

GGP Part II

May 26, 2010



Pershing Square Capital Management, L.P.

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At Last Year's Ira Sohn Conference, We Delivered a
67-page Presentation on General Growth Entitled:

The Buck's Rebound Begins Here

May 27, 2009



Pershing Square Capital Management, L.P.

On Page 34 of *The Buck's Rebound Begins Here*, We Proposed the Following Solution for GGP to Address Its Bankruptcy

A seven-year extension of GGP's secured and unsecured loans at their existing interest rates would provide the Company with sufficient time to use cash flow from operations to delever its balance sheet. With a seven-year extension, we believe the Company would be able to repay existing creditors in full

Benefits of this Approach:

- ✓ **Secured and unsecured lenders receive 100% of the present value of their claims**
- ✓ **Prevents the liquidation of assets at "fire-sale" prices**
- ✓ **Preserves value for equity holders**
- ✓ **GGP platform remains intact**
- ✓ **Preserves jobs**

GGP's Bankruptcy has Progressed Largely as We Expected

- ✓ **All of GGP's property-level debtors have consensually agreed to extend \$15bn of secured debt**
- ✓ **The weighted average contract interest rate for these loans is 5.07%, which is lower than the original interest rate⁽¹⁾**
- ✓ **The weighted average duration of the loans is 6.5 years from January 1, 2010⁽¹⁾**
- ✓ **GGP has avoided a "fire-sale" of its assets**
- ✓ **Equity value has been enhanced**

✗ While we suggested a maturity extension of GGP's unsecured debt, the vast majority of it will be repaid at emergence



⁽¹⁾ Source: GGP Press Release (4/29/10).

GGP has Secured a Commitment for Enough Capital to Repay its Unsecured Creditors in Full at Par Plus Accrued

General Growth Properties Submits Revised \$6.55 Billion Investment and an Additional \$2 Billion Backstop Offer From Brookfield, Pershing Square & Fairholme, Seeks Court Approval for Bidding Procedures

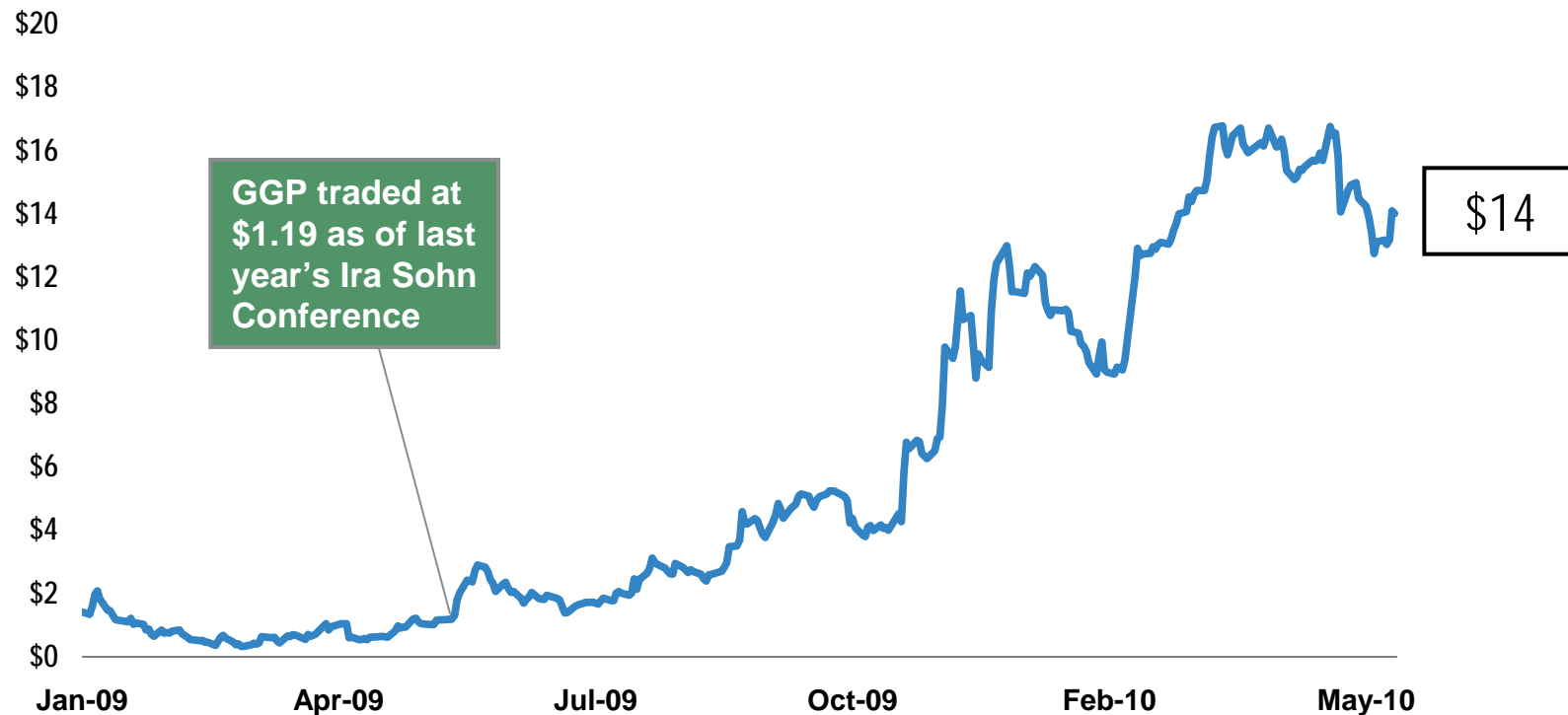
"We are very pleased to recommend the Brookfield-led proposal as the transaction that offers the best opportunity at this time to maximize long-term value for stockholders while ensuring full payment to creditors," said Adam Metz, Chief Executive Officer of GGP. "With the revised proposal, we have now secured commitments for all financing needed to emerge from bankruptcy. The Brookfield-led proposal also allows the Company to continue its process to solicit higher and better offers pursuant to the bid procedures to be approved by the Bankruptcy Court."

⁽¹⁾ Source: GGP Press Release (5/3/10).

The Buck Has Rebounded

Though GGP's stock price has risen more than 1000% over the past year, its TEV has only increased 12%. This compares to Simon Property Group ("SPG" or "Simon") whose TEV has risen 29% over the same period

GGP Stock Price Performance



A Little Context...

At the Beginning of 2009, The World was a Very Different Place for Mall REITs

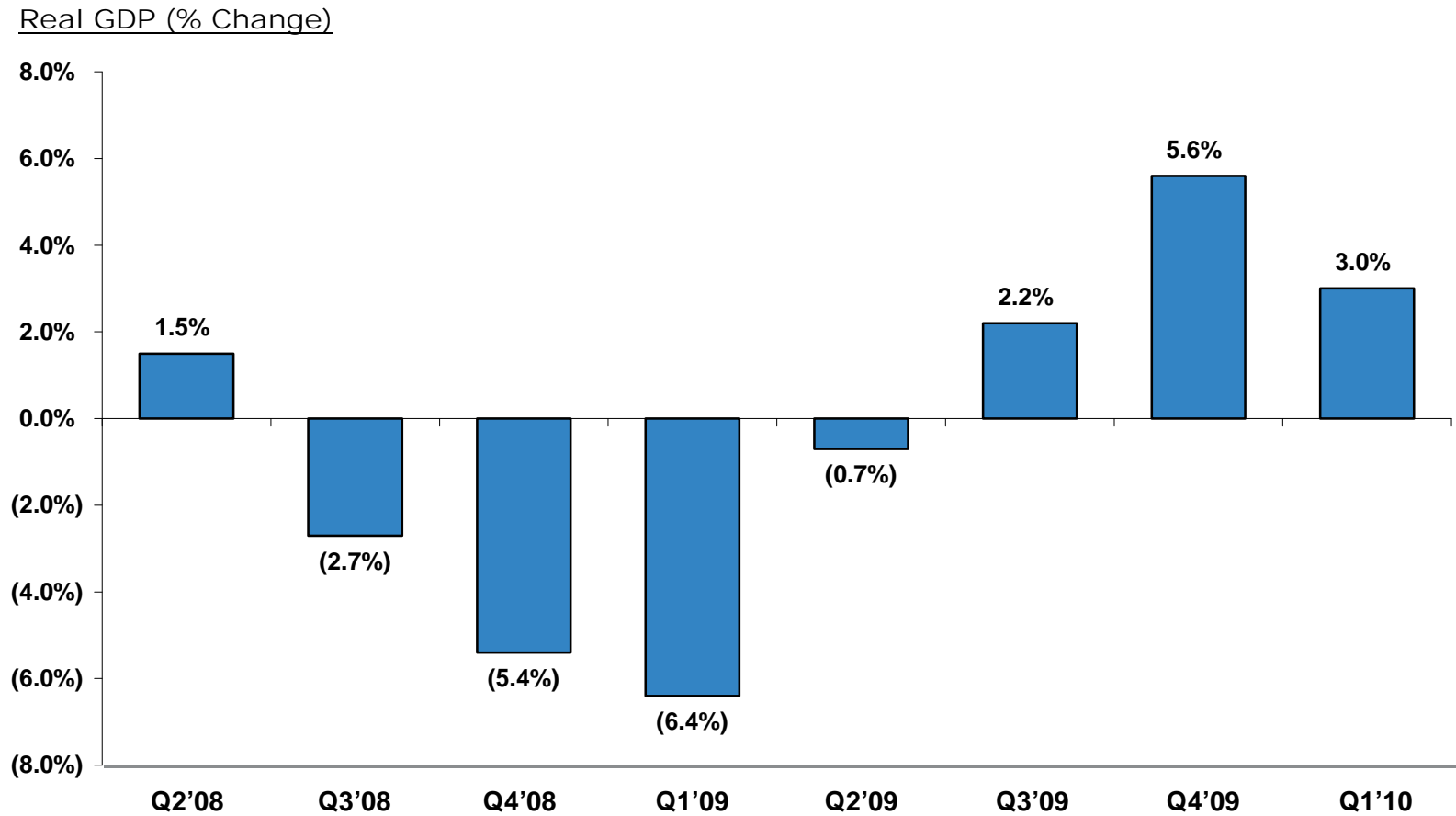
- ▶ The U.S. economy was in a serious recession
- ▶ The U.S. consumer had hit the wall
- ▶ Mall REITs had limited access to capital
- ▶ Cap rates increased and transactions stopped as bid-ask spreads widened
- ▶ Bankruptcy risk and tenant “right-sizing” initiatives were expected to result in massive store closures
- ▶ Rent relief was a serious concern
- ▶ Tenant sales were expected to continuously decline



*Since
Then...*

U.S. Economy Recovering

U.S. Real GDP growth has been positive the past three quarters



The Housing Market is Showing Signs of Improvement

The ABX AAA 06-2 Index, which tracks pricing on a basket of 2006 vintage subprime loans, has marched upward over the past year

Markit ABX.HE.AAA 06-2 Index

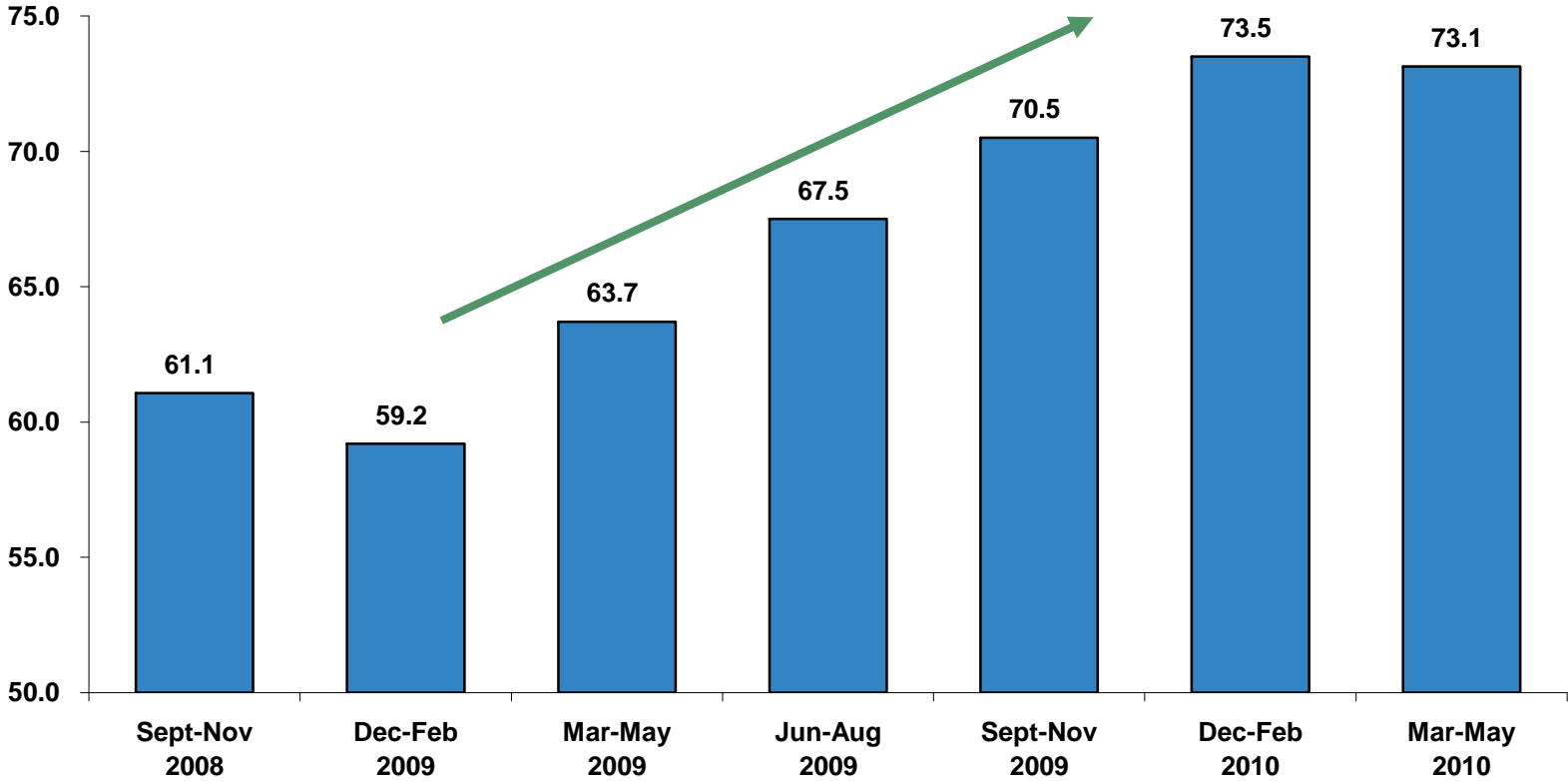


Source: Bloomberg (as of 5/28/10).

Consumer Confidence is Up

The University of Michigan Survey of Consumer Confidence Sentiment Index has improved since the beginning of 2009

University of Michigan Consumer Confidence Index (Trailing Three Month Average)

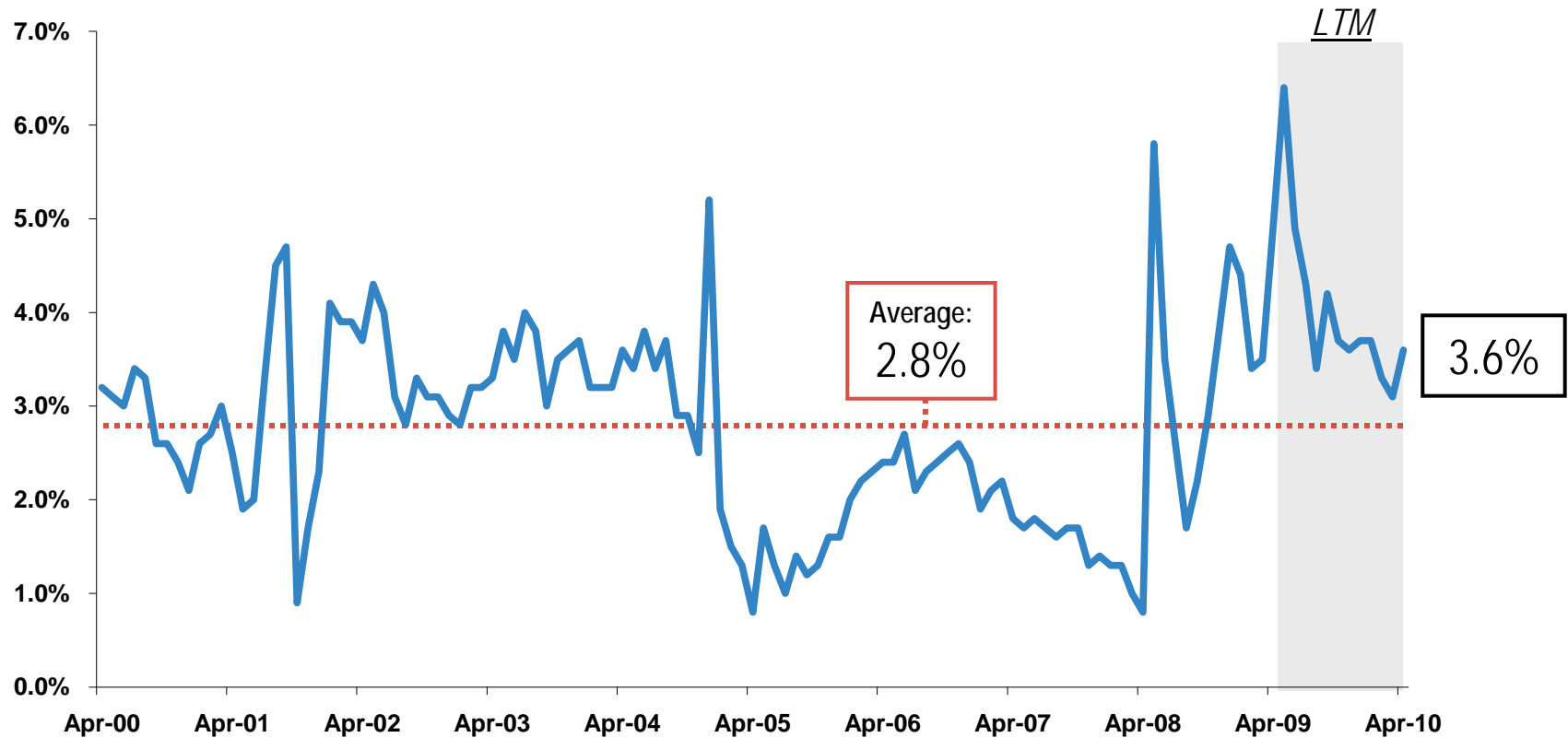


Source: University of Michigan / Bloomberg. Most recent data point available as of 5/28/10.

Personal Savings Rate Reverting

After peaking in May 2009, the U.S. personal savings rate has reverted to near its 10-yr average

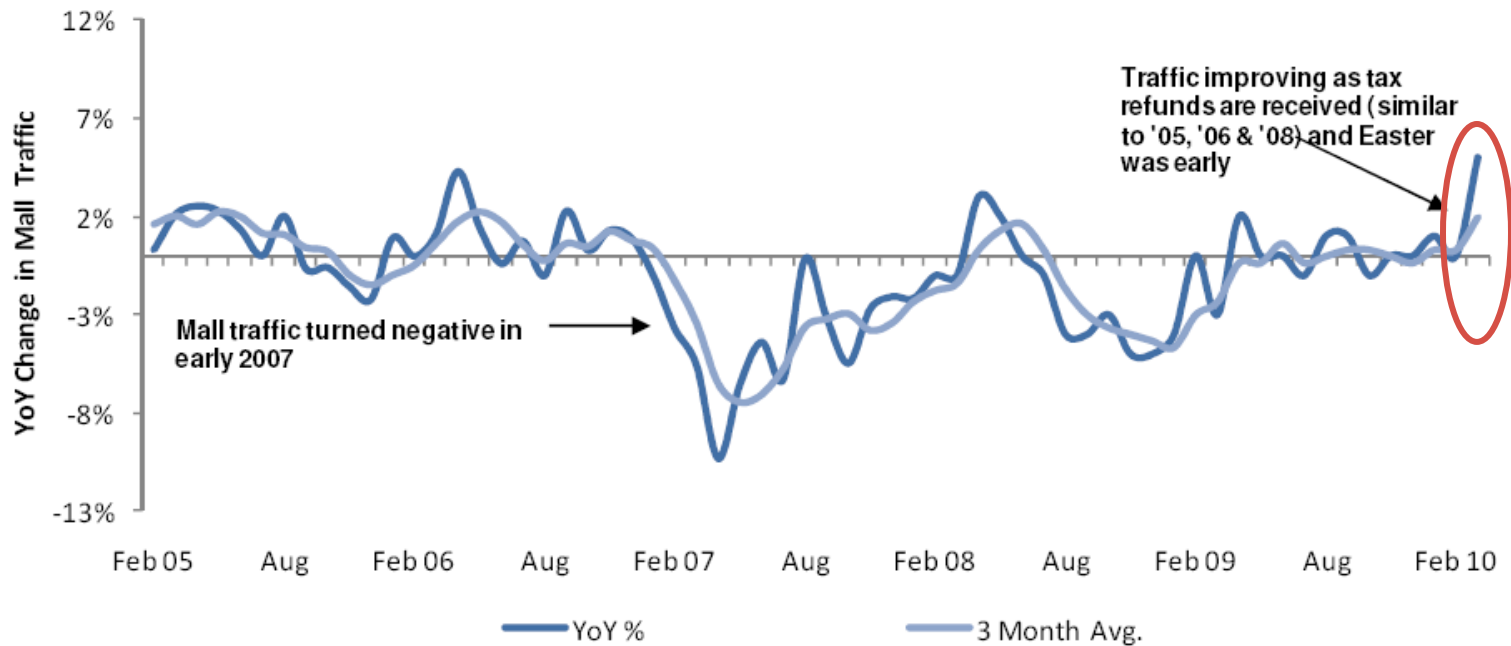
U.S. Personal Saving as a Percentage of Disposable Personal Income



Mall Traffic Improving

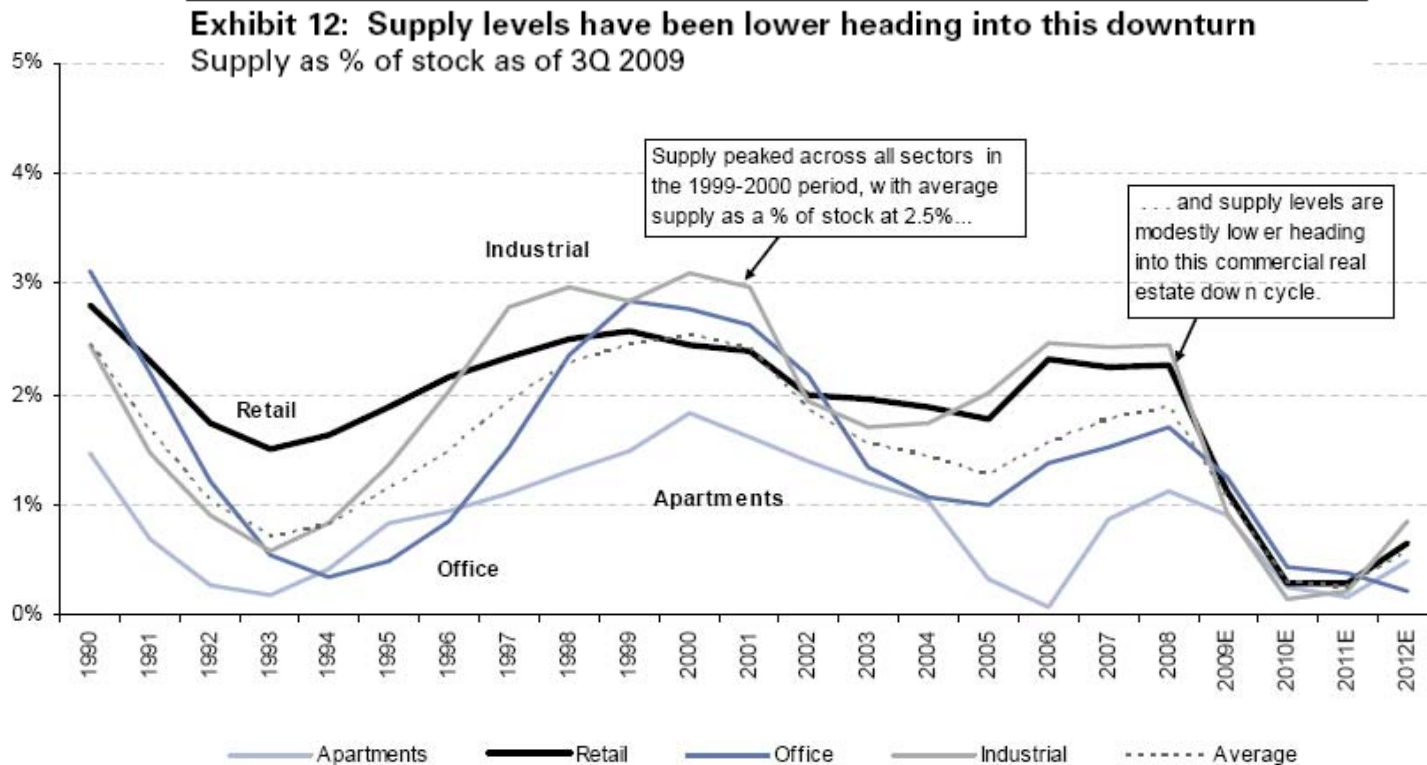
Consumers are returning to malls as evidenced by positive mall traffic trends year-to-date in 2010

EXHIBIT 42: MALL TRAFFIC HAS BEEN STABILIZING



Source: Jefferies & Company

Retail Construction Remains at a 20-Year Low



“And frankly, when you look at the capital situation today, the construction in the retail sector is at a 20-year low. We certainly anticipate it will remain there, and the lack of new supply can only hopefully help the demand side for the existing product.”

– Rick Sokolov, COO of Simon Property Group, December 4, 2009

Mall REITs Have Regained Access to Capital

Simon Debt Issuances

- ▶ On March 25, 2009, Simon announced the completion of the issuance of \$650 million of 10.35% senior notes due 2019
- ▶ On January 19, 2010, Simon announced the sale of \$2.25bn of senior unsecured notes, including:
 - \$400mm of 4.20% notes due 2015 yielding 4.25%
 - \$1.25bn of 5.65% notes yielding 5.70%

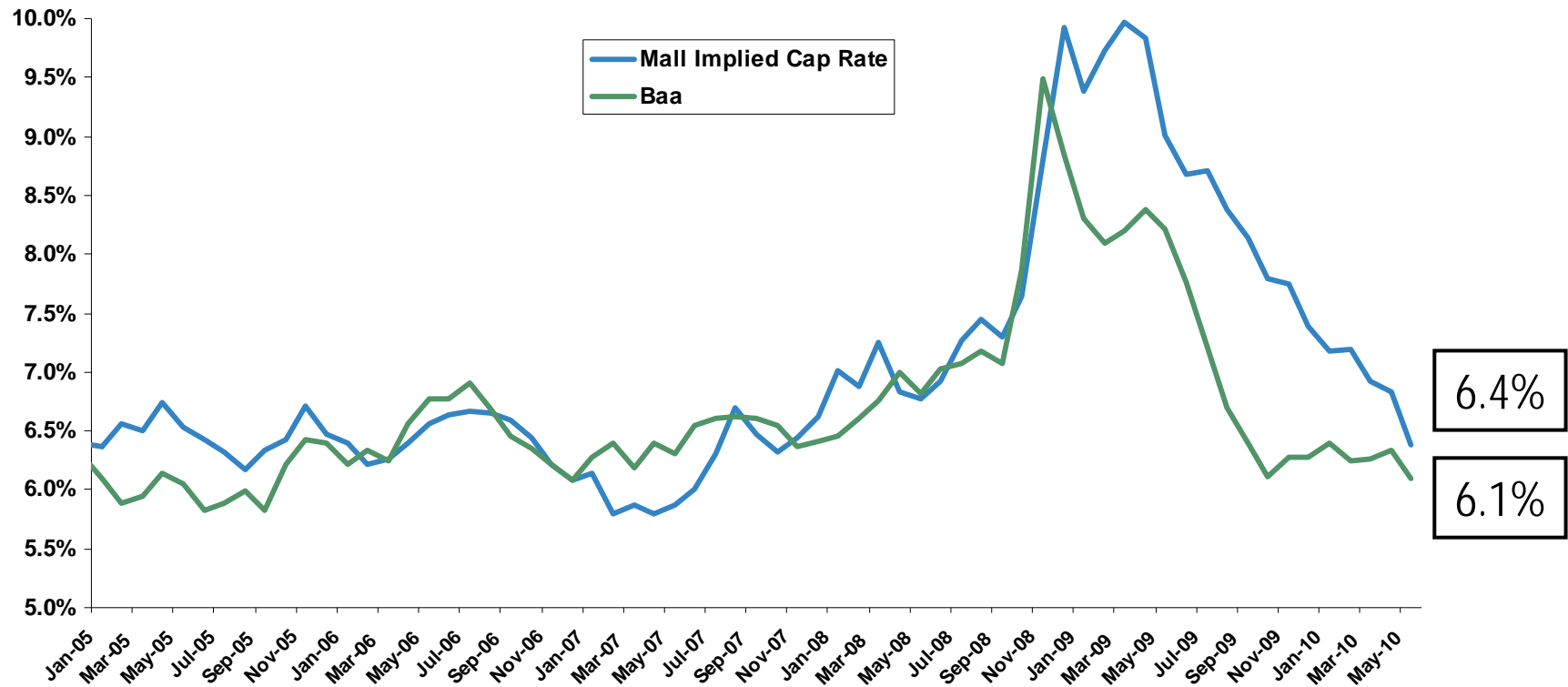
Macerich Equity Issuance

- ▶ ***Macerich Issues Biggest Share Offer On Record – WSJ 4/15/10***
 - Macerich raised \$1.23bn in equity at a ~7.0% cap rate, more than 25% of its market cap, representing the largest secondary stock offering by a REIT on record
 - The 30mm share sale was 62% over-subscribed relative to the original 18.5mm anticipated share sale announcement on April 14th

Mall REIT Cap Rates Have Declined and Should Decline Further Based on Historical Precedent

Although Mall REIT cap rates have come in from their double-digit highs, mall REITs still trade at a discount to corporate Baa yields

Mall Implied Cap Rate vs. Baa Yields

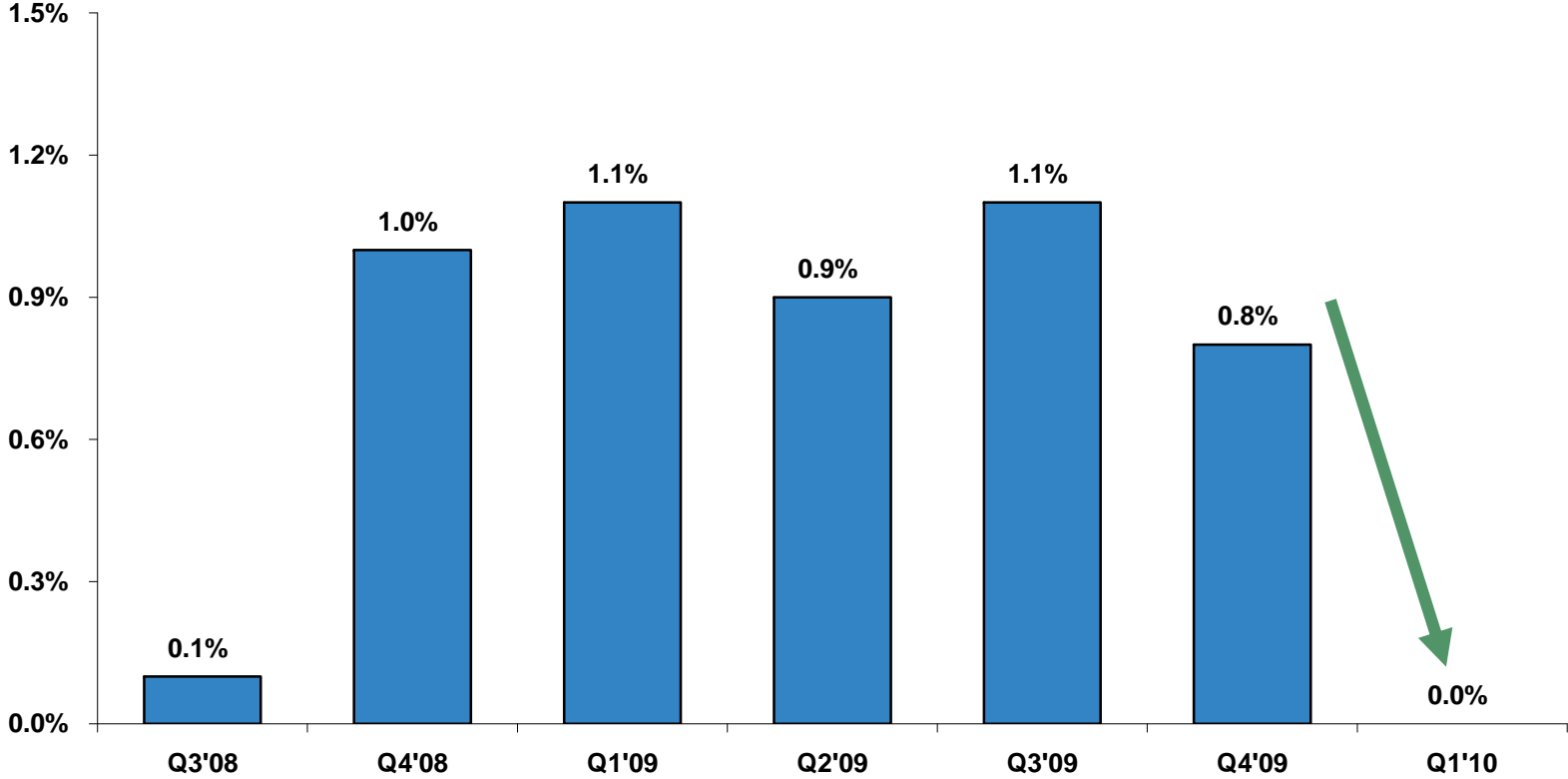


Source: Green Street (as of 5/1/10). Most recent available.

Tenant Bankruptcies Have Decreased

Taubman's reported tenant bankruptcies dropped to 0% in Q1'10

Taubman Reported Tenant Bankruptcy Filings as a % of Total Tenants

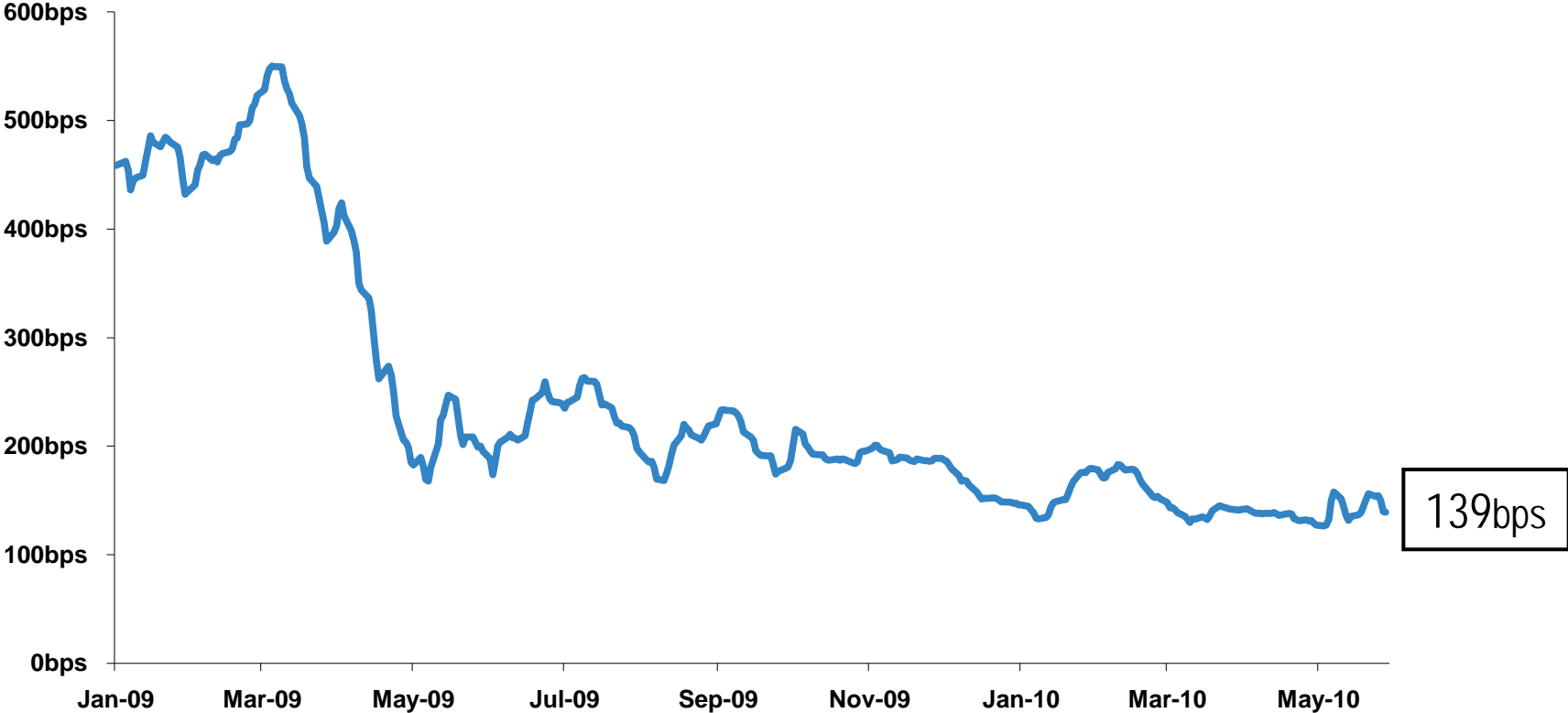


Source: Taubman quarterly financial supplements.

Tenant CDS Spreads Have Narrowed

Mall tenant CDS spreads have narrowed approximately 400 basis points from peak levels seen in 2009

GGP Top 10 Tenants CDS Basket



Note: Represents an equal-weighted basket of CDS prices for GGP's top 10 tenants (where CDS pricing is available), which include Gap, Limited, JC Penney and Macy's.
Source: Bloomberg (5/28/10).

Rent Relief Less of an Issue than Originally Anticipated

Simon expects to lose less than 2bps of total revenue as the result of rent relief concessions in 2009

"Our 2009 rent relief total will be under \$10 million, as in the \$7 million to \$8 million range. But as I think we said on the call last quarter, we hadn't seen much of it year-to-date. So it's a little back-end weighted, and as you look at the impact of average base rent it could have a nominal impact. But it's a small number in the context of the size of our income statements."

– Steve Sterrett, CFO of Simon Property Group, October 30, 2009

Mall Leasing Activity Picking Up Substantially

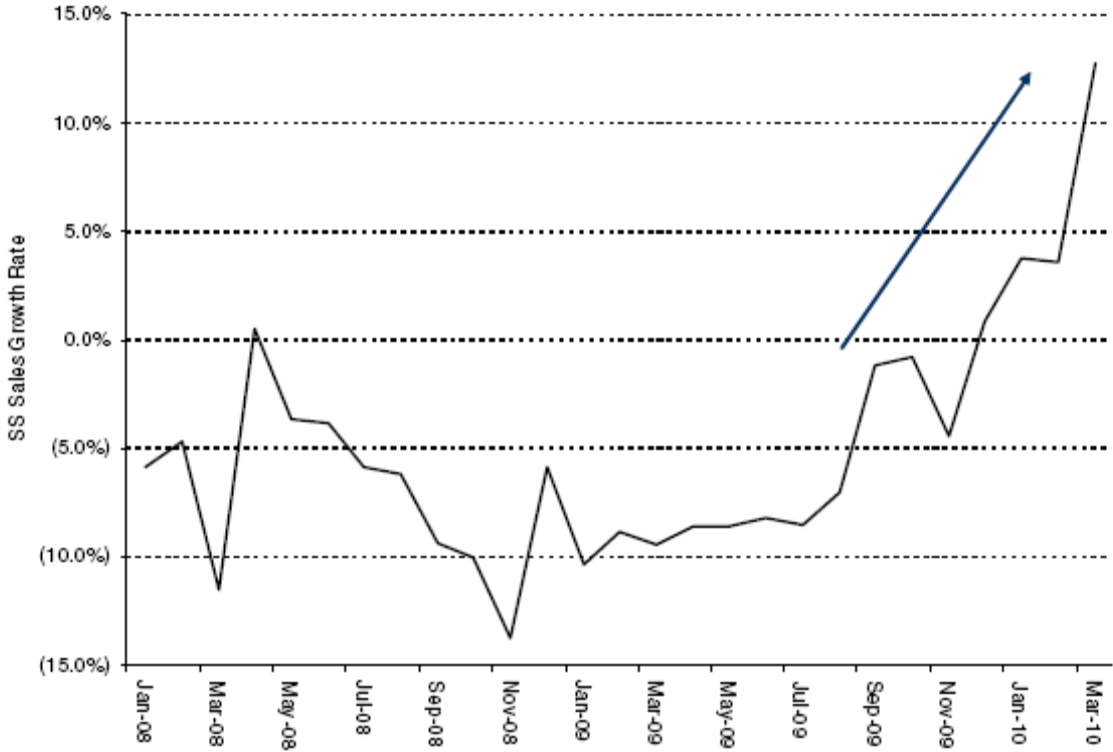
“Retail leasing activity increased significantly in the first quarter of 2010, with total in-line and outparcel tenant leasing deals covering 1.36 million square feet signed, an increase of 21% over the same period of last year. Within total deals, the number of new lease deals grew 84%, representing new deal square footage of approximately 284 thousand square feet. Although rents remain below 2007 peak levels, they have stabilized. As sales continue their upward trend, the Company expects lease rates to reflect those increases over time.”

– GGP Q1'10 Operating Supplement

Tenant Sales Growing Quickly

Anchor tenant same store sales have turned from negative in late 2008 and 2009 to materially positive so far in 2010

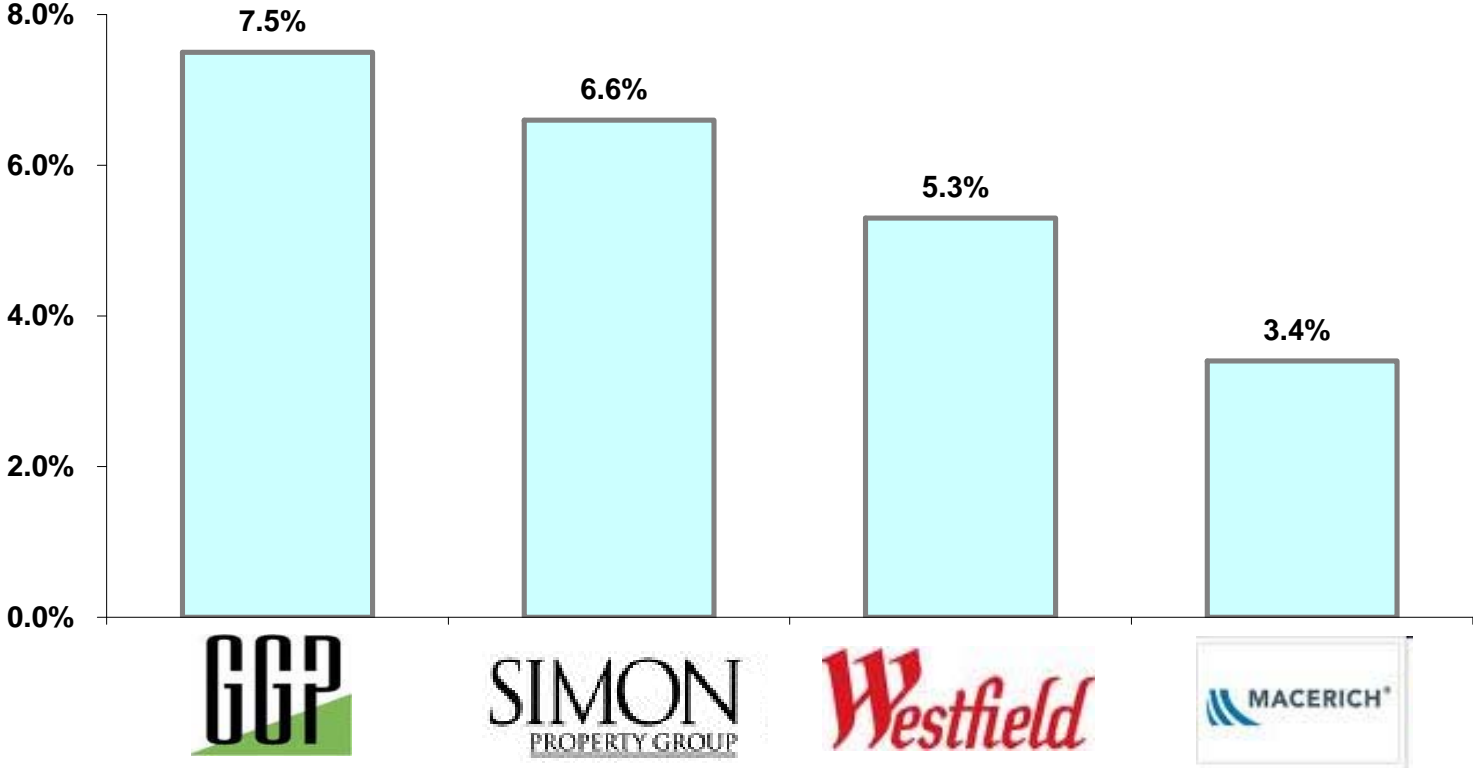
Exhibit 3: Anchor Tenant Same Store Sales Growth – 2008 to Present



Source: Company data, Credit Suisse estimates

Source: "Why the Sad Face Mall Sector?" Credit Suisse equity research (4/26/10).

Mall REIT Comp Tenant Sales Growth Positive in Q1'10



Based on Westfield's U.S. portfolio only.

“On a quarterly basis, comparable tenant sales rose a healthy 7.5% year-over-year, with momentum picking up over the course of the quarter. January 2010 comparable sales increased 2.5% year-over-year, with February and March showing accelerating increases of 6.0% and 10.0%, respectively.”

– GGP Q1'10 Operating Supplement

The World has Improved Dramatically

- ✓ **The U.S. economy has recovered**
- ✓ **The U.S. consumer is bouncing back**
- ✓ **Mall traffic is increasing**
- ✓ **Demand for mall REIT debt and equity capital is high**
- ✓ **Cap rates have declined substantially**
- ✓ **Store closure fears were overblown**
- ✓ **Tenants are much better capitalized**
- ✓ **Rent relief has been minimal**
- ✓ **Tenant sales have returned to growth**

What Will GGP Look Like When It Emerges?

GGP will emerge as two separate companies: General Growth Properties (“PF GGP”) and General Growth Opportunities (“GGO”)

PF GGP

- Ownership or management of approximately 200 regional malls
- Community / strip retail centers
- Office properties
- GGMI
- 13 underperforming malls (“Special Consideration Properties” or “SCPs”) assumed to be transferred to lenders

Estimated Value: ~\$15

GGO

- Master Planned Communities (“MPC”)
- Development assets (i.e. Victoria Ward, South St Seaport)
- Non-income producing assets (i.e. Fashion Show air rights)
- Other assets

Estimated Value: ~\$5

PF GGP

Why is PF GGP a Good Investment?

▶ **Low Risk**

- PF GGP will emerge with much less debt, but similar NOI
- PF GGP will be a portfolio of approx. 200 regional malls and other assets
- ~80% of its financing will be single-property, non-recourse debt
- Removal of SCPs, settlement of Hughes claim, and elimination of deferred tax liabilities

▶ **High Quality**

- Approximately 100 of PF GGP's malls are high-quality, "mini-monopolies" within their respective markets
- A disproportionate share of PF GGP's NOI is generated by its top assets
- Events of the past two years have further confirmed that high quality mall assets are recession-resistant

▶ **Recent Underperformance Creates Future Upside**

- Two years of financial distress have caused GGP to underperform its peer group
- Investors get the benefit of a turnaround opportunity without the risk

Why is PF GGP a Good Investment? (Cont'd)

A mall is like a trust which holds a portfolio of bonds

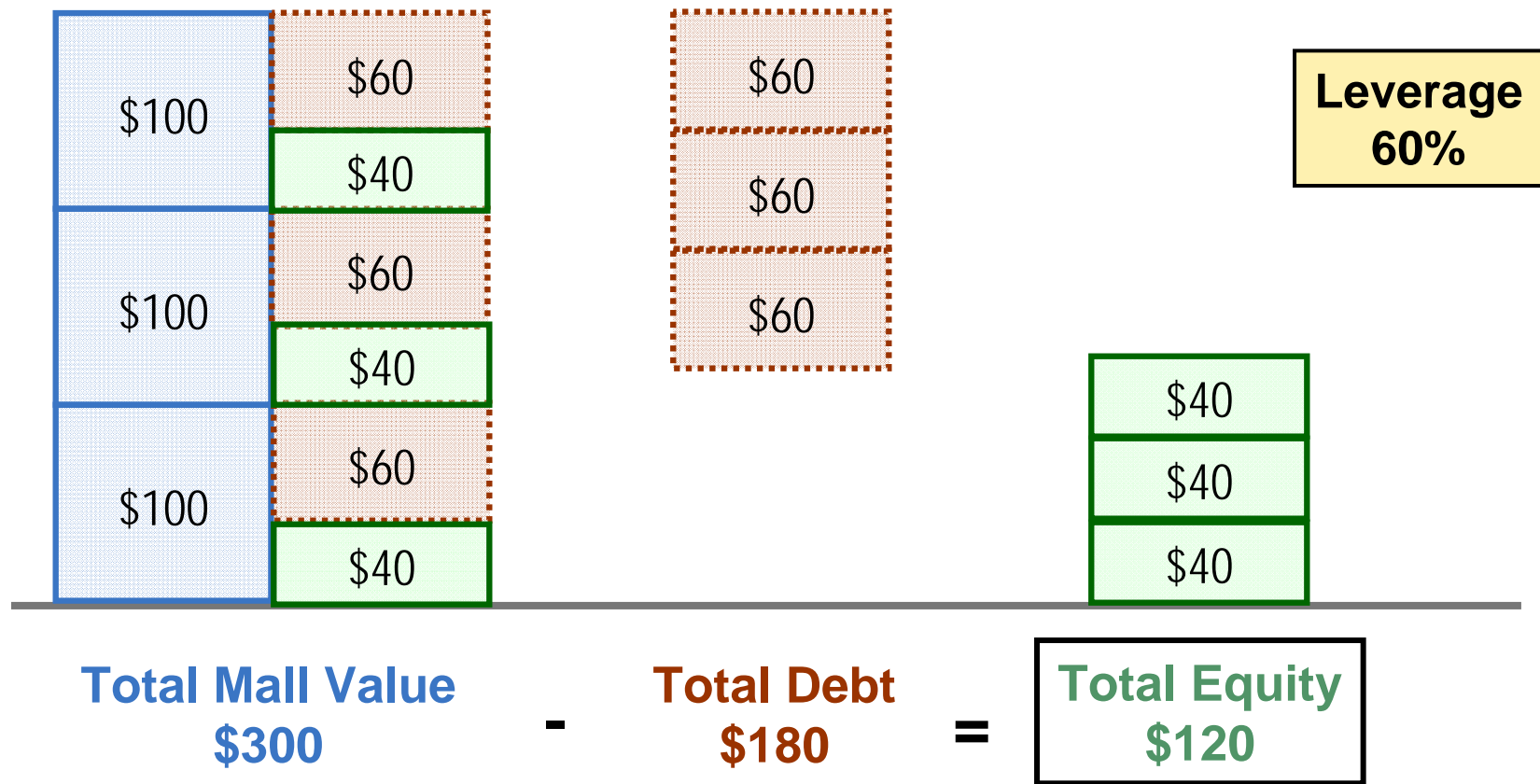
- ▶ **Over the past twelve months, the credit quality of the “bonds” has improved as tenant credit quality has strengthened and their CDS spreads have narrowed**
- ▶ **Leasing up the mall adds new “bonds” and incremental cash flow to the portfolio with minimal capital investment**
- ▶ **The “bonds” represent a diverse group of retailers, restaurants and entertainment concepts, and if a tenant defaults, it can be replaced at little cost**
- ▶ **Malls have a 50-year track record of stability and strong performance**
- ▶ **This “bond” portfolio is inflation-protected due to percentage rent and the rollover of 10-15% of leases per annum**

The Value of Non-Recourse Debt

- ▶ **Non-recourse financing creates material value for all real estate portfolios, but mall portfolios in particular**
- ▶ **The reason is that B minus and lower malls have potential catastrophic risk. For example, a mall might lose key anchor tenants, or be disintermediated by a better located mall, which could cause a mall to lose 80% or more of its value**
- ▶ **If such events were to destroy the value of a mall, the exposure to an investor with non-recourse financing is limited to its equity in the mall because the property can be “sold” to the lender for the mortgage amount**
- ▶ **If a mall is a portfolio of bonds, then a mall REIT is a portfolio of portfolios of bonds**
- ▶ **On the other hand, a mall REIT primarily financed with unsecured, recourse debt (i.e. Simon or Westfield) is analogous to an investor’s portfolio with margin debt, where the failure of a portion of the portfolio can destroy large amounts, if not 100%, of the equity value**

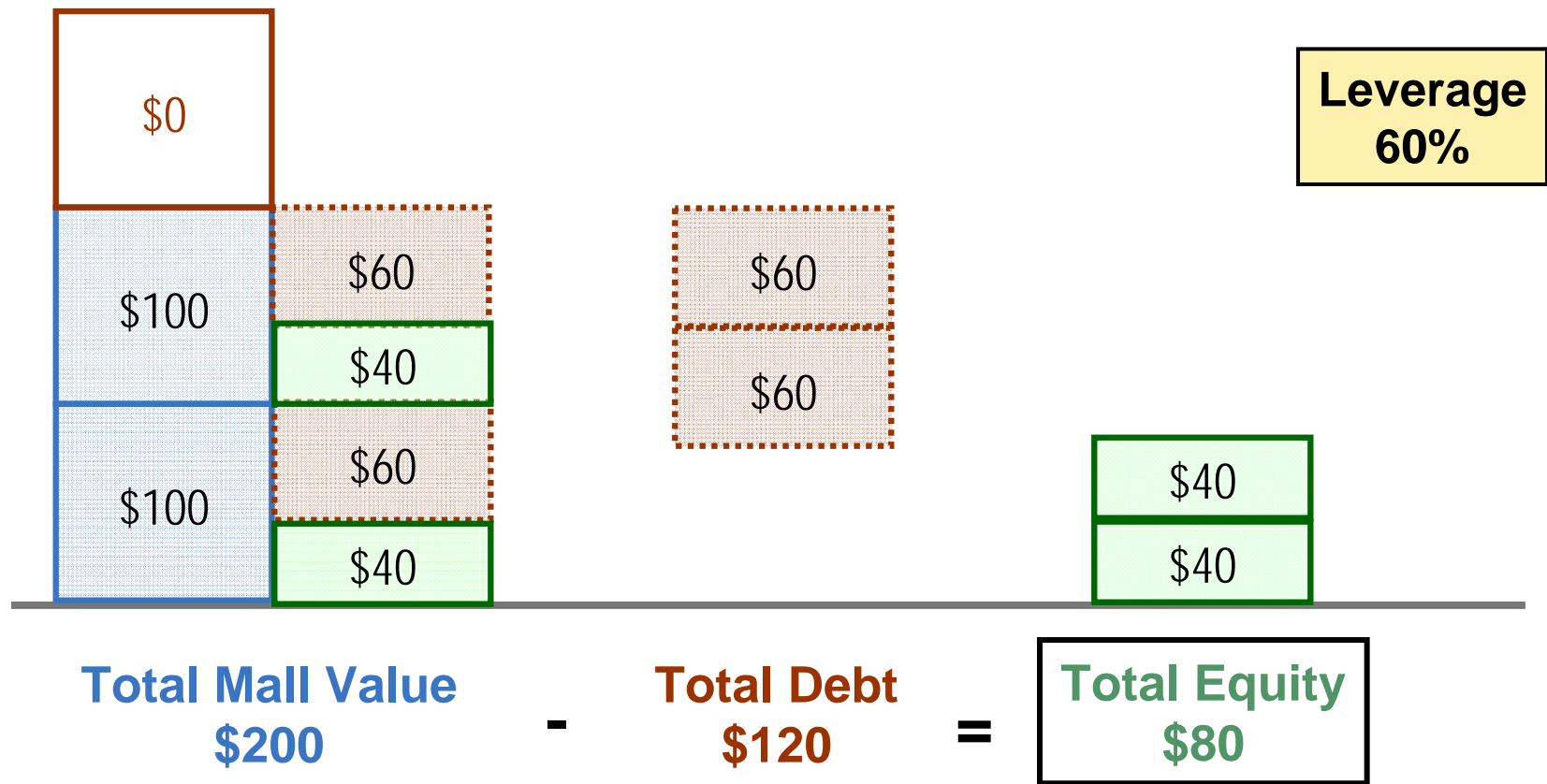
Illustrative Example: Non-Recourse Financed Mall Portfolio

Imagine a portfolio of three malls, each worth \$100 and each with a 60% LTV non-recourse mortgage



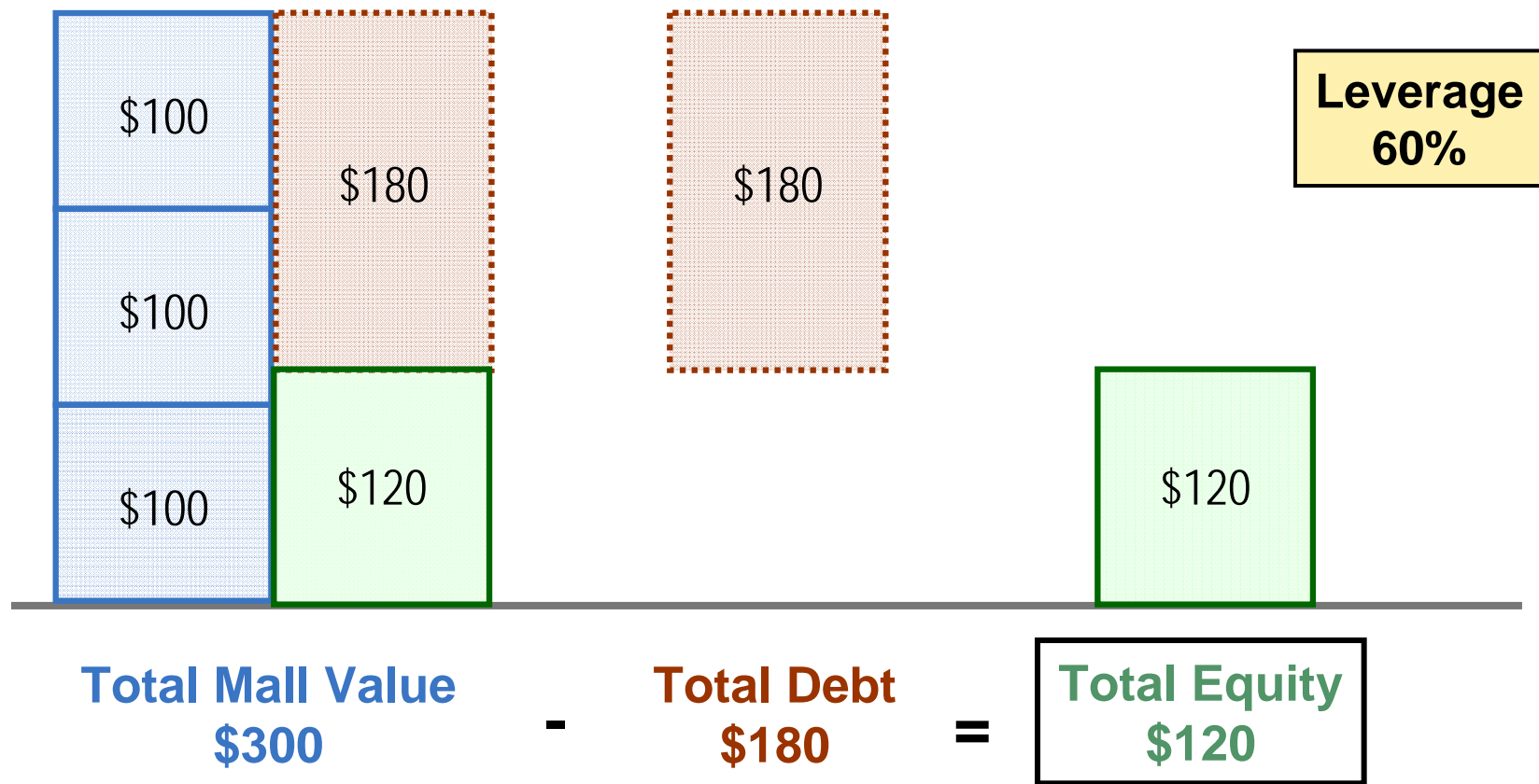
Illustrative Example: Non-Recourse Financed Mall Portfolio (Cont'd)

Now assume one of the malls suffers catastrophic risk. One-third of the equity value is lost, and leverage remains the same



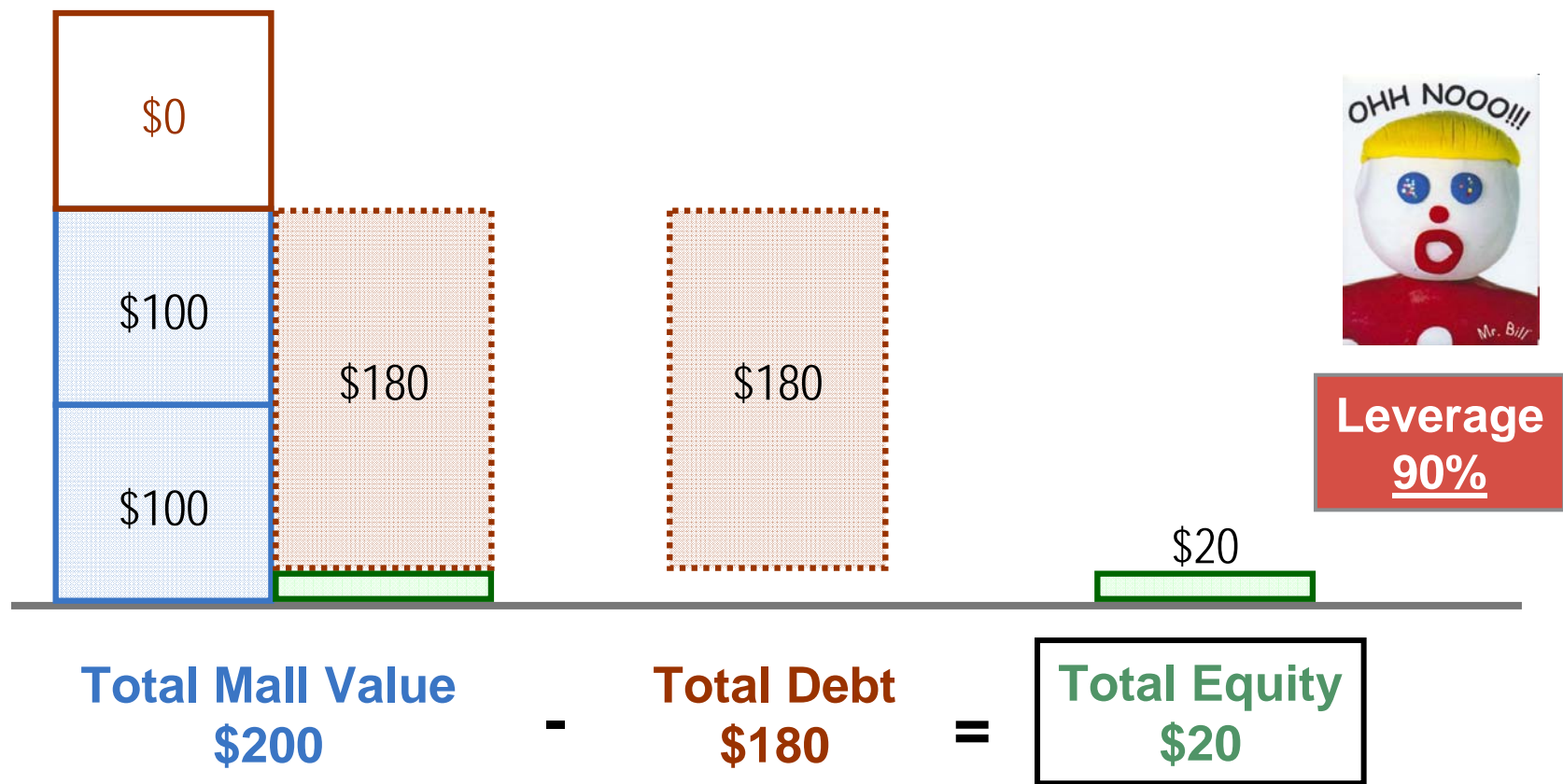
Illustrative Example: Recourse Financed Mall Portfolio

Imagine the same portfolio of malls financed with unsecured, recourse debt



Illustrative Example: Recourse Financed Mall Portfolio (Cont'd)

If one of the malls dies, equity value is nearly wiped out. Given the covenants associated with recourse debt, the destruction of value would likely be even more severe



PF GGP Operating Metrics

The disposition of Special Consideration Properties (SCPs) and GGO assets materially enhances PF GGP's operating metrics

	<u>GLA (4)</u>	<u>TTM Tenant Sales PSF</u>	<u>Occup.</u>	<u>Occup. Cost</u>
GGP (1)	65.3	\$411	90.5%	14.6%
Less: SCPs / Highland (2)	3.9	250	82.5%	18.0%
Less: GGO Malls (3)	<u>2.0</u>	<u>325</u>	<u>82.5%</u>	<u>17.0%</u>
PF GGP	59.4	\$424	91.3%	14.3%

(1) Source: GGP Q1'10 supplement pgs. 31-32.

(2) See appendix for details.

(3) Includes Victoria Ward, Landmark Mall, Rio West, South Street Seaport, Redlands Mall, Riverwalk Marketplace, Park West and Cottonwood Mall.

See Exhibit E docket #4874 for full list of GGO assets. Source for tenant sales, occupancy and occupancy cost: Pershing Square estimates.

(4) Mall and freestanding gross leasable area (excludes anchors). Units in millions of sq ft.

PF GGP Debt

PF GGP's leverage will be meaningfully reduced upon emergence

<u>PF GGP Debt Buildup (\$ in mms)</u>	
Total GGP Debt (3/31/10) (1)	\$27,506
<i>Interest coverage ratio (2)</i>	1.2x
Less: SCPs debt (3)	(948)
Less: GGO debt (3)	(506)
Less: Stonestown mezz (4)	(57)
Less: Highland (5)	(32)
Less: TopCo unsecured debt (6)	(6,373)
Less: DIP (6)	(400)
Plus: New Debt (7)	<u>1,500</u>
PF GGP Debt (3/31/10)	\$20,691
Less: Additional amortization through 9/30/10e (3)	<u>(212)</u>
PF GGP Debt (9/30/10e)	\$20,478
<i>Interest coverage ratio (3)</i>	2.0x

(1) Source: Q1'10 supplement pg 2. See appendix for details.

(2) As of 9/30/09, the last time GGP published its interest coverage ratio in its operating supplement.

(3) See appendix for details.

(4) Paid down Apr-10.

(5) On 5/3/10 the property owned by the Highland JV was transferred to the lender (Source: 10-Q pg 40).

(6) Assumed to be paid down as part of PF GGP's emergence.

(7) Assumed to be issued as part of PF GGP's emergence.

PF GGP Cash NOI

Despite the dispositions of SCPs and GGO assets, PF GGP's net operating income will be relatively unaffected

PF GGP Adj Cash NOI Buildup (\$ in mms)

LTM GGP Cash NOI (1)	\$2,360
Plus: Bankruptcy claims revenue/expense impact (2)	25
Plus: One-time R&M spend (3)	16
Plus: Real estate tax expense from dvlpmt projects (4)	5
Less: SCPs / GGO / Highland LTM cash NOI (5)	<u>(115)</u>
LTM PF GGP Adj Cash NOI	\$2,290

(1) Source: GGP operating supplements. See appendix for detail.

(2) One-time revenue/expense impacts arising due to the bankruptcy. These are non-recurring items. Assumes 2009 and LTM are equal. Source: GGP Q4'09 operating supplement pg 7.

(3) One-time additional property upkeep costs. This reflects "catch-up" R&M spend. Assumes 2009 and LTM are equal. Source: GGP Q4'09 operating supplement pg 7.

(4) Represents drag to GGP NOI from PF GGP development projects. Source: Pershing Square estimate.

(5) Represents LTM cash NOI attributable to the SCP malls and GGO assets that are assumed to not be included in PF GGP cash NOI post-emergence. Excludes MPC NOI. Source: Pershing Square estimate.

PF GGP Shares Outstanding / Market Cap

At \$15 per share, PF GGP would emerge with a ~\$16bn market cap

(units in mms, except per share data)

Illustrative PF GGP FDSO @ Various Share Prices

	<u>\$10.00</u>	<u>\$11.00</u>	<u>\$12.00</u>	<u>\$13.00</u>	<u>\$14.00</u>	<u>\$15.00</u>	<u>\$16.00</u>
Current FDSO (1)	324	324	324	324	324	324	324
BPF minimum commitment	440	440	440	440	440	440	440
Clawback shares (2)	190	190	190	190	190	190	190
Liquidity Equity Issuances (3)	<u>65</u>	<u>65</u>	<u>65</u>	<u>65</u>	<u>65</u>	<u>65</u>	<u>65</u>
PF GGP FDSO (excl warrants)	1,019	1,019	1,019	1,019	1,019	1,019	1,019
Warrants (share equivalent) (4)	<u>31</u>	<u>36</u>	<u>41</u>	<u>45</u>	<u>50</u>	<u>53</u>	<u>57</u>
PF GGP FDSO (incl warrants)	1,051	1,056	1,060	1,065	1,069	1,073	1,076
PF GGP Market Cap	\$10,506	\$11,612	\$12,725	\$13,843	\$14,965	\$16,090	\$17,219
<i>Memo: Warrant Translation</i>							
Fair Value of warrants (5)	\$312	\$399	\$492	\$590	\$693	\$799	\$908
Divided by: Share Price	<u>10.00</u>	<u>11.00</u>	<u>12.00</u>	<u>13.00</u>	<u>14.00</u>	<u>15.00</u>	<u>16.00</u>
Warrants (share equivalent)	31	36	41	45	50	53	57

(1) Includes OP Units and options. Source: Q1'10 operating supplement, pg 27.

(2) Assumes full clawback of 190mm Pershing Square and Fairholme shares.

(3) Assumes GGP sells 65mm Liquidity Equity Issuances shares.

(4) Represents the share-equivalent amount of 120mm warrants at various PF GGP share prices.

(5) Black-Scholes warrant valuation. Assumes 20 vol, 60mm warrants at \$10.50 strike, 60mm warrants at \$10.75 strike, and 7-yr duration.

PF GGP Would Be the Second Largest U.S. REIT

Top 5 REITs in the IYR REIT Index by Rank (as of 5/28/10)

<u>REIT</u>	<u>% of IYR</u>	<u>Mkt Cap</u>
1. Simon Property Group	8.7%	\$29,987
PF GGP	0.0%	16,090
2. Vornado	5.0%	15,016
3. Equity Residential	4.4%	13,297
4. Public Storage	4.3%	15,456
5. Boston Properties	3.8%	12,341
<i>15. Macerich</i>	<i>1.9%</i>	<i>5,782</i>

At \$15 per share,
PF GGP would be
the second largest
REIT in the index

PF GGP Will Be A “Must-Own” REIT Stock

- ▶ **Shareholder overlap among public REITs is extremely high due to a large, dedicated REIT investor universe**
 - ▶ **Dedicated REIT investors closely track REIT indexes**
 - ▶ **As a result of GGP’s bankruptcy, it was removed from REIT indexes**
- ▶ **When PF GGP emerges from bankruptcy, it will once again be added to the real estate indexes. This will make it a “must-own” equity**

Simon Crossholdings Analysis

There is enormous shareholder overlap among the top five REITs in the IYR. On average, the same 25 holders own ~60% of the top five REITs, yet they currently own less than 1% of GGP. In order to obtain similar ownership of PF GGP, they must buy 60% or \$9bn of PF GGP

(units in millions)	Simon		Vornado		Equity Residential		Public Storage		Boston Properties		Macerich		GGP	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Top 25 Holders														
The Vanguard Group	25	\$2,120	14	\$1,073	24	\$1,068	11	\$1,034	12	\$922	9	\$364	-	-
BlackRock	20	1,668	13	975	22	977	11	969	11	833	9	359	0	0
Cohen & Steers	17	1,464	6	444	11	476	8	680	4	336	6	229	-	-
State Street Global Advisors	13	1,117	8	579	13	555	6	559	6	481	3	130	0	2
Fidelity Investments	11	965	7	524	8	341	6	505	4	286	6	224	0	5
Stichting Pensioenfonds	9	789	6	489	12	519	5	490	5	400	2	68	-	-
ING Investment Mgmt	9	761	7	567	8	332	2	149	2	145	12	496	-	-
Morgan Stanley Inv Mgmt	8	660	5	392	17	734	3	288	4	299	1	30	0	0
Invesco	8	657	5	358	7	311	3	316	4	290	4	163	0	0
PGGM	10	852	4	280	5	225	2	194	3	213	3	128	-	-
LaSalle Investment Mgmt	6	529	5	343	6	251	3	311	3	213	1	21	-	-
Old Mutual Asset Mgmt	4	346	5	393	7	312	3	285	3	200	3	115	1	17
RREEF	7	547	1	99	3	150	3	317	4	335	2	96	-	-
AEW Capital Mgmt	5	416	3	211	6	285	2	212	3	236	3	108	-	-
T. Rowe Price Group	5	387	3	192	3	149	1	132	2	155	2	97	-	-
Security Capital Research	3	266	1	98	6	254	2	185	3	231	2	76	-	-
Frank Russell	4	325	2	154	4	168	2	180	2	125	2	64	-	-
STB Asset Mgmt	4	310	2	189	3	139	2	160	2	171	0	3	-	-
Northern Trust	3	291	2	152	3	150	2	146	2	129	1	31	-	-
Principal Global Investors	4	328	1	108	2	102	2	159	2	151	1	27	2	24
Dimensional Fund Advisors	3	265	2	152	3	134	2	168	2	116	1	40	0	0
Goldman Sachs Asset Mgmt	5	436	1	66	0	14	1	118	2	178	0	3	0	6
TIAA-CREF	3	250	2	133	2	106	2	148	2	127	1	51	0	3
Nikko Asset Mgmt	3	241	2	159	3	118	1	130	2	137	0	16	-	-
Adelante Capital Mgmt	3	218	2	126	3	142	1	126	2	117	1	31	-	-
Top 25 Holders	193	\$16,209	109	\$8,255	182	\$8,010	88	\$7,961	90	\$6,826	74	\$2,971	4	\$57
% of Mkt Cap (1)		66%		60%		64%		52%		65%		57%		0%

Source: Capital IQ as of 5/21/10.

(1) % of market cap is based on Capital IQ market cap estimates, which tend to rely solely on basic shares outstanding.

% of GGP market cap is based on PF GGP market cap at \$15 per share.

Not Your Typical Public Offering

- ▶ **PF GGP's emergence from bankruptcy will be tantamount to an initial public offering (IPO)**
- ▶ **Unlike traditional IPOs where buyers have all the leverage, PF GGP's equity is already fully committed pre-offering. As a result, rather than be a forced seller, PF GGP can achieve a high value execution**
- ▶ **Under the terms of the Brookfield, Fairholme, and Pershing Square agreement, PF GGO can sell up to 255 million shares at prices of \$10.50 or greater⁽¹⁾**

⁽¹⁾ Assumes full clawback of 190mm Pershing Square and Fairholme shares.
Assumes GGP sells full amount of 65mm Liquidity Equity Issuances shares.

PF GGP IPO Supply / Demand Dynamic

Demand

(\$ and shares in millions)

Anticipated Demand from the Dedicated REIT Universe

PF GGP Market Cap (@\$15)	\$ 16,090
Top 25 REIT Investors average % of Mkt Cap (1)	<u>60.0%</u>
Anticipated Demand	\$9,654

Supply

Anticipated PF GGP IPO Supply

Clawback shares (2)	190
Liquidity Equity Issuances (3)	<u>65</u>
PF GGP IPO Share Supply	255
PF GGP share price	<u>\$ 15.00</u>
Anticipated Supply	\$3,825

(1) Based on Simon Crossholdings Analysis.

(2) Assumes full clawback of 190mm Pershing Square and Fairholme shares.

(3) Assumes GGP sells 65mm Liquidity Equity Issuances shares.

Illustrative PF GGP Valuation at Various Share Prices

At \$15 per share, PF GGP would trade at a 6.6% cap rate, in line with comparable mall REITs

(units in mms, except per share data)	Illustrative PF GGP Cap Rate @ Various Share Prices								Memo:
	<u>\$10.00</u>	<u>\$11.00</u>	<u>\$12.00</u>	<u>\$13.00</u>	<u>\$14.00</u>	<u>\$15.00</u>	<u>\$16.00</u>	<u>\$9.00</u>	
Price	\$10.00	\$11.00	\$12.00	\$13.00	\$14.00	\$15.00	\$16.00	\$9.00	
PF GGP FDSO (incl warrants)	1,051	1,056	1,060	1,065	1,069	1,073	1,076	1,045	
Market Cap	\$10,506	\$11,612	\$12,725	\$13,843	\$14,965	\$16,090	\$17,219	\$9,408	
Target Net Debt (1)	\$22,971	\$22,971	\$22,971	\$22,971	\$22,971	\$22,971	\$22,971	\$22,971	\$22,971
Less: SCPs debt (2)	(948)	(948)	(948)	(948)	(948)	(948)	(948)	(948)	(948)
Less: GGO debt (3)	(506)	(506)	(506)	(506)	(506)	(506)	(506)	(506)	(506)
Less: Highland debt	(32)	(32)	(32)	(32)	(32)	(32)	(32)	(32)	(32)
Less: Brazil adjustment (4)	(15)	(15)	(15)	(15)	(15)	(15)	(15)	(15)	(15)
Less: Excess Sources (5)	(1,678)	(1,729)	(1,780)	(1,831)	(1,882)	(1,933)	(1,984)	(1,678)	(1,678)
Plus: Other liabilities (6)	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345
Less: Other assets (7)	(1,686)	(1,686)	(1,686)	(1,686)	(1,686)	(1,686)	(1,686)	(1,686)	(1,686)
TEV	\$29,957	\$31,012	\$32,074	\$33,141	\$34,212	\$35,287	\$36,364	\$28,859	
Less: GGMI (8)	(151)	(151)	(151)	(151)	(151)	(151)	(151)	(151)	(151)
Less: Development assets (9)	(183)	(183)	(183)	(183)	(183)	(183)	(183)	(183)	(183)
Adj TEV	\$29,623	\$30,678	\$31,740	\$32,807	\$33,878	\$34,953	\$36,030	\$28,525	
PF GGP LTM Adj Cash NOI	2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,290	2,290
Cap Rate	7.7%	7.5%	7.2%	7.0%	6.8%	6.6%	6.4%	8.0%	
<i>Net Debt / TEV (10)</i>	<i>66.7%</i>	<i>64.4%</i>	<i>62.3%</i>	<i>60.3%</i>	<i>58.4%</i>	<i>56.6%</i>	<i>54.9%</i>	<i>69.2%</i>	

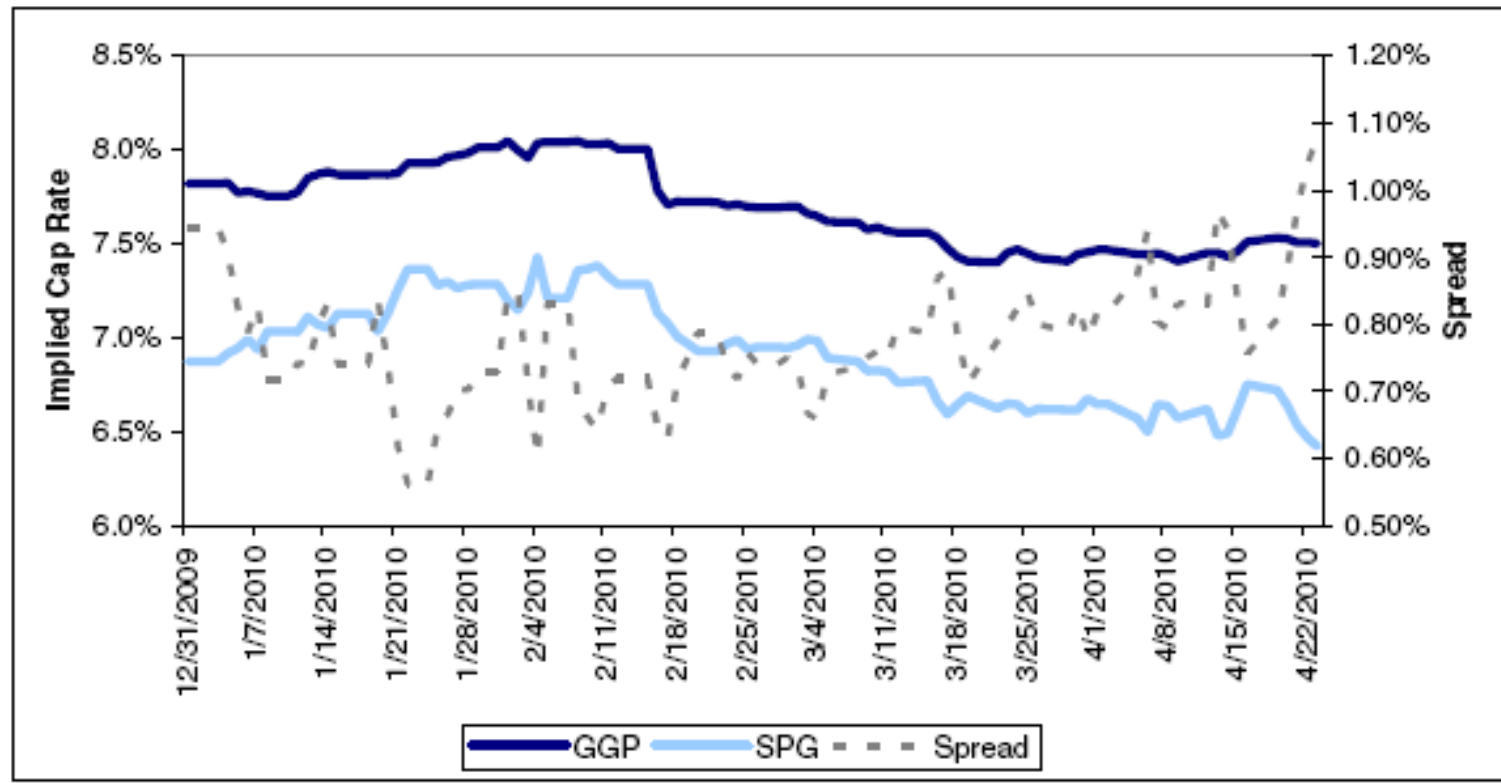
- (1) Target Net Debt as of the original Cornerstone Investment Agreement. Target Net Debt is an estimate of GGP's net debt as of 9/30/10e. Target Net Debt includes PF GGP and GGO liabilities. In addition, Target Net Debt includes non-debt liabilities, such as accrued interest and Permitted Claims (i.e. the KEIP), among other things. Therefore, Target Net Debt includes the Company's estimate of bankruptcy "exit costs." Furthermore, Target Net Debt includes the following: \$1.5bn of New Debt, debt associated with GGP's international subsidiaries, and preferred stock. Source: pg 75 of docket #4874. See appendix for details.
- (2) SCP debt needs to be removed from Target Net Debt to arrive at an estimate of PF GGP debt upon emergence (assumed to be 9/30/10e). This assumes GGP "hands back the keys" on SCP malls. This is a Pershing Square assumption as the outcome is TBD. Source: pg 17 of Q1'10 10-Q. See appendix for details.
- (3) Debt associated with properties going to GGO needs to be removed from Target Net Debt to arrive at an estimate of PF GGP debt. GGO debt includes debt associated with Victoria Ward, GGP's headquarters leasehold, the Bridgelands MPC and GGP's pro rata share of the Woodlands MPC debt. Debt estimate is derived from GGP's public filings and may not exactly reconcile to GGP's 9/30/10e estimate of such debt. See appendix for details.

- (4) Brazil debt included in Target Net Debt is \$110.4mm (Source: Cornerstone Investment Agreement). GGP's share of this debt as of 3/31/10 was \$95.2mm. Source: Q1'10 supplement pg 2.
- (5) See Excess Sources appendix page for details. Excess Sources are treated as cash and offset Target Net Debt. Bankruptcy "exit costs" are excluded from uses in the Excess Sources calculation because they are included as Permitted Claims in Target Net Debt. Excess Sources will likely be higher than presented, to the extent GGO's IPO Participation is greater than permitted liabilities.
- (6) Includes GGP's other liabilities that are not accounted for as part of Target Net Debt. See appendix for details.
- (7) See appendix for details. Excludes goodwill.
- (8) Applies 25% EBIT margin assumption to LTM management income of \$80mm. Applies 7.5x multiple to implied LTM EBIT. Source for LTM fee income: GGP operating supplements.
- (9) PF GGP development assets including Christiana Mall, Fashion Place, St Louis Galleria. Source: Q1'10 operating supplement.
- (10) 9/30/10e PF GGP debt less \$500mm of Proportionally Consolidated Unrestricted Cash.

GGP Currently Trades at a Meaningful Cap Rate Spread to Simon

At a \$14 share price, PF GGP trades at an 8.0% implied cap rate net of GGO⁽¹⁾

Exhibit 7: GGP and SPG Implied Cap Rate and Cap Rate Spread



Source: Company data, Credit Suisse estimates

Source: "Why the Sad Face Mall Sector?" Credit Suisse equity research (4/26/10).

⁽¹⁾ See previous page for details.

PF GGP Will Have An Industry Leading Balance Sheet

Although PF GGP will have slightly more leverage than its peers on an absolute basis, it will have a long-dated, laddered debt maturity profile. We believe a reasonable amount of non-recourse leverage, especially if the debt is high-quality, is more of an asset than a liability

	Pro Forma GGP ⁽¹⁾	SIMON PROPERTY GROUP ⁽²⁾	Westfield ⁽³⁾	MACERICH ⁽⁴⁾
Interest Rate	5.21%	5.50%	NA	5.49%
Debt duration	5.3 yrs	5.2 yrs	7.0 yrs	3.2 yrs
Non-Recourse	78%	< 52%	< 20%	< 89%
Leverage Ratio ⁽⁵⁾	57%	50%	49%	53%

(1) See appendix for PF GGP balance sheet details. PF GGP Leverage Ratio represents Net Debt / Adj TEV at \$15 per share.

(2) Source: Simon operating supplements. Assumes 100% of mortgage debt is non-recourse. Most likely, some of this debt is recourse but disclosure is unavailable.

(3) Source: Westfield financial results. Data as of Q4'09 if Q1'10 data is unavailable.





(4) Source: Macerich operating supplements. Adjusted to reflect April 25, 2010 paydown of \$690mm line of credit and April 7, 2010 paydown of \$24mm Carmel Plaza loan. Adjusted to reflect refinancing and extension of Vintage Faire Mall loan.

Assumes 100% of mortgage debt is non-recourse. Most likely, some of this debt is recourse but disclosure is unavailable. 44

(5) Source: Green Street Real Estate Securities Monthly (as of 6/1/10).

PF GGP Will Have Industry Leading Operating Metrics

PF GGP will have the added benefit of near-term growth as it refocuses on its operations post-emergence and corrects for the under-performance that resulted from its bankruptcy

		 ⁽¹⁾	 ⁽²⁾	 ⁽³⁾
Sales per Sq Ft	\$424	\$420	\$400	\$416
Occupancy	91.3%	91.0%	92.1%	91.2%
Occup. Cost ⁽⁴⁾	14.3%	15.1%	17.0%	14.2%
Tenants Sales Growth (Q1'10)	7.5%	6.6%	5.3%	3.4%
Cap Rate ⁽⁵⁾	8.0%	6.6%	6.0%	7.0%

(1) Simon malls only. Includes regional mall portfolio, the Mills, Mills regional malls, and malls included in Other Properties (excl Highland Mall). Source: Simon operating supplements and 10-K. See later pages for Simon Malls operating metrics details.

(2) Based on Westfield's U.S. mall portfolio only. Data as of Q4'09 if unavailable in Q1'10 financial results. Source: Westfield financial results.





(3) Source: Macerich operating supplements.

(4) Source for Macerich / Westfield: "U.S. Mall REITs May '10 Update" Green Street 5/19/10. See PF GGP Operating Metrics for PF GGP occupancy cost details. See appendix for details on Simon's occupancy cost.

(5) Source for Macerich / Westfield: Green Street Real Estate Securities Monthly (as of 6/1/10). PF GGP cap rate based on implied share price of \$9 net of GGO. See appendix for details on Simon's cap rate.

Aliansce

GGP owns 35% of Aliansce, a Brazilian mall developer, which went public in January. Pershing Square is the second largest owner with roughly 14% of the total shares outstanding

		⁽¹⁾ 	⁽²⁾ 	⁽²⁾ 
Sales per Sq Ft	\$540	\$420	\$400	\$416
Occupancy	98.0%	91.0%	92.1%	91.2%
Occup. Cost	13.4%	15.1%	17.0%	14.2%
Tenants Sales Growth (Q1'10)	16.5%	6.6%	5.3%	3.4%
Cap Rate	~11%	6.6%	6.0%	7.0%

(1) Source: Aliansce Q1'10 financial results and Pershing Square estimates.

(2) See previous page for details.

A Word On Simon's Reported Operating Metrics

Beginning in Q1'10, Simon consolidated its Premium Outlets segment into its Regional Malls segment. This caused its newly reported Regional Malls segment's occupancy and sales per square foot to appear to increase meaningfully

	SIMON PROPERTY GROUP U.S. Regional Mall Operational Information(1) As of December 31, 2009		SIMON PROPERTY GROUP U.S. Operational Information(1) As of March 31, 2010	
	As of or for the Twelve Months Ended December 31,		As of or for the Three Months Ended March 31,	
	2009	2008	2010	2009
Total Number of Properties	162	164	202	203
Total GLA (in millions of square feet) . .	160.0	162.2	177.1	177.3
Occupancy(2)				
Consolidated Assets	92.4%	92.6%	92.8%	92.5%
Unconsolidated Assets	91.4%	91.9%	90.7%	91.0%
Total Portfolio	92.1%	92.4%	92.2%	92.1%
Comparable sales per square foot(3)				
Consolidated Assets	\$ 410	\$ 445	\$ 458	\$ 458
Unconsolidated Assets	\$ 483	\$ 523	\$ 496	\$ 495
Total Portfolio	\$ 433	\$ 470	\$ 467	\$ 467

Source: Simon operating supplements.

A Word On Simon's Reported Operating Metrics (Cont'd)

- ▶ **We note that Simon's Regional Mall portfolio excludes several regional malls in The Mills and Mills Regional Malls segments**
 - In our view, these assets should be included in Simon's Regional Malls portfolio

- ▶ **Simon has also transferred certain of its underperforming malls into its Other Properties segment**
 - For example, Highland Mall, a joint venture between Simon and GGP that was 51% occupied as of 12/31/09, was recently transferred back to the lender
 - Highland Mall was included in Simon's Regional Mall portfolio as of 12/31/08, but showed up in its Other Properties segment as of 12/31/09. This further served to increase Simon's reported Regional Mall occupancy and sales per square foot as of Q1'10

A Word On Simon's Reported Operating Metrics (Cont'd)

We believe the most appropriate way to compare Simon and PF GGP is to look at Simon's true regional mall portfolio, which excludes its outlets, but includes its Mills malls and the underperforming malls included in its Other Properties segment

(GLA in millions)

	Simon Property Group (1)					
	Q4'08	Q1'09	Q2'09	Q3'09	Q4'09	Q1'10
Regional Malls						
Occupancy (2)	92.4%	90.8%	90.9%	91.4%	92.1%	91.6%
Sales per Sq Ft (2)	\$470	\$455	\$442	\$438	\$433	\$440
Owned GLA (excl anchors)	59.6	59.6	59.7	60.3	60.1	60.1
The Mills						
Occupancy	94.5%	89.7%	90.9%	92.4%	93.9%	93.3%
Sales per Sq Ft	\$372	\$373	\$369	\$369	\$369	\$372
Owned GLA (excl anchors)	20.3	20.3	20.2	20.2	20.2	20.2
Mills Regional Malls						
Occupancy	87.4%	87.4%	88.4%	88.9%	89.3%	87.4%
Sales per Sq Ft	\$418	\$410	\$397	\$388	\$380	\$410
Owned GLA (excl anchors)	8.6	8.6	8.6	8.6	8.6	8.7
Other Properties Malls (excl Highland Mall) (3)						
Occupancy	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
Sales per Sq Ft (4)	\$250	\$250	\$250	\$250	\$250	\$250
Owned GLA (excl anchors)	0.8	0.8	0.8	0.8	0.8	0.8
Simon Malls						
Occupancy	91.8%	89.7%	90.1%	90.8%	91.7%	91.0%
Sales per Sq Ft	\$441	\$430	\$419	\$416	\$412	\$420
Owned GLA (excl anchors)	89.3	89.3	89.3	89.9	89.7	89.8

As of 6/1/10, Tanger Factory Outlet Centers, the best comp for Simon's Premium Outlets segment, was trading at a higher cap rate than Simon*

* Tanger traded at a 6.9% implied cap rate as of 6/1/10.
Source: Green Street Real Estate Securities Monthly (as of 6/1/10).

(1) Source: Simon operating supplements.

(2) Q1'10 data not available in Simon filings. Source: Pershing Square estimates.

(3) Includes Mall at the Source, Nanuet Mall and Palm Beach Mall (at share).

(4) Data not available. Source: Pershing Square estimates.

GGO

What is General Growth Opportunities?

GGO's portfolio features some of the best real estate development assets in the country. We believe GGO will have the balance sheet and the intellectual and operating capital to take full advantage of these opportunities



GGO IPO Participation

Under the terms of the fully executed Cornerstone Investment Agreement, GGO will retain 80% of every dollar PF GGP raises above \$10 per share, up to the value of the ~\$300mm deferred tax liabilities and the Hughes claim. This IPO Participation allows GGO to benefit from a successful PF GGP capital raise

GGO IPO Participation at a \$15/share GGP Offering

(\$ in millions, except per share data)

	GGP Shares Issued	Total Proceeds	Proceeds above \$10	GGO % Share	GGO \$ Share
Clawback Shares	190	\$ 2,850	\$ 950	80%	\$ 760
Liquidity Shares (1)	65	975	325	80%	260
	255	\$ 3,825	\$ 1,275		\$ 1,020

Sensitivity of GGO IPO Participation to GGP Offer Price

GGP Offer Price	\$ 10.00	\$ 11.00	\$ 12.00	\$ 13.00	\$ 14.00	\$ 15.00	\$ 16.00
GGO IPO Participation	\$ -	\$ 204	\$ 408	\$ 612	\$ 816	\$ 1,020	\$ 1,224

(1) Assume 65mm Shares

GGO IPO Participation (Cont.)

GGO's use of proceeds from the PF GGP share offering is limited to satisfying permitted liabilities. We believe that cash from a PF GGP capital raise even at prices meaningfully lower than \$15 per share is more than sufficient to satisfy these claims

Permitted Use of IPO Participation

(\$ in millions, except per share data)

Promissory Note (1)	\$	-
Deferred Tax Liabilities (2)	\$	304
Hughes Heirs' Claim		X
Permitted Liabilities		\$304 + X

The face value of the note is equal to overruns above a conservative projection of bankruptcy exit costs

At \$15 per share, the GGO IPO Participation will be ~\$1bn, substantially more than enough to satisfy these permitted liabilities

(1) Projected bankruptcy exit costs, "Permitted Claims", are \$650mm per Pershing Square assumptions

(2) Source: Cornerstone Investment Agreement

Hughes Claim

- ▶ GGP can settle the claim in bankruptcy at an estimation hearing
- ▶ Settlement is based on a 12/31/09 valuation of Summerlin MPC
- ▶ We expect the company to settle this claim at a reasonable number
- ▶ Post settlement, GGO will have 100% ownership of Summerlin (from 50%)

GGO Share Count

A \$250 million share backstop at \$5.00 per share strengthens GGO's balance sheet

Share Count (millions):

Current GGO FDSO (1)	324
Rights Offering Backstop Shares (2)	<u>53</u>
PF GGO FDSO (excl warrants)	377
Warrants (share equivalent) (3)	23

GGO FDSO (incl warrants) 400

(1) Includes OP Units and options. Source: Q1'10 operating supplement, pg 27.

(2) Assumes only the backstop rights are exercised. Includes 2.5mm share backstop consideration.

(3) Black-Scholes warrant valuation. Assumes 20 vol, 80mm warrants at \$5.00 strike.

GGO Capital Structure (Cont.)

GGO will have a strong balance sheet. 100% of GGO's debt is property level and non-recourse. \$250mm of balance sheet cash ensures GGO has ample liquidity to fund value creation opportunities

GGO Capital Structure

(\$ in millions, except per share data)

Price	\$	5.00
Shares (mm)		<u>400</u>
Equity Value		2,000
Non-Recourse, Property Specific Debt (1)		506
Permitted Liabilities, net of GGO IPO Participation		-
Cash (2)		<u>(250)</u>
Net Debt		256
Enterprise Value	\$	2,256

(1) See Appendix

(2) Excludes property level cash balances because data is unavailable

MPC Portfolio

MPC Portfolio

Bridgeland



- 11,400 acres outside of Houston, TX

Maryland, MPCs



- Collection of properties between DC and Baltimore

Summerlin



- 22,500 acre community west of Las Vegas

Woodlands



- Successful JV MPC near Houston, TX

Development Asset: Victoria Ward

GGP recently received zoning approval to transform 60 acres of land in the heart of Honolulu into a vibrant and diverse neighborhood of residences, shops, entertainment and offices

The plan clears a path for GGP to bring to the oceanfront neighborhood as many as:

- ▶ 4,300 residential units, many of them in towers aligned to preserve mountain and ocean views
- ▶ 5 million square feet of retail shopping, restaurants and entertainment
- ▶ 4 million square feet of offices and other commercial space
- ▶ 700,000 square feet of industrial uses
- ▶ 14 acres of open space, parks and public facilities

Development Asset: Victoria Ward (Cont'd)

1.43 acres of land
sold for \$26mm
(\$18mm / acre)
here in June-07 ⁽¹⁾



⁽¹⁾ See appendix for details.

Development Asset: South St. Seaport

Before the market turned, GGP was exploring a billion dollar redevelopment of South St. Seaport

Highlights of the development include:

- ▶ 400,000 square feet of retail space
- ▶ A 286 room hotel and a smaller 163 room boutique
- ▶ 103 residential units
- ▶ Nearly 5 acres of open space

Development Asset: South St. Seaport (Cont'd)



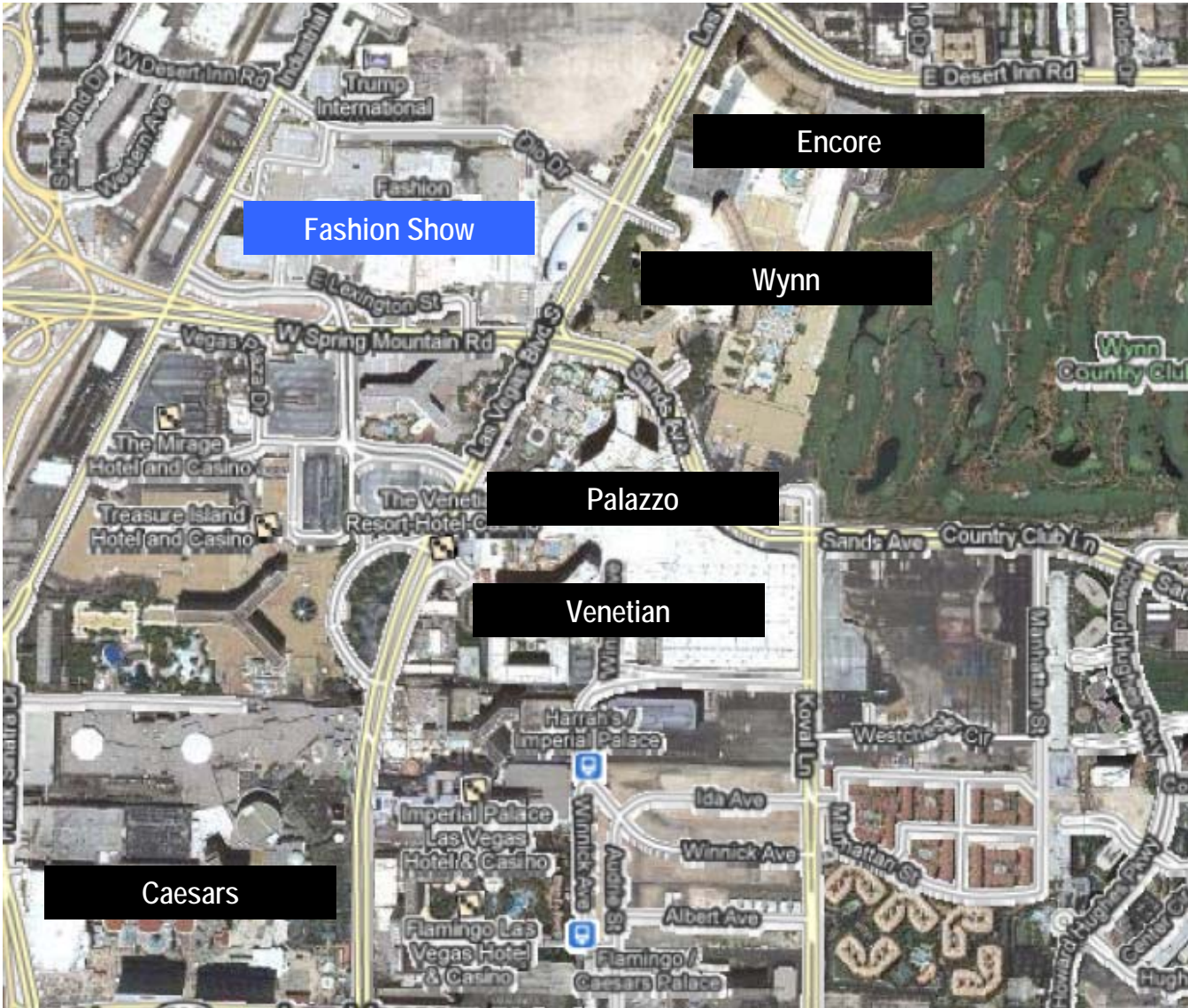
Non-Income Producing Asset: Fashion Show Air Rights

GGO owns the air rights above the Fashion Show Mall in Las Vegas

- ▶ This 48 acre, three-story property is located across from the Wynn and Encore, the most lucrative part of the Las Vegas Strip
- ▶ In 2007, nearby North Vegas Strip land sold for \$34mm/acre¹
- ▶ Fashion Show's location is within walking distance of 75% of the city's more than 150,000 hotel rooms
- ▶ Located adjacent to Fashion Show is The Venetian, The Palazzo, and Sands Expo Center – the largest hotel convention complex in the world

¹Source: "Vegas Land Values Soaring Sky High", Glenn Haussman, Hotel Interactive, 5/25/2007

The North Vegas Strip



Conclusion

GGP Trades at a Meaningful Discount to Intrinsic Value

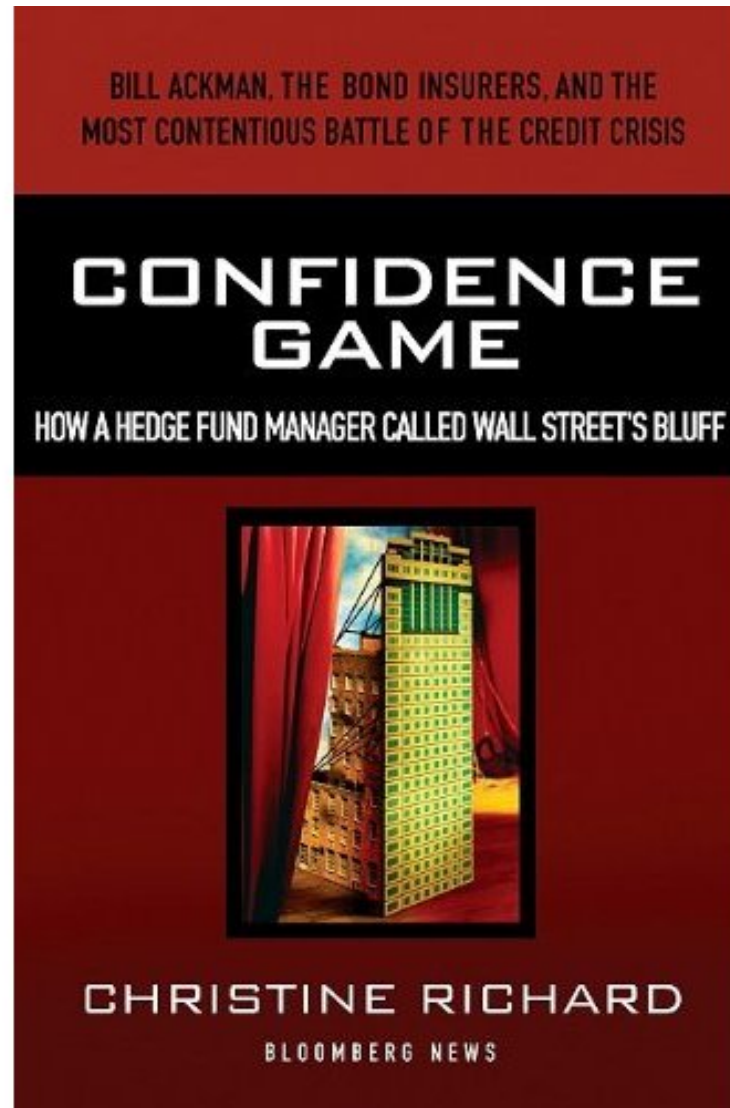
At a \$14 GGP share price, you are buying GGO for negative \$1

GGP Valuation	
PF GGP	~\$15
GGO	~\$5
Combined	~\$20
GGP Share Price	~\$14
Implied Return at Emergence by Year-end	43%

Over the years, people have
accused me of talking my book.

For my best investment idea...

Buy Christine Richard's Book, and Tell Your Friends



And one more thing...

We have accumulated ~150mm shares of Citigroup during the past several weeks...



Appendix

SCPs / Highland Mall

(units in millions, except per unit data)

	Balance Sheet Data				Operating Metrics (4)		
	GLA (5)	Debt	Interest Rate	Duration (yrs)	Sales PSF	Occup	Occup Cost
Consolidated Properties (1)							
Eagle Ridge Mall	0.2	\$47	5.41%	5.5			
Oviedo Marketplace	0.3	51	5.12%	3.8			
Grand Traverse Mall	0.3	84	5.02%	3.8			
Country Hills Plaza	0.1	13	6.04%	6.2			
Moreno Valley Mall	0.3	86	5.96%	3.8			
Lakeview Square	0.3	41	5.81%	5.9			
Northgate Mall	0.3	44	5.88%	6.4			
Bay City Mall	0.2	24	5.30%	3.8			
Mall St. Vincent	0.2	49	6.30%	4.3			
Southland Center	0.3	107	4.97%	3.8			
Chapel Hills Mall	0.4	114	5.04%	3.8			
Chico Mall	0.2	56	4.74%	3.8			
Piedmont Mall	0.2	33	5.98%	6.4			
Subtotal	3.3	\$750	5.38%	4.3			
Unconsolidated Properties (2)							
Silver City	0.2	66	4.95%	1.2			
Montclair	0.3	134	5.88%	1.5			
Subtotal	0.5	\$198	5.57%	1.4			
SCPs	3.7	\$948	5.42%	3.7			
Highland Mall (3)	0.2	32	6.83%	1.3		51.1%	
SCPs / Highland	3.9	\$980	5.47%	3.6	\$250	82.5%	18.0%

(1) Source: Exhibit C, docket #3660.

Source for debt balance / interest rate / duration: 5/12/10 8-K.

(2) Source for malls: Q1 10-Q pg. 21-22. Data presented pro rata (i.e. if GGP owns 50%, 50% of the GLA is shown).

Source for debt balance / interest rate / duration: Q3'08 supplement.

Source for subtotal debt balance (as of 3/31/10): Q1 10-Q, pg 22.

(3) On 5/3/10 the property owned by the Highland JV was transferred to the lender (Source: 10-Q pg 40).

Source for debt detail: Simon Q1'10 supplement.

Source for occupancy: Simon 10-K.

Source for duration: Q3'08 operating supplement.

(4) Source: Pershing Square estimates.

Note: Occupancy costs are higher at underperforming malls because sales are low but rents are locked in.

(5) Mall and freestanding gross leasable area (excludes anchor space).

GGP Debt Detail – GGO

<i>(\$ in 000s)</i>	Debt Balance	Debt Balance as of:	Source
GGO Debt			
Victoria Ward Cmbd	\$213,889	3/31/10	5/12/10 8-K
110 N. Wacker	45,943	9/30/08	Q3'08 supp
Bridgelands MPC	29,812	12/31/09	10-K
Woodlands MPC	<u>216,343</u>	9/30/08	Q3'08 supp
GGO Debt	\$505,987		

Note: Most recent debt balance reported assumed to be 3/31/10 balance.
 True balance is actually less as amortization has occurred since most recent reported debt balance.

Note: All GGO debt sits at the property-level and is non-recourse.

Note: Excludes debt which may arise to the extent there is a GGO Promissory Note.
 We believe the amount of this note will be \$0.

GGP Debt Detail – Non-Debtor Entities

<i>(\$ in 000s)</i>	Debt	Debt	
Non-Debtor Entities:	Balance	Balance	Source
	as of:		
110 N. Wacker (headquarters)	\$45,943	9/30/08	<i>Q3'08 supp</i>
Baybrook Cmbd	168,570	12/31/09	<i>10-K</i>
Bayside Marketplace Cmbd	84,103	12/31/09	<i>10-K</i>
Coastland Center Cmbd	117,006	12/31/09	<i>10-K</i>
Coral Ridge Cmbd	88,250	12/31/09	<i>10-K</i>
Cumberland Cmbd	103,862	12/31/09	<i>10-K</i>
Governor's Square Cmbd	74,368	12/31/09	<i>10-K</i>
Lakeland Square Mall Cmbd	53,675	12/31/09	<i>10-K</i>
Meadows Cmbd	101,463	12/31/09	<i>10-K</i>
Oak View Cmbd	83,292	12/31/09	<i>10-K</i>
Paramus Park Cmbd	102,855	12/31/09	<i>10-K</i>
Pembroke Lakes Mall Cmbd	126,924	12/31/09	<i>10-K</i>
The Mall in Columbia Cmbd	400,000	12/31/09	<i>10-K</i>
The Parks at Arlington Cmbd	174,517	12/31/09	<i>10-K</i>
The Shoppes @ Buckland Hills Cmbd	161,319	12/31/09	<i>10-K</i>
West Oaks Mall	68,301	12/31/09	<i>10-K</i>
10450 W. Charleston LLC	4,756	9/30/08	<i>Q3'08 supp</i>
Senate Plaza	12,084	9/30/08	<i>Q3'08 supp</i>
70 Columbia Corporate Center	<u>19,676</u>	9/30/08	<i>Q3'08 supp</i>
Non-Debtor Entity Debt		\$1,990,964	

Note: Most recent debt balance reported assumed to be 3/31/10 balance.
 True balance is actually less as amortization has occurred since most recent reported debt balance.

GGP Debt Detail – Joint Ventures (at share)

(\$ in 000s)	Debt	Debt		Debt	Debt		
Joint Ventures (at share):	Balance	Balance	Source	Joint Ventures (at share):	Balance	Balance	Source
		as of:				as of:	
Alderwood Mall Cmbd	\$145,783	9/30/08	Q3'08 supp	Provo Towne Centre Cmbd	43,302	9/30/08	Q3'08 supp ⁽³⁾
Altamonte Mall Cmbd	75,000	9/30/08	Q3'08 supp	Quail Springs Mall	37,409	9/30/08	Q3'08 supp
Arrowhead Towne Center	25,820	9/30/08	Q3'08 supp	Riverchase Galleria Cmbd	152,500	9/30/08	Q3'08 supp
Bridgewater Commons	47,754	9/30/08	Q3'08 supp	Silver City Galleria Cmbd	65,528	9/30/08	Q3'08 supp ⁽²⁾
Carolina Place Cmbd	80,281	9/30/08	Q3'08 supp	Spokane Valley Cmbd	41,052	9/30/08	Q3'08 supp ⁽³⁾
Christiana Mall	56,838	9/30/08	Q3'08 supp	Stonebriar Centre Cmbd	84,405	9/30/08	Q3'08 supp
Clackamas Town Center Cmbd	100,000	9/30/08	Q3'08 supp	Superstition Springs Center	22,498	9/30/08	Q3'08 supp
First Colony Mall Cmbd	95,149	9/30/08	Q3'08 supp	The Oaks Mall Cmbd	52,020	9/30/08	Q3'08 supp
Florence Mall Cmbd	68,786	9/30/08	Q3'08 supp	The Shops at La Cantera Cmbd	129,402	9/30/08	Q3'08 supp ⁽³⁾
Galleria Tyler Cmbd	125,000	9/30/08	Q3'08 supp	The Streets at Southpoint	242,881	9/30/08	Q3'08 supp ⁽³⁾
Glendale Galleria Cmbd	191,317	9/30/08	Q3'08 supp	Towson Town Center Cmbd	44,760	9/30/08	Q3'08 supp
Highland Mall Cmbd	31,990	3/31/10	Simon Q1'10 supp ⁽¹⁾	Village of Merrick Park Total	76,034	9/30/08	Q3'08 supp
Kenwood Towne Centre Cmbd	168,095	9/30/08	Q3'08 supp	Water Tower Place Cmbd	89,514	9/30/08	Q3'08 supp
Mizner Park Total	-	3/31/10	Paid down	Westlake Center Cmbd	68,119	9/30/08	Q3'08 supp ⁽³⁾
Montclair Place Cmbd	133,825	9/30/08	Q3'08 supp ⁽²⁾	Westroads Mall Cmbd	45,518	9/30/08	Q3'08 supp
Natick Mall Cmbd	175,000	9/30/08	Q3'08 supp	Whalers Village Cmbd	64,893	9/30/08	Q3'08 supp
Natick West	70,000	9/30/08	Q3'08 supp	Willowbrook Mall	46,003	9/30/08	Q3'08 supp
Northbrook Court Cmbd	42,513	9/30/08	Q3'08 supp	Owings Mills–One Corporate Ctr	4,119	9/30/08	Q3'08 supp
Oakbrook Center Cmbd	103,010	9/30/08	Q3'08 supp	Center Pointe Plaza	6,846	9/30/08	Q3'08 supp
Park Meadows Cmbd	126,000	9/30/08	Q3'08 supp	Lake Mead Blvd & Buffalo	2,947	9/30/08	Q3'08 supp
Perimeter Mall Cmbd	-	3/31/10	Paid down	Trails Village Center	8,073	9/30/08	Q3'08 supp
Pinnacle Hills Promenade / West	70,000	9/30/08	Q3'08 supp				
				Joint Venture Debt	\$3,259,984		

Note: Most recent debt balance reported assumed to be 3/31/10 balance.

True balance is actually less as amortization has occurred since most recent reported debt balance.

(1) On 5/3/10 the property owned by the Highland JV was transferred to the lender (Source: 10-Q pg 40).

(2) Represents an SCP mall.

(3) Represents a Joint Venture mall included in GGP's "Consolidated Debt" disclosure.

GGP Debt Detail – Other Debt

<i>(\$ in 000s)</i>	Debt	Debt	
Other Debt	Balance	Balance	Source
		as of:	
Bridgelands MPC	\$29,812	12/31/09	<i>10-K</i>
Woodlands MPC	216,343	9/30/08	<i>Q3'08 supp</i>
Homart I	245,115	3/31/10	<i>5/12/10 8-K</i>
Ivanhoe Capital	93,713	3/31/10	<i>5/12/10 8-K</i>
Turkey	57,221	9/30/08	<i>Q3'08 supp</i>
DIP	400,000	3/31/10	<i>5/12/10 8-K</i>
<u>Unsecured Debt:</u>			
Exchangeable debt	1,550,000	3/31/10	<i>5/12/10 8-K</i>
Rouse debt	2,245,000	3/31/10	<i>5/12/10 8-K</i>
Revolver	590,000	3/31/10	<i>5/12/10 8-K</i>
Senior term loan	<u>1,987,500</u>	3/31/10	<i>5/12/10 8-K</i>
TopCo Unsecured Debt	6,372,500		
TRUPS	206,200	3/31/10	<i>5/12/10 8-K</i>
Other Debt	\$7,620,904		

Note: Most recent debt balance reported assumed to be 3/31/10 balance.
 True balance is actually less as amortization has occurred since most recent reported debt balance.

GGP Debt Detail – 3/31/10 Reconciliation

<i>(\$ in 000s)</i>	Debt
Total GGP Debt	Balance
Debtor entity debt	\$14,712,876
Non-Debtor entity debt	1,990,964
Joint Venture debt	3,259,984
Other debt	<u>7,620,904</u>
Subtotal	27,584,728
Less: Amortization (1)	<u>(78,406)</u>
Total GGP Debt (3/31/10) (2)	\$27,506,322

Note: Excludes mark-to-market debt discounts which would make the reported debt balance lower.
Excludes GGP's share of Brazil debt (\$95.2mm as of 3/31/10). GGP has no obligations for further contributions to its Brazilian subsidiary, Aliansce.

(1) Represents amortization that has occurred since the most recent reported date of GGP's debt.

For example, much of GGP's JV debt, reported as of 9/30/08, amortizes each month.
Data for which specific debt has been amortized, and in what amounts, is unavailable.

(2) Source: GGP Q1'10 operating supplement, pg 2.

PF GGP Debt Detail

PF GGP Debt Buildup (\$ in mms)

Total GGP Debt (3/31/10) (1)	\$27,506
<i>Interest coverage ratio (2)</i>	<i>1.2x</i>
Less: SCPs debt (3)	(948)
Less: GGO debt (3)	(506)
Less: Stonestown mezz (4)	(57)
Less: Highland (5)	(32)
Less: TopCo unsecured debt (6)	(6,373)
Less: DIP (6)	(400)
Plus: New Debt (7)	<u>1,500</u>
PF GGP Debt (3/31/10)	\$20,691
Less: Additional amortization through 9/30/10e (3)	<u>(212)</u>
PF GGP Debt (9/30/10e)	\$20,478
<i>Interest coverage ratio (3)</i>	<i>2.0x</i>

(1) Source: Q1'10 supplement pg 2. See appendix for details.

(2) As of 9/30/09, the last time GGP published its interest coverage ratio in its operating supplement.

(3) See appendix for details.

(4) Paid down Apr-10.

(5) On 5/3/10 the property owned by the Highland JV was transferred to the lender (Source: 10-Q pg 40).

(6) Assumed to be paid down as part of PF GGP's emergence.

(7) Assumed to be issued as part of PF GGP's emergence.

PF GGP Debt Detail – Interest / Duration / Non-Recourse

(\$ in millions)					
<u>PF GGP Debt Detail</u>	<u>Amt</u>	<u>Cash Interest</u>	<u>Duration (Years)</u>	<u>Non-Recourse</u>	<u>Pct Non-Recourse</u>
Debtor entities (1)	\$14,618	5.07%	6.3	\$11,718	80.2%
Plus: Oakwood (2)	95	2.75%	4.2	-	-
Less: Consolidated SCPs (3)	(750)	5.38%	4.3	(710)	94.7%
Less: Victoria Ward (4)	(214)	5.24%	4.9	(214)	100.0%
Less: Stonestown mezz (5)	(57)	5.79%	3.8	(57)	100.0%
PF GGP Confirmed Debtors	13,692	5.03%	6.4	10,737	78.4%
Non-debtor consolidated debt (6)	2,530	5.68%	3.1	2,530	100.0%
Less: 110 N Wacker (4)	(46)	5.14%	0.5	(46)	100.0%
Less: Bridgeland (4)	(30)	6.50%	14.8	(30)	100.0%
PF GGP Non-Debtors	2,455	5.68%	3.0	2,455	100.0%
JV Debt (excl Consolidated JVs) (7)	2,946	5.61%	2.1	2,946	100.0%
Less: Woodlands (4)	(216)	5.69%	3.5	(216)	100.0%
Less: Highland (8)	(32)	6.92%	1.3	(32)	100.0%
Less: JV SCPs (Silver City / Montclair)	(198)	5.57%	1.4	(198)	100.0%
PF GGP Pro Rata JV Debt	2,499	5.59%	2.0	2,499	100.0%
Homart / Ivanhoe (9)	339	5.89%	2.8	339	100.0%
TRUPs (9)	206	1.70%	26.0	-	-
New Debt (10)	1,500	5.75%	3.0	-	-
PF GGP Debt (3/31/10)	\$20,691	5.21%	5.3	\$16,029	77.5%
PF GGP LTM Adj Cash NOI (11)	\$2,300				
Plus: LTM GGMI income (12)	80				
Plus: LTM interest income	7				
Less: Overhead (13)	(260)				
PF GGP LTM EBITDA	\$2,127				
PF GGP Cash Interest	1,078				
PF GGP Interest Coverage	2.0x				

- (1) Includes all Secured Asset Loans, excluding Oakwood, Homart and Ivanhoe. Source: 5/12/10 8-K. Cash interest / duration as provided in GGP's 4/29/10 press release. Amount that is non-recourse deducts \$2.9bn. Source: Q1'10 10-Q pg 29.
- (2) Interest rate assumed to be L+225. Source: docket #5225 and 5206.
- (3) Assumes \$40mm is recourse to GGP.
- (4) This debt will be going to GGO.
- (5) Paid down Apr-10.
- (6) See Non-Debtor Consolidated Debt appendix page for details.
- (7) See JV Debt (excluding Consolidated JVs) appendix page for details.
- (8) On 5/3/10 the property owned by the Highland JV was transferred to the lender (Source: 10-Q pg 40). Interest rate / duration assumptions from Q3'08 operating supplement.
- (9) Source: 5/12/10 8-K.
- (10) Assumes new debt issued at 5.75% cash interest with 3 year duration. This debt will be issued at market rates. Note Simon issued 5-yr notes in Jan-10 yielding 4.25%.
- (11) See PF GGP Cash NOI slide for details.
- (12) LTM GGMI income as of 3/31/10. Source: operating supplements, see "Management fees and other corporate revenues."
- (13) Source: 2009 Annual Letter to Shareholders. Note "over the coming months, [GGP] intend[s] to introduce many other innovations to improve the efficiency and effectiveness of the Company."

GGP Debt Detail – Non-Debtor Consolidated Debt

<i>(\$ in 000s)</i>	Debt			Duration
Non-Debtor Consolidated Debt	Balance	Interest	Maturity	(Yrs)
110 N. Wacker (headquarters)	45,943	5.14%	10/11/10	0.5
Baybrook Cmbd	168,570	5.75%	1/1/14	3.8 ⁽¹⁾
Bayside Marketplace Cmbd	84,103	6.00%	7/1/14	4.3
Coastland Center Cmbd	117,006	5.75%	1/1/14	3.8
Coral Ridge Cmbd	88,250	5.75%	1/1/14	3.8 ⁽¹⁾
Cumberland Cmbd	103,862	5.75%	1/1/14	3.8 ⁽¹⁾
Governor's Square Cmbd	74,368	5.75%	1/1/14	3.8 ⁽¹⁾
Lakeland Square Mall Cmbd	53,675	5.24%	10/1/13	3.5
Meadows Cmbd	101,463	5.54%	8/1/13	3.3
Oak View Cmbd	83,292	5.75%	1/1/14	3.8 ⁽¹⁾
Paramus Park Cmbd	102,855	4.97%	10/1/15	5.5
Pembroke Lakes Mall Cmbd	126,924	5.06%	4/11/13	3.0
The Mall in Columbia Cmbd	400,000	5.87%	10/1/12	2.5
The Parks at Arlington Cmbd	174,517	5.75%	1/1/14	3.8 ⁽¹⁾
The Shoppes @ Buckland Hills Cmbd	161,319	5.01%	7/2/12	2.3
West Oaks Mall	68,301	5.36%	8/1/13	3.3
10450 W. Charleston LLC	4,756	6.84%	12/31/18	8.8
Senate Plaza	12,084	5.79%	7/1/13	3.3
70 Columbia Corporate Center	19,676	10.15%	10/1/10	0.5
Bridgelands MPC (2)	29,812	6.50%	1/1/25	14.8
Consolidated JV Debt				
Provo Towne Centre Cmbd	43,302	5.91%	4/5/12	2.0
Spokane Valley Cmbd	41,052	5.91%	4/5/12	2.0
The Shops at La Cantera Cmbd	129,402	5.29%	6/7/10	0.2
The Streets at Southpoint	242,881	5.45%	4/6/12	2.0
Westlake Center Cmbd	68,119	8.00%	2/1/11	0.8
Non-Debtor Consolidated Debt	2,545,532	5.68%	4/18/13	3.1
Less: Amortization (3)	(15,163)			
Non-Debtor Consolidated Debt (3/31/10)	2,530,369	5.68%	4/18/13	3.1
<i>Memo: Alternative Buildup</i>				
<i>Consolidated Debt (3/31/10) (4)</i>	24,560,733			
<i>Less: Total Debtor Debt (3/31/10) (5)</i>	(22,030,364)			
<i>Non-Debtor Consolidated Debt (3/31/10)</i>	2,530,369			

Source: Interest rates per the Q3'08 GGP operating supplement. Many of these interest rates, especially to the extent loans have been refinanced or are floating, may have changed since 9/30/08.

Source: Maturities per the Q3'08 operating supplement.

(1) For loans with maturity dates preceding 3/31/10, we have assumed they were refinanced with 1/1/14 maturity dates and with 5.75% interest rates. Source: Pershing Square assumption.

(2) Source: Q3'08 operating supplement. Reported as "Houston Land Notes." The current interest rate is likely lower to the extent this debt is floating. Maturity date assumption is the midpoint of 2017-2033.

(3) Represents amortization that has occurred since the most recent reported date of GGP's debt.

(4) Source: Q1'10 supplement pg. 29.

(5) Source: 5/12/10 8-K.

GGP Debt Detail – Joint Venture Debt (excluding Consolidated JVs)

(\$ in 000s)

Joint Venture Debt (Excl Consolidated JVs)	Debt Balance	Interest	Maturity	Duration (Yrs)	Joint Venture Debt (Excl Consolidated JVs)	Debt Balance	Interest	Maturity	Duration (Yrs)
Alderwood Mall Cmbd	145,783	5.03%	7/6/10	0.3	Quail Springs Mall	37,409	6.87%	6/5/15	5.2
Altamonte Mall Cmbd	75,000	5.19%	2/1/13	2.8	Riverchase Galleria Cmbd	152,500	5.78%	10/3/11	1.5
Arrowhead Towne Center	25,820	6.92%	10/3/11	1.5	Silver City Galleria Cmbd	65,528	4.95%	6/10/11	1.2 ⁽²⁾
Bridgewater Commons	47,754	5.27%	1/2/13	2.8	Stonebriar Centre Cmbd	84,405	5.30%	12/11/12	2.7
Carolina Place Cmbd (1)	80,281	4.60%	1/11/14	3.8	Superstition Springs Center	22,498	3.45%	9/9/11	1.4
Christiana Mall	56,838	4.61%	8/2/10	0.3	The Oaks Mall Cmbd	52,020	5.87%	12/3/12	2.7
Clackamas Town Center Cmbd	100,000	6.35%	10/5/12	2.5	Towson Town Center Cmbd	44,760	5.75%	1/1/14	3.8 ⁽³⁾
First Colony Mall Cmbd	95,149	5.68%	10/3/11	1.5	Village of Merrick Park Total	76,034	5.94%	8/8/11	1.4
Florence Mall Cmbd	68,786	5.04%	9/10/12	2.4	Water Tower Place Cmbd	89,514	5.04%	9/1/10	0.4
Galleria Tyler Cmbd	125,000	5.46%	10/11/11	1.5	Westroads Mall Cmbd	45,518	5.83%	12/3/12	2.7
Glendale Galleria Cmbd	191,317	5.01%	10/1/12	2.5	Whalers Village Cmbd	64,893	5.63%	11/8/10	0.6
Highland Mall Cmbd	31,990	6.92%	7/8/11	1.3 ⁽²⁾	Willowbrook Mall	46,003	7.00%	4/1/11	1.0
Kenwood Towne Centre Cmbd	168,095	5.58%	12/1/10	0.7	Owings Mills-One Corporate Ctr	4,119	8.50%	12/1/11	1.7
Mizner Park Total	-	-	-	-	Center Pointe Plaza	6,846	6.38%	1/2/17	6.8
Montclair Place Cmbd	133,825	5.88%	9/12/11	1.5 ⁽²⁾	Lake Mead Blvd & Buffalo	2,947	7.30%	7/15/23	13.3
Natick Mall Cmbd	175,000	5.74%	10/7/11	1.5	Trails Village Center	8,073	8.24%	7/10/23	13.3
Natick West	70,000	5.82%	10/7/11	1.5	Woodlands MPC	216,343	5.69%	10/9/13	3.5 ⁽³⁾
Northbrook Court Cmbd	42,513	7.17%	9/1/11	1.4	Turkey	57,221	6.72%	1/1/18	7.8
Oakbrook Center Cmbd	103,010	5.12%	10/1/12	2.5	Joint Venture Debt	3,008,792	5.61%	4/27/12	2.1
Park Meadows Cmbd	126,000	6.00%	7/5/12	2.3	Less: Amortization (4)	(63,203)			
Perimeter Mall Cmbd	-	-	-	-					
Pinnacle Hills Promenade / West	70,000	5.84%	12/8/11	1.7					
					Joint Venture Debt (3/31/10) (5)	2,945,589	5.61%	4/27/12	2.1

Source: Interest rates per the Q3'08 GGP operating supplement. Many of these interest rates, especially to the extent loans have been refinanced or are floating, may have changed since 9/30/08.

Source: Maturities per the Q3'08 operating supplement.

(1) GGP extended this loan at 4.5975% in Jan-10. Source: 1/25/10 press release.

(2) Represents an SCP mall. On 5/3/10 the property owned by the Highland JV was transferred to the lender (Source: 10-Q pg 40).

(3) For loans with maturity dates preceding 3/31/10, we have assumed they were refinanced with 1/1/14 maturity dates and with 5.75% interest rates. Source: Pershing Square assumption.

(4) Represents amortization that has occurred since the most recent reported date of GGP's debt.

(5) Source: Q1'10 supplement pg. 29.

PF GGP Debt Detail – 9/30/10e Reconciliation

Target Net Debt Reconciliation (\$ in mms)	
Target Net Debt (9/30/10e) (1)	\$22,971
Plus: Proportionally Consolidated Unrestricted Cash (2)	500
Less: Permitted Claims (3)	(650)
Less: Accrued interest (4)	(625)
Less: Bridgelands/Woodlands (5)	(246)
Less: Brazil (6)	(110)
Less: Pfd stock (7)	(121)
Less: SCP debt / Highland (5)	(980)
Less: Other GGO debt (5)	<u>(260)</u>
PF GGP Debt (9/30/10e)	\$20,478
PF GGP Debt (3/31/10) (8)	<u>20,691</u>
Additional Amortization Through 9/30/10e	(\$212)

- (1) Target Net Debt as of the original Cornerstone Investment Agreement. Target Net Debt is an estimate of GGP's net debt as of 9/30/10e. Target Net Debt includes PF GGP and GGO liabilities. In addition, Target Net Debt includes non-debt liabilities, such as accrued interest and Permitted Claims (i.e. the KEIP), among other things. Therefore, Target Net Debt includes the Company's estimate of bankruptcy "exit costs." Furthermore, Target Net Debt includes the following: \$1.5bn of New Debt, debt associated with GGP's international subsidiaries, and preferred stock. Source: pg 75 of docket #4874.
- (2) Source: Original Cornerstone Investment Agreement.
- (3) Represents Pershing Square's estimate of bankruptcy "exit costs," including the KEIP, transaction costs, etc. Pershing Square estimates this \$650mm estimate could be more than \$200mm too high.
- (4) Includes accrued interest on unsecured debt, DIP loan, Homart/Ivanhoe, TRUPs, pfd stock, and secured debt. Pershing Square estimate.
- (5) As of 3/31/10. Projected 9/30/10e balances included in Target Net Debt may differ than 3/31/10 actual debt balances due to interim amortization.
- (6) Per the Cornerstone Investment Agreement. GGP's share of this debt as of 3/31/10 was \$95.2mm. Source: Q1'10 supplement pg 2.
- (7) Source: Q1'10 supplement pg 2.
- (8) See appendix for details.

PF GGP Cap Rate Detail – Excess Sources

(\$ in mms, except per share data)

Illustrative PF GGP Equity Raise Price

	<u>\$10.00</u>	<u>\$11.00</u>	<u>\$12.00</u>	<u>\$13.00</u>	<u>\$14.00</u>	<u>\$15.00</u>	<u>\$16.00</u>
<u>Emergence Sources</u>							
New Debt (1)	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
BPF (pre-clawback) (2)	4,400	4,400	4,400	4,400	4,400	4,400	4,400
Clawback (3)	1,900	1,938	1,976	2,014	2,052	2,090	2,128
Liquidity Equity Issuances (4)	<u>650</u>	<u>663</u>	<u>676</u>	<u>689</u>	<u>702</u>	<u>715</u>	<u>728</u>
Emergence Sources	8,450	8,501	8,552	8,603	8,654	8,705	8,756
<u>Emergence Uses</u>							
TopCo unsecured debt (5)	6,373	6,373	6,373	6,373	6,373	6,373	6,373
DIP loan (5)	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>
Emergence Uses	6,773	6,773	6,773	6,773	6,773	6,773	6,773
Excess Sources	\$1,678	\$1,729	\$1,780	\$1,831	\$1,882	\$1,933	\$1,984

(1) New Debt is included as a source of funds because the corresponding liability is included in Target Net Debt.

The estimated fee to raise the New Debt is also included as a Permitted Claim in the Target Net Debt amount.

(2) Represents PF GGP's sale of 440mm shares to BPF at \$10 per share. (250mm to B, 190mm to PF).

(3) Subject to the 80/20 GGO IPO Participation, PF GGP is entitled to keep 20% of excess proceeds raised above \$10.

To the extent GGO's 80% IPO Participation exceeds permitted liabilities, PF GGP will be entitled to keep more cash than presented above.

(4) Assumes GGP sells 65mm Liquidity Equity Issuances shares. GGP is entitled to keep 20% of excess proceeds raised above \$10.

(5) TopCo unsecured debt, which includes GGP's convert, Rouse debt, term loan, and revolver, and the DIP loan are treated as uses of funds because they are excluded from Target Net Debt as part of the Reinstatement Adjustment Amount.

PF GGP Cap Rate Detail – Other Assets / Other Liabilities

PF GGP Other Liabilities (as of 3/31/10) (\$ in mms)

Consolidated other liabilities (1)	\$1,774
Plus: Unconsolidated other liabilities (2)	219
Less: Hughes participation payable (3)	(69)
Less: Accrued interest accounted for in Target Net Debt (4)	(383)
Less: Professional fees incl in other liabilities (5)	(18)
Less: Accrued KEIP incl in other liabilities (6)	(79)
Less: Other "Exit Costs" incl in other liabilities (7)	(100)
PF GGP Adjusted Other Liabilities	\$1,345

PF GGP Other Assets (as of 3/31/10) (\$ in mms)

Accounts & notes receivable, net (1)	\$506
Deferred expenses, net (1)	384
Prepaid expenses & other assets (1)	796
PF GGP Other Assets	\$1,686

(1) Source: GGP Q1 10-Q pg 34.

(2) Assumes pro rata GGP share of unconsolidated other liabilities is 50%. Source: 10-Q pg 23.

(3) Excluded from other liabilities as we assume this liability will be covered by the GGO IPO Participation.
Source: 10-Q pg 34.

(4) Target Net Debt includes accrued and unpaid interest on GGP's unsecured debt, pfd stock, partner loans, DIP loan, and certain mortgage notes. As of 3/31/10, GGP had \$450mm of accrued interest included in other liabilities (Source: 10-Q pg 34). The vast majority of this is included in the Target Net Debt amount and therefore needs to be adjusted to avoid double-counting. Pershing Square estimates at least 85% of this amount needs to be deducted as it likely relates to accrued interest included in Target Net Debt.

(5) Target Net Debt includes professional fees associated with GGP's bankruptcy. As a result, any amount of professional fees included in other liabilities need to be deducted. Source: 10-Q pg 12.

(6) Target Net Debt includes GGP's ultimate KEIP payment, which was estimated to be \$165mm as of 3/31/10. As of 3/31/10, \$79mm of the KEIP had been accrued as a liability. Source: 10-Q pg 12.

(7) Includes pre-petition vendor liabilities and mechanics' liens that should be covered by the \$650mm Permitted Claims cushion in Target Net Debt. Source: Pershing Square estimate.

Note: Excludes goodwill of \$199.7mm as of 3/31/10.

(1) Includes unconsolidated other assets at 50% share. Source: pgs 3 and 23 of Q1'10 10-Q.

GGP Detail – LTM Cash NOI

(\$ in millions)

	GGP Cash Net Operating Income (1)				
	2Q09a	3Q09a	4Q09a	1Q10a	LTM
Minimum rents	\$596	\$584	\$605	\$593	
Tenant recoveries	263	257	248	254	
Overage rents	7	12	30	12	
Other	35	32	48	27	
Total Property Revenues	\$901	\$884	\$931	\$885	
Less: Real estate taxes	(81)	(82)	(81)	(85)	
Less: Repairs & maintenance	(58)	(65)	(82)	(41)	
Less: Marketing	(8)	(9)	(16)	(9)	
Less: Other property operating costs	(127)	(136)	(138)	(157)	
Less: Provision for doubtful accounts	(11)	(7)	(7)	(8)	
NOI	\$616	\$585	\$607	\$586	
Less: Straight-line rent adj.	(13)	(11)	1	(13)	
Less: FAS 141 adj. (lease mark to mkt)	(4)	(3)	(2)	(1)	
Plus: Non-cash ground rent expense	2	2	2	2	
Plus: Real estate tax stabilisation adj.	1	1	1	1	
GGP Cash NOI	\$602	\$573	\$609	\$575	\$2,360

(1) Source: GGP operating supplements.

Simon Cap Rate Detail – LTM Cash NOI

<i>(\$ in millions)</i>	4Q08a	1Q09a	2Q09a	3Q09a	4Q09a	1Q10a	LTM
Minimum rent	\$807	\$746	\$754	\$754	\$806	\$758	
Overage rent	63	21	26	33	58	26	
Tenant reimbursements	393	345	345	356	376	342	
Other income	92	68	56	57	92	80	
Less: Interest income (1) (2)	(15)	(9)	(9)	(10)	(13)	(10)	
Less: Gains on land sales (2)	(5)	(0)	(3)	(0)	(19)	(2)	
Total Revenue	\$1,334	\$1,171	\$1,168	\$1,191	\$1,300	\$1,194	
Less: Property operating costs	(172)	(161)	(168)	(180)	(164)	(157)	
Less: Real estate taxes	(106)	(112)	(106)	(99)	(108)	(114)	
Less: Repairs & maintenance	(47)	(33)	(30)	(29)	(43)	(34)	
Less: Advertising & promotion	(42)	(24)	(25)	(29)	(39)	(25)	
Less: Provision for credit losses	(10)	(17)	(9)	(0)	(2)	3	
Less: Other	(41)	(35)	(40)	(36)	(44)	(35)	
NOI	\$916	\$789	\$791	\$817	\$901	\$830	
Less: Straight-line rent adj. (3)	(9)	(11)	(7)	(8)	(6)	(5)	
Less: FAS 141 adj. (lease mark to mkt) (3)	(9)	(7)	(13)	(6)	(6)	(5)	
Cash NOI	\$899	\$772	\$770	\$803	\$889	\$821	\$3,284
<i>Memo: Other income</i>							
<i>Consolidated portion</i>	62	45	35	36	71	56	
<i>Total share</i>	92	68	56	57	92	80	
<i>Ratio</i>	32.2%	33.6%	37.7%	35.8%	22.9%	30.2%	

Source: Simon operating supplements.

(1) Simon includes interest income in other revenue. This needs to be backed out to create an apples to apples comparison with GGP.

(2) Simon does not disclose the amount of interest income and gains on land sales from its unconsolidated segment. Assumes the ratio of interest income and gains on land sales in other revenue is similar to the ratio of consolidated other income to total share. For example, Q1'10 reported consolidated interest income was \$7.714mm. Multiplying this by 1.302x results in assumed total share interest income of \$10.047mm.

(3) Source: See Footnotes to Reconciliation of Consolidated Net Income to FFO in Simon's operating supplements for straight-line rent and FAS 141 adjustments.

Simon Cap Rate Detail – Cap Rate Buildup

(units in millions, except per share data)

Share Price (as of 5/28/10)	\$85.03
Shares & Units (1)	<u>352</u>
Market Cap	\$29,906
<u>Pro Rata for JVs: (2)</u>	
Plus: Total Debt	24,250
Plus: Preferred Debt	126
Plus: Other Liabilities	1,845
Less: Cash	(3,609)
Less: Other Assets (3)	(2,445)
Less: Development Pipeline (4)	<u>(35)</u>
TEV	\$50,038
Less: Mgmt Business (5)	<u>(229)</u>
Value of Simon's REIT	\$49,809
LTM Cash NOI (6)	\$3,284
Implied Cap Rate	6.6%

- (1) Includes Series I preferred shares and options (Source: Simon Q1'10 operating supplement).
(2) As reported in Simon's pro rata balance sheet (Source: Simon Q1'10 operating supplement).
(3) Excludes \$20mm of goodwill (Source: Simon 2009 10-K).
(4) Simon's share of U.S. CIP (page 36 of Q1'10 operating supplement).
(5) Applies 25% EBIT margin to LTM fee income of \$122mm and a 7.5x EBIT multiple.
(6) See Simon LTM Cash NOI appendix page for details.

Simon Occupancy Cost Detail

	Occup. Cost Buildup		<i>Memo:</i>
	GGP ⁽¹⁾	Simon	<i>GGP</i>
	Q4'07	Q4'09	<i>Q4'09</i>
Rent per sq ft	\$35.32 ⁽²⁾	\$40.04 ⁽⁵⁾	<i>NA</i>
Recoverable common area costs per sq ft	<u>9.58</u>	<u>13.58</u>	<u><i>NA</i></u>
Rent & recoverable common area costs per sq ft	\$44.90 ⁽³⁾	\$53.62	<i>\$47.09</i> ⁽⁸⁾
<i>Rent & recoverable common area costs PSF / rent PSF</i>	<i>1.27x</i>	<i>1.34x</i> ⁽⁶⁾	<i>NA</i>
Reported Tenant Sales per Square Foot	\$444 ⁽³⁾	\$433 ⁽⁵⁾	<i>\$393</i> ⁽⁸⁾
<i>Rent & recoverable common area costs / tenant sales</i>	<i>10.1%</i>	<i>12.4%</i>	<i>12.0%</i>
Occupancy Cost	12.5% ⁽³⁾	15.1%	<i>14.6%</i> ⁽⁸⁾
<i>Adjustment Factor (4)</i>	<i>1.24x</i>	<i>1.22x</i> ⁽⁷⁾	<i>1.22x</i>

Note: Unlike GGP, Simon does not disclose occupancy cost data. The exercise above uses historical reported GGP data to attempt to back into Simon's implied Regional Malls occupancy cost. Actual data may vary.

(1) Represents Consolidated Portfolio (i.e. excl unconsolidated). This is done because GGP does not disclose rent per sq ft metrics on a pro rata basis.

(2) GGP used to report rent per sq ft instead of rent & recoverable common area costs per sq foot before Q1'07. Represents GGP Q4'06 consolidated rent per sq ft of \$34.29 with assumed 3% YoY growth (same as Q4'06 reported growth). Source: GGP Q4'06 operating supplement.

(3) Source: GGP Q4'07 operating supplement.

(4) Represents the ratio of Occupancy Cost to rent & recoverable common area costs / tenant sales.

(5) Source: Simon Q4'09 operating supplement.

(6) Assumes Simon's ratio of rent and recoverable common area costs PSF / rent PSF is 1.34x based on GGP's historical ratio of 1.27x. Simon derives approximately 5% more of its revenue from tenant reimbursements than GGP.

(7) Based on GGP's adjustment factor as of Q4'09.

(8) Source: GGP Q4'09 operating supplement.

GGO Detail – Victoria Ward Comp



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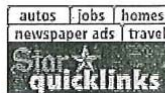
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Who should be the starting quarterback

Korean developer enters Kapiolani corridor

SamKoo Development has purchased several Kapiolani Boulevard parcels for \$42 million

By Nina Wu
nwu@starbulletin.com

A new player has entered the development game at Kapiolani corridor.

Affiliates of **SamKoo Development Co. Ltd.**, based in Seoul, have purchased several significant parcels along Kapiolani Boulevard for a combined total of nearly \$42 million.

Last week, Sam House Development LLC closed its deal on the 1.43-acre lot at 1391 Kapiolani Blvd., which belongs to Motor Supply Ltd. for \$26 million, or \$417 per square foot.

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