

TRI Pointe Group, Inc.
Form 10-K
February 26, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2018

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the transition period from _____ to _____
Commission File Number 1-35796

TRI Pointe Group, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware 61-1763235
(State or other Jurisdiction of Incorporation or Organization) (I.R.S. Employer Identification No.)
19540 Jamboree Road, Suite 300
Irvine, California 92612
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (949) 438-1400

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

Title of each class	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

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Non-accelerated filer Smaller reporting company
Emerging Growth Company

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant on June 30, 2018, based on the closing price of \$16.36 as reported by the New York Stock Exchange, was \$2,448,101,287.

141,669,513 shares of common stock were issued and outstanding as of February 8, 2019.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions from the registrant's proxy statement relating to its 2019 annual meeting of stockholders are incorporated by reference into Part III, Items 10, 11, 12, 13 and 14.

TRI Pointe Group, Inc.
 ANNUAL REPORT ON FORM 10-K
 FOR THE YEAR ENDED DECEMBER 31, 2018

Table of Contents

	Page Number
Part I	
Item 1. <u>Business</u>	<u>4</u>
Item 1A. <u>Risk Factors</u>	<u>21</u>
Item 1B. <u>Unresolved Staff Comments</u>	<u>40</u>
Item 2. <u>Properties</u>	<u>40</u>
Item 3. <u>Legal Proceedings</u>	<u>40</u>
Item 4. <u>Mine Safety Disclosures</u>	<u>40</u>
Part II	
Item 5. <u>Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	<u>41</u>
Item 6. <u>Selected Financial Data</u>	<u>43</u>
Item 7. <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>45</u>
Item 7A. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>65</u>
Item 8. <u>Financial Statements and Supplementary Data</u>	<u>65</u>
Item 9. <u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>	<u>65</u>
Item 9A. <u>Controls and Procedures</u>	<u>65</u>
Item 9B. <u>Other Information</u>	<u>68</u>
Part III	
Item 10. <u>Directors, Executive Officers and Corporate Governance</u>	<u>68</u>
Item 11. <u>Executive Compensation</u>	<u>68</u>
Item 12. <u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	<u>68</u>
Item 13. <u>Certain Relationships and Related Party Transactions, and Director Independence</u>	<u>68</u>
Item 14. <u>Principal Accountant Fees and Services</u>	<u>68</u>
Part IV	
Item 15. <u>Exhibits, Financial Statements and Financial Statement Schedules</u>	<u>68</u>
Item 16. <u>Form 10-K Summary</u>	<u>111</u>
<u>Signatures</u>	<u>111</u>

CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This annual report on Form 10-K contains certain statements that are “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These forward-looking statements are based on our current intentions, beliefs, expectations and predictions for the future, and you should not place undue reliance on these statements. These statements use forward-looking terminology, are based on various assumptions made by us, and may not be accurate because of risks and uncertainties surrounding the assumptions that are made.

Factors listed in this section—as well as other factors—may cause actual results to differ significantly from the forward-looking statements included in this annual report on Form 10-K. There is no guarantee that any of the events anticipated by the forward-looking statements in this annual report on Form 10-K will occur, or if any of the events occurs, there is no guarantee what effect it will have on our operations, financial condition, or share price.

We undertake no, and hereby disclaim any, obligation to update or revise any forward-looking statements, unless required by law. However, we reserve the right to make such updates or revisions from time to time by press release, periodic report, or other method of public disclosure without the need for specific reference to this annual report on Form 10-K. No update or revision shall be deemed to indicate that other statements not addressed by that update or revision remain correct or create an obligation to provide any other updates or revisions.

Forward-Looking Statements

Forward-looking statements that are included in this annual report on Form 10-K are generally accompanied by words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “future,” “goal,” “intend,” “likely,” “may,” “might,” “plan,” “project,” “should,” “strategy,” “target,” “will,” “would,” or other words that convey the uncertainty of future events or outcomes. These forward-looking statements may include, but are not limited to, statements regarding our strategy, projections and estimates concerning the timing and success of specific projects and our future production, land and lot sales, outcome of legal proceedings, operational and financial results, including our estimates for growth, financial condition, sales prices, prospects and capital spending.

Risks, Uncertainties and Assumptions

The major risks and uncertainties—and assumptions that are made—that affect our business and may cause actual results to differ from these forward-looking statements include, but are not limited to:

- the effect of general economic conditions, including employment rates, housing starts, interest rate levels, availability of financing for home mortgages and strength of the U.S. dollar;
- market demand for our products, which is related to the strength of the various U.S. business segments and U.S. and international economic conditions;
- levels of competition;
- the successful execution of our internal performance plans, including any restructuring and cost reduction initiatives;
- global economic conditions;
- raw material prices;
- oil and other energy prices;
- the effect of weather, including the re-occurrence of drought conditions in California;
- the risk of loss from earthquakes, volcanoes, fires, floods, droughts, windstorms, hurricanes, pest infestations and other natural disasters, and the risk of delays, reduced consumer demand, and shortages and price increases in labor or materials associated with such natural disasters;
- transportation costs;
- federal and state tax policies;
- the effect of land use, environment and other governmental laws and regulations;
- legal proceedings or disputes and the adequacy of reserves;
- risks relating to any unforeseen changes to or effects on liabilities, future capital expenditures, revenues, expenses, earnings, synergies, indebtedness, financial condition, losses and future prospects;
- changes in accounting principles;
- risks related to unauthorized access to our computer systems, theft of our homebuyers’ confidential information or other forms of cyber-attack; and

other factors described in “Risk Factors.”

- 2 -

EXPLANATORY NOTE

As used in this annual report on Form 10-K, references to “TRI Pointe”, “the Company”, “we”, “us”, or “our” in this annual report on Form 10-K (including in the consolidated financial statements and related notes thereto in this annual report on Form 10-K) refer to TRI Pointe Group, Inc., a Delaware corporation (“TRI Pointe Group”) and its subsidiaries.

PART I.

Item 1. Business

Our Company

TRI Pointe was founded in April 2009, near the end of an unprecedented downturn in the national homebuilding industry. Since then, we have grown from a Southern California fee homebuilder into a regionally focused national homebuilder with a portfolio of the following six quality homebuilding brands operating in 15 markets across ten states:

• Maracay in Arizona;

- Pardee Homes in California and Nevada;

• Quadrant Homes in Washington;

• Trendmaker Homes in Texas;

• TRI Pointe Homes in California, Colorado and the Carolinas; and

• Winchester Homes in Maryland and Virginia.

Our growth strategy is to capitalize on high demand in selected "core" markets with favorable population and employment growth as a result of proximity to job centers or primary transportation corridors. As of December 31, 2018, our operations consisted of 146 active selling communities and 27,740 lots owned or controlled. See "Lots Owned or Controlled" below. Our construction expertise across an extensive product offering allows us flexibility to pursue a wide array of land acquisition opportunities and appeal to a broad range of potential homebuyers, including buyers of entry-level, move-up, luxury and active adult homes. As a result, we build across a variety of base sales price points, ranging from approximately \$200,000 to \$2.2 million, and home sizes, ranging from approximately 1,000 to 5,500 square feet. See "Description of Projects and Communities under Development" below. For the years ended December 31, 2018 and 2017, we delivered 5,071 and 4,697 homes, respectively, and the average sales price of our new homes delivered was approximately \$640,000 and \$582,000, respectively.

In October 2018, we announced the expansion of our TRI Pointe Homes brand into the southeast region with the launch of a new division in the Carolinas. In December 2018, we announced the acquisition of Dunhill Homes, LLC, which extended our homebuilding presence in Texas to the Dallas–Fort Worth region. Dunhill Homes began operating under our Trendmaker Homes name on January 1, 2019.

Our founders firmly established our core values of quality, integrity and excellence. These are the driving forces behind our innovative designs and strong commitment to our homebuyers.

Our Competitive Strengths

We believe the following strengths provide us with a significant competitive advantage in implementing our business strategy:

Experienced and Proven Leadership

Douglas Bauer, our Chief Executive Officer, Thomas Mitchell, our President and Chief Operating Officer, and Michael Grubbs, our Chief Financial Officer, have worked together for over 29 years and have a successful track record of managing and growing a public homebuilding company. Spanning over a century, their combined real estate industry experience includes land acquisition, financing, entitlement, development, construction, marketing and sales of single-family detached and attached homes in communities in a variety of markets. In addition, the management teams at each of our homebuilding subsidiaries have substantial industry knowledge and local market expertise. We believe that our management teams' prior experience, extensive relationships and strong local reputations provide us with a competitive advantage in securing projects, obtaining entitlements, building quality homes and completing projects within budget and on schedule.

Focus on High Growth Core Markets

Our business is well-positioned to continue to capitalize on the broader national housing market. We are focused on the design, construction and sale of innovative single-family detached and attached homes in major metropolitan areas in Arizona, California, Colorado, the Carolinas, Texas, Nevada, the Washington, D.C. metro area, and Washington State. These markets are generally characterized by high job growth and increasing populations, creating strong

demand for new housing. We believe they represent attractive homebuilding markets with opportunities for long-term growth and that we have strong land positions strategically located within these markets. Moreover, our management teams have deep, local market knowledge of the homebuilding and development industries. We believe this experience and strong relationships with local market participants enable us to source, acquire and entitle land efficiently.

- 4 -

Strong Operational Discipline and Controls

Our management teams pursue a hands-on approach. Our strict operating discipline, including financial accountability at the project management level, is a key part of our strategy to maximize returns while minimizing risk.

Acquire Attractive Land Positions While Reducing Risk

We believe that our reputation and extensive relationships with land sellers, master plan developers, financial institutions, brokers and other builders enable us to continue to acquire well-positioned land parcels in our target markets and provide us access to a greater number of acquisition opportunities. We believe our expertise in land development and planning enables us to create desirable communities that meet or exceed our homebuyers' expectations, while operating at competitive costs.

Increase Market Position in Growth Markets

We believe that there are opportunities to expand profitably in our existing and target markets, and we continually review our selection of markets based on both aggregate demographic information and our own operating results. We use the results of these reviews to re-allocate our investments to those markets where we believe we can maximize our profitability and return on capital. While our primary growth strategy has focused on increasing our market position in our existing markets, we recently expanded our homebuilding operations to the Carolinas and the Dallas–Fort Worth region in Texas. We may continue, on an opportunistic basis, to explore expansion into other markets through organic growth or acquisition.

Provide Superior Design and Homeowner Experience and Service

We consider ourselves a “progressive” homebuilder driven by an exemplary homeowner experience, cutting-edge product development and exceptional execution. Our core operating philosophy is to provide a positive, memorable experience to our homeowners through active engagement in the building process, tailoring our product to homeowners' lifestyle needs and enhancing communication, knowledge and satisfaction. We believe that the new generation of home buying families has different ideas about the kind of home buying experience it wants. As a result, our selling process focuses on the home's features, benefits, quality and design in addition to the traditional metrics of price and square footage. In addition, we devote significant resources to the research and design of our homes to better meet the needs of our homebuyers. Through our LivingSmart® platform, we provide homes that we believe are earth-friendly, enhance homeowners' comfort, promote a healthier lifestyle and deliver tangible operating cost savings versus less efficient resale homes. Collectively, we believe these steps enhance the selling process, lead to a more satisfied homeowner and increase the number of homebuyers referred to our communities.

Offer a Diverse Range of Products

We are a builder with a wide variety of product offerings that enable us to meet the specific needs of each of our core markets, which we believe provides us with a balanced portfolio and an opportunity to increase market share. We have demonstrated expertise in effectively building homes across product offerings from entry-level through luxury and active adult. We spend extensive time studying and designing our products through the use of architects, consultants and homebuyer focus groups for all levels and price points in our target markets. We believe our diversified product strategy enables us to best serve a wide range of homebuyers, adapt quickly to changing market conditions and optimize performance and returns while strategically reducing portfolio risk. Within each of our core markets we determine the profile of homebuyers we hope to address and design neighborhoods and homes with the specific needs of those homebuyers in mind.

Focus on Efficient Cost Structure and Target Attractive Returns

Our experienced management teams are vigilant in maintaining their focus on controlling costs. We competitively bid new projects and phases while maintaining strong relationships with our trade partners by managing production schedules closely and paying our vendors on time.

We combine decentralized management in those aspects of our business in which we believe detailed knowledge of local market conditions is critical (such as governmental processing, construction, land acquisition, land development and sales and marketing), with centralized management in those functions in which we believe central control is required (such as approval of land acquisitions, financial, treasury, human resources and legal matters). We have also made significant investments in systems and infrastructure to operate our business efficiently and to support the

planned future growth of our company as a result of executing our expansion strategy.

- 5 -

Utilize Prudent Leverage

Our ongoing financial strategy includes redeployment of cash flows from continuing operations and debt to provide us with the financial flexibility to access capital on the best terms available. In that regard, we expect to employ prudent levels of leverage to finance the acquisition and development of our lots and construction of our homes. See “Our Financing Strategy” below.

Lots Owned or Controlled

As of December 31, 2018, we owned or controlled, pursuant to land option contracts or purchase contracts, an aggregate of 27,740 lots. We refer to lots that are under land option contracts as “controlled.” See “Acquisition Process” below. Excluded from lots owned or controlled are investments described in Note 6, Investments in Unconsolidated Entities, of the notes to our consolidated financial statements included elsewhere in this annual report on Form 10-K. The following table presents certain information with respect to our lots owned or controlled as of December 31, 2018.

	Lots Owned	Lots Controlled	Lots Owned or Controlled
Maracay	2,346	962	3,308
Pardee Homes	13,700	676	14,376
Quadrant Homes	883	861	1,744
Trendmaker Homes	1,661	831	2,492
TRI Pointe Homes	3,150	945	4,095
Winchester Homes	1,317	408	1,725
Total	23,057	4,683	27,740

Description of Projects and Communities under Development

Our lot inventory includes land that we are holding for future development. The development of these lots will be subject to a variety of marketing, regulatory and other factors and in some cases we may decide to sell the land prior to development. The following table presents project information relating to each of our markets as of December 31, 2018 and includes information on current projects under development where we are building and selling homes as of December 31, 2018.

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Maracay

County, Project, City	Year of First Delivery ⁽¹⁾	Total Number of Lots ⁽²⁾	Cumulative Homes Delivered as of December 31, 2018 ⁽³⁾	Lots Owned as of December 31, 2018 ⁽³⁾	Backlog as of December 31, 2018 ⁽⁴⁾	Homes Delivered for the Twelve Months Ended December 31, 2018 ⁽⁵⁾	Sales Price Range (in thousands) ⁽⁶⁾
Phoenix, Arizona							
City of Buckeye:							
Verrado Victory	2015	98	80	18	5	31	\$373 - \$405
Arroyo Seco	2019	44	—	44	—	—	\$406 - \$458
City of Chandler:							
Hawthorn Manor	2017	84	59	25	11	28	\$490 - \$564
Mission Estates	2019	26	—	26	3	—	\$530 - \$590
Windermere Ranch	2019	91	—	91	—	—	\$499 - \$539
City of Gilbert:							
The Preserve at Adora Trails	2017	82	82	—	—	48	Closed
Marathon Ranch	2018	63	9	54	27	9	\$513 - \$556
Lakes At Annecy	2019	216	—	216	—	—	\$275 - \$350
Annecy P3	2020	250	—	250	—	—	\$226 - \$301
Lakeview Trails	2019	92	—	92	—	—	\$495 - \$570
Copper Bend	2019	38	—	38	—	—	\$451 - \$484
Hamstra Assemblage	2020	332	—	332	—	—	\$470 - \$750
City of Goodyear:							
Villages at Rio Paseo	2018	117	18	99	1	18	\$190 - \$219
Cottages at Rio Paseo	2018	93	31	62	8	31	\$230 - \$250
City of Mesa:							
Kinetic Point at Eastmark	2013	80	80	—	—	3	Closed
Curie Court at Eastmark	2016	106	106	—	—	48	Closed
The Vista at Granite Crossing	2018	37	25	12	11	25	\$438 - \$513
Electron at Eastmark	2019	53	—	53	11	—	\$361 - \$438
City of Peoria:							
Legacy at The Meadows	2017	74	66	8	2	40	\$425 - \$451
Estates at The Meadows	2017	272	100	172	41	57	\$497 - \$571
Enclave at The Meadows	2018	126	29	97	8	29	\$375 - \$470
Deseo	2019	94	—	94	—	—	\$494 - \$547
City of Phoenix:							
Navarro Groves	2018	54	24	30	17	24	\$439 - \$484
Loma @ Avance	2019	124	—	124	—	—	\$352 - \$412
Ranger @ Avance	2019	143	—	143	—	—	\$398 - \$466
Piedmont @ Avance	2019	101	—	101	—	—	\$475 - \$495
Alta @ Avance	2019	26	—	26	—	—	\$595 - \$625
Town of Queen Creek:							
Spur Cross	2020	118	—	118	—	—	\$454 - \$544
Closed Communities	N/A	—	—	—	—	43	

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Phoenix, Arizona Total		3,034	709	2,325	145	434	
Tucson, Arizona							
Oro Valley:							
Desert Crest - Center							
Pointe Vistoso	2016	103	87	16	2	38	\$262 - \$307
The Cove - Center Pointe							
Vistoso	2016	83	82	1	1	33	\$345 - \$405
Summit N & S - Center							
Pointe Vistoso	2016	88	85	3	3	20	\$397 - \$432
The Pinnacle - Center							
Pointe Vistoso	2016	69	68	1	—	8	\$448 - \$480
Closed Communities	N/A	—	—	—	—	5	
Tucson, Arizona Total		343	322	21	6	104	
Maracay Total		3,377	1,031	2,346	151	538	

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Pardee Homes

County, Project, City	Year of First Delivery ⁽¹⁾	Total Number of Lots ⁽²⁾	Cumulative Homes Delivered as of December 31, 2018	Lots Owned as of December 31, 2018 ⁽³⁾	Backlog as of December 31, 2018 ⁽⁴⁾	Homes Delivered for the Twelve Months Ended December 31, 2018 ⁽⁵⁾	Sales Price Range (in thousands) ⁽⁶⁾
California							
San Diego County:							
Almeria	2017	80	75	5	5	60	\$1,440 - \$1,560
Olvera	2017	84	84	—	—	69	\$1,315 - \$1,470
Vista Santa Fe	2019	44	—	44	—	—	\$1,780 - \$1,895
Sendero	2019	112	—	112	24	—	\$1,150 - \$1,295
Terraza	2019	81	—	81	19	—	\$1,260 - \$1,370
Carmel	2019	105	—	105	18	—	\$1,380 - \$1,490
Vista Del Mar	2019	79	—	79	11	—	\$1,530 - \$1,700
Pacific Highlands Ranch Future	2020	115	—	115	—	—	\$1,800 - \$1,900
Sandstone	2018	81	49	32	10	49	\$640 - \$710
Lake Ridge	2018	129	34	95	21	34	\$710 - \$860
Azul	2017	121	121	—	—	57	\$360 - \$475
Veraz	2018	111	10	101	—	10	\$380 - \$460
Moderna	2018	44	10	34	—	10	\$355 - \$440
Marea	2020	135	—	135	—	—	\$370 - \$470
Solmar	2019	74	—	74	—	—	\$365 - \$440
Solmar Sur	TBD	108	—	108	—	—	\$365 - \$440
Meadowood	TBD	845	—	845	—	—	\$290 - \$590
South Otay Mesa	TBD	893	—	893	—	—	TBD
Los Angeles County:							
Verano	2017	95	37	58	7	28	\$560 - \$670
Arista	2017	143	68	75	4	38	\$700 - \$785
Cresta	2018	67	10	57	12	15	\$790 - \$890
Lyra	2019	84	—	84	10	—	\$648 - \$720
Sola	2019	73	—	73	16	—	\$545 - \$580
Skyline Ranch Future	TBD	913	—	913	—	—	\$550 - \$810
Riverside County:							
Vantage	2016	101	99	2	—	47	\$390 - \$410
Aura	2017	100	97	3	2	49	\$370 - \$385
Starling	2017	68	40	28	5	25	\$425 - \$430
Canyon Hills Future 70 x 115	TBD	125	—	125	—	—	TBD
Westlake	2020	163	—	163	—	—	\$318 - \$325
Elara	2016	248	202	46	13	83	\$300 - \$330
Daybreak	2017	189	74	115	4	49	\$360 - \$385
Cascade	2017	151	100	51	17	73	\$315 - \$330
Abrio	2018	138	32	106	4	32	\$405 - \$430

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Beacon	2018	106	18	88	24	18	\$465 - \$520
Alisio	2019	84	—	84	—	—	\$300 - \$330
Vita	2019	111	—	111	13	—	\$310 - \$335
Avid	2019	72	—	72	9	—	\$340 - \$365
Elan	2019	101	—	101	4	—	\$410 - \$440
Mira	2019	90	—	90	7	—	\$375 - \$400
Sundance Future Active Adult	TBD	330	—	330	—	—	TBD
Avena	2018	84	25	59	7	25	\$450 - \$475
Tamarack	2018	84	55	29	7	55	\$470 - \$520
Braeburn	2018	82	8	74	—	8	\$420 - \$450
Canvas	2018	89	8	81	1	8	\$400 - \$425
Kadence	2018	85	8	77	1	8	\$420 - \$440
Newpark	2018	93	8	85	5	8	\$450 - \$495
Easton	2018	92	5	87	2	5	\$475 - \$530

- 8 -

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Tournament Hills Future	TBD	268	—	268	—	—	TBD
Banning	2020	4,344	—	4,344	—	—	TBD
San Joaquin County:							
Bear Creek	TBD	1,252	—	1,252	—	—	TBD
Closed Communities		—	—	—	—	135	
California Total		13,266	1,277	11,989	282	998	
Nevada							
Clark County:							
North Peak	2015	176	175	1	—	53	\$312 - \$370
Castle Rock	2015	183	179	4	—	63	\$365 - \$455
Escala	2016	64	63	1	—	10	\$520 - \$590
Strada	2017	143	59	84	—	35	\$420 - \$470
Linea	2018	123	48	75	23	48	\$360 - \$400
Inspirada Town Center	2020	160	—	160	—	—	\$375 - \$480
Meridian	2016	62	61	1	1	19	\$595 - \$690
Pebble Estate Future	TBD	8	—	8	—	—	TBD
Encanto	2016	51	49	2	—	15	\$475 - \$530
Luma	2018	63	41	22	7	41	\$490 - \$530
Evolve	2019	74	—	74	—	—	\$280 - \$300
Corterra	2018	112	3	109	8	3	\$460 - \$550
Keystone	2017	70	63	7	1	39	\$465 - \$550
Cobalt	2017	124	46	78	6	41	\$380 - \$455
Onyx	2018	71	14	57	2	14	\$450 - \$485
Axis	2017	78	33	45	12	23	\$860 - \$1,125
Midnight Ridge	2019	104	—	104	—	—	\$540 - \$585
Pivot	2017	88	44	44	9	34	\$405 - \$470
Strada at Pivot	2017	27	25	2	1	18	\$450 - \$480
Nova Ridge	2017	108	39	69	18	38	\$680 - \$840
Tera Luna	2018	116	4	112	5	4	\$545 - \$660
Indogo	2018	202	22	180	10	22	\$315 - \$360
Larimar	2018	170	4	166	4	4	\$380 - \$420
Blackstone	2018	140	5	135	13	5	\$405 - \$500
Cirrus	2019	54	—	54	—	—	\$350 - \$375
Sandalwood	2020	117	—	117	—	—	\$685 - \$815
Closed Communities	N/A	—	—	—	—	55	
Nevada Total		2,688	977	1,711	120	584	
Pardee Total		15,954	2,254	13,700	402	1,582	

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Quadrant Homes

County, Project, City	Year of First Delivery ⁽¹⁾	Total Number of Lots ⁽²⁾	Cumulative Homes Delivered as of December 31, 2018	Lots Owned as of December 31, 2018 ⁽³⁾	Backlog as of December 31, 2018 ⁽⁴⁾	Homes Delivered for the Twelve Months Ended December 31, 2018 ⁽⁵⁾	Sales Price Range (in thousands) ⁽⁶⁾
Washington							
Snohomish County:							
Greenstone Heights, Bothell	2017	41	38	3	1	36	\$885
Grove North, Bothell	2019	43	—	43	—	—	\$765 - \$900
Grove South, Bothell	2019	9	—	9	—	—	\$785 - \$820
King County:							
Vareze, Kirkland	2019	82	—	82	—	—	\$700 - \$900
Inglewood Landing, Sammamish	2019	21	—	21	6	—	\$1,115 - \$1,295
Jacobs Landing, Sammamish	2017	20	19	1	1	18	\$1,160 - \$1,280
Kirkwood Terrace, Sammamish	2018	12	5	7	2	5	\$1,800 - \$2,100
English Landing P1, Redmond	2018	50	37	13	6	37	\$1,195 - \$1,425
Cedar Landing, North Bend	2019	138	—	138	—	—	\$735 - \$880
Monarch Ridge, Sammamish	2019	59	—	59	—	—	\$970 - \$1,135
Overlook at Summit Park, Maple Valley	2019	126	—	126	3	—	\$590 - \$745
Ray Meadows, Redmond	2018	27	10	17	4	10	\$1,065 - \$1,190
Aurea, Sammamish	2019	41	—	41	—	—	\$710 - \$860
Aldea, Newcastle	2019	129	—	129	11	—	\$695 - \$925
Lario, Bellevue	2019	46	—	46	—	—	\$795 - \$1,125
Soundview, Federal Way	2018	21	4	17	1	4	\$531 - \$660
Eagles Glen, Sammamish	2019	10	—	10	—	—	\$1,100 - \$2,000
Finn Meadows, Kirkland	2019	5	—	5	—	—	\$900 - \$1,049
Pierce County:							
Harbor Hill S-5/6, Gig Harbor	2017	72	63	9	6	40	\$493
Harbor Hill S-2, Gig Harbor	2017	41	36	5	2	29	\$465
Kitsap County:							
Winslow Grove, Bainbridge Island	2018	19	2	17	3	2	\$1,047 - \$1,192
Blue Heron, Poulsbo	2021	85	—	85	—	—	\$474 - \$649
Closed Communities	N/A	—	—	—	—	178	N/A
Washington Total		1,097	214	883	46	359	
Quadrant Homes Total		1,097	214	883	46	359	

Trendmaker Homes

County, Project, City	Year of First Delivery ⁽¹⁾	Total Number of Lots ⁽²⁾	Cumulative Homes Delivered as of December 31, 2018	Cumulative Lots Owned as of December 31, 2018 ⁽³⁾	Backlog as of December 31, 2018 ⁽⁴⁾	Homes Delivered for the Twelve Months Ended December 31, 2018 ⁽⁵⁾	Sales Price Range (in thousands) ⁽⁶⁾
Texas							
Brazoria County:							
Pomona, Manvel	2015	49	35	14	3	14	\$375 - \$471
Rise Meridiana	2016	47	30	17	—	13	\$292 - \$350
Fort Bend County:							
Cross Creek Ranch 60', Fulshear	2013	48	31	17	1	16	\$370 - \$470
Cross Creek Ranch 65', Fulshear	2013	89	64	25	10	13	\$442 - \$521
Cross Creek Ranch 70', Fulshear	2013	111	89	22	6	17	\$490 - \$561
Cross Creek Ranch 80', Fulshear	2013	71	53	18	11	13	\$557 - \$676
Cross Creek Ranch 90', Fulshear	2013	37	32	5	1	6	\$695 - \$759
Fulshear Run 1/2 Acre, Richmond	2016	54	31	23	12	13	\$573 - \$679
Harvest Green 75', Richmond	2015	42	34	8	4	15	\$446 - \$543
Sienna Plantation 85', Missouri City	2015	54	30	24	1	14	\$546 - \$645
Grayson Woods 60'	TBD	5	1	4	—	—	TBD
Grayson Woods 70'	TBD	4	—	4	—	—	TBD
Harris County:							
The Groves, Humble	2015	114	71	43	4	16	\$311 - \$524
Lakes of Creekside	2015	38	16	22	4	7	\$460 - \$611
Balmoral 50'	2019	24	—	24	—	—	TBD
Bridgeland '80, Cypress	2015	147	125	22	3	24	\$549 - \$636
Bridgeland 70'	2018	41	7	34	1	7	\$511 - \$574
Villas at Bridgeland 50'	2018	37	2	35	2	2	\$324 - \$390
Elyson 70', Cypress	2016	20	18	2	—	10	\$449 - \$480
Clear Lake, Houston	2015	778	468	310	41	133	\$346 - \$663
Montgomery County:							
Woodtrace, Woodtrace	2014	39	37	2	—	7	\$512 - \$526
Northgrove, Tomball	2015	25	7	18	—	2	TBD
Bender's Landing Estates, Spring	2014	104	91	13	4	31	\$511 - \$584
The Woodlands, Creekside Park	2015	121	74	47	14	35	\$447 - \$499
Royal Brook, Porter	2019	18	—	18	—	—	\$416 - \$432

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Waller County:							
LakeHouse	TBD	350	—	350	—	—	TBD
Williamson County:							
Crystal Falls	2016	29	25	4	—	9	TBD
Rancho Sienna 60'	2016	44	18	26	3	14	\$340 - \$420
Rancho Sienna 80'	2018	5	2	3	1	2	\$456 - \$517
Highlands at Mayfield Ranch 50'	2018	36	8	28	3	3	\$280 - \$330
Highlands at Mayfield Ranch 60'	2018	23	1	22	5	1	\$340 - \$406
Rancho Sienna 50'	2019	22	—	22	1	—	\$291 - \$348
Palmera Ridge	2019	30	—	30	—	—	\$270 - \$324
Hays County:							
Belterra 60', Austin	2017	36	26	10	2	17	\$375 - \$466
Belterra 80', Austin	2016	37	34	3	—	16	\$535 - \$603
Headwaters, Dripping Springs	2017	30	23	7	5	16	\$399 - \$450
Travis County:							
Lakes Edge 70'	2018	45	13	32	31	13	\$652 - \$792
Lakes Edge 80'	2018	14	4	10	5	4	\$650 - \$835
Collin County:							
Miramonte, Frisco	2016	62	36	26	5	4	\$485 - \$570
Retreat at Craig Ranch, McKinney	2012	165	143	22	5	—	\$355 - \$400
Dallas County:							
Vineyards, Rowlett	2017	28	12	16	4	—	\$371 - \$480

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Denton County:							
Glenview, Frisco	2017	50	8	42	7	3	\$345 - \$514
Paloma Creek, Little Elm		190	144	46	12	3	\$280 - \$390
Parks at Legacy, Prosper	2017	42	14	28	8	1	\$387 - \$495
Shadow Creek, Hickory Creek	2016	40	36	4	—	—	\$375 - \$450
Valencia, Little Elm	2016	68	37	31	10	4	\$363 - \$464
Villages of Carmel, Denton	2017	47	42	5	27	—	\$287 - \$357
Kaufman County:							
Park Trails, Forney	2015	85	73	12	3	5	\$245 - \$280
Rockwall County:							
Heath Golf and Yacht, Heath	2016	86	57	29	6	3	\$299 - \$540
Woodcreek, Fate	2017	80	62	18	11	1	\$270 - \$375
Tarrant County:							
Chisholm Trail Ranch, Fort Worth	2017	59	44	15	13	1	\$281 - \$344
Lakes of River Trails, Fort Worth	2011	138	121	17	12	—	\$315 - \$436
Ventana, Benbrook	2017	61	29	32	12	4	\$318 - \$420
Closed Communities	N/A	—	—	—	—	78	
Texas Total		4,019	2,358	1,661	313	610	
Trendmaker Homes Total		4,019	2,358	1,661	313	610	

TRI Pointe Homes

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Southern California							
Orange County:							
Aria, Rancho Mission Viejo	2016	151	146	5	1	51	\$646 - \$716
Viridian	2018	72	17	55	12	17	\$895 - \$978
Sterling Row Townhomes, Irvine	2017	96	95	1	1	73	\$622 - \$824
Varena at Orchard Hills, Irvine	2016	135	73	10	7	34	\$1,258 - \$1,322
Alston, Anaheim	2017	75	60	15	15	41	\$820 - \$860
StrataPointe, Buena Park	2017	149	125	24	12	71	\$549 - \$727
Lyric	2019	70	—	70	16	—	\$790 - \$915
Citron at Bedford	2019	35	—	35	11	—	\$384 - \$411
San Diego County:							
Prism at Weston	2018	142	34	108	5	34	\$573 - \$606
Talus at Weston	2018	63	32	31	6	32	\$680 - \$720
Riverside County:							
Terrassa Court, Corona	2015	94	93	1	1	26	\$446 - \$499
Terrassa Villas, Corona	2015	52	46	6	2	32	\$486 - \$547
Cypress Ridge	2019	245	—	245	—	—	\$422 - \$542
Los Angeles County:							
VuePointe, El Monte	2017	102	87	15	9	73	\$512 - \$634
Bradford @ Rosedale, Azusa	2017	52	51	1	1	36	\$846 - \$906
Lucera at Aliento	2017	67	62	5	1	39	\$627 - \$645
Tierno at Aliento	2017	63	49	14	—	22	\$640 - \$697
Tierno II at Aliento	2018	63	10				