
GENERAL GROWTH PROPERTIES, INC.
PLAN SUMMARY TERM SHEET¹

3/31/2010

This term sheet (the “Term Sheet”) describes the material terms of a proposed chapter 11 joint plan of reorganization (the “Plan”) of the Plan Debtors (as defined below) solely for the purposes of the Investment Agreements (as defined below). The transactions contemplated by this term sheet are subject to conditions to be set forth in definitive documents, including the Investment Agreements and to the approval by the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”). This Term Sheet is not an offer or solicitation for any chapter 11 plan and is being presented for discussion and settlement purposes only. Acceptance of any such plan by any party (including those named herein) will not be solicited from any person or entity until such person or entity has received the disclosures required under or otherwise in compliance with applicable law. Accordingly, this Term Sheet does not bind any creditor or other party to vote in favor of or support any chapter 11 plan. In the event of any inconsistency between the terms of the Plan and this Term Sheet, or the terms of any applicable Investment Agreement and this Term Sheet, the terms of the Plan and the Investment Agreements, respectively, shall control for their respective purposes.

I. PARTIES/AGREEMENTS

A. GGP	General Growth Properties, Inc. (“ <u>GGP</u> ”) on or before the Effective Date and GGP, as reorganized, from and after the Effective Date
B. Plan Debtors	The debtors, including GGP, whose chapter 11 cases are pending in the Bankruptcy Court under Chapter 11 Case No. 09-11977 (ALG), whose chapter 11 cases have not otherwise been confirmed and whose chapter 11 cases will be treated pursuant to the Plan (collectively, the “ <u>Plan Debtors</u> ”)
C. Confirmed Debtors	The subsidiary debtors other than the Plan Debtors whose chapter 11 plans have been confirmed as of the Effective Date (the “ <u>Confirmed Debtors</u> ”)
D. Debtors	Plan Debtors, Confirmed Debtors and to the extent applicable, any debtor whose chapter 11 case is pending under Chapter 11 Case No. 09-11977 (ALG) but that is not a Plan Debtor or a Confirmed Debtor
E. REP	REP Investments LLC (“ <u>REP</u> ”)
F. Fairholme	Fairholme Capital Management, LLC, on behalf of one or more of its managed funds or affiliates of such managed funds (“ <u>Fairholme</u> ”)

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Investment Agreement to which this Term Sheet is attached.

G. Pershing	Pershing Square Capital Management, L.P., on behalf of one or more of its managed funds (“ <u>Pershing</u> ” and together with REP and Fairholme, the “ <u>Purchasers</u> ”)
H. Confirmed Plans	The chapter 11 plans of the Confirmed Debtors (the “ <u>Confirmed Plans</u> ”)
I. CIA	Cornerstone Investment Agreement dated as of March 31, 2010 between REP and GGP (the “ <u>CIA</u> ”)
J. Fairholme Stock Purchase Agreement	Stock Purchase Agreement dated as of March 31, 2010 between the purchasers parties thereto and GGP (the “ <u>Fairholme SPA</u> ”)
K. Pershing Stock Purchase Agreement	Stock Purchase Agreement dated as of March 31, 2010 between the purchasers parties thereto and GGP (the “ <u>Pershing SPA</u> ” and together with the CIA and the Fairholme SPA, the “ <u>Investment Agreements</u> ”)

II. TREATMENT OF CLAIMS AND INTERESTS

A. DIP Loan Claims	<ul style="list-style-type: none"> • <u>Treatment</u>: Paid in full, in cash on the effective date (the “<u>Effective Date</u>”) of the Plan. • The Plan Debtors may, at their option, satisfy all or a portion of the DIP Loan Claims through a conversion to New Common Stock (a “<u>DIP Conversion</u>”), provided GGP engages in a “Qualified Rights Offering” in accordance with the terms of the order approving the DIP facility or on such other terms as the parties may agree.
B. Allowed Administrative Expense Claims	<ul style="list-style-type: none"> • <u>Treatment</u>: Paid in full, in cash on the Effective Date or on such other terms as the parties may agree.
C. Allowed Priority Non-Tax Claims	<ul style="list-style-type: none"> • <u>Treatment</u>: Paid in full, in cash on the Effective Date or on such other terms as the parties may agree.
D. Allowed Priority Tax Claims	<ul style="list-style-type: none"> • <u>Treatment</u>: At the Plan Debtors’ election, (i) paid in full, in cash on the Effective Date, (ii) receive the treatment provided for in section 1129(a)(9)(c) of the Bankruptcy Code or (iii) receive treatment on such other terms as the parties may agree.
E. Allowed Secured Tax Claims	<ul style="list-style-type: none"> • <u>Treatment</u>: At the Plan Debtors’ election, (i) paid in full, in cash on the Effective Date, (ii) receive the treatment provided for in section 1129(a)(9)(d) of the Bankruptcy Code or (iii) receive treatment on such other terms as the parties may agree.
F. Allowed Mechanics’ Lien Claims	<ul style="list-style-type: none"> • <u>Treatment</u>: Paid in full, in cash on the Effective Date, as well as any amounts allowed and required to be paid pursuant to section 506(b) of the Bankruptcy Code, including postpetition interest at the Federal Judgment Rate (as defined in the Confirmed Plans) unless there is an applicable contractual rate or rate of interest under state law, in which case interest shall be paid at such

	<p>rate of interest, provided the claimant satisfies certain notice requirements consistent with those terms contained in the Confirmed Plans. The mechanics' liens securing the Mechanics' Lien Claims shall be deemed released and shall require no further action on the part of the holders of the Mechanics' Lien Claims.</p>
G. Allowed Other Secured Claims	<ul style="list-style-type: none"> • <u>Treatment:</u> At the Plan Debtors' option, on the Effective Date, holders of allowed Other Secured Claims shall either (a) be reinstated and rendered unimpaired, (b) receive cash in an amount equal to such allowed Other Secured Claim plus any interest allowed and required to be paid under section 506(b) of the Bankruptcy Code, (c) receive the collateral securing its allowed Other Secured Claim or (d) such other treatment as the holder of the Other Secured Claim and the Plan Debtors may agree.
H. Rouse 8.00% Note Claims	<ul style="list-style-type: none"> • <u>Treatment:</u> On the Effective Date, the Allowed Rouse 8.00% Note Claims shall be satisfied in full, in cash or shall receive such other treatment as is permissible pursuant to section 1129 of the Bankruptcy Code. In addition, the Plan Debtors shall pay in cash any outstanding reasonable agent or trustee fees and expenses provided for under the applicable indenture.
I. Rouse 3.625% Note Claims	<ul style="list-style-type: none"> • <u>Treatment:</u> On the Effective Date, the Allowed Rouse 3.625% Note Claims shall be satisfied in full, in cash or shall receive such other treatment as is permissible pursuant to section 1129 of the Bankruptcy Code. In addition, the Plan Debtors shall pay in cash any outstanding reasonable agent or trustee fees and expenses provided for under the applicable indenture.
J. Rouse 5.375% Note Claims	<ul style="list-style-type: none"> • <u>Treatment:</u> On the Effective Date, the Allowed Rouse 5.375% Note Claims (i) shall be cured and reinstated in accordance with section 1124 of the Bankruptcy Code or at the option of such holders, shall be satisfied in cash at par plus accrued interest at the stated non-default contract rate and shall be deemed to have waived any other claims, or (ii) shall receive such other treatment as is permissible under section 1129 of the Bankruptcy Code. In addition, the Plan Debtors shall pay in cash any outstanding reasonable agent or trustee fees and expenses provided for under the applicable indenture.
K. Rouse 6¾% Note Claims	<ul style="list-style-type: none"> • <u>Treatment:</u> On the Effective Date, the Allowed Rouse 6¾ % Note Claims (i) shall be cured and reinstated in accordance with section 1124 of the Bankruptcy Code or at the option of such holders, shall be satisfied in cash at par plus accrued interest at the stated non-default contract rate and shall be deemed to have waived any other claims, or (ii) shall receive such other

	<p>treatment as is permissible under section 1129 of the Bankruptcy Code. In addition, the Plan Debtors shall pay in cash any outstanding reasonable agent or trustee fees and expenses provided for under the applicable indenture.</p>
L. Rouse 7.20% Note Claims	<ul style="list-style-type: none"> • <u>Treatment</u>: On the Effective Date, the Allowed Rouse 7.20% Note Claims (i) shall be cured and reinstated in accordance with section 1124 of the Bankruptcy Code or at the option of such holders, shall be satisfied in cash at par plus accrued interest at the stated non-default contract rate and shall be deemed to have waived any other claims, or (ii) shall receive such other treatment as is permissible under section 1129 of the Bankruptcy Code. In addition, the Plan Debtors shall pay in cash any outstanding reasonable agent or trustee fees and expenses provided for under the applicable indenture.
M. 2006 Bank Loan Claims	<ul style="list-style-type: none"> • <u>Treatment</u>: On the Effective Date, the Allowed 2006 Bank Loan Claims shall be satisfied in full, in cash. In addition, the Plan Debtors shall pay in cash any outstanding reasonable agent fees and expenses provided for under the applicable loan agreement.
N. 144A Exchangeable Notes Claims	<ul style="list-style-type: none"> • <u>Treatment</u>: On the Effective Date, the Allowed 144A Exchangeable Note Claims (i) shall be cured and reinstated in accordance with section 1124 of the Bankruptcy Code or at the option of such holders, shall be satisfied in cash at par plus accrued interest at the stated non-default contract rate and shall be deemed to have waived any other claims, or (ii) shall receive such other treatment as is permissible under section 1129 of the Bankruptcy Code. In addition, the Plan Debtors shall pay in cash any outstanding reasonable agent or trustee fees and expenses provided for under the applicable indenture.
O. 2006 Trust Preferred Shared and Junior Subordinated Notes (the “TRUPs Claims”)	<ul style="list-style-type: none"> • <u>Treatment</u>: On the Effective Date, the Allowed TRUPs Claims shall be cured and reinstated in accordance with section 1124 of the Bankruptcy Code or shall receive such other treatment permissible under section 1129 of the Bankruptcy Code. In addition, the Plan Debtors shall pay in cash any outstanding reasonable trustee fees and expenses provided for under the applicable trust agreement.
P. Allowed General Unsecured Claims²	<ul style="list-style-type: none"> • <u>Treatment</u>: On the Effective Date, holders of Allowed General Unsecured Claims shall (i) receive payment in

² General Unsecured Claims include Existing Credit Enhancement Claims (as such term is defined in the Confirmed Plans) with respect to the Special Consideration Properties (as such term is defined in the Confirmed Plans).

	<p>full, in cash with postpetition interest at the Federal Judgment Rate, unless there is an applicable contractual rate or rate of interest under state law, in which case interest shall be paid at such rate of interest, provided the claimant satisfies certain notice requirements consistent with those terms contained in the Confirmed Plans or (ii) shall receive such other treatment permissible under section 1129 of the Bankruptcy Code.</p>
Q. Partner Note GGP/Homart II, L.L.C. Claims	<ul style="list-style-type: none"> • <u>Treatment:</u> On the Effective Date, at the election of the Plan Debtors, the Allowed Partner Note GGP/Homart II L.L.C. Claims (i) shall be cured and reinstated in accordance with section 1124 of the Bankruptcy Code, (ii) shall be satisfied in full, in cash or (iii) shall receive such other treatment permissible under section 1129 of the Bankruptcy Code.
R. Partner Note GGP Ivanhoe, Inc. Claims	<ul style="list-style-type: none"> • <u>Treatment:</u> On the Effective Date, at the election of the Plan Debtors, the Allowed Partner Note GGP Ivanhoe, Inc. Claims (i) shall be cured and reinstated in accordance with section 1124 of the Bankruptcy Code, (ii) shall be satisfied in full, in cash or (iii) shall receive such other treatment permissible under section 1129 of the Bankruptcy Code. In the event the holders of Allowed Partner Note GGP Ivanhoe, Inc. Claims are reinstated, the guaranty currently securing the obligations under the GGP Ivanhoe, Inc. Partner Note shall be affirmed and shall continue post emergence.
S. GGP TRS Retained Debt Claims	<ul style="list-style-type: none"> • <u>Treatment:</u> On the Effective Date, the joint venture agreement between GGP LP and TRS JV Holdco, LLC shall be assumed, and the Plan Debtors shall make any cure payments required thereunder.
T. Allowed Project Level Debt Guaranty Claims	<ul style="list-style-type: none"> • <u>Treatment:</u> On the Effective Date, at the election of the Plan Debtors, the holders of allowed Project Level Debt Guaranty Claims shall receive a replacement guaranty or such other treatment under the Plan as contemplated by the Confirmed Plans.
U. Allowed Hughes Heirs Obligations	<ul style="list-style-type: none"> • <u>Treatment:</u> On the Effective Date, the holders of allowed Hughes Heirs Obligations shall receive property of a value (a) as agreed to by the Debtors and such holders or (b) ordered by the Bankruptcy Court, in satisfaction of the allowed amount of their claims or interests; <i>provided that</i>, to the extent permissible, the Hughes Heirs Obligations may be satisfied, in whole or in part, through the issuance of GGO Stock.
V. Intercompany Obligations	<ul style="list-style-type: none"> • <u>Treatment:</u> On the Effective Date, Intercompany Obligations shall be reinstated and treated in the ordinary course of business or eliminated in the ordinary course of business, including the elimination of any Intercompany Obligations owed to or from any

	entities to be transferred to GGO.
W. GGPLP LLC Preferred Equity Interests	<ul style="list-style-type: none"> • <u>Treatment</u>: On the Effective Date, the holder of GGPLP LLC preferred equity interests (“<u>GGPLP LLC Preferred Equity Interests</u>”) will receive (a) a distribution of Cash based on its share of dividends accrued and unpaid prior to the Effective Date and (b) reinstatement of its preferred units in Reorganized GGPLP LLC, which shall be in the same number of preferred units in Reorganized GGPLP LLC as it held as of the Record Date in GGPLP LLC, provided, however, that any prepetition redemption or conversion rights held by such holder (subject to any rights of GGP) shall be deemed to have been revised to subsequently be redeemable or convertible into New Common Stock on conversion or redemption terms consistent with its prepetition agreement.
X. GGPLP Preferred Equity Interests	<ul style="list-style-type: none"> • <u>Treatment</u>: On the Effective Date, holders of GGPLP Preferred Equity Interests will receive (a) a distribution of Cash based on their pro rata share of dividends accrued and unpaid prior to the Effective Date and (b) may elect between (i) reinstatement of their preferred units in Reorganized GGPLP, which shall be in the same number of preferred units in Reorganized GGPLP as they held as of the Record Date in GGPLP, provided, however, that any prepetition indirect redemption or conversion rights to receive GGP Common Stock held by such holders (subject to any rights of GGP) shall be deemed to have been revised to subsequently be redeemable or convertible into New Common Stock on conversion or redemption terms consistent with their prepetition agreements, or (ii) being deemed to have converted their GGPLP Preferred Equity Interests to GGPLP common units and then to have put such GGPLP common units to GGPLP, effective the day prior to the Record Date, and GGP will assume GGPLP’s obligation under such put and satisfy this obligation with New Common Stock and GGO Stock as if such holders had exercised their rights on the day immediately preceding the Record Date.
Y. GGPLP Common UPREIT Units	<ul style="list-style-type: none"> • <u>Treatment</u>: On the Effective Date, GGPLP Common UPREIT Units will receive (a) the same number of common units in Reorganized GGPLP as they held as of the Record Date, provided, however, that any prepetition redemption or conversion rights held by such GGPLP Common UPREIT Unit holders (subject to any rights of GGP) shall be deemed to have been revised to subsequently be convertible into New Common Stock on conversion or redemption terms consistent with their prepetition agreement, plus (b) GGO Common Stock calculated as if their GGPLP

	Common UPREIT Units were converted to GGP Common Stock on the day before the Record Date.
Z. GGP Common Stock	<ul style="list-style-type: none"> • <u>Treatment</u>: On the Effective Date, each holder of GGP Common Stock shall receive its proportionate share of (i) the New Common Stock and (ii) the GGO Share Distribution.
AA. Outstanding Warrants	<ul style="list-style-type: none"> • <u>Treatment</u>: On the Effective Date, each holder of an outstanding Warrant (as such term is defined in the CIA and/or the Stock Purchase Agreement), shall receive the treatment provided for such Warrant in the CIA or the Stock Purchase Agreement, as applicable.
BB. Outstanding Options	<ul style="list-style-type: none"> • <u>Treatment</u>: On the Effective Date, each holder of an outstanding option to purchase GGP Common Stock shall receive on account of such option, an option to purchase New Common Stock and an option to purchase GGO Common Stock.

III. CLOSING DATE DEBT AND GGO PROMISSORY NOTE

A. Closing Date Net Debt and GGO Promissory Note	<ul style="list-style-type: none"> • The Closing Date Net Debt shall be determined in accordance with the CIA and the Plan and the GGO Promissory Note, if any, shall be issued on the Effective Date.
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IV. OTHER PLAN TERMS

A. Executory Contracts and Unexpired Leases	<ul style="list-style-type: none"> • All executory contracts (including employee benefit plans, insurance, supply contracts, etc.) and unexpired leases will be assumed unless expressly rejected under the Plan or through a separate motion.
B. Provisions Concerning Resolution of Disputed, Contingent, and Unliquidated Claims and Claims Payable by Third Parties	<ul style="list-style-type: none"> • The Plan will contain usual and customary provisions for resolving disputed, contingent and unliquidated claims and claims payable by third parties, including (to the extent appropriate) provisions consistent with the terms contained in the Confirmed Plans.
C. Employee/ Officer/ Director Indemnification Obligations	<ul style="list-style-type: none"> • The Plan Debtors' indemnification obligations for employees, officers, directors, trustees or managers shall be deemed assumed, in accordance with the provisions in the Confirmed Plans, unless otherwise expressly rejected by separate motion or under the Plan.
D. Provisions Concerning Plan Implementation	<ul style="list-style-type: none"> • The Plan shall provide for usual and customary means of implementation, including (to the extent appropriate) implementation provisions consistent with the terms contained in the Confirmed Plans.

E. Insurance Policies, Benefit Plans, Surety Bonds	<ul style="list-style-type: none"> • The Plan Debtors' insurance policies, benefit plans, workers' compensation claims, and surety bonds shall be treated in a manner consistent with that provided in the Confirmed Plans.
F. Retention of Causes of Action	<ul style="list-style-type: none"> • All causes of action shall vest with GGP or GGO, as applicable
G. Conditions for Consummation and Confirmation	<ul style="list-style-type: none"> • Usual and customary for transactions of this type
H. Discharge, Releases and Exculpation	<ul style="list-style-type: none"> • The Plan will contain discharge, release and exculpation provisions in a manner consistent with those provided in the Confirmed Plans.
I. Governing Law	<ul style="list-style-type: none"> • To the extent the Bankruptcy Code or other federal law does not apply, New York law shall govern.