 1,500,256

**ITEM 32. SALES TO SPECIAL PARTIES**

See Related Party Transactions and Certain Relationships contained in our 2011 Definitive Proxy Statement on Schedule 14A and incorporated by reference herein.

**ITEM 33. RECENT SALES OF UNREGISTERED SECURITIES**

On July 1, 2010, we issued 1,000 shares to GGP Limited Partnership, our parent company at the time. The shares were issued in a private placement exempt from registration pursuant to 4(2) of the Securities Act.

On November 22, 2010, we entered into warrant agreements with David R. Weinreb, our Chief Executive Officer, and Grant Herlitz, our President and from January 31, 2011 through March 28, 2011, our Interim Chief Financial Officer, in each case prior to his appointment to such position, pursuant to which: (a) Mr. Weinreb purchased a warrant to acquire 2,367,985 shares of Company common stock for a purchase price of \$15.0 million in cash; and (b) Mr. Herlitz purchased a warrant to acquire 315,731 shares of Company common stock for a purchase price of \$2.0 million in cash, both of which purchase prices were determined to be at the warrants then current fair value. The warrants have an exercise price of \$42.23 per share and will, excluding certain specific circumstances, become exercisable in November 2016 and will expire in November 2017. The warrants were issued in a transaction exempt from registration under Section 4(2) of the Securities Act.

On February 25, 2011, the Company also entered into a warrant agreement with Andrew C. Richardson, our Chief Financial Officer effective as of March 28, 2011, prior to his appointment to such position, pursuant to which Mr. Richardson purchased a warrant to acquire 178,971 shares of company common stock for a purchase price of \$2.0 million in cash, which purchase price was determined to be at current fair value. The warrant has an exercise price of \$54.40 per share and will generally become exercisable in February 2017 and will expire in February 2018. The warrant was issued in a transaction exempt from registration under Section 4(2) of the Securities Act.

**ITEM 34. INDEMNIFICATION OF DIRECTORS AND OFFICERS**

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties as directors. Our amended and restated certificate of incorporation includes provisions that indemnify, to the fullest extent allowable under the DGCL, the personal liability of directors or officers for monetary damages for actions taken as our director or officer, or for serving at our request as a director or officer or another position at another corporation or enterprise, as the case may be. Our amended and restated certificate of incorporation also provides that we must indemnify and advance reasonable expenses to our directors and officers, subject to our receipt of an undertaking from the indemnified party as may be required under the DGCL. We have entered into indemnification agreements with each of our directors and certain officers. These agreements, among other things, require us to indemnify each director and certain officers to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, fines and settlement amounts reasonably incurred by the director or officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's services as a



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director or executive officer. We also carry directors and officers insurance to protect us, our directors, officers and certain employees for some liabilities. The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. However, these provisions do not limit or eliminate our rights, or those of any stockholder, to seek non-monetary relief such as injunction or rescission in the event of a breach of a director's duty of care. The provisions do not alter the liability of directors under the federal securities laws. In addition, your investment may be adversely affected to the extent that, in a class action or direct suit, we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions. There is currently no pending material litigation or proceeding against any of our directors, officers or employees for which indemnification is being sought.

**ITEM 35. TREATMENT OF PROCEEDS FROM STOCK BEING REGISTERED**

Not applicable.

**ITEM 36. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

(a) The consolidated and combined financial statements of The Howard Hughes Corporation as of December 31, 2010 and 2009, and for each of the three years in the period ended December 31, 2010, and the related consolidated and combined financial statement schedule were filed as part of our Annual Report on Form 10-K and are incorporated herein by reference.

We own a 52.5% economic interest in The Woodlands Partnerships. We have included as an exhibit to our Annual Report on Form 10-K and incorporated herein by reference the consolidated financial statements of TWLDC Holdings, L.P., as such partnership, either through majority ownership or as primary beneficiary of variable interest entities, consolidates all of The Woodlands Partnerships, and the operations of The Woodlands Partnerships are significant to our operations for the fiscal year ending December 31, 2010. The Woodlands Partnerships include the venture developing the master planned community known as The Woodlands (whose operations are in the Master Planned Communities segment) and also hold the beneficial interests in other commercial real estate within the Woodlands community, including the conference center, all located near Houston, Texas. The remaining 47.5% economic interest in The Woodlands Partnerships is owned by Morgan Stanley Real Estate Fund, L.P. which provides all the management services for The Woodlands Partnerships.

(b) The exhibits listed below in the Exhibit Index are part of this registration statement and are numbered in accordance with Item 601 of Regulation S-K.

**Exhibit Index**

<b>Exhibit No.</b>	<b>Description of Exhibit</b>
2.1	Separation Agreement, dated November 9, 2010, between The Howard Hughes Corporation and General Growth Properties, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed November 12, 2010)
3.1	Amended and Restated Certificate of Incorporation of The Howard Hughes Corporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed November 12, 2010)
3.2	Amended and Restated Bylaws of The Howard Hughes Corporation (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, filed November 12, 2010)
5.1	Opinion of Weil, Gotschal & Manges LLP as to the validity of the securities being registered (incorporated by reference to Exhibit 5.1 to the Company's registration statement on Form S-11/A, filed on November 12, 2010)

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<b>Exhibit No.</b>	<b>Description of Exhibit</b>
10.1	Transition Services Agreement, dated November 9, 2010, between The Howard Hughes Corporation, GGP Limited Partnership and General Growth Management, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.2	Reverse Transition Services Agreement, dated November 9, 2010, between The Howard Hughes Corporation, GGP Limited Partnership and General Growth Management, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.3	Employee Matters Agreement, dated November 9, 2010, between The Howard Hughes Corporation, GGP Limited Partnership and General Growth Management, Inc. (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.4	Employee Leasing Agreement, dated November 9, 2010, between The Howard Hughes Corporation, GGP Limited Partnership and General Growth Management, Inc. (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.5	Tax Matters Agreement, dated November 9, 2010, between The Howard Hughes Corporation and General Growth Properties, Inc. (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.6	Surety Bond Indemnity Agreement, dated November 9, 2010, between The Howard Hughes Corporation and General Growth Properties, Inc. (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.7	Form of indemnification agreement for directors and certain executive officers of The Howard Hughes Corporation (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.8	Warrant Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Mellon Investor Services LLC (incorporated by reference to Exhibit 10.8 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.9	Letter Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Brookfield Retail Holdings LLC (incorporated by reference to Exhibit 10.9 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.10	Letter Agreement, dated November 9, 2010, between The Howard Hughes Corporation and The Fairholme Fund and Fairholme Focused Income Fund (incorporated by reference to Exhibit 10.10 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.11	Letter Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Pershing Square Capital Management, L.P. (incorporated by reference to Exhibit 10.11 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.12	Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation and M.B. Capital Partners, M.B. Capital Partners III and M.B. Capital Units LLC (incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K, filed

November 12, 2010)

- 10.13 Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Brookfield Retail Holdings LLC, Brookfield Retail Holdings II LLC, Brookfield Retail Holdings III LLC, Brookfield Retail Holdings IV-A LLC, Brookfield Retail Holdings IV-D LLC, Brookfield Retail Holdings V LP and Brookfield US Retail Holdings LLC (incorporated by reference to Exhibit 99.2 to the Company's Current Report on Form 8-K, filed November 12, 2010)
- 10.14 Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation and The Fairholme Fund and Fairholme Focused Income Fund (incorporated by reference to Exhibit 99.3 to the Company's Current Report on Form 8-K, filed November 12, 2010)
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<b>Exhibit No.</b>	<b>Description of Exhibit</b>
10.15	Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Pershing Square Capital Management, L.P., Blackstone Real Estate Partners VI L.P., Blackstone Real Estate Partners (AIV) VI L.P., Blackstone Real Estate Partners VI.F L.P., Blackstone Real Estate Partners VI.TE.1 L.P., Blackstone Real Estate Partners VI.TE.2 L.P., Blackstone Real Estate Holdings VI L.P., and Blackstone GGP Principal Transaction Partners L.P. (incorporated by reference to Exhibit 99.4 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.16	Management Services Agreement, dated August 6, 2010, between The Howard Hughes Corporation and Brookfield Advisors LP (incorporated by reference to Exhibit 10.4 to the Company's Form 10, filed October 7, 2010), which agreement is no longer in effect, but is filed as an exhibit to this registration statement on Form S-11/A in accordance with Item 601(b)(10) of Regulation S-K
10.17*	The Howard Hughes Corporation 2010 Equity Incentive Plan (incorporated by reference to Exhibit 10.13 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.18*	Form of Restricted Stock Agreement for Nonemployee Directors under The Howard Hughes Corporation 2010 Equity Incentive Plan (incorporated by reference to the Company's Annual Report on Form 10-K, filed on April 8, 2011)
10.19*	Non-Qualified Stock Option Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Adam S. Metz (incorporated by reference to Exhibit 10.14 to the Company's Current Report on Form 8-K, filed November 12, 2010), which agreement is no longer in effect, but is filed as an exhibit to this registration statement on Form S-11/A in accordance with Item 601(b)(10) of Regulation S-K
10.20*	Non-Qualified Stock Option Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Thomas Nolan Jr. (in his capacity as a director) (incorporated by reference to Exhibit 10.15 to the Company's Current Report on Form 8-K, filed November 12, 2010), which agreement is no longer in effect, but is filed as an exhibit to this registration statement on Form S-11/A in accordance with Item 601(b)(10) of Regulation S-K
10.21*	Non-Qualified Stock Option Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Thomas Nolan Jr. (in his capacity as an employee) (incorporated by reference to Exhibit 10.16 to the Company's Current Report on Form 8-K, filed November 12, 2010), which agreement is no longer in effect, but is filed as an exhibit to this registration statement on Form S-11/A in accordance with Item 601(b)(10) of Regulation S-K
10.22*	Employment Agreement, dated as of November 22, 2010, between The Howard Hughes Corporation and David R. Weinreb (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed November 29, 2010)
10.23*	Warrant Purchase Agreement, dated November 22, 2010, between The Howard Hughes Corporation and David R. Weinreb (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed November 29, 2010)
10.24*	

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Employment Agreement, dated as of November 22, 2010, between The Howard Hughes Corporation and Grant Herlitz (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K, filed November 29, 2010)

10.25\* Warrant Purchase Agreement, dated November 22, 2010, between The Howard Hughes Corporation and Grant Herlitz (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed November 29, 2010)

10.26\* Warrant Purchase Agreement, dated February 25, 2011, between The Howard Hughes Corporation and Andrew C. Richardson (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed March 3, 2011)

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<b>Exhibit No.</b>	<b>Description of Exhibit</b>
10.27*	Employment Agreement, dated as of February 25, 2011, between The Howard Hughes Corporation and Andrew C. Richardson (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed March 3 2011)
10.28	Standstill Agreement, dated as of November 9, 2010, between The Howard Hughes Corporation and Pershing Square Capital Management, L.P. (incorporated by reference to Exhibit 10.28 to the Company's Registration Statement on Form S-11, filed on May 18, 2011)
21.1	List of Subsidiaries (incorporated by reference to the Company's Annual Report on Form 10-K, filed April 8, 2011)
23.1**	Consent of Deloitte & Touche LLP
23.2**	Consent of BKD, LLP
24.1**	Power of Attorney
99.1	TWLDC Holdings, L.P. Consolidated Financial Statements and Independent Accountant's Report (incorporated by reference to the Company's Annual Report on Form 10-K, filed April 8, 2011)

\* Management contract, compensatory plan or arrangement

\*\* Filed herewith

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**ITEM 37. UNDERTAKINGS**

- (a) The undersigned registrant hereby undertakes:
- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to the registration statement:
    - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act;
    - (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement; and
    - (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.
  - (2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
  - (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
  - (4) That, for the purpose of determining liability under the Securities Act to any purchaser:
    - (i) If the registrant is relying on Rule 430B:
      - (A) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and
      - (B) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement

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or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date; or

- (ii) If the registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(b) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes that:

- (1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of the registration statement in reliance upon Rule 430A and contained in the form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of the registration statement as of the time it was declared effective.
  - (2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Post-Effective Amendment No. 1 to this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, on May 18, 2011.

THE HOWARD HUGHES CORPORATION

By: /s/ David R. Weinreb  
 Name: David R. Weinreb  
 Title: *Chief Executive Officer*

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to this registration statement has been signed by the following persons in the capacities as indicated on May 18, 2011.

<b>Signature</b>	<b>Title</b>
*	Chairman of The Board of Directors
William Ackman	
/s/ David R. Weinreb David R. Weinreb	Director and Chief Executive Officer (Principal Executive Officer)
*	Chief Financial Officer
Andrew C. Richardson	(Principal Financial and Accounting Officer)
*	Director
David Arthur	
*	Director
Adam Flatto	
*	Director
Jeffrey Furber	
*	Director
Gary Krow	
*	Director
Allen Model	
*	Director
R. Scot Sellers	

\*

Director

Steven Shepsman

David R. Weinreb, by signing his name hereto, does hereby sign and execute this Post-Effective Amendment No. 1 to the registration statement on behalf of the above-named directors and officers of The Howard Hughes Corporation, on this 18<sup>th</sup> day of May, 2011, pursuant to powers of attorney executed on behalf of such director and/or officer, and contemporaneously filed with the Securities and Exchange Commission.

\*By /s/ David R. Weinreb

David R. Weinreb  
*Attorney-in-fact*

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<b>Exhibit No.</b>	<b>Description of Exhibit</b>
2.1	Separation Agreement, dated November 9, 2010, between The Howard Hughes Corporation and General Growth Properties, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed November 12, 2010)
3.1	Amended and Restated Certificate of Incorporation of The Howard Hughes Corporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed November 12, 2010)
3.2	Amended and Restated Bylaws of The Howard Hughes Corporation (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, filed November 12, 2010)
5.1	Opinion of Weil, Gotschal & Manges LLP as to the validity of the securities being registered (incorporated by reference to Exhibit 5.1 to the Company's registration statement on Form S-11/A, filed on November 12, 2010)
10.1	Transition Services Agreement, dated November 9, 2010, between The Howard Hughes Corporation, GGP Limited Partnership and General Growth Management, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.2	Reverse Transition Services Agreement, dated November 9, 2010, between The Howard Hughes Corporation, GGP Limited Partnership and General Growth Management, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.3	Employee Matters Agreement, dated November 9, 2010, between The Howard Hughes Corporation, GGP Limited Partnership and General Growth Management, Inc. (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.4	Employee Leasing Agreement, dated November 9, 2010, between The Howard Hughes Corporation, GGP Limited Partnership and General Growth Management, Inc. (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.5	Tax Matters Agreement, dated November 9, 2010, between The Howard Hughes Corporation and General Growth Properties, Inc. (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.6	Surety Bond Indemnity Agreement, dated November 9, 2010, between The Howard Hughes Corporation and General Growth Properties, Inc. (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.7	Form of indemnification agreement for directors and certain executive officers of The Howard Hughes Corporation (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.8	Warrant Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Mellon Investor Services LLC (incorporated by reference to Exhibit 10.8 to the Company's Current Report on Form 8-K, filed November 12, 2010)

- 10.9 Letter Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Brookfield Retail Holdings LLC (incorporated by reference to Exhibit 10.9 to the Company's Current Report on Form 8-K, filed November 12, 2010)
  - 10.10 Letter Agreement, dated November 9, 2010, between The Howard Hughes Corporation and The Fairholme Fund and Fairholme Focused Income Fund (incorporated by reference to Exhibit 10.10 to the Company's Current Report on Form 8-K, filed November 12, 2010)
  - 10.11 Letter Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Pershing Square Capital Management, L.P. (incorporated by reference to Exhibit 10.11 to the Company's Current Report on Form 8-K, filed November 12, 2010)
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<b>Exhibit No.</b>	<b>Description of Exhibit</b>
10.12	Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation and M.B. Capital Partners, M.B. Capital Partners III and M.B. Capital Units LLC (incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.13	Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Brookfield Retail Holdings LLC, Brookfield Retail Holdings II LLC, Brookfield Retail Holdings III LLC, Brookfield Retail Holdings IV-A LLC, Brookfield Retail Holdings IV-D LLC, Brookfield Retail Holdings V LP and Brookfield US Retail Holdings LLC (incorporated by reference to Exhibit 99.2 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.14	Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation and The Fairholme Fund and Fairholme Focused Income Fund (incorporated by reference to Exhibit 99.3 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.15	Registration Rights Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Pershing Square Capital Management, L.P., Blackstone Real Estate Partners VI L.P., Blackstone Real Estate Partners (AIV) VI L.P., Blackstone Real Estate Partners VI.F L.P., Blackstone Real Estate Partners VI.TE.1 L.P., Blackstone Real Estate Partners VI.TE.2 L.P., Blackstone Real Estate Holdings VI L.P., and Blackstone GGP Principal Transaction Partners L.P. (incorporated by reference to Exhibit 99.4 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.16	Management Services Agreement, dated August 6, 2010, between The Howard Hughes Corporation and Brookfield Advisors LP (incorporated by reference to Exhibit 10.4 to the Company's Form 10, filed October 7, 2010), which agreement is no longer in effect, but is filed as an exhibit to this registration statement on Form S-11/A in accordance with Item 601(b)(10) of Regulation S-K
10.17*	The Howard Hughes Corporation 2010 Equity Incentive Plan (incorporated by reference to Exhibit 10.13 to the Company's Current Report on Form 8-K, filed November 12, 2010)
10.18*	Form of Restricted Stock Agreement for Nonemployee Directors under The Howard Hughes Corporation 2010 Equity Incentive Plan (incorporated by reference to the Company's Annual Report on Form 10-K, filed on April 8, 2011)
10.19*	Non-Qualified Stock Option Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Adam S. Metz (incorporated by reference to Exhibit 10.14 to the Company's Current Report on Form 8-K, filed November 12, 2010), which agreement is no longer in effect, but is filed as an exhibit to this registration statement on Form S-11/A in accordance with Item 601(b)(10) of Regulation S-K
10.20*	Non-Qualified Stock Option Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Thomas Nolan Jr. (in his capacity as a director) (incorporated by reference to Exhibit 10.15 to the Company's Current Report on Form 8-K, filed November 12, 2010), which agreement is no longer in effect, but is filed as an exhibit to this registration statement on Form S-11/A in accordance with Item 601(b)(10) of Regulation S-K

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- 10.21\* Non-Qualified Stock Option Agreement, dated November 9, 2010, between The Howard Hughes Corporation and Thomas Nolan Jr. (in his capacity as an employee) (incorporated by reference to Exhibit 10.16 to the Company's Current Report on Form 8-K, filed November 12, 2010), which agreement is no longer in effect, but is filed as an exhibit to this registration statement on Form S-11/A in accordance with Item 601(b)(10) of Regulation S-K
- 10.22\* Employment Agreement, dated as of November 22, 2010, between The Howard Hughes Corporation and David R. Weinreb (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed November 29, 2010)
- 10.23\* Warrant Purchase Agreement, dated November 22, 2010, between The Howard Hughes Corporation and David R. Weinreb (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed November 29, 2010)
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<b>Exhibit No.</b>	<b>Description of Exhibit</b>
10.24*	Employment Agreement, dated as of November 22, 2010, between The Howard Hughes Corporation and Grant Herlitz (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K, filed November 29, 2010)
10.25*	Warrant Purchase Agreement, dated November 22, 2010, between The Howard Hughes Corporation and Grant Herlitz (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed November 29, 2010)
10.26*	Warrant Purchase Agreement, dated February 25, 2011, between The Howard Hughes Corporation and Andrew C. Richardson (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed March 3, 2011)
10.27*	Employment Agreement, dated as of February 25, 2011, between The Howard Hughes Corporation and Andrew C. Richardson (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed March 3 2011)
10.28	Standstill Agreement, dated as of November 9, 2010, between The Howard Hughes Corporation and Pershing Square Capital Management, L.P. (incorporated by reference to Exhibit 10.28 to the Company's Registration Statement on Form S-11, filed on May 18, 2011)
21.1	List of Subsidiaries (incorporated by reference to the Company's Annual Report on Form 10-K, filed April 8, 2011)
23.1**	Consent of Deloitte & Touche LLP
23.2**	Consent of BKD, LLP
24.1**	Power of Attorney
99.1	TWLDC Holdings, L.P. Consolidated Financial Statements and Independent Accountant's Report (incorporated by reference to the Company's Annual Report on Form 10-K, filed April 8, 2011)

\* Management contract, compensatory plan or arrangement

\*\* Filed herewith