REFINITIV

DELTA REPORT

10-Q

CCS - CENTURY COMMUNITIES, INC.

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2311
CHANGES	350
DELETIONS	921
ADDITIONS	1040

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2023 March 31, 2024

or

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

Commission File Number: 001-36491

CENTURY COMMUNITIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**68-0521411**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
8390 East Crescent Parkway, Suite 650 **Greenwood Village, CO**	**80111**
(Address of principal executive offices)	(Zip Code)

(Registrant's telephone number, including area code): **(303) 770-8300**

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

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

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 x No o

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 x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth 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	x	Accelerated filer	o
Non-accelerated filer	o	Smaller reporting company	o
		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 o No x

On October 20, 2023 April 19, 2024, 31,774,615 31,790,755 shares of common stock, par value $0.01 per share, of the registrant were outstanding.

Table of Contents

CENTURY COMMUNITIES, INC.

FORM 10-Q

For the Three and Nine Months Ended September 30, 2023 March 31, 2024

Index

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

Century Communities, Inc.

Condensed Consolidated Balance Sheets

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023

(in thousands, except share and per share amounts)

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Assets	(unaudited)	(audited)	(unaudited)	(audited)
Cash and cash equivalents	$ 193,111	$ 296,724	$ 122,840	$ 226,150
Cash held in escrow	52,488	56,569	84,776	101,845
Accounts receivable	53,878	52,797	65,995	76,213
Inventories	3,058,317	2,830,645	3,107,133	3,016,641
Mortgage loans held for sale	162,742	203,558	217,702	251,852
Prepaid expenses and other assets	345,637	250,535	388,801	350,193
Property and equipment, net	34,044	31,688	74,647	69,075
Deferred tax assets, net	18,778	20,856	17,601	16,998
Goodwill	30,395	30,395	32,082	30,395
Total assets	$ 3,949,390	$ 3,773,767	$ 4,111,577	$ 4,139,362
Liabilities and stockholders' equity				
Liabilities:				
Accounts payable	$ 161,054	$ 106,926	$ 135,784	$ 147,265
Accrued expenses and other liabilities	282,283	299,588	274,308	303,392
Notes payable	1,051,294	1,019,412	1,069,762	1,062,471
Revolving line of credit	—	—	—	—
Mortgage repurchase facilities	162,094	197,626	212,447	239,298
Total liabilities	1,656,725	1,623,552	1,692,301	1,752,426
Stockholders' equity:				
Preferred stock, $0.01 par value, 50,000,000 shares authorized, none outstanding	—	—	—	—
Common stock, $0.01 par value, 100,000,000 shares authorized, 31,773,033 and 31,772,791 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively	318	318		
Common stock, $0.01 par value, 100,000,000 shares authorized, 31,790,585 and 31,774,615 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively			318	318
Additional paid-in capital	582,334	584,803	569,581	592,989
Retained earnings	1,710,013	1,565,094	1,849,377	1,793,629

Total stockholders' equity	2,292,665	2,150,215	2,419,276	2,386,936
Total liabilities and stockholders' equity	$ 3,949,390	$ 3,773,767	$4,111,577	$4,139,362

See Notes to Unaudited Condensed Consolidated Financial Statements

Table of Contents

Century Communities, Inc.

Unaudited Condensed Consolidated Statements of Operations

For the Three and Nine Months Ended September 30, 2023 March 31, 2024 and 2022 2023

(in thousands, except share and per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Revenues						
Homebuilding revenues						
Home sales revenues	$ 865,065	$ 1,118,588	$ 2,419,025	$ 3,241,537	$ 922,402	$ 735,600
Land sales and other revenues	722	2,432	3,811	12,872	1,216	1,535
Total homebuilding revenues	865,787	1,121,020	2,422,836	3,254,409	923,618	737,135
Financial services revenues	23,636	23,271	63,768	72,373	24,925	15,855
Total revenues	889,423	1,144,291	2,486,604	3,326,782	948,543	752,990
Homebuilding cost of revenues						
Cost of home sales revenues	(652,411)	(841,665)	(1,910,630)	(2,365,633)	(725,570)	(601,385)
Cost of land sales and other revenues	—	(292)	(375)	(9,151)	(37)	—
Total homebuilding cost of revenues	(652,411)	(841,957)	(1,911,005)	(2,374,784)	(725,607)	(601,385)
Financial services costs	(11,432)	(13,922)	(33,983)	(43,262)	(14,877)	(10,781)
Selling, general and administrative	(111,918)	(110,687)	(315,351)	(321,484)	(114,109)	(98,313)
Other income (expense)	(1,663)	(5,651)	(1,509)	(12,754)	(9,630)	1,498
Income before income tax expense	111,999	172,074	224,756	574,498	84,320	44,009
Income tax expense	(28,849)	(27,601)	(56,850)	(128,861)	(19,988)	(10,698)
Net income	$ 83,150	$ 144,473	$ 167,906	$ 445,637	$ 64,332	$ 33,311
Earnings per share:						
Basic	$ 2.60	$ 4.49	$ 5.25	$ 13.57	$ 2.02	$ 1.04
Diluted	$ 2.58	$ 4.44	$ 5.21	$ 13.41	$ 2.00	$ 1.04
Weighted average common shares outstanding:						
Basic	31,962,884	32,196,589	31,967,672	32,850,647	31,808,959	31,914,414
Diluted	32,237,022	32,570,335	32,200,677	33,241,764	32,238,808	32,117,082

See Notes to Unaudited Condensed Consolidated Financial Statements

Table of Contents

Century Communities, Inc.

Unaudited Condensed Consolidated Statements of Cash Flows

For the Nine Three Months Ended September 30, 2023 March 31, 2024 and 2022 2023

(in thousands)

	Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2024	2023
Operating activities				
Net income	$ 167,906	$ 445,637	$ 64,332	$ 33,311
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	11,019	8,207	5,475	3,292

Stock-based compensation expense	26,517	14,950	2,796	5,360
Fair value of mortgage loans held for sale and other	(2,269)	12,174	(2,443)	205
Impairment on other investment			7,722	—
Purchase price accounting for acquired work in process inventory			1,581	—
Abandonment of lot option contracts	3,021	7,389	762	638
Deferred income taxes	2,078	(12,634)	(603)	(83)
Loss on disposition of assets	1,062	1,504	274	198
Changes in assets and liabilities:				
Cash held in escrow	4,081	(31,655)	17,069	43,878
Accounts receivable	(1,081)	(24)	10,823	10
Inventories	(225,587)	(649,038)	(68,001)	90,152
Mortgage loans held for sale	36,343	142,283	29,118	48,241
Prepaid expenses and other assets	(21,179)	(33,129)	(7,050)	8,247
Accounts payable	54,126	9,374	(11,592)	(401)
Accrued expenses and other liabilities	(23,029)	17,855	(28,671)	(41,714)
Net cash provided by (used in) operating activities	33,008	(67,107)		
Net cash provided by operating activities			21,592	191,334
Investing activities				
Purchases of property and equipment	(14,438)	(15,395)	(5,922)	(4,820)
Expenditures related to development of rental properties	(59,812)	(18,082)	(25,950)	(16,268)
Other investing activities	(346)	(3,853)		
Business combination and other investing activities			(32,716)	152
Net cash used in investing activities	(74,596)	(37,330)	(64,588)	(20,936)
Financing activities				
Borrowings under revolving credit facilities	25,000	968,000	211,000	—
Payments on revolving credit facilities	(25,000)	(803,000)	(211,000)	—
Borrowing under construction loan agreements	21,453	—	15,972	7,137
Proceeds from issuance of insurance premium notes and other	26,511	25,070	11,166	3,032
Principal payments on insurance premium notes and other	(17,273)	(11,627)	(20,245)	(3,364)
Net payments for mortgage repurchase facilities	(35,532)	(136,829)		
Net proceeds (payments) for mortgage repurchase facilities			(26,851)	(47,842)
Withholding of common stock upon vesting of stock-based compensation awards	(10,672)	(12,735)	(10,415)	(9,880)
Repurchases of common stock under stock repurchase program	(19,227)	(120,646)	(16,109)	—
Dividend payments	(22,074)	(19,680)	(8,264)	(7,365)
Other financing activities	—	2,941	—	—
Net cash used in financing activities	(56,814)	(108,506)	(54,746)	(58,282)
Net decrease	$ (98,402)	$ (212,943)		
Net increase (decrease)			$ (97,742)	$112,116
Cash and cash equivalents and Restricted cash				
Beginning of period	308,492	322,241	242,003	308,492
End of period	$ 210,090	$ 109,298	$ 144,261	$420,608
Supplemental cash flow disclosure				
Cash paid for income taxes	$ 41,358	$ 151,079	$ —	$ —
Cash and cash equivalents and Restricted cash				
Cash and cash equivalents	$ 193,111	$ 98,203	$ 122,840	$405,722
Restricted cash (Note 5)	16,979	11,095	21,421	14,886
Cash and cash equivalents and Restricted cash	$ 210,090	$ 109,298	$ 144,261	$420,608

See Notes to Unaudited Condensed Consolidated Financial Statements

Table of Contents

Century Communities, Inc.

Unaudited Condensed Consolidated Statements of Stockholders’ Equity

For the Three and Nine Months Ended September 30, 2023 March 31, 2024 and 2022 2023

(in thousands)

For the Three Months Ended September 30, 2023 and 2022

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Total Stockholders' Equity
Balance at June 30, 2023	32,020	$ 320	$ 586,856	$ 1,634,741	$ 2,221,917
Vesting of stock-based compensation awards	1	—	—	—	—
Withholding of common stock upon vesting of stock-based compensation awards	—	—	(29)	—	(29)
Repurchases of common stock	(248)	(2)	(17,256)	—	(17,258)
Stock-based compensation expense		—	12,226	—	12,226
Cash dividends declared and dividend equivalents	—	—	537	(7,878)	(7,341)
Net income	—	—	—	83,150	83,150
Balance at September 30, 2023	31,773	$ 318	$ 582,334	$ 1,710,013	$ 2,292,665
Balance at June 30, 2022	32,273	$ 323	$ 596,727	$ 1,354,114	$ 1,951,164
Vesting of stock-based compensation awards	—	—	—	—	—
Withholding of common stock upon vesting of stock-based compensation awards	—	—	—	—	—
Repurchases of common stock	(501)	(5)	(22,336)		(22,341)
Stock-based compensation expense	—	—	5,159	—	5,159
Cash dividends declared and dividend equivalents	—	—	147	(6,602)	(6,455)
Net income	—	—	—	144,473	144,473
Balance at September 30, 2022	31,772	$ 318	$ 579,697	$ 1,491,985	$ 2,072,000

For the Nine Months Ended September 30, 2023 and 2022

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Total Stockholders' Equity	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Total Stockholders' Equity
Balance at December 31, 2022	31,773	$ 318	$ 584,803	$ 1,565,094	$ 2,150,215					
Balance at December 31, 2023						31,775	$ 318	$ 592,989	$ 1,793,629	$ 2,386,936
Vesting of stock-based compensation awards	448	4	(4)	—	—	323	3	(3)	—	—
Withholding of common stock upon vesting of stock-based compensation awards	(170)	(2)	(10,670)	—	(10,672)	(120)	(1)	(10,414)	—	(10,415)
Repurchases of common stock	(278)	(2)	(19,225)	—	(19,227)	(187)	(2)	(16,107)	—	(16,109)
Stock-based compensation expense	—	—	26,517	—	26,517	—	—	2,796	—	2,796
Cash dividends declared and dividend equivalents	—	—	913	(22,987)	(22,074)	—	—	320	(8,584)	(8,264)
Net income	—	—	—	167,906	167,906	—	—	—	64,332	64,332
Balance at September 30, 2023	31,773	$ 318	$ 582,334	$ 1,710,013	$ 2,292,665					
Balance at March 31, 2024						31,791	$ 318	$ 569,581	$ 1,849,377	$ 2,419,276
Balance at December 31, 2021	33,761	$ 338	$ 697,845	$ 1,066,325	$ 1,764,508					
Balance at December 31, 2022						31,773	$ 318	$ 584,803	$ 1,565,094	$ 2,150,215
Vesting of stock-based compensation awards	516	5	(5)	—	—	412	4	(4)	—	—
Withholding of common stock upon vesting of stock-based compensation awards	(200)	(2)	(12,733)	—	(12,735)	(159)	(2)	(9,878)	—	(9,880)
Repurchases of common stock	(2,305)	(23)	(120,623)	—	(120,646)					
Stock-based compensation expense	—	—	14,950	—	14,950	—	—	5,360	—	5,360
Cash dividends declared and dividend equivalents	—	—	297	(19,977)	(19,680)	—	—	208	(7,573)	(7,365)
Other	—	—	(34)	—	(34)					
Net income	—	—	—	445,637	445,637	—	—	—	33,311	33,311
Balance at September 30, 2022	31,772	$ 318	$ 579,697	$ 1,491,985	$ 2,072,000					

Balance at March 31, 2023	32,026	$ 320	$580,489	$1,590,832	$2,171,641

See Notes to Unaudited Condensed Consolidated Financial Statements

Table of Contents

Century Communities, Inc.

Notes to Unaudited Condensed Consolidated Financial Statements

September 30, 2023 March 31, 2024

1. Basis of Presentation

Century Communities, Inc. (which we refer to as "we," "CCS," or the "Company"), together with its subsidiaries, is engaged in the development, design, construction, marketing and sale of single-family attached and detached homes in 18 states. In many of our projects, in addition to building homes, we are responsible for the entitlement entitle and development of develop the underlying land. We build and sell homes under our Century Communities and Century Complete brands. Our Century Communities brand targets has an emphasis on serving the entry-level homebuilding market but offers a wide range of buyer profiles including: entry-level, first and second time move-up, and lifestyle homebuyers, and provides our homebuyers with the ability to personalize their homes through certain option and upgrade opportunities. Our Century Complete brand targets entry-level homebuyers, primarily sells homes through retail studios and the internet, and generally provides no option or upgrade opportunities.

Our homebuilding operations are organized into the following five reportable segments: West, Mountain, Texas, Southeast, and Century Complete. Our indirect wholly-owned subsidiaries, Inspire Home Loans Inc., Parkway Title, LLC, and IHL Home Insurance Agency, LLC, and IHL Escrow Inc., which provide mortgage, title, insurance and insurance escrow services, respectively, primarily to our homebuyers, have been identified as our Financial Services segment. Additionally, our wholly owned subsidiary, Century Living, LLC, is engaged in the development, construction and management of multi-family rental properties, currently all located in Colorado. Century Living, LLC is included in our Corporate segment.

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles (which we refer to as "GAAP") and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (which we refer to as the "SEC"). In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments consisting of normal recurring adjustments necessary for a fair presentation of our financial position and results of operations for the periods presented. Interim results of operations are not necessarily indicative of the results that may be achieved for the full year. The financial statements and related notes do not include all information and footnotes required by GAAP and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2022 December 31, 2023, which are included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023 that was filed with the SEC on February 2, 2023 February 5, 2024.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of the Company, as well as all subsidiaries in which we have a controlling interest, and variable interest entities for which the Company is deemed to be the primary beneficiary. We do not have any variable interest entities in which we are deemed the primary beneficiary.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Reclassifications Business Acquisition

Certain prior period amounts have been reclassified to conform to current period presentation. On January 22, 2024, we closed on the acquisition of substantially all the assets of Landmark Homes of Tennessee, Inc. ("Landmark"), a homebuilder with operations, including six active communities, in Nashville, Tennessee, for approximately $33.4 million in cash, inclusive of customary holdbacks.

Recently Issued Accounting Standards

There In December 2023, the Financial Accounting Standards Board (which we refer to as "FASB") issued Accounting Standards Update (which we refer to as "ASU") No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"). ASU 2023-09 requires more disaggregated income tax disclosures, including additional information in the rate reconciliation and additional disclosures about income taxes paid. ASU 2023-09 will become effective for us for the fiscal year ending December 31, 2025. Early adoption is permitted, and guidance should be applied prospectively, with an option to apply guidance retrospectively. We are no recent accounting standards that are expected to have a material currently evaluating the impact of the adoption of ASU 2023-09 on our consolidated financial statements. statements and related disclosures.

Table of Contents

In November 2023, the FASB issued ASU No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07"). ASU 2023-07 requires disclosure of significant segment expenses that are regularly provided to the chief operating decision maker (which we refer to as "CODM") and included within each reported measure of segment profit or loss. The guidance also expands disclosure requirements for interim periods, as well as requires disclosure of other segment items, including the title and position of the entity's CODM. ASU 2023-07 will become effective for us for the fiscal year ending December 31, 2024, and for interim periods starting in our first quarter of 2025. Early adoption is permitted, and guidance is required to be applied retrospectively. We are currently evaluating the impact of the adoption of ASU 2023-07 on our consolidated financial statements and related disclosures.

2. Reporting Segments

Our homebuilding operations are engaged in the development, design, construction, marketing and sale of single-family attached and detached homes in 18 states. We build and sell homes under our Century Communities and Century Complete brands. Our Century Communities brand is managed by geographic location, and each of our four geographic regions offers a wide range of buyer profiles including: entry-level, first and second time move-up, and lifestyle homebuyers, and provides our homebuyers with the ability to personalize their homes through certain option and upgrade selections. Each of our four geographic regions is considered a separate operating segment. Our Century Complete brand targets entry-level homebuyers, primarily sells homes through retail studios and the

Table of Contents

internet, and generally provides no option or upgrade selections. Our Century Complete brand currently has operations in 11 states and it is considered a separate operating segment.

The management of our four Century Communities geographic regions and Century Complete reports to our chief operating decision makers (which we refer to as "CODMs"), the Co-Chief Executive Officers of our Company. The CODMs review the results of our operations, including total revenue and income before income tax expense to determine profitability and to allocate resources. Accordingly, we have presented our homebuilding operations as the following five reportable segments:

- West (California and Washington)
- Mountain (Arizona, Colorado, Nevada, and Utah)
- Texas
- Southeast (Alabama, Florida, Georgia, North Carolina, South Carolina, and Tennessee)
- Century Complete (Alabama, Arizona, Florida, Georgia, Indiana, Kentucky, Louisiana, Michigan, North Carolina, Ohio, South Carolina)

Commencing in the first quarter of 2023, our Century Complete operations in Texas were realigned and are now managed under our Texas segment. Accordingly, we have presented segment information under this new basis as of and for the three and nine months ended September 30, 2023, and we have restated the corresponding segment information for those segments as of December 31, 2022 and for the three and nine months ended September 30, 2022.

We have identified our Financial Services operations, which provide mortgage, title, insurance and insurance escrow services to our homebuyers, as a sixth reportable segment. Our Corporate operations are a non-operating segment, as our Corporate operations serve to support our homebuilding, and to a lesser extent our Financial Services operations, through functions, such as our executive, finance, treasury, human resources, accounting and legal departments.

Additionally, our wholly owned subsidiary, Century Living, LLC, is engaged in the development, construction and management of multi-family rental properties, currently all located in Colorado. Century Living, LLC is included in our Corporate segment.

The following table summarizes total revenue and income (loss) before income tax expense by segment (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue:				
West	$ 167,708	$ 255,413	$ 436,081	$ 811,961
Mountain	207,054	288,620	683,432	852,981
Texas	111,694	132,940	327,844	424,893
Southeast	164,968	196,787	369,414	526,944
Century Complete	214,363	247,260	606,065	637,630
Financial Services	23,636	23,271	63,768	72,373
Corporate	—	—	—	—
Total revenue	$ 889,423	$ 1,144,291	$ 2,486,604	$ 3,326,782
Income (loss) before income tax expense:				
West	$ 31,419	$ 51,036	$ 54,358	$ 200,213
Mountain	25,449	51,058	77,946	159,559
Texas	16,377	20,084	31,502	73,579
Southeast	33,717	38,400	63,675	108,053
Century Complete	30,873	33,939	61,171	91,168
Financial Services	12,204	9,349	29,785	29,111
Corporate	(38,040)	(31,792)	(93,681)	(87,185)
Total income before income tax expense	$ 111,999	$ 172,074	$ 224,756	$ 574,498

Table of Contents

The following table summarizes total revenue and income (loss) before income tax expense by segment (in thousands):

	Three Months Ended March 31,	
	2024	2023
Revenue:		
West	$ 172,648	$ 129,081
Mountain	254,279	246,275
Texas	131,273	89,532
Southeast	161,658	87,126
Century Complete	203,760	185,121
Financial Services	24,925	15,855
Corporate	—	—
Total revenue	$ 948,543	$ 752,990
Income (loss) before income tax expense:		
West	$ 26,707	$ 7,973
Mountain	27,808	27,808
Texas	13,872	3,673
Southeast	20,796	11,966
Century Complete	21,101	13,950
Financial Services	10,048	5,074
Corporate	(36,012)	(26,435)
Total income before income tax expense	$ 84,320	$ 44,009

The following table summarizes total assets by segment (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
West	$ 732,859	$ 665,827	$ 787,198	$ 786,489
Mountain	1,076,810	1,122,892	1,050,830	1,051,052
Texas	573,187	508,862	617,785	577,129
Southeast	506,659	415,887	542,895	503,249
Century Complete	401,238	376,131	417,352	386,444
Financial Services	347,896	372,284	397,700	450,208
Corporate	310,741	311,884	297,817	384,791
Total assets	$ 3,949,390	$ 3,773,767	$4,111,577	$4,139,362

Corporate assets primarily include certain cash and cash equivalents, capitalized interest, costs associated with development of multi-family rental properties, certain cash and cash equivalents, certain property and equipment, deferred tax assets, certain receivables, and prepaid insurance, and deferred financing costs on our revolving line of credit. insurance.

3. Inventories

Inventories included the following (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Homes under construction	$ 1,507,186	$ 1,213,919	$1,386,300	$1,334,584
Land and land development	1,477,804	1,554,951	1,645,661	1,609,459
Capitalized interest	73,327	61,775	75,172	72,598
Total inventories	$ 3,058,317	$ 2,830,645	$3,107,133	$3,016,641

4. Financial Services

Our Financial Services are principally comprised of our mortgage lending operations, Inspire Home Loans Inc. (which we refer to as "Inspire"). Inspire is a full-service mortgage lender and primarily originates mortgage loans for our homebuyers. Inspire sells substantially all of the loans it originates either as loans with servicing rights released, or with servicing rights retained, in the secondary mortgage market within a short period of time after origination, generally within 30 days. Inspire primarily finances these loans using its mortgage repurchase facilities.

Table of Contents

Mortgage loans held for sale and mortgage servicing rights are carried at fair value, with gains and losses from the changes in fair value reflected in financial services revenue on the consolidated statements of operations. Management believes carrying mortgage loans held for sale at fair value improves financial reporting by mitigating volatility in reported earnings caused by measuring the fair value of the loans and the derivative instruments used to economically hedge them. Net gains and losses from the sale of mortgage loans held for sale, which are recognized based upon the difference between the sales proceeds and carrying value of the related loans upon sale, are also included in financial services revenue on the consolidated statements of operations. Financial services revenue also includes fees earned from originating mortgage loans which are recognized at the time the mortgage loans are funded, including which include origination fees and discount points to reduce interest rates and fees earned from forward based on commitment agreements entered into between our homebuilding segments and Financial Services. Services segments.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, Inspire had mortgage loans held for sale with an aggregate fair value of $162.7 million $217.7 million and $203.6 million $251.9 million, respectively, and an aggregate outstanding principal balance of $165.7 million $218.6 million and $202.0 million $247.7 million, respectively. Net losses gains on the sale of mortgage loans were $6.9 million $2.0 million and $3.4 million $1.8 million for the three and nine months ended September 30, 2023, respectively, March 31, 2024 and net gains on the sale of mortgage loans were $4.5 million and $15.3 million for the three and nine months ended September 30, 2022, 2023, respectively. Losses The loss from the change in fair value for mortgage loans held for sale were $2.9 million and $4.9 million was $5.0 million for the three and nine months ended September 30, 2023 March 31, 2024, respectively, and were $8.1 million and $16.7 million was nominal for the three and nine months ended September 30, 2022, respectively. March 31, 2023.

Mortgage loans in process for which interest rates were locked by borrowers, or interest rate lock commitments, totaled approximately $138.9 million $147.1 million and $68.1 million $49.6 million at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, and carried a weighted average interest rate of approximately 6.0% 5.5% and 6.1% 5.8%, respectively. Interest rate risks related to these obligations are typically mitigated through our interest rate hedging program or by the preselling of loans to investors or through our interest rate hedging program. investors. Derivative instruments used to economically hedge our market and interest rate risk are carried at fair value. Derivative instruments typically include interest rate lock commitments and forward commitments on mortgage-backed securities. Changes in fair value of these derivatives as well as any gains or losses upon settlement

are reflected in financial services revenue on our condensed consolidated statements of operations. Refer to Note 12 – Fair Value Disclosures for further information regarding our derivative instruments.

5. Prepaid Expenses and Other Assets

Prepaid expenses and other assets included the following (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Prepaid insurance	$ 44,234	$ 31,716	$ 36,824	$ 37,624
Lot option and escrow deposits	46,752	48,354	64,117	51,369
Performance deposits	12,077	12,626	8,734	10,170
Restricted cash (1)	16,979	11,768	21,421	15,853
Multi-family rental properties under construction	119,206	56,615	160,213	136,300
Mortgage loans held for investment at fair value	21,367	18,875	21,620	21,041
Mortgage loans held for investment at amortized cost	6,927	6,574	6,778	6,826
Mortgage servicing rights	30,493	24,164	32,734	30,932
Derivative assets	5,458	1,958	3,790	1,618
Other assets and prepaid expenses	42,144	37,885	32,570	38,460
Total prepaid expenses and other assets	$ 345,637	$ 250,535	$388,801	$350,193

(1) Restricted cash consists of restricted cash related to land development, earnest money deposits for home sale contracts held by third parties as required by various jurisdictions, and certain compensating balances associated with our mortgage repurchase facilities and other financing obligations.

6. Accrued Expenses and Other Liabilities

Accrued expenses and other liabilities included the following (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023

Earnest money deposits	$ 15,805	$ 17,903	$ 14,402	$ 7,933
Warranty reserve	12,789	13,136	11,212	11,524
Self-insurance reserve	20,495	16,998	25,652	23,659
Accrued compensation costs	61,026	80,415	33,657	80,133
Land development and home construction accruals	118,352	128,483	121,314	120,224
Accrued interest	13,841	10,670	14,324	10,404
Income taxes payable			8,464	—
Derivative liabilities	—	1,526	979	5,291
Other accrued liabilities	39,975	30,457	44,304	44,224
Total accrued expenses and other liabilities	$ 282,283	$ 299,588	$274,308	$303,392

7. Warranties

Estimated future direct warranty costs are accrued and charged to cost of home sales revenues in the period when the related home sales revenues are recognized. Amounts accrued, which are included in accrued expenses and other liabilities on the condensed consolidated balance sheets, are based upon historical experience rates. We subsequently assess the adequacy of our warranty accrual on a quarterly basis through a model that incorporates historical payment trends and adjust the amounts recorded, if necessary. Based on warranty payment trends relative to our estimates at the time of home closing, we reduced our warranty reserve by $0.5 million $1.3 million and $0.1 million $0.5 million during the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and we reduced our warranty reserve by $1.2 million and $0.6 million during the nine months ended September 30, 2023 and 2022, 2023, respectively. These adjustments are included in cost of home sales revenues on our condensed consolidated statements of operations.

Changes in our warranty accrual for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 are detailed in the table below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Beginning balance	$ 12,984	$ 14,127	$ 13,136	$ 13,343	$ 11,524	$13,136
Warranty expense provisions	2,199	3,498	6,500	7,645	2,670	1,829
Payments	(1,874)	(2,179)	(5,643)	(5,046)	(1,691)	(2,176)
Warranty adjustment	(520)	(110)	(1,204)	(606)	(1,291)	(458)
Ending balance	$ 12,789	$ 15,336	$ 12,789	$ 15,336	$ 11,212	$12,331

Table of Contents

8. Self-Insurance Reserve

We maintain general liability insurance coverage, including coverage for certain construction defects after homes have closed and premise operations during construction. These insurance policies protect us against a portion of the risk of loss from claims, subject to certain self-insured per occurrence and aggregate retentions, deductibles, and available policy limits. In circumstances where we have elected to retain a higher portion of the overall risk for construction defect claims in return for a lower initial premium, we reserve for the estimated self-insured retention costs that we will incur that are above our coverage limits or that are not covered by our insurance policies. The reserve is recorded on an undiscounted basis at the time revenue is recognized for each home closing. Amounts accrued, which are included in accrued expenses and other liabilities on the condensed consolidated balance sheets, are based on third party actuarial analyses that are primarily based on industry data and partially on our historical claims, which include estimates of claims incurred but not yet reported. Adjustments to estimated reserves are recorded in the period in which the change in estimate occurs. Our self-insurance liability is presented on a gross basis without consideration of insurance recoveries and amounts we have paid on behalf of and expect to recover from other parties, if any. Estimates of insurance recoveries and amounts we have paid on behalf of and expect to recover from other parties, if any, are recorded as receivables when such recoveries are considered probable. Based on our third-party actuarial analysis, During the three months ended March 31, 2024 and 2023, we reduced recorded no change to our self-insurance reserve by $3.4 million during the three and nine months ended September 30, 2023, and we increased our self-insurance reserve by $0.9 million during the three and nine months ended September 30, 2022. reserve. Any adjustments are included in cost of home sales revenues on our condensed consolidated statements of operations.

Table of Contents

Changes in our self-insurance reserve for incurred but not reported construction defect claims for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 are detailed in the table below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Beginning balance	$ 21,477	$ 10,153	$ 16,998	$ 5,103	$23,659	$16,998

Self-insurance expense provisions	2,470	2,861	7,029	7,911	2,511	2,115
Payments	(16)	—	(96)	—	(518)	(37)
Self-insurance adjustment	(3,436)	850	(3,436)	850	—	—
Ending balance	$ 20,495	$ 13,864	$ 20,495	$ 13,864	$25,652	$19,076

9. Debt

Our outstanding debt obligations included the following as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
3.875% senior notes, due August 2029(1)	$ 495,463	$ 494,884	$ 495,849	$ 495,656
6.750% senior notes, due June 2027(1)	497,006	496,394	497,414	497,210
Other financing obligations(2)	58,825	28,134	76,499	69,605
Notes payable	1,051,294	1,019,412	1,069,762	1,062,471
Revolving line of credit	—	—	—	—
Mortgage repurchase facilities	162,094	197,626	212,447	239,298
Total debt	$ 1,213,388	$ 1,217,038	$1,282,209	$1,301,769

(1) The carrying value of senior notes reflects the impact of premiums, discounts, and issuance costs that are amortized to interest expense over the respective terms of the senior notes.

(2) As of September 30, 2023 March 31, 2024, other financing obligations included $30.0 million $15.6 million related to insurance premium notes and certain secured borrowings, as well as $28.8 million $60.9 million outstanding under construction loan agreements. As of December 31, 2022 December 31, 2023, other financing obligations included $20.7 million $24.7 million related to insurance premium notes and certain secured borrowings, as well as $7.4 million $44.9 million outstanding under construction loan agreements.

Construction Loan Agreements

Certain wholly owned subsidiaries of Century Living, LLC, are parties to construction loan agreements entered into during 2022 and the first quarter of 2023 with various banks, (which we collectively refer to as "the lenders"). The three These construction loan agreements collectively provide that we may borrow up to an aggregate of $187.6 million from the lenders for purposes of construction of multi-family projects in Colorado, with advances made by the lenders upon the satisfaction of certain conditions. Borrowings under the construction loan agreements bear interest at various rates, including a fixed rate, and floating interest rates per annum equal to the Secured Overnight Financing Rate (which we refer to as "SOFR") and the Bloomberg Short-term Bank Yield Index, plus an applicable

margin. The outstanding principal balances and all accrued and unpaid interest is due on varying maturity dates from March 17, 2026 through March 17, 2028, with certain of the construction loan agreements allowing for the option to extend the maturity dates for a period of 12 months if certain conditions are satisfied. The construction loan agreements contain customary affirmative and negative covenants (including covenants related to construction completion, and limitations on the use of loan proceeds, transfers of land, equipment, and improvements), as well as customary events of default. Interest on our construction loan agreements is capitalized to the multi-family properties assets included in prepaid expenses and other assets on the condensed consolidated balance sheets while the related multi-family rental properties are being actively developed.

As of September 30, 2023 March 31, 2024 and December 31, 2023, $28.8 million $60.9 million and $44.9 million was outstanding under the construction loan agreements respectively, with borrowings that bore a weighted average interest rate of 7.2% 7.5% and 7.4% during the nine three months ended September 30, 2023 March 31, 2024 and during the year ended December 31, 2023, respectively, and we were in compliance with all covenants thereunder.

Revolving Line of Credit

In 2021, we entered into a Second Amended and Restated Credit Agreement (which we refer to as the "Second A&R Credit Agreement") with Texas Capital Bank, National Association, as Administrative Agent and L/C Issuer, and the lenders party thereto. The Second A&R Credit Agreement, which amended and restated our prior Amended and Restated Credit Agreement, provides us with a senior unsecured revolving line of credit (which we refer to as the "revolving line of credit") of up to $800.0 million, and unless terminated earlier, will mature on April 30, 2026. The revolving line of credit includes a $250.0 million sublimit for standby letters of credit. Under the terms of the Second A&R Credit Agreement, the Company is we are entitled to request an increase in the size of the revolving line of credit by an amount not

exceeding $200.0 million. Our obligations under the Second A&R Credit Agreement are guaranteed by certain of our subsidiaries. The Second A&R Credit Agreement contains customary affirmative and negative covenants (including limitations on our ability to grant liens, incur additional debt, pay dividends, redeem our common stock, make certain investments and engage in certain merger, consolidation or asset sale transactions), as well as customary events of default. On December 21, 2022, we entered into a First Modification Agreement with Texas Capital Bank (formerly known as Texas Capital Bank, National Association), as Administrative Agent, amending Borrowings under the Second A&R Credit Agreement pursuant to which, effective January 3, 2023, all existing borrowings using an interest rate based on a LIBOR reference rate had the interest rate replaced with one are based on an adjusted term SOFR reference rate, which equals the greater of (i) 0.50% or (ii) the one-month quotation of the secured overnight financing rate administered by the Federal Reserve Bank of New York, plus 0.10%.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, no amounts were outstanding under the revolving line of credit, respectively, and we were in compliance with all covenants under the Second A&R Credit Agreement.

Mortgage Repurchase Facilities – Financial Services

Inspire is a party to a mortgage warehouse facility facilities with J.P. Morgan Chase Bank, N.A., Texas Capital Bank, and U.S. Bank National Association, which provides provide Inspire with uncommitted repurchase facilities of up to an aggregate of $200.0 million $450.0 million as of September 30, 2023 March 31, 2024, secured by the mortgage loans financed thereunder, and a maturity date through January 19, 2024. During the three months ended September 30, 2023, we terminated our mortgage warehouse facility agreement with thereunder. The Comerica, which provided uncommitted repurchase facilities of up have varying short term maturity dates through March 21, 2025. Borrowings under the mortgage repurchase facilities bear interest at variable interest rates per annum equal to SOFR plus an aggregate of $75.0 million applicable margin, and, with outstanding principal and interest due on December 29, 2023. The repurchase facilities bore a weighted average interest rate of 6.80% 7.2% during the nine months year ended September 30, 2023 March 31, 2024.

Amounts outstanding under the repurchase facilities are not guaranteed by us or any of our subsidiaries, and the agreements contain various affirmative and negative covenants applicable to Inspire that are customary for arrangements of this type. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had $162.1 million $212.4 million and $197.6 million $239.3 million outstanding under the repurchase facilities, respectively, and were in compliance with all covenants thereunder.

10. Interest on Senior Notes and Revolving Line of Credit

Interest on our senior notes and revolving line of credit, if applicable, is capitalized to inventories while the related communities are being actively developed and until homes are completed. As our qualifying assets exceeded our outstanding debt during the three and nine months ended September 30, 2023 March 31, 2024 and 2022, 2023, we capitalized all interest costs incurred on these facilities during these periods.

Table of Contents

Our interest costs were as follows (in thousands):

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Interest capitalized beginning of period	$ 69,745	$ 57,124	$ 61,775	$ 53,379	$ 72,598	$61,775
Interest capitalized during period	14,234	17,281	42,281	46,645	14,607	14,016
Less: capitalized interest in cost of sales	(10,652)	(13,726)	(30,729)	(39,345)	(12,033)	(9,807)
Interest capitalized end of period	$ 73,327	$ 60,679	$ 73,327	$ 60,679	$ 75,172	$65,984

11. Income Taxes

At the end of each interim period, we are required to estimate our annual effective tax rate for the fiscal year and to use that rate to provide for income taxes for the current year-to-date reporting period. Our 2023 2024 estimated annual effective tax rate, before discrete items of 26.4% 25.0%, is driven by our blended federal and state statutory rate of 24.8% 24.7%, and certain permanent differences between GAAP and tax, including disallowed deductions for executive compensation offset by estimated federal energy home credits for current year home deliveries, which combined resulted in a net increase of 1.6% 0.3%.

For the nine three months ended September 30, 2023 March 31, 2024, our estimated annual rate of 26.4% 25.0% was benefitted by discrete items which had a net impact of decreasing our rate by 1.1% 1.3%, including federal energy home tax credits claimed for prior year home deliveries in excess of previous estimates and the impact of excess tax benefits for vested stock-based compensation.

For the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, we recorded income tax expense of $28.8 million $20.0 million and $27.6 million $10.7 million, respectively. For the nine months ended September 30, 2023 and 2022, we recorded income tax expense of $56.9 million and $128.9 million, respectively.

12. Fair Value Disclosures

Fair value measurements are used for the Company's mortgage loans held for sale, mortgage loans held for investment, mortgage servicing rights, interest rate lock commitments and other derivative instruments on a recurring basis. We also utilize fair value measurements on a non-recurring basis for inventories and intangible assets when events and circumstances indicate that the carrying value is not recoverable. The fair value hierarchy and its application to the Company's assets and liabilities is as follows:

Level 1 – Quoted prices for identical instruments in active markets.

Table of Contents

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are inactive; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets at the measurement date.

- *Mortgage loans held for sale* – Fair value is based on quoted market prices for committed and uncommitted mortgage loans.

- *Derivative assets and liabilities* – Derivative assets are associated with interest rate lock commitments and investor commitments on loans and may also be associated with forward mortgage-backed securities contracts. Derivative liabilities are associated with forward mortgage-backed securities contracts. Fair value is based on market prices for similar instruments.

Level 3 – Valuations derived from techniques where one or more significant inputs or significant value drivers are unobservable in active markets at the measurement date.

- *Mortgage servicing rights* - The fair value of the mortgage servicing rights is calculated using third-party valuations. The key assumptions, which are generally unobservable inputs, used in the valuation of the mortgage servicing rights include mortgage prepayment rates, discount rates and cost to service.
- *Mortgage loans held for investment at fair value* – The fair value of mortgage loans held for investment at fair value is calculated based on Level 3 analysis which incorporates information including the value of underlying collateral, from markets where there is little observable trading activity.

13

Table of Contents

The following outlines the Company's assets and liabilities measured at fair value on a recurring basis at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively (in thousands):

	Balance Sheet Classification	Hierarchy	September 30, 2023	December 31, 2022	Balance Sheet Classification	Hierarchy	March 31, 2024	December 31, 2023
Mortgage loans held for sale	Mortgage loans held for sale	Level 2	$ 162,742	$ 203,558	Mortgage loans held for sale	Level 2	$217,702	$251,852
Mortgage loans held for investment at fair value (1)	Prepaid expenses and other assets	Level 3	$ 21,367	$ 18,875	Prepaid expenses and other assets	Level 3	$ 21,620	$ 21,041
Derivative assets	Prepaid expenses and other assets	Level 2	$ 5,458	$ 1,958	Prepaid expenses and other assets	Level 2	$ 3,790	$ 1,618
Mortgage servicing rights (2)	Prepaid expenses and other assets	Level 3	$ 30,493	$ 24,164	Prepaid expenses and other assets	Level 3	$ 32,734	$ 30,932
Derivative liabilities	Accrued expenses and other liabilities	Level 2	$ —	$ 1,526	Accrued expenses and other liabilities	Level 2	$ 979	$ 5,291

(1) The unobservable inputs used in the valuation of the mortgage loans held for investment at fair value include, among other items, the value of underlying collateral, from markets where there is little observable trading activity.

(2) The unobservable inputs used in the valuation of the mortgage servicing rights include mortgage prepayment rates, discount rates and cost to service, which were 9.0% 8.7%, 10.2 10.3%, and $0.071 per year per loan, respectively, as of September 30, 2023, and 7.6%, 9.0%, and $0.072 per year per loan, respectively, as of December 31, 2022 March 31, 2024, and 8.6%, 10.3%, and $0.072 per year per loan, respectively, as of December 31, 2023. The high and low end of the range of unobservable inputs used in the valuation did not result in a significant change to the fair value measurement.

14

Table of Contents

The following table represents the reconciliation of the beginning and ending balance for the Level 3 recurring fair value measurements, with gains and losses from the changes in fair value reflected in financial services revenue on our condensed consolidated statements of operations (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
Mortgage servicing rights	2023	2022	2023	2022	2024	2023
Beginning of period	$ 26,631	$ 20,196	$ 24,164	$ 13,701	$30,932	$24,164
Originations	3,017	1,232	5,121	6,605	1,234	1,045

	Three Months Ended September 30, 2023	2022	Nine Months Ended September 30, 2023	2022	Three Months Ended March 31, 2024	2023
Settlements	(428)	(166)	(989)	(701)	(562)	(151)
Changes in fair value	1,273	532	2,197	2,189	1,130	(1,157)
End of period	$ 30,493	$ 21,794	$ 30,493	$ 21,794	$32,734	$23,901

Mortgage loans held-for-investment at fair value	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Beginning of period	$ 20,559	$ 14,509	$ 18,875	$ 10,631	$21,041	$18,875
Transfers from loans held for sale	1,268	1,904	4,432	7,046	1,149	1,434
Settlements	(316)	—	(997)	(1,121)	(314)	—
Reduction in unpaid principal balance	(120)	(89)	(753)	(213)	(117)	(104)
Changes in fair value	(24)	(39)	(190)	(58)	(139)	(127)
End of period	$ 21,367	$ 16,285	$ 21,367	$ 16,285	$21,620	$20,078

Table of Contents

For the financial assets and liabilities that the Company does not reflect at fair value, the following present both their respective carrying value and fair value at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively (in thousands).

	September 30, 2023			December 31, 2022		March 31, 2024			December 31, 2023	
	Hierarchy	Carrying	Fair Value	Carrying	Fair Value	Hierarchy	Carrying	Fair Value	Carrying	Fair Value
Cash and cash equivalents	Level 1	$ 193,111	$ 193,111	$ 296,724	$ 296,724	Level 1	$122,840	$122,840	$226,150	$226,150
3.875% senior notes [(1)(2)]	Level 2	$ 495,463	$ 412,500	$ 494,884	$ 395,000	Level 2	$495,849	$444,375	$495,656	$436,875
6.750% senior notes [(1)(2)]	Level 2	$ 497,006	$ 490,000	$ 496,394	$ 477,500	Level 2	$497,414	$501,250	$497,210	$500,000
Revolving line of credit[(3)]	Level 2	$ —	$ —	$ —	$ —	Level 2	$ —	$ —	$ —	$ —
Other financing obligations[(3)(4)]	Level 3	$ 58,825	$ 58,825	$ 28,134	$ 28,134	Level 3	$ 76,499	$ 76,499	$ 69,605	$ 69,605
Mortgage repurchase facilities[(3)]	Level 2	$ 162,094	$ 162,094	$ 197,626	$ 197,626	Level 2	$212,447	$212,447	$239,298	$239,298

(1) Estimated fair value of the senior notes is based on recent trading activity in inactive markets.

(2) Carrying amounts include any associated unamortized deferred financing costs, premiums and discounts. As of September 30, 2023 March 31, 2024, these amounts totaled $4.5 million $4.2 million and $3.0 million $2.6 million for the 3.875% senior notes and 6.750% senior notes, respectively. As of December 31, 2022 December 31, 2023, these amounts totaled $5.1 million $4.3 million and $3.6 million $2.8 million for the 3.875% senior notes and 6.750% senior notes, respectively.

(3) Carrying amount approximates fair value due to short-term nature and/or interest rate terms.

(4) During the period ended September 30, 2023 March 31, 2024, other financing obligations included $30.0 million $15.6 million related to insurance premium notes and certain secured borrowings that generally bore interest rates ranging from 2.40% 5.0% to 7.70% 7.7%, and $28.8 million $60.9 million related to outstanding borrowings on the construction loan agreements that bore a weighted average interest rate of 7.2% 7.5%. During the period ended December 31, 2022 December 31, 2023, other financing obligations included $20.7 million $24.7 million related to insurance premium notes and certain secured borrowings that generally bore interest rates ranging from 2.40% 4.8% to 5.84% 7.7%, and $7.4 million $44.9 million related to outstanding borrowings on the construction loan agreements that bore a weighted average interest rate of 5.6% 7.4%.

Non-financial assets and liabilities include items such as inventory and property and equipment that are measured at fair value when acquired and as a result of impairments, if deemed necessary. No impairment charges were recorded in the three ended March 31, 2024 and nine months ended September 30, 2023 and 2022. 2023. When impairment charges are recognized, the estimated fair value of communities are determined through a discounted cash flow approach utilizing Level 3 inputs. Changes in our cash flow projections in future periods related to these communities may change our conclusions on the recoverability of inventory in the future.

13. Stock-Based Compensation

During the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, we granted restricted stock units (which we refer to as "RSUs") covering 0.2 million and 0.2 million shares of common stock, respectively, with a grant date fair value of $62.68 $85.84 and $63.26 $62.61 per share, respectively, that primarily vest over a three year period. During the nine months ended September 30, 2023 and 2022, we granted 11.0 thousand and 11.0 thousand shares of common stock, respectively, on an unrestricted basis (which we refer to as "stock awards") with a grant date fair value of $65.77 and $54.46 per share, respectively, to our non-employee directors.

During the nine three months ended September 30, 2023 and 2022, March 31, 2024, we granted performance share units (which we refer to as "PSUs") covering up to 0.5 million and 0.5 million 0.3 million shares of common stock respectively, assuming maximum level of performance with a grant date fair value of $60.05 and $55.93 $82.23 per share respectively, that are subject

Table of Contents

to both service and performance vesting conditions. During the three months ended March 31, 2023, we did not grant any PSUs. The quantity of shares that will ultimately vest and be issued for upon settlement of the PSUs ranges from 0% to up to 250% of a targeted number of shares dependent upon the participant and will be determined based on an achievement of a three year adjusted pre-tax income performance goal. During the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, we issued 0.3 million 0.2 million and 0.3 million shares of common stock, respectively, upon the vesting and settlement of PSUs that were granted in previous periods. Approximately 1.1 million shares will vest from 2024 2025 to 2026 2027 if the defined maximum performance targets are met, and no shares will vest if the defined minimum performance targets are not met.

A summary of our outstanding PSUs, assuming the current estimated level of performance achievement, and RSUs are as follows (in thousands, except years):

	As of September 30, 2023	March 31, 2024
Unvested units	1,357	1,248
Unrecognized compensation cost	$ 41,092	$45,077
Weighted-average years to recognize compensation cost	1.91	1.83

During the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, we recognized stock-based compensation expense of $12.2 million $2.8 million and $5.2 million $5.4 million, respectively. During the nine months ended September 30, 2023 and 2022, we recognized stock-based compensation expense of $26.5 million and $15.0 million, respectively. Stock-based compensation expense is included in selling, general, and administrative expense on our condensed consolidated statements of operations.

15Stock-based compensation expense for PSUs is initially estimated based on target performance achievement and adjusted as appropriate throughout the performance period. Accordingly, future compensation cost associated with outstanding PSUs may increase or decrease based on the probability and extent of achievement with respect to the applicable performance measures.

Table of Contents

During the three and nine months ended September 30, 2023, in accordance with ASC 718, *Compensation—Stock Compensation* we updated our recognition of stock-based compensation expense associated with previously granted PSU awards to reflect probable financial results as they relate to the performance goals of the awards. Accordingly, our estimate of the number of shares which will ultimately vest under our PSU awards increased by 0.4 million shares during the three months ended September 30, 2023 and 0.4 million shares during the nine months ended September 30, 2023. We recorded a cumulative catch-up adjustment to increase stock-based compensation expense of $7.4 million ($5.5 million net of tax), or $0.17 per share (basic and diluted), for the three months ended September 30, 2023, and $10.8 million ($8.0 million net of tax), or $0.25 per share (basic and diluted), for the nine months ended September 30, 2023.

14. Stockholders' Equity

The Company's authorized capital stock consists of 100.0 million shares of common stock, par value $0.01 per share, and 50.0 million shares of preferred stock, par value $0.01 per share. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, there were 31.8 million and 31.8 million shares of common stock issued and outstanding, respectively, and no shares of preferred stock outstanding.

On May 4, 2022, the stockholders approved the adoption of the Century Communities, Inc. 2022 Omnibus Incentive Plan (which we refer to as the "2022 Incentive Plan"), which replaced the Century Communities, Inc. Amended and Restated 2017 Omnibus Incentive Plan (which we refer to as our "2017 Incentive Plan"). Under the 2022 Incentive Plan, 3.1 million shares of common stock are available for issuance to eligible participants, plus 51.2 thousand shares of our common stock that remained available for issuance under the 2017 Incentive Plan and any shares subject to awards outstanding under the 2017 Incentive Plan that are subsequently forfeited, cancelled, expire or otherwise terminate without the issuance of such shares. During the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, we issued 0.4 million 0.3 million and 0.5 million 0.4 million shares of common stock, respectively, related to the vesting and settlement of RSUs and PSUs. As of September 30, 2023 March 31, 2024, approximately 2.5 million 2.2 million shares of common stock remained available for issuance under the 2022 Incentive Plan.

The following table sets forth cash dividends declared by our Board of Directors to holders of record of our common stock during the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively (in thousands, except per share information):

			Nine Months Ended September 30, 2023 Cash Dividends Declared and Paid	
Declaration Date	Record Date	Paid Date	Per Share	Amount
February 8, 2023	March 1, 2023	March 15, 2023	$ 0.23	$ 7,365
May 17, 2023	May 31, 2023	June 14, 2023	$ 0.23	$ 7,368
August 16, 2023	August 30, 2023	September 13, 2023	$ 0.23	$ 7,341

			Nine Months Ended September 30, 2022 Cash Dividends Declared and Paid	
Declaration Date	Record Date	Paid Date	Per Share	Amount
February 16, 2022	March 2, 2022	March 16, 2022	$ 0.20	$ 6,657
May 18, 2022	June 1, 2022	June 15, 2022	$ 0.20	$ 6,568
August 17, 2022	August 31, 2022	September 14, 2022	$ 0.20	$ 6,455

	Three Months Ended March 31, 2024 Cash Dividends Declared and Paid

Declaration Date	Record Date	Paid Date	Per Share	Amount
February 7, 2024	February 28, 2024	March 13, 2024	$ 0.26	$ 8,264
			Three Months Ended March 31, 2023	
			Cash Dividends Declared and Paid	
Declaration Date	Record Date	Paid Date	Per Share	Amount
February 8, 2023	March 1, 2023	March 15, 2023	$ 0.23	$ 7,365

Under the 2022 Incentive Plan and the previous 2017 Incentive Plan, at the discretion of the Compensation Committee of the Board of Directors, RSUs and PSUs granted under the plan have the right to earn dividend equivalents, which entitles the holders of such RSUs and PSUs to additional RSUs and PSUs equal to the same dividend value per share as holders of common stock. Dividend equivalents are subject to the same vesting and other terms and conditions as the underlying RSUs and PSUs.

We are party to a Distribution Agreement with J.P. Morgan Securities LLC, BofA Securities, Inc., Wells Fargo Securities, LLC, and Fifth Third Securities, Inc. (which we refer to as the “Distribution Agreement”), as sales agents pursuant to which we may offer and sell shares of our common stock having an aggregate offering price of up to $100.0 million from time to time through any of the sales agents party thereto in “at-the-market” offerings, in accordance with the terms and conditions set forth in the Distribution Agreement. The

16

Table of Contents

Distribution Agreement will remain in full force and effect until terminated by either party pursuant to the terms of the agreement or such date that the maximum offering amount has been sold in accordance with the terms of the agreement. We did not sell or issue any shares of our common stock during the three and nine months ended September 30, 2023 March 31, 2024 and 2022, 2023, and as of September 30, 2023 March 31, 2024, all $100.0 million remained available for sale.

We authorized a stock repurchase program in 2018, under which we may repurchase up to 4.5 million shares of our outstanding common stock. During the three and nine months ended September 30, 2023 March 31, 2024, an aggregate of 247.8 186.9 thousand and 278.2 thousand shares

16

Table of Contents

respectively, were repurchased for a total purchase price of approximately $17.3 million and $19.2 million, respectively, $16.1 million and a weighted average price of $69.61 and $69.09 $86.16 per share, respectively. share. During the three and nine months ended September 30, 2022 March 31, 2023, an aggregate we did not repurchase any shares of 0.5 million and 2.3 million shares, respectively, were repurchased for a total purchase price of approximately $22.3 million and $120.6 million, respectively, and a weighted average price of $44.58 and $52.32 per share, respectively. common stock. The maximum number of shares available to be repurchased under the stock repurchase program as of September 30, 2023 March 31, 2024 was 1,230,010 1,043,123 shares.

During the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, shares of common stock at a total cost of $10.7 million $10.4 million and $12.7 million $9.9 million, respectively, were netted and surrendered as payment for minimum statutory withholding obligations in connection with the vesting of outstanding stock-based compensation awards. Shares surrendered by the participants in accordance with the applicable award agreements and plan are deemed repurchased and retired by us but are not part of our publicly announced share repurchase programs.

15. Earnings Per Share

We use the treasury stock method to calculate earnings per share as our currently issued non-vested RSUs and PSUs do not have participating rights.

The following table sets forth the computation of basic and diluted EPS for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 (in thousands, except share and per share information):

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Numerator						
Net income	$ 83,150	$ 144,473	$ 167,906	$ 445,637	$ 64,332	$ 33,311
Denominator						
Weighted average common shares outstanding - basic	31,962,884	32,196,589	31,967,672	32,850,647	31,808,959	31,914,414
Dilutive effect of stock-based compensation awards	274,138	373,746	233,005	391,117	429,849	202,668
Weighted average common shares outstanding - diluted	32,237,022	32,570,335	32,200,677	33,241,764	32,238,808	32,117,082
Earnings per share:						
Basic	$ 2.60	$ 4.49	$ 5.25	$ 13.57	$ 2.02	$ 1.04
Diluted	$ 2.58	$ 4.44	$ 5.21	$ 13.41	$ 2.00	$ 1.04

Stock-based awards are excluded from the calculation of diluted EPS in the event they are subject to unsatisfied performance conditions or are antidilutive. We excluded 0.9 million 0.5 million and 0.5 million common stock unit equivalents from diluted earnings per share during the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively, and we excluded 0.8 million and 0.5 million common stock unit equivalents from diluted earnings per share during the nine months ended September 30, 2023 and 2022, respectively, related to the PSUs for which performance conditions remained unsatisfied.

16. Commitments and Contingencies

Letters of Credit and Performance Bonds

In the normal course of business, we post letters of credit and performance and other bonds primarily related to our land development performance obligations with local municipalities. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had $513.9 million $509.0 million and $574.8 million $510.5 million, respectively, in letters of credit and performance and other bonds issued and outstanding.

Legal Proceedings

We are subject to claims and lawsuits that arise primarily in the ordinary course of business, which consist primarily of construction claims. It is the opinion of our management that if the claims have merit, parties other than the Company would be, at least in part, liable for the claims, and the eventual outcome of these claims will not have a material adverse effect upon our consolidated financial condition, results of operations, or cash flows. When we believe that a loss is probable and estimable, we record a charge on our condensed consolidated statements of operations for our estimated loss.

Under various insurance policies, we have the ability to recoup costs in excess of applicable self-insured retentions. Estimates of such amounts are recorded in other assets on our condensed consolidated balance sheet when recovery is probable.

Table of Contents

We do not believe that the ultimate resolution of any claims and lawsuits will have a material adverse effect upon our consolidated financial position, results of operations, or cash flows.

Table of Contents

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Some of the statements included in this Quarterly Report on Form 10-Q (which we refer to as this “Form 10-Q”) constitute forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, forecasts, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. These statements are only predictions. We caution that forward-looking statements are not guarantees. Actual results could differ materially from those expressed or implied in the forward-looking statements. Forward-looking statements are typically identified by the use of terms such as “may,” “will,” “should,” “expect,” “could,” “intend,” “plan,” “anticipate,” “estimate,” “believe,” “continue,” “predict,” “potential,” “outlook,” the negative of such terms and other comparable terminology and the use of future dates. You can also identify forward-looking statements by discussions of strategy, plans or intentions. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors.

The forward-looking statements included in this Form 10-Q reflect our current views about future events and are subject to numerous known and unknown risks, uncertainties, assumptions and changes in circumstances that may cause our actual results to differ significantly from those expressed in any forward-looking statement. Statements regarding the following subjects, among others, may be forward-looking and subject to risks and uncertainties including among others:

- economic changes, either nationally or in the markets in which we operate, including increased interest rates and the resulting impact on the accessibility of mortgage loans to homebuyers, persistent inflation, and decreased employment levels;
- shortages of or increased prices for labor, land or raw materials used in housing construction and resource shortages;
- a downturn in the homebuilding industry, including a reduction in demand or a decline in real estate values or market conditions resulting in an adverse impact on our business, operating results and financial condition, including an impairment of our assets;
- changes in assumptions used to make industry forecasts, population growth rates or trends affecting housing demand or prices;
- volatility and uncertainty in the credit markets and broader financial markets and the impact on such markets and our ability to access them in the event of a threatened or actual U.S. government shutdown or sovereign default;
- our future business operations, operating results and financial condition, and changes in our business and investment strategy;
- availability and price of land to acquire, and our ability to acquire such land on favorable terms or at all;
- availability, terms and deployment of capital;
- availability or cost of mortgage financing or an increase in the number of foreclosures in the market;
- delays in land development or home construction resulting from adverse weather conditions or other events outside our control;
- delays in completion of projects, land development or home construction, or reduced consumer demand for housing resulting from significant weather conditions and natural disasters in the geographic areas where we operate;
- the impact of construction defect, product liability, and/or home warranty claims, including the adequacy of accruals and the applicability and sufficiency of our insurance coverage;
- changes in, or the failure or inability to comply with, governmental laws and regulations;
- the timing of receipt of municipal, utility and other regulatory approvals and the opening of projects and construction and completion of our homes;
- the impact and cost of compliance with evolving environmental, health and safety and other laws and regulations and third-party challenges to required permits and other approvals and potential legal liability in connection therewith;
- the degree and nature of our competition;

- unstable economic and political conditions as well as geopolitical conflicts, could adversely affect our supply chain by causing shortages or increases in costs for materials necessary to construct homes and/or increases to the price of gasoline and other fuels and cause higher interest rates, inflation or general economic uncertainty;
- our leverage, debt service obligations and exposure to changes in interest rates and our ability to obtain additional or refinance our existing debt when needed or on favorable terms;
- our ability to continue to fund and succeed in our mortgage lending business and the additional risks involved in that business;
- availability of qualified personnel and contractors and our ability to obtain additional or retain existing key personnel and contractor relationships;
- our ability to continue to pay dividends and make stock repurchases in the future; and
- taxation and tax policy changes, tax rate changes, new tax laws, new or revised tax law interpretations or guidance.

Forward-looking statements are based on our beliefs, assumptions and expectations of future events, taking into account all information currently available to us. Forward-looking statements are not guarantees of future events or of our performance. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us. Some of these events and factors are described above and in “Item 2. Management’s Discussion and Analysis of Financial Condition and Results of

Operations” and in “Part I, Item 1A. Risk Factors” in our Annual Report on Form 10-K, and other risks and uncertainties detailed in this report, including “Part II, Item 1A. Risk Factors,” and our other reports and filings with the SEC. If a change occurs, our business, financial condition, liquidity, cash flows and results of operations may vary materially from those expressed in or implied by our forward-looking statements. New risks and uncertainties arise over time, and it is not possible for us to predict the occurrence of those matters or the manner in which they may affect us. Except as required by law, we are not obligated to, and do not intend to, update or

revise any forward-looking statements, whether as a result of new information, future events or otherwise. Therefore, you should not rely on these forward-looking statements as of any date subsequent to the date of this Form 10-Q.

As used in this Form 10-Q, references to “we,” “us,” “our,” “Century” or the “Company” refer to Century Communities, Inc., a Delaware corporation, and, unless the context otherwise requires, its subsidiaries and affiliates.

The following discussion and analysis of our financial condition and results of operations is intended to help the reader understand our Company, business, operations and present business environment and is provided as a supplement to, and should be read in conjunction with, our condensed consolidated financial statements and the related notes to those statements included elsewhere in this Form 10-Q and our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023. We use certain non-GAAP financial measures that we believe are important for purposes of comparison to prior periods. This information is also used by our management to measure the profitability of our ongoing operations and analyze our business performance and trends.

Business Overview

Century is engaged in the development, design, construction, marketing and sale of single-family attached and detached homes in 18 states. In many of our projects, in addition to building homes, we are responsible for the entitlement entitle and development of develop the underlying land. We build and sell homes under our Century Communities and Century Complete brands.

Our Century Communities brand has an emphasis on serving the entry-level homebuilding market but offers a wide range of buyer profiles including: entry-level, first and second time move-up, and lifestyle homebuyers, and provides our homebuyers with the ability to personalize their homes through certain option and upgrade opportunities. Our Century Complete brand targets entry-level homebuyers, primarily sells homes through retail studios and the internet, and generally provides no option or upgrade opportunities.

Our homebuilding operations are organized into the following five reportable segments: West, Mountain, Texas, Southeast, and Century Complete. Our indirect wholly-owned subsidiaries, Inspire Home Loans Inc., Parkway Title, LLC, and IHL Home Insurance Agency, LLC, and IHL Escrow Inc., which provide mortgage, title, insurance, and insurance escrow services, respectively, primarily to our homebuyers, have been identified as our Financial Services reportable segment. Additionally, our wholly owned subsidiary, Century Living, LLC, is engaged in the development, construction and management of multi-family rental properties, currently all located in Colorado. During the three and nine months ended September 30, 2023, our Century Living operations were engaged in construction on three multi-family projects in Colorado, which commenced construction in 2022. Century Living, LLC is included in our Corporate segment.

While we offer homes that appeal to a broad range of entry-level, move-up, and lifestyle homebuyers, our offerings are heavily weighted towards providing affordable housing options in each of our homebuyer segments. Additionally, we prefer building move-in-ready homes over built-to-order homes, which we believe allows for a faster construction process, advantageous pricing with subcontractors, and shortened time period from home sale to home delivery, thus allowing our customers greater certainty on their financing and allowing us to more appropriately price the homes and deploy our capital. Of the 6,411 2,358 homes delivered during the first nine three months of 2023, 2024, approximately 91% 94% of our deliveries were made to entry-level homebuyers that were below the Federal Housing Administration-insured mortgage limits and approximately 98% of homes delivered were built as move-in ready homes.

Financial Overview

We generated solid financial results during the first nine three months of 2023 ended March 31, 2024 and we are encouraged by the recent housing market conditions as compared to the second half of 2022, when increased mortgage demonstrating strong, underlying demand for affordable new homes. While uncertainty remains surrounding interest rates, inflation, and macro-economic uncertainty considerably impacted the U.S. housing market. While inflation continued to impact the broader economy we experienced strong demand during the first nine months quarter of 2023, homebuyers are adjusting to a more normalized higher interest rate environment, and we experienced more typical seasonality surrounding demand. Net 2024, as net new home contracts (new home contracts net of cancellations) for the three months ended September 30, 2023 March 31, 2024 increased 63.1% 41.7% as compared to the prior year period. Further, during the three and nine months ended September 30, 2023, our cancellation rates were 16.2% and 15.8%, respectively, representing significant improvements from the cancellation rates we experienced in the latter half of 2022.

During the third quarter of 2023, we We have continued to experience improved cycle times and benefitted from reduced direct construction costs on our starts as compared to the high point of our direct construction costs during the second quarter of 2022. Further, during the second and third quarters of 2023, we reduced provide, when necessary, incentive offerings across our communities as compared to previous quarters, which along with improved construction costs during the first quarter of 2024, including discounts on base home prices, lot premiums, and options and upgrades and financing incentives, including interest rate buydowns. During the three months ended March 31, 2024, cycle times contributed have remained in the four- to an improvement to our homebuilding gross margin during the third quarter of 2023 as compared to the first and second quarters of 2023. five-month timeframe.

We anticipate the homebuilding markets in each of our operating segments will continue to be tied to both the macro-economic environment and the local economy. While we experienced strengthened market demand during the third quarter of 2023 compared to the latter half of 2022, economy, and we expect our operating strategy will continue to adapt to market changes, though we cannot provide any assurance that our strategies will remain consistent or continue to be successful. We believe future demand for our homes is remains uncertain as future economic and market conditions are remain uncertain, in particular with respect to inflation; the impact of recent and potential for future increases or decreases to the federal funds interest rate by the Federal

Reserve; interest rates; availability and cost of mortgage loans to homebuyers; financial markets, credit and mortgage markets; the extent to which and how long government monetary directives, actions, and economic relief efforts will impact the U.S. economy, economy; consumer confidence; wage growth; household formations; levels of new and existing homes for sale; prevailing home and rental prices; availability and cost of land, labor and construction materials; demographic trends; housing demand; and other factors, including those described elsewhere in this Form 10-Q. Specifically, a rise

changes in mortgage interest rates increases impact the costs of owning a home and adversely affects affect the purchasing power of our customers and could decrease impact homebuyer confidence hindering not only demand for our homes, but also our ability to realize our backlog. A decrease confidence. Changes in demand for our homes or an increase in cancellations due to increased mortgage interest rates or otherwise would adversely affect our operating results in future periods, including our net sales, home deliveries, gross margin, origination volume of and revenues from our Financial Services segment, and net income. As a result, our past performance may not be indicative of our future results.

Despite future macro-economic uncertainty, especially in relation to the interest rate environment, we believe we are well-positioned to benefit from the ongoing shortage of both new and resale homes available for purchase in our key markets and the favorable demographics that support the need for new affordable housing. We believe our operations are prepared to withstand volatility in future market conditions as a result of our product offerings which both span the home buying segment and focus on affordable price points, and our current and future inventories of attractive land positions. We have continued to focus on maintaining an appropriate balance of home and land inventories in relation to anticipated future demand, as well as prudent leverage, and, as a result, we believe we are well positioned to continue to execute on our strategy in order to optimize stockholder returns.

Results of Operations

During the three and nine months ended September 30, 2023 March 31, 2024, we generated $112.0 million and $224.8 million, respectively, $84.3 million in income before income tax expense, as compared to $172.1 million and $574.5 million, respectively, $44.0 million in the respective prior year periods. During the three period, and nine months ended September 30, 2023, we generated net income of $83.2 million $64.3 million, or $2.58 $2.00 per diluted share, and $167.9 million, or $5.21 per diluted share, respectively, as compared to $144.5 million $33.3 million, or $4.44 per diluted share, and $445.6 million, or $13.41 $1.04 per diluted share, respectively, in the respective prior year periods. period.

During the three and nine months ended September 30, 2023 March 31, 2024, we generated total revenues of $889.4 million and $2.5 billion $948.5 million, respectively, a 25.4% increase as compared to the prior year period, driven primarily by home sales revenue as compared to $1.1 billion and $3.3 billion, respectively, in the respective prior year periods.

During the three and nine months ended September 30, 2023 March 31, 2024, we delivered 2,264 and 6,411 2,358 homes respectively, with an average sales price of $382.1 $391.2 thousand, and $377.3 thousand, respectively. The number of homes delivered decreased by 13.9% and 16.6%, respectively, as compared to 1,912 homes with an average sales price of $384.7 thousand in the respective prior year periods, which period. were primarily driven by fewer homes available for delivery given a decrease in home starts during the latter half of 2022. Average sales price decreased 10.2% and 10.5% during the three and nine months ended September 30, 2023 Net new contracts increased 41.7% to 2,866, as compared to 2,022 in the respective prior year periods. period.

We ended the third first quarter of 2023 2024 with no amounts outstanding under our revolving line of credit, $193.1 million $122.8 million of cash and cash equivalents, $52.5 million $84.8 million of cash held in escrow, a homebuilding debt to capital ratio of 30.8% 29.4%, and a net homebuilding debt to net capital ratio of 25.3% 24.9%. During the three and nine months ended September 30, 2023 March 31, 2024, we paid a quarterly cash dividends dividend to our stockholders of $0.26 per share, which represents a 13% increase from the $0.23 per share a 15% increase from the quarterly dividends dividend paid during the three and nine months ended September 30, 2022 of $0.20 per share. March 31, 2023. We have continued to strategically manage our lot pipeline, resulting in 75,089 lots owned and controlled at March 31, 2024.

During the three months ended September 30, 2023 March 31, 2024, we generated financial services revenue of $23.6 million $24.9 million, representing an increase of 1.6% as compared to the prior year period. During the nine months ended September 30, 2023, we generated financial services revenue of $63.8 million, a decrease of 11.9% 57.2% as compared to the prior year period, driven by a 52.3% increase in the number of mortgages originated period over period, primarily driven by reduced margins on due to our increased capture rate of 81% as of March 31, 2024 as compared to 66% for the prior year period, as well as a 41.2% increase in the number of loans sold to third parties period over period and a decrease in the number of mortgages originated during the current year period, partially offset by a smaller fair value markdown on our loan pipeline as compared to the prior year period, and increased revenue related to discount points compared to the prior year period.

Our Century Living operations are engaged in construction on three multi-family for rent projects in Colorado, which commenced in 2022 and comprise over 900 total units. The first multi-family property consisting of over 200 units became available for leasing during the third quarter of 2023, and we anticipate the remaining projects will be available for leasing during 2024.

On January 22, 2024, we closed on the acquisition of substantially all the assets of Landmark Homes of Tennessee, Inc. (“Landmark”), a homebuilder with operations, including six active communities, in Nashville, Tennessee, for approximately $33.4 million in cash, inclusive of customary holdbacks.

Table of Contents

The following table summarizes our results of operations for the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023:

(in thousands, except per share amounts)	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Increase (Decrease) Amount	Increase (Decrease) %
Consolidated Statements of Operations:								
Revenues								
Home sales revenues	$ 865,065	$ 1,118,588	$ 2,419,025	$ 3,241,537	$ 922,402	$ 735,600	$ 186,802	25.4 %
Land sales and other revenues	722	2,432	3,811	12,872	1,216	1,535	(319)	(20.8)%
Total homebuilding revenues	865,787	1,121,020	2,422,836	3,254,409	923,618	737,135	186,483	25.3 %
Financial services revenues	23,636	23,271	63,768	72,373	24,925	15,855	9,070	57.2 %
Total revenues	889,423	1,144,291	2,486,604	3,326,782	948,543	752,990	195,553	26.0 %
Homebuilding cost of revenues								
Cost of home sales revenues	(652,411)	(841,665)	(1,910,630)	(2,365,633)	(725,570)	(601,385)	(124,185)	20.6 %
Cost of land sales and other revenues	—	(292)	(375)	(9,151)	(37)	—	(37)	NM
	(652,411)	(841,957)	(1,911,005)	(2,374,784)				
Total homebuilding cost of revenues					(725,607)	(601,385)	(124,222)	20.7 %
Financial services costs	(11,432)	(13,922)	(33,983)	(43,262)	(14,877)	(10,781)	(4,096)	38.0 %
Selling, general, and administrative	(111,918)	(110,687)	(315,351)	(321,484)	(114,109)	(98,313)	(15,796)	16.1 %
Other income (expense)	(1,663)	(5,651)	(1,509)	(12,754)	(9,630)	1,498	(11,128)	(742.9)%
Income before income tax expense	111,999	172,074	224,756	574,498	84,320	44,009	40,311	91.6 %
Income tax expense	(28,849)	(27,601)	(56,850)	(128,861)	(19,988)	(10,698)	(9,290)	86.8 %
Net income	$ 83,150	$ 144,473	$ 167,906	$ 445,637	$ 64,332	$ 33,311	$ 31,021	93.1 %
Earnings per share:								
Basic	$ 2.60	$ 4.49	$ 5.25	$ 13.57	$ 2.02	$ 1.04	$ 0.98	94.2 %
Diluted	$ 2.58	$ 4.44	$ 5.21	$ 13.41	$ 2.00	$ 1.04	$ 0.96	92.3 %
Adjusted diluted earnings per share(1)	$ 2.58	$ 4.44	$ 5.21	$ 13.41	$ 2.22	$ 1.04	$ 1.18	113.5 %
Other Operating Information (dollars in thousands):								
Number of homes delivered	2,264	2,630	6,411	7,691	2,358	1,912	446	23.3 %
Average sales price of homes delivered	$ 382.1	$ 425.3	$ 377.3	$ 421.5	$ 391.2	$ 384.7	$ 6.5	1.7 %
Homebuilding gross margin percentage(2)	24.6 %	24.8 %	21.0 %	27.0 %	21.3 %	18.2 %	3.1 %	17.0 %
Adjusted homebuilding gross margin excluding interest and inventory impairment (1)	25.8 %	26.0 %	22.3 %	28.2 %				
Adjusted homebuilding gross margin excluding interest, inventory impairment, and purchase price accounting for acquired work in process inventory (1)					22.8 %	19.6 %	3.2 %	16.3 %
Backlog at end of period, number of homes	1,887	3,455	1,887	3,455	1,590	1,920	(330)	(17.2)%
Backlog at end of period, aggregate sales value	$ 707,169	$ 1,379,380	$ 707,169	$ 1,379,380	$ 667,207	$ 713,612	$ (46,405)	(6.5)%

Average sales price of homes in backlog	$ 374.8	$ 399.2	$ 374.8	$ 399.2	$ 419.6	$ 371.7	$ 47.9	12.9 %
Net new home contracts	2,149	1,318	6,488	6,495	2,866	2,022	844	41.7 %
Selling communities at period end	252	217	252	217	253	234	19	8.1 %
Average selling communities	246	213	233	204	255	223	32	14.3 %
Total owned and controlled lot inventory	68,570	62,778	68,570	62,778	75,089	51,614	23,475	45.5 %
Adjusted EBITDA(1)	$ 125,268	$ 188,653	$ 260,073	$ 622,036	$ 109,616	$ 54,744	$ 54,872	100.2 %
Adjusted income before income tax expense(1)	$ 111,999	$ 172,074	$ 224,756	$ 574,498	$ 93,623	$ 44,009	$ 49,614	112.7 %
Adjusted net income(1)	$ 83,150	$ 144,473	$ 167,906	$ 445,637	$ 71,430	$ 33,311	$ 38,119	114.4 %
Net homebuilding debt to net capital (1)	25.3 %	32.5 %	25.3 %	32.5 %	24.9 %	21.5 %	3.4 %	15.8 %

(1) This is a non-GAAP financial measure and should not be used as a substitute for our operating results prepared in accordance with GAAP. See the reconciliations to the most comparable GAAP measure and other information under “Non-GAAP Financial Measures.” An analysis of any non-GAAP financial measure should be used in conjunction with results presented in accordance with GAAP.

(2) Homebuilding gross margin percentage is inclusive of impairment charges, if applicable. No impairment charges were recorded for the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023.

NM – Not Meaningful

Table of Contents

Results of Operations by Segment

Commencing in the first quarter of 2023, our Century Complete operations in Texas were realigned and are now managed under our Texas segment. Accordingly, we have presented segment information under this new basis for the three and nine months ended September 30, 2023, and we have restated the corresponding segment information for those segments for the three and nine months ended September 30, 2022.

(dollars in thousands)

	New Homes Delivered Three Months Ended September 30,		Average Sales Price of Homes Delivered Three Months Ended September 30,		Home Sales Revenues Three Months Ended September 30,		Income before Income Tax Expense Three Months Ended September 30,	
	2023	2022	2023	2022	2023	2022	2023	2022
West	281	378	$ 596.6	$ 674.3	$ 167,636	$ 254,885	$ 31,419	$ 51,036
Mountain	415	494	498.5	582.4	206,857	287,723	25,449	51,058
Texas	382	379	292.3	350.3	111,656	132,777	16,377	20,084
Southeast	378	423	435.9	464.0	164,784	196,286	33,717	38,400
Century Complete	808	956	265.0	258.3	214,132	246,917	30,873	33,939
Financial Services	—	—	—	—	—	—	12,204	9,349
Corporate	—	—	—	—	—	—	(38,040)	(31,792)
Total	2,264	2,630	$ 382.1	$ 425.3	$ 865,065	$ 1,118,588	$ 111,999	$ 172,074

	New Homes Delivered Three Months Ended March 31,		Average Sales Price of Homes Delivered Three Months Ended March 31,		Home Sales Revenues Three Months Ended March 31,		Income before Income Tax Expense Three Months Ended March 31,	
	2024	2023	2024	2023	2024	2023	2024	2023
West	284	203	$606.5	$634.9	$172,254	$128,894	$ 26,707	$ 7,973
Mountain	495	455	513.4	539.8	254,139	245,594	27,808	27,808
Texas	424	327	309.4	273.5	131,175	89,434	13,872	3,673
Southeast	379	198	426.1	439.0	161,501	86,929	20,796	11,966
Century Complete	776	729	262.0	253.4	203,333	184,749	21,101	13,950
Financial Services	—	—	—	—	—	—	10,048	5,074
Corporate	—	—	—	—	—	—	(36,012)	(26,435)
Total	2,358	1,912	$391.2	$384.7	$922,402	$735,600	$ 84,320	$ 44,009

	New Homes Delivered Nine Months Ended September 30,		Average Sales Price of Homes Delivered Nine Months Ended September 30,		Home Sales Revenues Nine Months Ended September 30,		Income before Income Tax Expense Nine Months Ended September 30,	
	2023	2022	2023	2022	2023	2022	2023	2022
West	738	1,200	$ 590.5	$ 676.1	$ 435,774	$ 811,284	$ 54,358	$ 200,213
Mountain	1,325	1,466	514.4	575.4	681,621	843,592	77,946	159,559
Texas	1,159	1,291	282.7	328.5	327,639	424,060	31,502	73,579
Southeast	851	1,193	433.6	441.0	368,993	526,135	63,675	108,053

Century Complete	2,338	2,541	258.8	250.5	604,998	636,466	61,171	91,168
Financial Services	—	—	—	—	—	—	29,785	29,111
Corporate	—	—	—	—	—	—	(93,681)	(87,185)
Total	6,411	7,691	$ 377.3	$ 421.5	$ 2,419,025	$ 3,241,537	$ 224,756	$ 574,498

West

During the three and nine months ended September 30, 2023 March 31, 2024, our West segment generated income before income tax expense of $31.4 million and $54.4 million $26.7 million, respectively, a 38.4% and 72.8% decrease, respectively, as compared to 235.0% increase over the respective prior year periods. These decreases were primarily period, which was driven by decreases an increase in home sales revenue of $87.2 million and $375.5 million, respectively. $43.4 million. The revenue decreases increase during the three and nine months ended September 30, 2023 were March 31, 2024 was primarily driven by a 25.7% and 38.5% 39.9% increase in the number of homes delivered, partially offset by a 4.5% decrease respectively, in the average sales price per home. The increase in the number of homes delivered was primarily driven by an increase in the number of homes under construction. The average sales price decrease was driven by the mix of deliveries within individual communities.

Mountain

During the three months ended March 31, 2024, our Mountain segment generated income before income tax expense of $27.8 million, remaining consistent with the prior year period. Home sales revenue increased $8.5 million during the three months ended March 31, 2024, primarily driven by an 8.8% increase in the number of homes delivered, and partially offset by a 11.5% and 12.7% 4.9% decrease respectively, in the average sales price per home. For both the three- and nine-month comparisons, the decreases The increase in the number of homes delivered were was primarily driven by fewer an increase in the number of homes available for delivery given a decrease in home starts during the latter half of 2022. For both the three- and nine-month comparisons, the under construction. The average sales price decreases were decrease was driven by the mix of deliveries and pricing to market within individual communities. For the three-month comparison, three months ended March 31, 2024, the decrease in the percentage of income before income tax expense to home sales revenue was primarily a result of decreased revenue on a partially fixed cost base, and for the nine-month comparison, the decrease in the percentage mix of income before income tax expense to home sales revenue was primarily a result of (1) decreased revenue on a partially fixed cost base and (2) decreased gross margins on home sales. margin profiles within individual communities.

Mountain Texas

During the three and nine months ended September 30, 2023 March 31, 2024, our Mountain Texas segment generated income before income tax expense of $25.4 million and $77.9 million $13.9 million, respectively, a 50.2% and 51.1% decrease, respectively, as compared to 277.7% increase over the respective prior year periods. These decreases were primarily period, which was driven by decreases an increase in home sales revenue of $80.9 million $41.7 million. The revenue increase during the three months ended March 31, 2024 was primarily driven by both a 29.7% increase in the number of homes delivered and $162.0 million by a 13.1% increase in the average sales price per home. The increase in the number of homes delivered was primarily driven by an increase in the number of homes under construction, and the average sales price increase was driven by the mix of deliveries within individual communities.

Southeast

During the three months ended March 31, 2024, respectively. our Southeast segment generated income before income tax expense of $20.8 million, an 73.8% increase over the prior year period, which was driven by an increase in home sales revenue of $74.6 million. The revenue increase during the three months ended March 31, 2024 was primarily driven by a 91.4% increase in the number of homes delivered, partially offset by a 2.9% decrease in the average sales price per home. The increase in the number of homes delivered was primarily driven by an increase in the number of homes under construction, and the average sales price decrease was driven by the mix of deliveries within individual communities.

Century Complete

During the three months ended March 31, 2024, our Century Complete segment generated income before income tax expense of $21.1 million, a 51.3% increase over the prior year period, which was driven by an increase in home sales revenue of $18.6 million. The revenue increase during the three months ended March 31, 2024 was primarily driven by both a 6.4% increase in the number of homes delivered and by a 3.4% increase in the average sales price per home. The increase in the number of homes delivered was primarily

The revenue decreases during the three and nine months ended September 30, 2023 were primarily driven by a 16.0% and 9.6% decrease, respectively, an increase in the number of homes delivered, and a 14.4% and 10.6% decrease, respectively, in the average sales price per home. For both the three- and nine-month comparisons, the decrease in the number of homes delivered was primarily driven by fewer homes available for delivery given a decrease in home starts during the latter half of 2022, under construction, and the average sales price decreases were increase was driven by the mix of deliveries and pricing to market within individual communities. For the three-month comparison, the decrease in the percentage of income before income tax expense to home sales revenue was primarily a result of decreased revenue on a partially fixed cost base, and for the nine-month comparison, the decrease in the percentage of income before income tax expense to home sales revenue was primarily a result of (1) decreased revenue on a partially fixed cost base and (2) decreased gross margins on home sales.

Texas

During the three and nine months ended September 30, 2023, our Texas segment generated income before income tax expense of $16.4 million and $31.5 million, respectively, an 18.5% and 57.2% decrease, respectively, as compared to the respective prior year periods. For both the three- and nine-month comparisons, the decreases were primarily driven by a decrease in home sales revenue of $21.1 million and $96.4 million, respectively. The revenue decrease during the three months ended September 30, 2023 was primarily driven a

16.6% decrease in the average sales price per home, and the revenue decrease during the nine months ended September 20, 2023 was primarily driven by a 10.2% decrease in the number of homes delivered and a 13.9% decrease in the average sales price per home. For both the three- and nine-month comparisons, the average sales price decreases were driven by the mix of deliveries and pricing to market within individual communities, and for the nine-month comparison, the decrease in the number of homes delivered was primarily driven by fewer homes available for delivery given a decrease in home starts during the latter half of 2022. For the nine-month comparison, the decrease in the percentage of income before income tax expense to home sales revenue was primarily a result of (1) decreased revenue on a partially fixed cost base and (2) decreased gross margins on home sales.

Southeast

During the three and nine months ended September 30, 2023, our Southeast segment generated income before income tax expense of $33.7 million and $63.7 million, respectively, a 12.2% and 41.1% decrease, respectively, as compared to the respective prior year periods. For the three- and nine-month comparisons, the decreases were primarily driven by a decrease in home sales revenue of $31.5 million and $157.1 million, respectively. The revenue decreases during the three- and nine months ended September 30, 2023 were primarily driven by a 10.6% and 28.7% decrease, respectively, in the number of homes delivered, and a 6.1% and 1.7% decrease, respectively, in the average sales price per home. For the three- and nine-month comparisons, the decrease in the number of homes delivered was primarily driven by fewer homes available for delivery given a decrease in home starts during the latter half of 2022. For both the three- and nine-month comparisons, the average sales price decreases were driven by the mix of deliveries and pricing to market within individual communities. For the nine-month comparison, the decrease in the percentage of income before income tax expense to home sales revenue was primarily a result of (1) decreased revenue on a partially fixed cost base and (2) decreased gross margins on home sales.

Century Complete

During the three and nine months ended September 30, 2023, our Century Complete segment generated income before income tax expense of $30.9 million and $61.2 million, respectively, a 9.0% and 32.9% decrease, respectively, as compared to the respective prior year periods. For the three- and nine-month comparisons, the decreases were primarily driven by a decrease in home sales revenue of $32.8 million and $31.5 million, respectively. The revenue decreases during the three- and nine months ended September 30, 2023 were primarily driven by a 15.5% and 8.0% decrease, respectively, in the number of homes delivered, and partially offset by a 2.6% and 3.3% increase, respectively, in the average sales price per home. For the three- and nine-month comparisons, the decreases in the number of homes delivered were primarily driven by fewer homes available for delivery given a decrease in home starts during the latter half of 2022. For both the three- and nine-month comparisons, the average sales price increases were driven by the mix of deliveries and pricing to market within individual communities. For the nine-month comparison, the decrease in the percentage of income before income tax expense to home sales revenue was primarily a result of (1) decreased revenue on a partially fixed cost base and (2) decreased gross margins on home sales.

Financial Services

Our Financial Services segment originates mortgages primarily for primarily our homebuyers, and as such, performance typically correlates to the our number of homes delivered. Our Financial Services segment generated income before income tax of $12.2 million $10.0 million for the three months ended September 30, 2023 March 31, 2024, a 30.5% an increase of $5.0 million, or 98.0%, over the prior year period. This increase was primarily the result of driven by a $2.5 million decrease in financial services costs due to decreased headcount period over period. Our Financial Services segment generated income before income tax of $29.8 million for the nine months ended September 30, 2023, a nominal $9.1 million increase over the prior year period, primarily the result of a $9.3 million decrease in financial services costs due to decreased headcount as compared to the prior year period, partially offset by an $8.6 million decrease in financial services revenue as compared to the prior year period. The decrease increase in financial services revenue was primarily driven by reduced margins on a 52.3% increase in the number of mortgages originated period over period, primarily due to our increased capture rate of 81% as of March 31, 2024 as compared to 66% for the prior year period, as well as a 41.2% increase in the number of loans sold to third parties period over period and a 17.1% decrease in the number

Table of Contents

of mortgages originated during the nine months ended September 30, 2023, and partially offset by a smaller fair value markdown on our loan pipeline as compared to the prior year period, and increased revenue related to discount points compared to the prior year period.

The following table presents selected operational data for our Financial Services segment in relation to our loan origination activities (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Total originations:						
Number of loans	1,280	1,375	3,615	4,360	1,506	989
Principal	$ 443,829	$ 496,071	$ 1,248,998	$ 1,576,773	$540,164	$343,081
Capture rate of Century homebuyers	71 %	66 %	70 %	71 %	81 %	66 %
Century Communities	77 %	70 %	76 %	76 %	86 %	72 %
Century Complete	59 %	57 %	59 %	59 %	69 %	56 %
Average FICO score	727	728	725	731	729	724
Century Communities	731	736	730	739	734	729
Century Complete	719	709	715	711	716	713
Loans sold to third parties:						
Number of loans sold	1,382	1,383	3,725	4,759	1,608	1,139

Principal	$ 473,400	$ 507,784	$ 1,281,823	$ 1,707,851	$568,392	$389,810

Corporate

During the three and nine months ended September 30, 2023 March 31, 2024, our Corporate segment generated losses a loss of $38.0 million and $93.7 million, respectively, $36.0 million as compared to losses a loss of $31.8 million and $87.2 million, respectively, $26.4 million during the same respective period in 2022. These increases 2023. The increase in losses were loss was primarily driven by adjustments due to increase stock-based compensation expense a $7.7 million impairment related to other investments during the three and nine months ended September 30, 2023 of $7.4 million and $10.8 million, respectively, to reflect an increased estimate in the number of shares which will ultimately vest and be issued under certain performance share awards. March 31, 2024.

Homebuilding Gross Margin

(dollars in thousands)

Homebuilding gross margin represents home sales revenues less cost of home sales revenues and inventory impairment, if applicable. Our homebuilding gross margin percentage, which represents homebuilding gross margin divided by home sales revenues, decreased increased for the three and nine months ended September 30, 2023 March 31, 2024 to 24.6% and 21.0%, respectively, 21.3% as compared to 24.8% and 27.0% 18.2% during the same respective periods period in 2022. 2023. The decreases for the three and nine-month comparisons were increase was primarily driven by deliveries during the prior year period that carried both higher incentives and elevated construction costs due to homes commencing construction during high costs periods in 2022.

Table of Contents

In the following table, we calculate our homebuilding gross margin, as adjusted to exclude inventory impairment, if applicable, and interest in cost of home sales revenues.

	Three Months Ended September 30,				Three Months Ended March 31,			
	2023	%	2022	%	2024	%	2023	%
Home sales revenues	$ 865,065	100.0 %	$ 1,118,588	100.0 %	$ 922,402	100.0 %	$ 735,600	100.0 %
Cost of home sales revenues	(652,411)	(75.4) %	(841,665)	(75.2) %	(725,570)	(78.7)%	(601,385)	(81.8)%
Inventory impairment	—	— %	—	— %	—	— %	—	— %
Homebuilding gross margin	212,654	24.6 %	276,923	24.8 %	196,832	21.3 %	134,215	18.2 %
Add: Inventory impairment	—	— %	—	— %	—	— %	—	— %
Add: Interest in cost of home sales revenues	10,652	1.2 %	13,726	1.2 %	12,033	1.3 %	9,807	1.3 %
Adjusted homebuilding gross margin excluding interest and inventory impairment (1)	$ 223,306	25.8 %	$ 290,649	26.0 %	$ 208,865	22.6 %	$ 144,022	19.6 %
Add: Purchase price accounting for acquired work in process inventory					1,581	0.2 %	—	— %
Adjusted homebuilding gross margin excluding interest, inventory impairment and purchase price accounting for acquired work in process inventory (1)					$ 210,446	22.8 %	$ 144,022	19.6 %

	Nine Months Ended September 30,			
	2023	%	2022	%
Home sales revenues	$ 2,419,025	100.0 %	$ 3,241,537	100.0 %
Cost of home sales revenues	(1,910,630)	(79.0) %	(2,365,633)	(73.0) %
Inventory impairment	—	— %	—	— %
Homebuilding gross margin	508,395	21.0 %	875,904	27.0 %
Add: Inventory impairment	—	— %	—	— %
Add: Interest in cost of home sales revenues	30,729	1.3 %	39,345	1.2 %
Adjusted homebuilding gross margin excluding interest and inventory impairment (1)	$ 539,124	22.3 %	$ 915,249	28.2 %

(1) This non-GAAP financial measure should not be used as a substitute for our operating results in accordance with GAAP. See the reconciliations to the most comparable GAAP measure and other information under “Non-GAAP Financial Measures.” An analysis of any non-GAAP financial measure should be used in conjunction with results presented in accordance with GAAP.

For the three and nine months ended September 30, 2023 March 31, 2024, our adjusted homebuilding gross margin percentage excluding inventory impairment and interest in cost of home sales revenues, inventory impairment, and purchase price accounting for work in process inventory, was 25.8% and 22.3%, respectively, 22.8% as compared to 26.0% and 28.2% 19.6% for the same respective periods period in 2022. 2023. We believe the above information is meaningful as it isolates the impact that indebtedness, inventory impairment (if applicable), and acquisitions (if applicable) have on our homebuilding gross margin and allows for comparability of our homebuilding gross margins to previous periods and our competitors.

Selling, General and Administrative Expense

(dollars in thousands)

	Three Months Ended September 30,		Change		Three Months Ended March 31,		Change	
	2023	2022	Amount	%	2024	2023	Amount	%
Selling, general and administrative	$ 111,918	$ 110,687	$ 1,231	1.1 %	$114,109	$98,313	$15,796	16.1%
As a percentage of home sales revenue	12.9 %	9.9 %			12.4%	13.4 %		

	Nine Months Ended September 30,		Change	
	2023	2022	Amount	%
Selling, general and administrative	$ 315,351	$ 321,484	$ (6,133)	(1.9) %
As a percentage of home sales revenue	13.0 %	9.9 %		

Our selling, general and administrative expense remained relatively consistent increased $15.8 million for the three months ended September 30, 2023, and decreased $6.1 million for nine months ended September 30, 2023 March 31, 2024 as compared to the same respective periods in 2022. The prior year period. This increase for the three month comparison was primarily attributable to an adjustment of $7.4 million in stock-based compensation expense to reflect an increased estimate in the number of shares which will ultimately vest and be issued under certain performance share awards, partially offset by various decreases in other expenses, including advertising. The decrease for the nine month comparison was primarily

Table of Contents

attributable to a decrease of $9.2 million in salaries and wages due to decreased headcount and a decrease of $4.7 million increase in internal and external commission expense associated with the increase in home sales revenue and increased compensation and other costs due to increased active community count. These increases were partially offset by $10.8 million a decrease in stock-based stock compensation expense related to reflect an increased estimate in forfeitures during the number of shares which will ultimately vest and be issued under certain performance share awards. period. As a percentage of home sales revenue, our selling, general and administrative expense increased 300 decreased 100 basis points and 310 basis points, respectively, during each of the three and nine months ended September 30, 2023 as compared to the three and nine months ended September 30, 2022 March 31, 2024, respectively, driven primarily by decreased increased revenue on a partially fixed cost base.

Income Tax Expense

At the end of each interim period, we are required to estimate our annual effective tax rate for the fiscal year and to use that rate to provide for income taxes for the current year-to-date reporting period. Our 2023 2024 estimated annual effective tax rate, before discrete items of 26.4% 25.0%, is driven by our blended federal and state statutory rate of 24.8% 24.7%, and certain permanent differences between GAAP and tax, including disallowed deductions for executive compensation offset by estimated federal energy home credits for current year home deliveries, which combined resulted in a net increase of 1.6% 0.3%.

For the nine three months ended September 30, 2023 March 31, 2024, our estimated annual rate of 26.4% 25.0% was benefitted by discrete items which had a net impact of decreasing our rate by 1.1% 1.3%, including federal energy home tax credits claimed for prior year home deliveries in excess of previous estimates and the impact of excess tax benefits for vested stock-based compensation.

Our effective tax rate for the nine months ended September 30, 2023 of 25.3% increased by 290 basis points as compared to our effective tax rate for the year ended December 31, 2022 of 22.4%. The increase in our effective tax rate is primarily a result of the enactment of the Inflation Reduction Act of 2022 during the third quarter of 2022, which modified the energy efficient home credit beginning with homes closed on or after January 1, 2023 and provided for more stringent energy standards than previous periods, resulting in fewer closed homes qualifying for energy efficient home credits, as well as the impact of disallowed deductions for executive compensation during 2023.

For the three months ended September 30, 2023 and 2022, we recorded income tax expense of $28.8 million and $27.6 million, respectively. For the nine months ended September 30, 2023 and 2022, we recorded income tax expense of $56.9 million and $128.9 million, respectively.

Segment Assets

Commencing in the first quarter of 2023, our Century Complete operations in Texas were realigned and are now managed under our Texas segment. Accordingly, we have presented segment information under this new basis as of September 30, 2023, and we have restated the corresponding segment information for those segments as of December 31, 2022.

(dollars in thousands)

	September 30, 2023	December 31 2022	Increase (Decrease) Amount	Change
West	$ 732,859	$ 665,827	$ 67,032	10.1 %
Mountain	1,076,810	1,122,892	(46,082)	(4.1) %
Texas	573,187	508,862	64,325	12.6 %
Southeast	506,659	415,887	90,772	21.8 %
Century Complete	401,238	376,131	25,107	6.7 %
Financial Services	347,896	372,284	(24,388)	(6.6)%
Corporate	310,741	311,884	(1,143)	(0.4)%
Total assets	$ 3,949,390	$ 3,773,767	$ 175,623	4.7 %

Total assets increased to $3.9 billion as of September 30, 2023 as compared to $3.8 billion as of December 31, 2022, primarily as a result of changes in our inventory balances within our homebuilding segments related to timing of home and land development construction activities and an increase in the number of homes under construction.

For the three months ended March 31, 2024 and 2023, we recorded income tax expense of $20.0 million and $10.7 million, respectively.

Segment Assets

(dollars in thousands)

	March 31,	December 31	Increase (Decrease)	
	2024	2023	Amount	Change
West	$ 787,198	$ 786,489	$ 709	0.1 %
Mountain	1,050,830	1,051,052	(222)	(0.0) %
Texas	617,785	577,129	40,656	7.0 %
Southeast	542,895	503,249	39,646	7.9 %
Century Complete	417,352	386,444	30,908	8.0 %
Financial Services	397,700	450,208	(52,508)	(11.7)%
Corporate	297,817	384,791	(86,974)	(22.6)%
Total assets	$ 4,111,577	$ 4,139,362	$ (27,785)	(0.7) %

Total assets remained consistent at $4.1 billion as of March 31, 2024 and December 31, 2023.

Lots owned and controlled

	September 30, 2023			December 31, 2022			% Change			March 31, 2024			December 31, 2023			% Change		
	Owned	Controlled	Total	Owned	Controlled	Total	Owned	Controlled	Total	Owned	Controlled	Total	Owned	Controlled	Total	Owned	Controlled	Total
West	4,160	3,991	8,151	4,433	509	4,942	(6.2)%	684.1 %	64.9 %	4,397	3,230	7,627	4,036	3,259	7,295	8.9%	(0.9) %	4.6 %
Mountain	8,751	4,745	13,496	10,845	1,566	12,411	(19.3)%	203.0 %	8.7 %	8,475	5,602	14,077	8,615	5,025	13,640	(1.6)%	11.5 %	3.2 %
Texas	8,105	9,691	17,796	7,432	3,876	11,308	9.1 %	150.0 %	57.4 %	9,422	11,183	20,605	8,647	11,027	19,674	9.0 %	1.4 %	4.7 %
Southeast	5,583	8,602	14,185	5,576	5,733	11,309	0.1 %	50.0 %	25.4 %	5,461	10,370	15,831	5,486	10,941	16,427	(0.5)%	(5.2) %	(3.6) %
Century Complete	3,638	11,304	14,942	3,826	9,323	13,149	(4.9)%	21.2 %	13.6 %	3,955	12,994	16,949	3,839	12,845	16,684	3.0%	1.2 %	1.6 %
Total	30,237	38,333	68,570	32,112	21,007	53,119	(5.8)%	82.5 %	29.1 %	31,710	43,379	75,089	30,623	43,097	73,720	3.5%	0.7 %	1.9 %

Of our total lots owned and controlled as of September 30, 2023 March 31, 2024, 44.1% 42.2% were owned and 55.9% 57.8% were controlled, as compared to 60.5% 41.5% owned and 39.5% 58.5% controlled as of December 31, 2022 December 31, 2023.

Other Homebuilding Operating Data

Commencing in the first quarter of 2023, our Century Complete operations in Texas were realigned and are now managed under our Texas segment. Accordingly, we have presented segment information under this new basis as of and for the three and nine months ended September 30, 2023, and we have restated the corresponding segment information for those segments as of and for the three and nine months ended September 30, 2022.

Net new home contracts

	Three Months Ended				Nine Months Ended				Three Months Ended			
	September 30,		Increase (Decrease)		September 30,		Increase (Decrease)		March 31,		Increase (Decrease)	
	2023	2022	Amount	% Change	2023	2022	Amount	% Change	2024	2023	Amount	% Change
West	269	219	50	22.8 %	849	884	(35)	(4.0) %	440	343	97	28.3 %
Mountain	395	183	212	115.8 %	1,174	1,247	(73)	(5.9) %	611	333	278	83.5 %
Texas	377	215	162	75.3 %	1,252	1,044	208	19.9 %	514	475	39	8.2 %
Southeast	352	240	112	46.7 %	945	1,064	(119)	(11.2) %	450	242	208	86.0 %
Century Complete	756	461	295	64.0 %	2,268	2,256	12	0.5 %	851	629	222	35.3 %
Total	2,149	1,318	831	63.1 %	6,488	6,495	(7)	(0.1) %	2,866	2,022	844	41.7 %

Net new home contracts (new home contracts net of cancellations) for the three months ended September 30, 2023 March 31, 2024 increased by 831 844 homes, or 63.1% 41.7%, to 2,149 2,866 as compared to 1,318 2,022 for the same period in 2022, 2023, when increased mortgage interest rates, inflation, and macro-economic uncertainty considerably impacted the U.S. housing market. Net new home contracts primarily due to more homes available for the nine months ended September 30, 2023 remained relative flat at 6,488 sale, as compared to 6,495 for the same period in 2022. well as favorable market conditions.

Table of Contents

Monthly absorption rate

Our overall monthly "absorption rate" (the rate at which home orders are contracted, net of cancellations) for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 by segment are included in the tables below:

	Three Months Ended September 30,		Increase (Decrease)		Three Months Ended March 31,		Increase (Decrease)	
	2023	2022	Amount	% Change	2024	2023	Amount	% Change
West	3.2	3.3	(0.1)	(3.0) %	5.2	4.4	0.8	18.2%
Mountain	2.7	1.9	0.8	42.1 %	4.4	2.8	1.6	57.1%
Texas	3.0	2.3	0.7	30.4 %	4.2	4.5	(0.3)	(6.7)%
Southeast	4.0	3.2	0.8	25.0 %	5.0	2.9	2.1	72.4%
Century Complete	2.4	1.4	1.0	71.4 %	2.6	2.0	0.6	30.0%
Total	2.8	2.0	0.8	40.0 %	3.8	2.9	0.9	31.0%

	Nine Months Ended September 30,		Increase (Decrease)	
	2023	2022	Amount	% Change
West	3.4	4.5	(1.1)	(24.4) %
Mountain	2.7	4.3	(1.6)	(37.2) %
Texas	3.3	3.7	(0.4)	(10.8) %
Southeast	3.6	4.7	(1.1)	(23.4) %
Century Complete	2.4	2.3	0.1	4.3 %
Total	2.9	3.3	(0.4)	(12.1) %

During the three months ended September 30, 2023 March 31, 2024, our absorption rate increased by 40.0% 31.0% to 2.8 3.8 per month as compared to the same period in 2022. During 2023, driven by strong demand for new homes during the nine months ended September 30, 2023, our absorption rate decreased by 12.1% to 2.9 per month current period as compared to the same period in 2022. During the three and nine months ended September 30, 2023, we experienced cancellation rates of 16.2% and 15.8% respectively, which represent a significant reduction from cancellation rates we experienced in the latter half of 2022 as we believe homebuyers are adjusting adjust to the higher interest rate environment and our strategy of selling homes later in the construction cycle has benefitted our cancellation rate. environment.

Selling communities at period end

	As of September 30,		Increase/(Decrease)		As of March 31,		Increase/(Decrease)	
	2023	2022	Amount	% Change	2024	2023	Amount	% Change
West	28	22	6	27.3 %	28	26	2	7.7%
Mountain	49	32	17	53.1 %	46	40	6	15.0%
Texas	42	31	11	35.5 %	41	35	6	17.1%
Southeast	29	25	4	16.0 %	30	28	2	7.1%
Century Complete	104	107	(3)	(2.8) %	108	105	3	2.9%
Total	252	217	35	16.1 %	253	234	19	8.1%

Our selling communities increased by 35 19 communities to 252 253 communities at September 30, 2023 March 31, 2024 as compared to 217 234 at September 30, 2022 March 31, 2023. This 8.1% increase was a result of net an increased land pipeline that resulted in new community openings since in excess of community closeouts during the end first quarter of the prior year period. 2024.

Table of Contents

Backlog

(dollars in thousands)

As of September 30,			As of March 31,		
2023	2022	% Change	2024	2023	% Change

	Homes	Dollar Value	Average Sales Price	Homes	Dollar Value	Average Sales Price	Homes	Dollar Value	Average Sales Price	Homes	Dollar Value	Average Sales Price	Homes	Dollar Value	Average Sales Price	Homes	Dollar Value	Average Sales Price
West	191	$ 116,721	$ 611.1	208	$ 172,071	$ 827.3	(8.2) %	(32.2) %	(26.1) %	262	$176,732	$674.5	220	$133,249	$605.7	19.1 %	32.6 %	11.4 %
Mountain	290	146,137	503.9	826	447,827	542.2	(64.9) %	(67.4) %	(7.1) %	279	161,477	578.8	319	152,521	478.1	(12.5) %	5.9 %	21.1 %
Texas	248	76,224	307.4	244	82,305	337.3	1.6 %	(7.4)%	(8.9) %	258	78,396	303.9	303	95,464	315.1	(14.9) %	(17.9)%	(3.6) %
Southeast	299	136,921	457.9	584	246,764	422.5	(48.8) %	(44.5) %	8.4 %	214	99,448	464.7	249	110,864	445.2	(14.1) %	(10.3) %	4.4 %
Century Complete	859	231,166	269.1	1,593	430,413	270.2	(46.1) %	(46.3) %	(0.4) %	577	151,154	262.0	829	221,514	267.2	(30.4) %	(31.8) %	(1.9) %
Total / Weighted Average	1,887	$ 707,169	$ 374.8	3,455	$ 1,379,380	$ 399.2	(45.4) %	(48.7) %	(6.1) %	1,590	$667,207	$419.6	1,920	$713,612	$371.7	(17.2) %	(6.5) %	12.9 %

Backlog reflects the number of homes, net of cancellations, for which we have entered into a sales contract with a customer but for which we have not yet delivered the home. At September 30, 2023 March 31, 2024, we had 1,887 1,590 homes in backlog with a total value of $707.2 million $667.2 million, which represents decreases of 45.4% 17.2% and 48.7% 6.5%, respectively, as compared to 3,455 1,920 homes in backlog with a total value of $1.4 billion $713.6 million at September 30, 2022 December 31, 2023. The decrease in backlog dollar value is primarily attributable to the decrease in backlog units, partially due to our strategy units.

Supplemental Guarantor Information

Our 6.750% senior notes due 2027 (which we collectively refer to as our “2027 Notes”) and our 3.875% senior notes due 2029 (which we collectively refer to as our “2029 Notes” and together with the 2027 Notes, the “Senior Notes”) are our unsecured senior obligations and are fully and unconditionally guaranteed on an unsecured basis, jointly and severally, by substantially all of our direct and indirect wholly-owned operating subsidiaries (which we refer to collectively as “Guarantors”). Our subsidiaries associated with our Financial Services operations (referred to as “Non-Guarantors”) do not guarantee the Senior Notes. The guarantees are senior unsecured obligations of the Guarantors that rank equal with all existing and future senior debt of the Guarantors and senior to all subordinated debt of the Guarantors. The guarantees are effectively subordinated to any secured debt of the Guarantors. As of September 30, 2023 March 31, 2024, Century Communities, Inc. had outstanding $1.0 billion in total principal amount of Senior Notes.

Each of the indentures governing our Senior Notes provides that the guarantees of a Guarantor will be automatically and unconditionally released and discharged: (1) upon any sale, transfer, exchange or other disposition (by merger, consolidation or otherwise) of all of the equity interests of such Guarantor after which the applicable Guarantor is no longer a “Restricted Subsidiary” (as defined in the respective indentures), which sale, transfer, exchange or other disposition does not constitute an “Asset Sale” (as defined in the respective indentures) or is made in compliance with applicable provisions of the applicable indenture; (2) upon any sale, transfer, exchange or other disposition (by merger, consolidation or otherwise) of all of the assets of such Guarantor, which sale, transfer, exchange or other disposition does not constitute an Asset Sale or is made in compliance with applicable provisions of the applicable indenture; provided, that after such sale, transfer, exchange or other disposition, such Guarantor is an “Immaterial Subsidiary” (as defined in the respective indentures); (3) unless a default has occurred and is continuing, upon the release or discharge of such Guarantor from its guarantee of any indebtedness for borrowed money of the Company and the Guarantors so long as such Guarantor would not then otherwise be required to provide a guarantee pursuant to the applicable indenture; provided that if such Guarantor has incurred any indebtedness in reliance on its status as a Guarantor in compliance with applicable provisions of the applicable Indenture, such Guarantor’s obligations under such indebtedness, as the case may be, so incurred are satisfied in full and discharged or are otherwise permitted to be incurred by a Restricted Subsidiary (other than a Guarantor) in compliance with applicable provisions of the applicable Indenture; (4) upon the designation of such Guarantor as an “Unrestricted Subsidiary” (as defined in the respective Indentures), in accordance with the applicable indenture; (5) if the Company exercises its legal defeasance option or covenant defeasance option under the applicable indenture or if the obligations of the Company and the Guarantors are discharged in compliance with applicable provisions of the applicable indenture, upon such exercise or discharge; or (6) in connection with the dissolution of such Guarantor under applicable law in accordance with the applicable indenture.

If a guarantor were to become a debtor in a case under the US Bankruptcy Code, a court may decline to enforce its guarantee of the Senior Notes. This may occur when, among other factors, it is found that the guarantor originally received less than fair consideration for the guarantee and the guarantor would be rendered insolvent by enforcement of the guarantee. On the basis of historical financial information, operating history and other factors, we believe that each of the guarantors, after giving effect to the issuance of its guarantee

of the Senior Notes when the guarantee was issued, was not insolvent and did not and has not incurred debts beyond its ability to pay such debts as they mature. The Company cannot predict, however, what standard a court would apply in making these determinations or that a court would agree with our conclusions in this regard.

Only the 2027 Notes and the related guarantees are registered securities under the Securities Act of 1933, as amended (the “Securities Act”). The offer and sale of the 2029 Notes and the related guarantees were not and will not be registered under the Securities Act or the securities laws of any other jurisdiction and instead were issued in reliance upon an exemption from such registration. Unless they are subsequently registered under the Securities Act, neither the 2029 Notes nor the related guarantees may be offered and sold only in transactions that are exempt from the registration requirements under the Securities Act and the applicable securities laws of any other jurisdiction.

The Guarantors' condensed supplemental financial information is presented in this report as if the Senior Note guarantees existed during the periods presented pursuant to applicable SEC rules and guidance. If any Guarantors are released from the guarantees in future periods, the changes are reflected prospectively. We have determined that separate, full financial statements of the Guarantors would not be material to investors, and accordingly, supplemental financial information is presented below.

The following summarized financial information is presented for Century Communities, Inc. and the Guarantor Subsidiaries on a combined basis after eliminating intercompany transactions and balances among Century Communities, Inc. and the Guarantor Subsidiaries, as well as their investment in, and equity in earnings from Non-Guarantor Subsidiaries.

Table of Contents

Century Communities, Inc. and Guarantor Subsidiaries

Summarized Balance Sheet Data (in thousands)	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Assets				
Cash and cash equivalents	$ 78,516	$ 191,541	$ 21,547	$ 104,900
Cash held in escrow	52,488	56,569	84,776	101,845
Accounts receivable	47,744	46,326	57,935	67,480
Due from non-guarantors			—	17,982
Inventories	3,058,317	2,830,645	3,107,133	3,016,641
Prepaid expenses and other assets	281,463	193,824	318,441	282,056
Property and equipment, net	33,792	31,326	74,363	68,839
Deferred tax assets, net	18,778	20,856	17,601	16,998
Goodwill	30,395	30,395	32,082	30,395
Total assets	$ 3,601,493	$ 3,401,482	$ 3,713,878	$ 3,707,136
Liabilities and stockholders' equity				
Liabilities:				
Accounts payable	$ 159,875	$ 105,727	$ 133,963	$ 145,231
Accrued expenses and other liabilities	303,310	310,330	237,579	259,912
Due to non-guarantors			10,029	—
Notes payable	1,051,294	1,019,412	1,069,762	1,062,471
Revolving line of credit	—	—	—	—
Total liabilities	1,514,479	1,435,469	1,451,333	1,467,614
Stockholders' equity:	2,087,014	1,966,013	2,262,545	2,239,522
Total liabilities and stockholders' equity	$ 3,601,493	$ 3,401,482	$ 3,713,878	$ 3,707,136

Summarized Statements of Operations Data (in thousands)	Nine Months Ended September 30, 2023	Year Ended December 31, 2022	Year Ended March 31, 2024	Year Ended December 31, 2023
Total homebuilding revenues	$ 2,422,836	$ 4,410,483	$ 923,618	$ 3,611,962
Total homebuilding cost of revenues	(1,911,005)	(3,315,994)	(725,607)	(2,840,583)
Selling, general and administrative	(315,351)	(430,742)	(114,109)	(447,311)
Inventory impairment	—	(10,149)	—	(1,877)
Other income (expense)	(3,235)	(15,894)	(11,594)	(6,547)
Income before income tax expense	193,245	637,704	72,308	315,644
Income tax expense	(48,880)	(142,986)	(17,141)	(82,419)
Net income	$ 144,365	$ 494,718	$ 55,167	$ 233,225

Table of Contents

Critical Accounting Policies

Critical accounting estimates are those that we believe are both significant and require us to make difficult, subjective or complex judgments, often because we need to estimate the effect of inherently uncertain matters. We base our estimates and judgments on historical experiences and various other factors that we believe to be appropriate under the circumstances. Actual results may differ from these estimates, and the estimates included in our financial statements might be impacted if we used different assumptions or conditions. A summary of our critical accounting policies is included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023, filed with the SEC on February 2, 2023 February 5, 2024, in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies."

Liquidity and Capital Resources

Overview

Our liquidity, consisting of our cash and cash equivalents and cash held in escrow and revolving line of credit availability, was $1.0 billion as of September 30, 2023 March 31, 2024 and $1.2 billion $1.1 billion as of December 31, 2022 December 31, 2023.

Our principal uses of capital for the three and nine months ended September 30, 2023 March 31, 2024 were our land purchases, land development, home construction, the acquisition of Landmark Homes, share repurchases, dividends, and the payment of routine liabilities.

Cash flows for each of our communities depend on the stage in the development cycle and can differ substantially from reported earnings. Early stages of development or expansion require significant cash outlays for land acquisitions, entitlements and other approvals, and construction of model homes, roads, utilities, general landscaping and other amenities. Because these costs are a component of our inventory and not recognized in our consolidated statements of operations until a home closes, we incur significant cash outlays prior to our recognition of earnings. In the later stages of community development, cash inflows may significantly exceed earnings reported for financial statement purposes, as the cash outflow associated with home and land construction was previously incurred. From a liquidity standpoint, we continue to acquire and develop lots in our markets when they meet our current investment criteria.

Short-term Liquidity and Capital Resources

We use funds generated by operations, available borrowings under our revolving line of credit facility, and proceeds from issuances of debt or equity, including our at-the-market facility, to fund our short term working capital obligations and fund our purchases of land, as well as land development, home construction activities, and other cash needs.

Our Financial Services operations use funds generated from operations and availability under our mortgage repurchase facilities to finance its operations, including originations of mortgage loans to our homebuyers.

Our Century Living operations use excess cash from our operations, as well as project specific secured financing under construction loan agreements to fund development of multi-family projects.

We believe that we will be able to fund our current liquidity needs for at least the next twelve months with our cash on hand, cash generated from operations, and cash expected to be available from our revolving line of credit or through accessing debt or equity capital, as needed or appropriate, although no assurance can be provided that such additional debt or equity capital will be available or on acceptable terms based on the macro-economy and market conditions at the time. In a higher interest rate environment, we may incur additional interest expense on borrowings that bear floating interest rates, such as our revolving line of credit. We believe we are well positioned from a cash and liquidity standpoint to operate in an uncertain environment, and to pursue other ways to properly deploy capital to enhance returns, which may include taking advantage of strategic opportunities as they arise*.*

Long-term Liquidity and Capital Resources

Beyond the next twelve months, we believe that our principal uses of capital will be land and inventory purchases and other expenditures, as well as principal and interest payments on our long-term debt obligations. We believe that we will be able to fund our long-term liquidity needs with cash generated from operations and cash expected to be available from our revolving line of credit or through accessing debt or equity capital, as needed or appropriate, although no assurance can be provided that such additional debt or equity capital will be available, or on favorable terms, especially in light of rising interest rates. In a higher interest rate environment, we may incur additional interest expense on borrowings that bear floating interest rates, such as under our revolving line of credit, repurchase facilities, and construction loan agreements. To the extent these sources of capital are insufficient to meet our needs, we may also conduct additional public or private offerings of our securities, refinance debt, or dispose of certain assets to fund our operating activities and capital needs.

Material Cash Requirements

In the normal course of business, we enter into contracts and commitments that obligate us to make payments in the future. These obligations impact our short-term and long-term liquidity and capital resource needs. For the three and nine months ended September 30, 2023 March 31, 2024, there were no material changes to the contractual obligations we previously described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023 that was filed with the SEC on February 2, 2023 February 5, 2024.

In the ordinary course of business, we enter into land purchase contracts in order to procure lots for the construction of our homes. We are subject to customary obligations associated with entering into contracts for the purchase of land and improved lots. Purchase and option contracts for the purchase of land enable us to defer acquiring portions of properties owned by third parties until we have determined whether to exercise our option, which may serve to reduce our financial risks associated with long-term land holdings. These purchase contracts typically require a cash deposit, and the purchase of properties under these contracts is generally contingent upon satisfaction of certain requirements, including obtaining applicable property and development entitlements. We also utilize option contracts with land sellers and others as a method of acquiring land in staged takedowns, to help us manage the financial and market risk associated with land holdings, and to reduce the use of funds from our corporate financing sources. Option contracts generally require payment by us of a non-refundable deposit for the right to acquire lots over a specified period of time at pre-determined prices. Our obligations with respect to purchase contracts and option contracts are generally limited to the forfeiture of the related non-refundable cash deposits.

As of September 30, 2023 March 31, 2024, we had outstanding purchase contracts and option contracts for 38,333 43,379 lots totaling approximately $1.8 billion $2.2 billion and we had $46.8 million $64.1 million of deposits for land contracts, of which $19.5 million $37.4 million were non-refundable cash deposits pertaining to land contracts. For contracts for which cash deposits were non-refundable, and subject to the terms of the outstanding contracts continuing to meet our investment criteria, we currently anticipate performing on the majority of our purchase and option contracts during the next 24 months. Our performance, including the timing and amount of purchase, if any, under these outstanding purchase and option contracts is subject to change and dependent on future market conditions. Our utilization of land option contracts is dependent on, among other things, the availability of land sellers willing to enter into option takedown arrangements, the availability of capital to financial intermediaries to finance the development of optioned lots, general housing market conditions, and local market dynamics. Options may be more difficult to procure from land sellers in strong housing markets and are more prevalent in certain geographic regions.

Outstanding Debt Obligations and Debt Service Requirements

One of our principal liquidity needs is the payment of principal and interest on our outstanding indebtedness. Our outstanding indebtedness is described in detail in *Note 9 – Debt in the Notes to the Condensed Consolidated Financial Statements*. We are required to meet certain covenants, and as of September 30, 2023 March 31, 2024, we were in compliance with all such covenants and requirements under the agreements governing our revolving line of credit, mortgage repurchase facilities, and construction loan agreements. See *Note 9 – Debt in the Notes to the Condensed Consolidated Financial Statements* for further detail.

Our outstanding debt obligations included the following as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
3.875% senior notes, due August 2029(1)	$ 495,463	$ 494,884	$ 495,849	$ 495,656
6.750% senior notes, due June 2027(1)	497,006	496,394	497,414	497,210
Other financing obligations(2)	58,825	28,134	76,499	69,605
Notes payable	1,051,294	1,019,412	1,069,762	1,062,471
Revolving line of credit	—	—	—	—
Mortgage repurchase facilities	162,094	197,626	212,447	239,298
Total debt	$ 1,213,388	$ 1,217,038	$1,282,209	$1,301,769

(1) The carrying value of the senior notes reflects the impact of premiums, discounts, and issuance costs that are amortized to interest cost over the respective terms of the senior notes.

(2) As of September 30, 2023 March 31, 2024, other financing obligations included $30.0 million $15.6 million related to insurance premium notes and certain secured borrowings, as well as $28.8 million $60.9 million outstanding under construction loan agreements, as described below. As of December 31, 2022 December 31, 2023, other financing obligations included $20.7 million $24.7 million related to insurance premium notes and certain secured borrowings, as well as $7.4 million $44.9 million outstanding under construction loan agreements.

We may from time to time seek to refinance or increase our outstanding debt or retire or purchase our outstanding debt through cash purchases and/or exchanges for equity securities, in open market purchases, privately negotiated transactions or otherwise. Such

repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may or may not be material during any particular reporting period.

Letters of Credit and Performance Bonds

In the normal course of business, we post letters of credit and performance and other bonds primarily related to our land development performance obligations with local municipalities. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had $513.9 million $509.0 million and $574.8 million $510.5 million, respectively, in letters of credit and performance and other bonds issued and outstanding. Although significant development and construction activities have been completed related to the improvements at these sites, the letters of credit and performance and other bonds are not generally fully released until all development and construction activities are completed.

Construction Loan Agreements

Certain wholly owned subsidiaries of Century Living, LLC, are parties to construction loan agreements entered into during 2022 and the first quarter of 2023 with various banks, (which we collectively refer to as "the lenders"). The three These construction loan agreements collectively provide that we may borrow up to an aggregate of $187.6 million from the lenders for purposes of construction of multi-family projects in Colorado, with advances made by the lenders upon the satisfaction of certain conditions. Borrowings under the construction loan agreements bear interest at various rates, including a fixed rate, and floating interest rates per annum equal to the Secured Overnight Financing Rate (which we refer to as "SOFR") and the Bloomberg Short-term Bank Yield Index, plus an applicable margin. The outstanding principal balances and all accrued and unpaid interest is due on varying maturity dates from March 17, 2026 through March 17, 2028, with certain of the construction loan agreements allowing for the option to extend the maturity dates for a period of 12 months if certain conditions are satisfied. The construction loan agreements contain customary affirmative and negative covenants (including covenants related to construction completion, and limitations on the use of loan proceeds, transfers of land, equipment, and improvements), as well as customary events of default. Interest on our construction loan agreements is capitalized to the multi-family properties assets included in prepaid expenses and other assets on the condensed consolidated balance sheets while the related multi-family rental properties are being actively developed.

As of September 30, 2023 March 31, 2024, $28.8 million $60.9 million was outstanding under the construction loan agreements, with borrowings that bore a weighted average interest rate of 7.2% 7.5% during the nine three months ended September 30, 2023 March 31, 2024, and we were in compliance with all covenants thereunder.

Revolving Line of Credit

On May 21, 2021, In 2021, we entered into a Second Amended and Restated Credit Agreement (which we refer to as the "Second A&R Credit Agreement") with Texas Capital Bank, National Association, as Administrative Agent and L/C Issuer, and the lenders party thereto. The Second A&R Credit Agreement, which amended and restated our prior Amended and Restated Credit Agreement, provides us with a senior unsecured revolving line of credit (which we refer to as the "revolving line of credit") of up to $800.0 million, and unless terminated earlier, will mature on April 30, 2026. The revolving line of credit includes a $250.0 million sublimit for standby letters of credit. Under the terms of the Second A&R Credit Agreement, we are entitled to request an increase in the size of the revolving line of credit by an amount not exceeding $200.0 million. Our obligations under the Second A&R Credit Agreement are guaranteed by certain of our subsidiaries. The Second A&R Credit Agreement contains customary affirmative and negative covenants (including limitations on our ability to grant liens, incur additional debt, pay dividends, redeem our common stock, make certain investments and engage in certain merger, consolidation or asset sale transactions), as well as customary events of default. On December 21, 2022, we entered into a First Modification Agreement with Texas Capital Bank, as Administrative Agent, amending Borrowings under the Second A&R Credit Agreement pursuant to which, effective January 3, 2023, all existing borrowings using an interest rate based on a LIBOR reference rate had the interest rate replaced with one are based on an adjusted term SOFR reference rate, which equals the greater of (i) 0.50% or (ii) the one-month quotation of the secured overnight financing rate administered by the Federal Reserve Bank of New York, plus 0.10%.

As of September 30, 2023 March 31, 2024 and December 31, 2023, no amounts were outstanding under our revolving line of credit and were in compliance with all covenants under the Second A&R Credit Agreement.

Mortgage Repurchase Facilities – Financial Services

Inspire is a party to a mortgage warehouse facility facilities with J.P. Morgan Chase Bank, N.A., Texas Capital Bank, and U.S. Bank National Association, which provides provide Inspire with uncommitted repurchase facilities of up to an aggregate of $200.0 million $450.0 million as of September 30, 2023 March 31, 2024, secured by the mortgage loans financed thereunder, and a maturity date through January 19, 2024. During the three months ended September 30, 2023, we terminated our mortgage warehouse facility agreement with Comerica, which provided uncommitted thereunder. The repurchase facilities of up have varying short term maturity dates through March 21, 2025. Borrowings under the mortgage repurchase facilities bear interest at variable interest rates per annum equal to SOFR plus an aggregate of $75.0 million, with outstanding principal applicable margin, and interest due on December 29, 2023. The repurchase facilities bore a weighted average interest rate of 6.80% 7.2% during the nine months year ended September 30, 2023 March 31, 2024.

Amounts outstanding under the repurchase facilities are not guaranteed by us or any of our subsidiaries, and the agreements contain various affirmative and negative covenants applicable to Inspire that are customary for arrangements of this type. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, we had $162.1 million $212.4 million and $197.6 million $239.3 million outstanding under the repurchase facilities, respectively, and were in compliance with all covenants thereunder.

At-the-Market Offerings

We are party to a Distribution Agreement with J.P. Morgan Securities LLC, BofA Securities, Inc., Wells Fargo Securities, LLC and Fifth Third Securities, Inc. (which we refer to as the "Distribution Agreement"), as sales agents pursuant to which we may offer and sell shares of our common stock having an aggregate offering price of up to $100.0 million from time to time through any of the sales agents party thereto in "at-the-market" offerings, in accordance with the terms and conditions set forth in the Distribution Agreement. The Distribution Agreement will remain in full force and effect until terminated by either party pursuant to the terms of the agreement or such date that the maximum offering amount has been sold in accordance with the terms of the agreement. We did not sell or issue any shares of our common stock during the three and nine months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively, and as of September 30, 2023 March 31, 2024, all $100.0 million remained available for sale.

Stock Repurchase Program

Our Board of Directors authorized a stock repurchase program in 2018, under which we may repurchase up to 4.5 million shares of our outstanding common stock. The shares may be repurchased from time to time in open market transactions at prevailing market prices, in privately negotiated transactions or by other means in accordance with federal securities laws. The actual manner, timing, amount and value of repurchases under the stock repurchase program will be determined by management at its discretion and will depend on a number of factors, including the market price of our common stock, trading volume, other capital management objectives and opportunities, applicable legal requirements, applicable tax effects including the 1% excise tax instituted under the Inflation Reduction Act of 2022, and general market and economic conditions.

We intend to finance any stock repurchases through available cash and our revolving line of credit. Repurchases also may be made under a trading plan under Rule 10b5-1 under the Securities Exchange Act of 1934, which would permit shares to be repurchased when we otherwise may be precluded from doing so because of self-imposed trading blackout periods or other regulatory restrictions. The stock repurchase program has no expiration date and may be extended, suspended or discontinued by our Board of Directors at any time without notice at our discretion. All shares of common stock repurchased under the program will be cancelled and returned to the status of authorized but unissued shares of common stock.

During the three and nine months ended September 30, 2023 March 31, 2024, an aggregate of 247.8 186.9 thousand and 278.2 thousand shares respectively, were repurchased for a total purchase price of approximately $17.3 million and $19.2 million, respectively, $16.1 million and a weighted average price of $69.61 and $69.09 $86.16 per share, respectively. share. During the three and nine months ended September 30, 2022 March 31, 2023, an aggregate we did not repurchase any shares of 0.5 million and 2.3 million shares, respectively, were repurchased for a total purchase price of approximately $22.3 million and $120.6 million, respectively, and a weighted average price of $44.58 and $52.32 per share, respectively. common stock. The maximum number of shares available to be repurchased under the stock repurchase program as of September 30, 2023 March 31, 2024 was 1,230,010 1,043,123 shares.

Dividends

The following table sets forth cash dividends declared by our Board of Directors to holders of record of our common stock during the three and nine months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively (in thousands, except per share information):

			Nine Months Ended September 30, 2023 Cash Dividends Declared and Paid	
Declaration Date	**Record Date**	**Paid Date**	**Per Share**	**Amount**
February 8, 2023	March 1, 2023	March 15, 2023	$ 0.23	$ 7,365
May 17, 2023	May 31, 2023	June 14, 2023	$ 0.23	$ 7,368
August 16, 2023	August 30, 2023	September 13, 2023	$ 0.23	$ 7,341

			Nine Months Ended September 30, 2022 Cash Dividends Declared and Paid	
Declaration Date	**Record Date**	**Paid Date**	**Per Share**	**Amount**
February 16, 2022	March 2, 2022	March 16, 2022	$ 0.20	$ 6,657
May 18, 2022	June 1, 2022	June 15, 2022	$ 0.20	$ 6,568
August 17, 2022	August 31, 2022	September 14, 2022	$ 0.20	$ 6,455

			Three Months Ended March 31, 2024 Cash Dividends Declared and Paid	
Declaration Date	**Record Date**	**Paid Date**	**Per Share**	**Amount**
February 7, 2024	February 28, 2024	March 13, 2024	$ 0.26	$ 8,264

			Three Months Ended March 31, 2023 Cash Dividends Declared and Paid	
Declaration Date	**Record Date**	**Paid Date**	**Per Share**	**Amount**
February 8, 2023	March 1, 2023	March 15, 2023	$ 0.23	$ 7,365

The declaration and payment of future cash dividends on our common stock, whether at current levels or at all, are at the discretion of our Board of Directors and depend upon, among other things, our expected future earnings, cash flows, capital requirements, access to external financing, debt structure and any adjustments thereto, operational and financial investment strategy and general financial condition, as well as general business conditions.

Cash Flows— Nine Three Months Ended September 30, 2023 March 31, 2024 Compared to the Nine Three Months Ended September 30, 2022 March 31, 2023

For the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, the comparison of cash flows is as follows:

- Our primary sources of cash flows from operations are from the sale of single-family attached and detached homes and mortgages. Our primary uses of cash flows from operations are the acquisition of land and expenditures associated with the construction of our single-family attached and detached homes and the origination of mortgages held for sale. Net cash provided by operating activities was $33.0 million $21.6 million during the nine three months ended September 30, 2023 March 31, 2024 as compared to net cash used in operating activities of $67.1 million $191.3 million during the nine months ended September 30, 2022. The increase in net cash provided by operations prior year period. This decrease is primarily a result of reduced increased expenditures related to land acquisition and expenditures associated with the construction of homes during the nine three months ended September 30, 2023 March 31, 2024 as compared to the nine three months ended September 30, 2022 March 31, 2023. This reduction was primarily offset by (1) a decrease $31.0 million increase in net income of $277.7 million and (2) a reduction in our mortgage loans held for sale of $36.3 million during the nine months ended September 30, 2023, as compared to a reduction in mortgage loans held for sale of $142.3 million during the nine months ended September 30, 2022. income.

- Net cash used in investing activities increased $37.3 million to $64.6 million during the nine three months ended September 30, 2023 as March 31, 2024, compared to $20.9 million used during the prior year period. The This increase in net cash used in investing activities was primarily attributable related to a $41.7 million (1) $9.7 million increase in expenditures related to the development, construction, and management of multi-family rental properties by our wholly owned subsidiary, Century Living, LLC, Living; and (2) $32.7 million in expenditures related to a business combination during the nine three months ended September 30, 2023 as compared to the prior year period. March 31, 2024.
- Net cash used in financing activities decreased $51.7 million was $54.7 million during the nine three months ended September 30, 2023 as March 31, 2024, compared to $58.3 million during the prior year period. The This decrease in net cash used in financing activities was primarily attributable to (1) a $101.3 million $21.0 million decrease in net payments on the our mortgage repurchase facilities in the first nine months of 2023 as compared to the prior year period and (2) $120.6 million an $8.8 million increase in borrowings under construction loan agreements, partially offset by (1) $16.1 million in repurchases of repurchases of our common stock during the first nine three months of 2022, ended March 31, 2024 as compared to $19.2 million no repurchases of repurchases of our common stock during the first nine months of 2023, partially offset by $165.0 million prior year period; and (2) an $8.7 million net increase in net borrowings on the line of credit during the nine months ended September 30, 2022, as compared to no net borrowings during the nine months ended September 30, 2023. payments for insurance premium notes.

As of September 30, 2023 March 31, 2024, our cash and cash equivalents and restricted cash balance was $210.1 million $144.3 million, as compared to $308.5 million $242.0 million as of December 31, 2022 December 31, 2023.

Table of Contents

Non-GAAP Financial Measures

In this Form 10-Q, we use certain non-GAAP financial measures, including EBITDA, Adjusted adjusted EBITDA, net homebuilding debt to net capital, adjusted net income and adjusted diluted earnings per share. These non-GAAP financial measures are presented to provide investors additional information to facilitate the comparison of our past and present operations. We believe these non-GAAP financial measures provide useful information to investors because they are used to evaluate our performance on a comparable year-over-year basis. These non-GAAP financial measures are not in accordance with, or an alternative for, GAAP measures and may be different from non-GAAP financial measures used by other companies. In addition, these non-GAAP financial measures are not based on any comprehensive or standard set of accounting rules or principles. Accordingly, the calculation of our non-GAAP financial measures may differ from the definitions of other companies using the same or similar names limiting, to some extent, the usefulness of such measures for comparison purposes. Non-GAAP financial measures have limitations in that they do not reflect all of the amounts associated with our financial results as determined in accordance with GAAP. These measures should only be used to evaluate our financial results in conjunction with the corresponding GAAP measures. Accordingly, we qualify our use of non-GAAP financial information in a statement when non-GAAP financial information is presented.

EBITDA and Adjusted EBITDA

The following table presents EBITDA and Adjusted adjusted EBITDA for the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023. EBITDA and adjusted EBITDA are non-GAAP financial measures we use as a supplemental measure in evaluating operating performance. We define EBITDA as net income before (i) income tax expense, (ii) interest in cost of home sales revenues, (iii) other interest expense (income), and (iv) depreciation and amortization expense. We define adjusted EBITDA as EBITDA before loss on debt extinguishment (if applicable), and inventory impairment (if applicable), purchase price accounting for acquired work in process inventory (if applicable), and impairment on other investments (if applicable). We believe EBITDA and adjusted EBITDA provide an indicator of general economic performance that is not affected by fluctuations in interest rates or effective tax rates, levels of depreciation or amortization, and items considered to be non-recurring. Accordingly, our management believes that these measurements are useful for comparing general operating performance from period to period. Neither EBITDA or adjusted EBITDA should be considered in addition to, and not as a substitute for, consolidated net income in accordance with GAAP as a measure of performance. Our presentation of Adjusted adjusted EBITDA should not be construed as an indication that our future results will be unaffected by unusual or non-recurring items. Each of our EBITDA and adjusted EBITDA is limited as an analytical tool, and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP.

(dollars in thousands)

	Three Months Ended September 30,			Nine Months Ended September 30,			Three Months Ended March 31,		
	2023	2022	% Change	2023	2022	% Change	2024	2023	% Change
Net income	$ 83,150	$ 144,473	(42.4) %	$ 167,906	$ 445,637	(62.3)%	$ 64,332	$33,311	93.1 %
Income tax expense	28,849	27,601	4.5 %	56,850	128,861	(55.9)%	19,988	10,698	86.8 %
Interest in cost of home sales revenues	10,652	13,726	(22.4) %	30,729	39,345	(21.9)%	12,033	9,807	22.7 %
Interest expense (income)	(1,489)	(2)	NM %	(6,431)	(14)	NM %			
Interest income							(1,515)	(2,364)	(35.9)%
Depreciation and amortization expense	4,106	2,855	43.8 %	11,019	8,207	34.3 %	5,475	3,292	66.3 %
EBITDA	125,268	188,653	(33.6) %	260,073	622,036	(58.2)%	100,313	54,744	83.2 %
Inventory impairment	—	—	NM %	—	—	NM%	—	—	NM
Impairment on other investment							7,722	—	NM

Purchase price accounting for acquired work in process inventory							1,581	—	NM
Adjusted EBITDA	$ 125,268	$ 188,653	(33.6) %	$ 260,073	$ 622,036	(58.2)%	$109,616	$54,744	100.2 %

NM – Not Meaningful

[Table of Contents](#)

Net Homebuilding Debt to Net Capital

The following table presents our ratio of net homebuilding debt to net capital, which is a non-GAAP financial measure. We calculate this by dividing net homebuilding debt (homebuilding debt less cash and cash equivalents, and cash held in escrow) by net capital (net homebuilding debt plus total stockholders' equity). Homebuilding debt is our total debt minus our outstanding borrowings under our construction loan agreements and our repurchase facilities. The most directly comparable GAAP measure is the ratio of debt to total capital. We believe the ratio of net homebuilding debt to net capital is a relevant and useful financial measure to investors in understanding the leverage employed in our operations and as an indicator of our ability to obtain external financing.

(dollars in thousands)

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Notes payable	$ 1,051,294	$ 1,019,412	$1,069,762	$1,062,471
Revolving line of credit	—	—	—	—
Construction loan agreements	(28,842)	(7,389)	(60,867)	(44,895)
Total homebuilding debt	1,022,452	1,012,023	1,008,895	1,017,576
Total stockholders' equity	2,292,665	2,150,215	2,419,276	2,386,936
Total capital	$ 3,315,117	$ 3,162,238	$3,428,171	$3,404,512
Homebuilding debt to capital	30.8%	32.0%	29.4%	29.9%
Total homebuilding debt	$ 1,022,452	$ 1,012,023	$1,008,895	$1,017,576
Cash and cash equivalents	(193,111)	(296,724)	(122,840)	(226,150)
Cash held in escrow	(52,488)	(56,569)	(84,776)	(101,845)
Net homebuilding debt	776,853	658,730	801,279	689,581
Total stockholders' equity	2,292,665	2,150,215	2,419,276	2,386,936
Net capital	$ 3,069,518	$ 2,808,945	$3,220,555	$3,076,517
Net homebuilding debt to net capital	25.3%	23.5%	24.9%	22.4%

[Table of Contents](#)

Adjusted Net Income and Adjusted Diluted Earnings per Share

Adjusted net income and adjusted diluted earnings per share (which we refer to as "Adjusted EPS") are non-GAAP financial measures that we believe are useful to management, investors and other users of our financial information in evaluating our operating results and understanding our operating trends without the effect of certain non-recurring items. We believe excluding certain non-recurring items provides more comparable assessment of our financial results from period to period. We define adjusted net income as consolidated net income before (i) income tax expense, (ii) inventory impairment, if applicable (iii) restructuring costs, if applicable, and (iv) loss on debt extinguishment, if applicable, (v) purchase price accounting for acquired work in process inventory, if applicable, and (vi) impairment on other investments, if applicable, less adjusted income tax expense, calculated using our estimated annual effective tax rate after discrete items for the applicable period. Adjusted EPS is calculated by dividing adjusted net income by weighted average common shares – diluted.

(in thousands, except share and per share information)

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Numerator						
Net income	$ 83,150	$ 144,473	$ 167,906	$ 445,637	$ 64,332	$ 33,311
Denominator						

Weighted average common shares outstanding - basic	31,962,884	32,196,589	31,967,672	32,850,647	31,808,959	31,914,414
Dilutive effect of stock-based compensation awards	274,138	373,746	233,005	391,117	429,849	202,668
Weighted average common shares outstanding - diluted	32,237,022	32,570,335	32,200,677	33,241,764	32,238,808	32,117,082
Earnings per share:						
Basic	$ 2.60	$ 4.49	$ 5.25	$ 13.57	$ 2.02	$ 1.04
Diluted	$ 2.58	$ 4.44	$ 5.21	$ 13.41	$ 2.00	$ 1.04
Adjusted earnings per share						
Numerator						
Net income	$ 83,150	$ 144,473	$ 167,906	$ 445,637	$ 64,332	$ 33,311
Income tax expense	28,849	27,601	56,850	128,861	19,988	10,698
Income before income tax expense	111,999	172,074	224,756	574,498	84,320	44,009
Inventory impairment	—	—	—	—	—	—
Impairment on other investment					7,722	—
Purchase price accounting for acquired work in process inventory					1,581	—
Adjusted income before income tax expense	111,999	172,074	224,756	574,498	93,623	44,009
Adjusted income tax expense(1)	(28,849)	(27,601)	(56,850)	(128,861)	(22,193)	(10,698)
Adjusted net income	$ 83,150	$ 144,473	$ 167,906	$ 445,637	$ 71,430	$ 33,311
Denominator - Diluted	32,237,022	32,570,335	32,200,677	33,241,764	32,238,808	32,117,082
Adjusted diluted earnings per share	$ 2.58	$ 4.44	$ 5.21	$ 13.41	$ 2.22	$ 1.04

(1) The tax rates used in calculating adjusted net income for the three and nine months ended September 30, 2023 March 31, 2024 and 2023 were 25.8% 23.7% and 25.3%, respectively, and the tax rates used in calculating adjusted net income for the three and nine months ended September 30, 2022 were 16.0% and 22.4% 24.3%, respectively, which are reflective of our GAAP tax rates for the applicable periods.

Table of Contents

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Interest Rates

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. Our primary exposure to market risk is interest rate risk associated with our Second A&R Credit Agreement and construction loan agreements.

On December 21, 2022, we entered into a First Modification Agreement with Texas Capital Bank (formerly known as Texas Capital Bank, National Association), as Administrative Agent, amending the Second A&R Credit Agreement. Per the First Modification Agreement, effective January 3, 2023, all existing borrowings using an interest rate based on a LIBOR reference rate had the interest rate replaced with one based on an adjusted term SOFR reference rate, which equals the greater of (i) 0.50% or (ii) the one-month quotation of the secured overnight financing rate administered by the Federal Reserve Bank of New York, plus 0.10% There have been no material changes in our market risk since December 31, 2023.

Borrowings under the construction loan agreements bear interest at various rates, including a fixed rate, and floating interest rates per annum equal For additional information regarding our market risk, refer to the SOFR "Quantitative and Qualitative Disclosures About Market Risk" section of our Annual Report on Form 10-K for the Bloomberg Short-term Bank Yield Index, plus an applicable margin.

For fixed rate debt, such as our senior notes, changes in interest rates generally affect the fair value of the debt instrument, but not our earnings or cash flows. As interest rates increase, the fair value of the debt instrument will decrease.

Our Financial Services business utilizes mortgage backed securities forward commitments, option contracts and investor commitments to protect the value of rate-locked commitments and loans held for sale from fluctuations in mortgage-related interest rates. To mitigate interest risk associated with loans held for sale, we typically use derivative financial instruments to hedge our exposure to risk from the time a borrower locks a loan until the time the loan is securitized. We also typically hedge our interest rate exposure through entering into interest rate swap futures. year ended December 31, 2023.

Inflation

Our homebuilding operations have been and may continue to be adversely impacted by inflation, primarily from higher land, financing, labor, material,, and construction costs. In addition, inflation has led and could continue to lead to higher mortgage rates, which has and could continue to significantly affect the affordability of mortgage financing to homebuyers and lead to weakened demand for our homes, as well as increased cancellations compared to prior year periods. Inflation remained elevated during the three and nine months ended September 30, 2023 compared to the prior year periods, and the Federal Reserve continued to raise the federal funds interest rate during the first nine months of 2023, which continued to impact interest rates on 30-year fixed mortgages. Due to higher mortgage rates, we were no longer able to offset cost increases with higher home selling prices in the first nine months of 2023. March 31, 2024.

Seasonality

Historically, the homebuilding industry experiences seasonal fluctuations in quarterly operating results and capital requirements. We typically experience the highest new home order activity during the spring, although this activity is also highly dependent on the number of active selling communities, timing of new community openings and other market factors. Since it historically has taken typically takes four to eight five months to construct a new home, we typically deliver more homes in the second half of the year as spring and summer home orders starts convert to home deliveries. Because of this seasonality, home starts, construction costs and related cash outflows have historically been highest in the second and third quarters, and the majority of our cash receipts from home deliveries occurs during the second half of the year. We expect this seasonal This seasonality pattern especially with respect to sales, to return this year after being obscured by the COVID-driven sales boom that began in 2020 and continued until the interest rate led softening in the second half of 2022, and to continue over the long term, although it may be affected by volatility in the homebuilding industry, supply chain challenges, and changes in demand for our homes.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our co-principal executive officers and principal financial officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures (as such term is defined under Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (which we refer to as the “Exchange Act”)) as of September 30, 2023 March 31, 2024, the end of the period covered by this Form 10-Q. Based on this evaluation, our co-principal executive officers and principal financial officer concluded that our disclosure controls and procedures were effective as of September 30, 2023 March 31, 2024 in providing reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms.

Changes in Internal Control over Financial Reporting

There were no changes during the third first quarter of 2023 2024 in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

Because of the nature of the homebuilding business, we and certain of our subsidiaries and affiliates have been named as defendants in various claims, complaints and other legal actions arising in the ordinary course of business. In the opinion of our management, the outcome of these ordinary course matters will not have a material adverse effect upon our financial condition, results of operations or cash flows.

ITEM 1A. RISK FACTORS.

There have been no material changes to the risk factors we previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 December 31, 2023 that was filed with the SEC on February 2, 2023, other than the revised risk factor below:

Global economic and political instability and conflicts could adversely affect our business, financial condition or results of operations.

The global economic slowdown, inflation, rising interest rates and the prospects for recession, as well as recent and potential future disruptions in access to bank deposits or lending commitments due to bank failure, could materially and adversely affect our liquidity, our business, financial condition and results of operations. The closures of certain regional banks during the first half of 2023 and their placement into receivership with the Federal Deposit Insurance Corporation (“FDIC”) created bank-specific and broader financial institution liquidity risk and concerns. Although the Department of the Treasury, the Federal Reserve, and the FDIC jointly released a statement that depositors at these banks would have access to their funds, even those in excess of the standard FDIC insurance limits, future adverse developments with respect to specific financial institutions or the broader financial services industry may lead to market-wide liquidity shortages. The failure of any bank with which we do business could reduce the amount of cash we have available for our operations or delay our ability to access such funds. Any such failure may increase the possibility of a sustained deterioration of financial market liquidity, or illiquidity at clearing, cash management and/or custodial financial institutions. In the event we have a commercial relationship with a bank that has failed or is otherwise distressed, we may experience delays or other issues in meeting our financial obligations. If other banks and financial institutions enter receivership or become insolvent in the future in response to financial conditions affecting the banking system and financial markets, our ability to access our cash and cash equivalents and investments may be threatened and could have a material adverse effect on our business and financial condition.

Additionally, our business could be adversely affected by unstable economic and political conditions as well as geopolitical conflicts. While we do not have any customer or direct supplier relationships in foreign countries experiencing war, current military conflicts, and related sanctions, as well as export controls or actions that may be initiated by nations (e.g., potential cyber attacks, disruption of energy flows, etc.) and other potential uncertainties could adversely affect our supply chain by causing shortages or increases in costs for materials necessary to construct homes and/or increases to the price of gasoline and other fuels. In addition, such events could cause higher interest rates, inflation or general economic uncertainty, which could negatively impact our business partners, employees or customers, or otherwise adversely impact our business. February 5, 2024.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

The following table summarizes the number of shares of our common stock that were purchased by us during each of the three fiscal months in our third first quarter ended September 30, 2023 March 31, 2024.

	Total number of shares purchased (1)	Average price paid per share (2)	Total number of shares purchased as part of publicly announced plans or programs	Maximum number of shares that may yet be purchased under the plans or programs
July				
July 1, 2023 through July 31, 2023	—	$ —	—	1,477,817
August				
August 1, 2023 through August 31, 2023	104,479	69.51	104,479	1,373,338
September				
September 1, 2023 through September 30, 2023	143,328	69.69	143,328	1,230,010
Total	247,807	$ 69.61		

	Total number of shares purchased (1)	Average price paid per share (2)	Total number of shares purchased as part of publicly announced plans or programs	Maximum number of shares that may yet be purchased under the plans or programs
January				
January 1, 2024 through January 31, 2024	—	$ —	—	1,230,010
February				
February 1, 2024 through February 29, 2024	186,887	86.16	186,887	1,043,123
March				
March 1, 2024 through March 31, 2024	—	—	—	1,043,123
Total	186,887	$ 86.16		

(1) On November 6, 2018, our Board of Directors authorized a stock repurchase program, under which we may repurchase up to 4,500,000 shares of our outstanding common stock. Under the terms of the program, the shares may be repurchased from time to time in open market transactions at prevailing market prices, in privately negotiated transactions or by other means in accordance with federal securities laws. This program has no expiration date but may be terminated by the Board of Directors at any time. We repurchased 247,807 186,887 shares during the period indicated above under this program and 1,230,010 1,043,123 shares remained available to repurchase under this program as of September 30, 2023 March 31, 2024.

(2) The Inflation Reduction Act of 2022, which was enacted into law on August 16, 2022, imposed a nondeductible 1% excise tax on the net value of certain stock repurchases made after December 31, 2022. All dollar amounts presented exclude such excise taxes, as applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

Indemnification Agreement with Interim Chief Financial Officer

Effective as of March 22, 2024, we entered into a standard and customary indemnification agreement with our Interim Chief Financial Officer, J. Scott Dixon, which agreement is in substantially the same form as the indemnification agreement with our other executive officers and directors. Like the other agreements, this agreement requires us to indemnify Mr. Dixon to the fullest extent permitted under Delaware law against liabilities that may arise by reason of his service to us and to advance expenses incurred as a result of any proceeding against him as to which he could be indemnified. We believe these indemnification agreements facilitate our ability to continue to attract and retain qualified individuals to serve as directors and officers.

The foregoing summary of the indemnification agreement is qualified in its entirety by reference to the complete text of the form of indemnification, which is filed as Exhibit 10.1 to this report and incorporated by reference herein.

Consulting Agreement with Former Chief Financial Officer

On March 18, 2024 but effective as of March 23, 2024, we entered into a three-month consulting agreement with our former Chief Financial Officer, David L. Messenger, to assist with the transition of his duties and responsibilities and ensure a seamless transition. Either party may terminate this agreement prior to its expiration at any time and for whatever reason. Under the agreement, we agreed to pay Mr. Messenger a monthly consulting fee of $50,000.

The foregoing summary of the consulting agreement is qualified in its entirety by reference to the complete text of the consulting agreement, which is filed as Exhibit 10.2 to this report and incorporated by reference herein.

Rule 10b5-1 Plan and Non-Rule 10b5-1 Trading Arrangement Adoptions, Terminations, and Modifications

During the three months ended September 30, 2023 March 31, 2024, none of our directors or “officers” (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) 408 of SEC Regulation S-K.

Table of Contents

ITEM 6. EXHIBITS.

The following exhibits are either filed or furnished herewith or incorporated herein by reference:

Item No.	Description
3.1	Restated Certificate of Incorporation of Century Communities, Inc. (filed herewith) (incorporated by reference to Exhibit 3.1 to Century Communities, Inc.'s Quarterly Report on Form 10-Q for quarter ended September 30, 2023 (File No. 001-36491)).
3.2	Amended and Restated Bylaws of Century Communities, Inc., effective November 9, 2022 (incorporated by reference to Exhibit 3.1 to Century Communities, Inc.'s Current Report on Form 8-K filed with the SEC on November 10, 2022 (File No. 001-36491)).
10.1	Form of Indemnification Agreement between Century Communities, Inc. and Each Director and Executive Officer (filed herewith)
10.2	Consulting Agreement dated as of March 23, 2024 between Century Communities, Inc. and David L. Messenger (filed herewith)
22.1	List of Guarantor Subsidiaries (filed herewith)
31.1	Certification of the Co-Principal Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended (filed herewith)
31.2	Certification of the Co-Principal Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended (filed herewith)
31.3	Certification of the Principal Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended (filed herewith)
32.1	Certification of the Co-Principal Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
32.2	Certification of the Co-Principal Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
32.3	Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
101.INS	Inline XBRL Instance Document (the instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document)
101.SCH	Inline XBRL Taxonomy Extension Schema Document (filed herewith)
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document (filed herewith)
101.DEF	Inline XBRL Taxonomy Definition Linkbase Document (filed herewith)
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document (filed herewith)
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document (filed herewith)
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

		CENTURY COMMUNITIES, INC.
Date: October 25, 2023 April 24, 2024	By:	/s/ Dale Francescon
		Dale Francescon
		Chairman of the Board and Co-Chief Executive Officer
		(Co-Principal Executive Officer)
Date: October 25, 2023 April 24, 2024	By:	/s/ Robert J. Francescon
		Robert J. Francescon
		Co-Chief Executive Officer and President
		(Co-Principal Executive Officer)
Date: October 25, 2023	By:	/s/ David Messenger
		David Messenger

Chief Financial Officer

(Principal Financial Officer)

Date: October 25, 2023 April 24, 2024 By: /s/ J. Scott Dixon

J. Scott Dixon

Assistant Interim Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)

Page 1 DIRECTOR AND OFFICER DELAWARE The First State INDEMNIFICATION AGREEMENT

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE This DIRECTOR AND CORRECT COPY OF THE RESTATED CERTIFICATE OF "CENTURY COMMUNITIES, INC. OFFICER INDEMNIFICATION AGREEMENT (the "Agreement"), FILED IN THIS OFFICE ON THE TWENTY-EIGHTH DAY OF JULY, ***A.D. 2023, AT 1:49 O`CLOCK P.M.***

A close-up of a signature Description automatically generated

A seal of the office of the secretary of the united states Description automatically generated

5325891 8100 Authentication: 203854071

SR# 20233110560 Date: 07-31-23

You may verify is made and entered into this certificate online at corp.delaware.gov/authver.shtml

---

A close-up of a document Description automatically generated

RESTATED CERTIFICATE OF INCORPORATION

OF

CENTURY COMMUNITIES, INC.

Pursuant to Section 245 ____ day of theGeneral Corporation Law ofthe State of Delaware

______________, 20__ by and among Century Communities, Inc., a Delaware corporation organized (the "Company"), and existing under the undersigned indemnitee ("Indemnitee").

WHEREAS, it is essential to the Company that it be able to retain and by virtue attract as directors and officers the most capable individuals available;WHEREAS, increased corporate litigation has subjected directors and officers to litigation risks and expenses, and the limitations on the availability and terms and conditions of directors and officers liability insurance can make it more difficult for the Company to attract and retain such individuals;

WHEREAS, the Company's certificate of incorporation (as amended or amended and restated from time to time, the "Charter"), provides that a director or officer of the provisions Company shall not be liable to the Company or its stockholders for monetary damages for breach of fiduciary duty except to the extent that such exemption or limitation is not permitted by the General Corporation Corporation Law of the State of Delaware (the "General Corporation Law DGCL"), ;

DOES HEREBY CERTIFY:

FIRST: That WHEREAS, the name of this corporation is Century Communities, Inc. (the Company's Charter and Bylaws (as amended or amended and restated from time to time, the "corporation Bylaws"), each require the indemnification of and advancement of expenses to the Company's directors and officers under certain circumstances;

WHEREAS, under the DGCL, the Charter and Bylaws are not exclusive, and the Company is permitted to make other or additional indemnification and advancement agreements;WHEREAS, to further promote the Company's ability to attract and retain qualified individuals to serve as directors and/or officers of the Company, the Company will attempt to maintain directors and officers liability insurance to protect the Company's directors and officers from certain liabilities;WHEREAS, the Company desires that the corporation was originally incorporated pursuant Indemnitee serve and continue to the General Corporation Law on April 30, 2013, under the name Century Communities, Inc.SECOND: That the corporation's Restated Certificate of Incorporation only restates and integrates and does not further amend the provisions serve as a director and/or officer of the corporation's Certificate Company;WHEREAS, to promote the Company's ability to attract and retain qualified individuals to serve as directors and/or officers of Incorporation as theretofore amended or supplemented, the Company, the Company desires to provide Indemnitee with specific contractual assurance of Indemnitee's rights to indemnification and there is no discrepancy between those provisions advancement of expenses to protect against litigation risks and expenses (regardless, among other things, of any change in the corporation's Certificate ownership of Incorporation the Company or the composition of its Board of Directors); andWHEREAS, Indemnitee is relying upon the rights afforded under this Agreement in accepting service and continuing to serve in Indemnitee's position as theretofore amended a director and/or supplemented officer of the Company.NOW, THEREFORE, in consideration of the promises and the provisions of covenants contained herein, the corporation's Restated Certificate of Incorporation.THIRD: That the Board of Directors duly adopted resolutions approving the restatement Company and integration of the corporation's Certificate of Incorporation pursuant to Section 245 of the General Corporation Law, declaring said restatement Indemnitee do hereby covenant and integration to be advisable and in the best interests of the corporation and its stockholders, which resolution setting forth the proposed restatement and integration is agree as follows:RESOLVED, that the Certificate of Incorporation, as amended, of the corporation be restated in its entirety to read as follows:

FIRST. The name of the corporation is Century Communities, Inc.

SECOND. The address of the corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, State of Delaware 19901. The name of its registered agent at such address is The Corporation Trust Company.

THIRD. The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH. Capital Stock. The total number of shares of all classes of capital stock which the corporation shall have authority to issue is 150,000,000 shares, divided into: (i) 100,000,000 shares, par value $0.01 per share, of common stock (the "Common Stock"); and (ii) 50,000,000 shares, par value $0.01 per share, of preferred stock (the "Preferred Stock").

(a) 1. **Common Stock Definitions**.

(1)

Dividends (a)

Change in Control Subject applicable law shall mean (i) any merger, consolidation, share exchange or business combination involving the rights, if Compa or any of the holders of any its subsidiary Entities, (ii) a sale, lease, exchange,

---

transfer or other disposition in a single transaction or a series of Preferred Stock then outstanding, dividends may be declared related transactions, of fifteen percent (15%) or more of the assets of the Company and paid on its subsidiary Entities, taken as a whole, (iii) any issuance, purchase or sale of shares of capital stock or other securities representing fifteen percent (15%) or more of the Common Stock at such times and voting power of the capital stock of the Company or any of its subsidiary Entities, including, without limitation, by way of tender or exchange offer, in such amounts as a single transaction or a series of related transactions, (iv) any reorganization, recapitalization, liquidation or dissolution of the Company, or (v) any change in the composition of a majority of the Board of Directors of the corporation Company in a single transaction or a series of related transactions, unless, in each case, such transaction described in subsections (i) - (v) hereof was adopted and approved by the members of the Board of Directors of the Company (or new or additional members of the Board of Directors of the Company nominated or approved by such directors) in office at the time of the adoption of this Agreement by the Company.

(b) "Corporate Status" describes the status of a person who is serving or has served (i) as a director or officer of the Company, (ii) in any capacity or service with respect to any employee benefit plan of the Company or any one or more of its discretion shall determine. subsidiary Entities, or (iii) as a director, officer, member, manager, partner, trustee, employee, or agent of any other Entity at the request of the Company.

(2)

Voting Rights (c) "

Except as may of incorporation of

the ” shall mean any corporation, partnership (including, without limitation, any certificate filed with the Secretary of State of the State of Delaware establishing the terms of a series of Preferred Stock) general, limited or by applicable law, each holder of Common Stock, as such, shall be entitled to one (l) vote for each share of Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote, and no holder of any series of Preferred Stock, as such, shall be entitled to any voting powers in respect thereof. limited liability partnership), joint venture, trust, enterprise, non-profit entity, limited liability company, trust, foundation, association, organization or other

legal
entity.

(3)(d) "Expenses" shall mean all fees, costs and expenses reasonably incurred in connection with any Proceeding (as defined below, or any claim, issue or matter involved in any Proceeding), including, without limitation, reasonable attorneys' fees, disbursements and retainers (including, without limitation, any such fees, disbursements and retainers incurred by Indemnitee pursuant to Sections 11 and 13 of this Agreement), fees, costs, expenses and disbursements of experts or expert witnesses, private investigators and professional advisors (including, without limitation, accountants and investment bankers), court costs, transcript costs, travel expenses (including, without limitation, those of experts or expert witnesses, private investigators and professional advisors), duplicating, printing and binding costs, internet, telephone and fax transmission charges, postage, delivery services, secretarial and administrative assistant services and other disbursements and expenses.

Liquidation Rights (e) "Liabilities" shall mean liabilities, judgments, damages, losses, penalties, excise taxes, fines and amounts paid in settlement.

(f) "Proceeding" shall mean any threatened, pending or completed claim, action, suit, proceeding, litigation, arbitration, mediation, alternate dispute resolution process, investigation, administrative hearing, or appeal, whether civil, criminal, administrative, arbitrative or investigative, whether formal or informal, including, without limitation, a Proceeding initiated by Indemnitee pursuant to Section 13 of this Agreement to enforce Indemnitee's rights hereunder.

(g) "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(h) "Independent Counsel" means an attorney or firm of attorneys that is experienced in matters of corporate law and neither currently is, nor in the past five (5) years has been, retained to represent: (a) the Company, any subsidiary of the Company, or Indemnitee in any matter material to any such party (other than with respect to matters concerning Indemnitee under this Agreement and/or the indemnification provisions of the Company's Charter or Bylaws, or of other indemnitees under similar indemnification agreements) or (b) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" does not

2

include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing the Company, any subsidiary of the Company, or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

2. **Services of Indemnitee**. Subject to applicable law and the rights, if any, In consideration of the holders Company's covenants and obligations hereunder, Indemnitee agrees to serve or continue to serve as a director and/or officer of the Company. This Agreement, however, shall not impose any obligation on Indemnitee or the Company to continue Indemnitee's service to the Company beyond any period otherwise required by law or by other agreements or commitments of the parties, if any.

3. **Agreement to Indemnify and Hold Harmless**. Except as set forth in Section 4 below, the Company shall and hereby does indemnify and hold harmless Indemnitee to the fullest extent permitted by law against all Expenses and Liabilities (referred to herein as "Indemnifiable Expenses" and "Indemnifiable Liabilities," respectively, and collectively as "Indemnifiable Amounts"), and any and all federal, state, local or foreign taxes imposed as a result of the actual or deemed receipt of any series payments under this Agreement actually and reasonably paid or incurred by Indemnitee or on Indemnitee's behalf if, by reason of Preferred Stock then outstanding, Indemnitee's Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in, or otherwise requires representation of counsel in connection with, any Proceeding (including a Proceeding by or in the event right of the Company), including, without limitation, all liability arising out of the negligence or active or passive wrongdoing of Indemnitee. For purposes of this Agreement, the meaning of the phrase "to the fullest extent permitted by law" will include to the fullest extent permitted by the DGCL or any statute that replaces or succeeds the relevant sections of the DGCL with respect to such matters, as the same exists or may hereafter be amended or interpreted (but in the case of any liquidation, dissolution such amendment or winding up of interpretation, only to the corporation, extent that such amendment or interpretation permits the holders of the Common Stock Company to provide broader indemnification rights than were permitted prior thereto).

4. **Exceptions to Indemnification**. Indemnitee shall be entitled to receive the assets indemnification provided in Section 3 above in all circumstances other than the following:

(a) Any Proceeding (or part of any Proceeding) initiated or brought voluntarily by Indemnitee against the corporation available for distribution to Company or its stockholders ratably in proportion to the number of shares of Common Stock held by them. A merger or consolidation of the corporation with or into any other corporation directors, managers, officers, employees or other entity, or a sale or conveyance of all or indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, (ii) the assets Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, (iii) the proceeding was initiated to establish or enforce a right to indemnification under this Agreement, any other agreement or insurance policy, or under the Company's Charter and Bylaws, or (iv) as otherwise required under the laws of the corporation (which State of Delaware; provided, however, that nothing in this Section 4(a) shall not in fact result in limit the liquidation right of the corporation and the distribution of assets to its stockholders) shall not be deemed Indemnitee to be a voluntary or involuntary liquidation or dissolution or winding up of the corporation within the meaning of this Paragraph (a)(3). indemnified under Section 13; and

(b) Preferred Stock. The Board If indemnification is sought by Indemnitee under Section 3 and the Company reasonably determines that indemnification of Directors Indemnitee would violate the securities laws of the corporation is hereby expressly authorized, United States, including without limitation (i) an accounting of profits made from the purchase and sale (or sale and purchase) by resolution or resolutions thereof, to provide out of' the unissued shares Indemnitee of Preferred Stock for one or more series of Preferred Stock, and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, the powers (including voting powers), ifany, securities of the shares Company within the meaning of such series and Section 16(b) of the preferences and relative, participating, optional, special Exchange Act or similar provisions of state statutory law or common law, or (ii) any reimbursement of the Company by the Indemnitee of any bonus or other rights, if incentive based or equity-based compensation or of any and any qualifications, limitations or restrictions profits realized by the Indemnitee from the sale of securities of the shares Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of such series. The designations, powers, preferences the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), or the payment to the Company of profits arising from the purchase and relative, participating, optional, special and other rights sale by Indemnitee of each series securities in violation of Preferred Stock, if Section 306 of the Sarbanes Oxley Act); or (iii) any and reimbursement of the qualifications, limitations or restrictions thereof, if any, may differ from those Company by Indemnitee of any and all other series of Preferred Stock at compensation pursuant to any time outstanding. The number of authorized shares of Preferred Stock may be increased compensation recoupment or decreased (but not below the number of shares thereof then outstanding) clawback policy adopted by the affirmative vote Board or the Compensation Committee of the holders of a majority in voting power of all of Board, including but not limited to any such policy

the then outstanding shares of capital adopted to comply with stock exchange listing requirements implementing Section 10D of the corporation entitled Exchange Act.

(c) In any circumstance where such indemnification has been determined to vote irrespective be prohibited by law by a final (not interlocutory) judgment or other adjudication of Section 242(b)(2) a court or arbitration or administrative body of competent jurisdiction as to which there is no further right or option of appeal or the General Corporation Law of the State of Delaware, time within which an appeal must be filed has expired without the separate vote of the holders of the Preferred Stock as a class. such filing.

FIFTH: Reserved.

SIXTH. Board of Directors

5. **Notice By Indemnitee; Determination of Right to Indemnification**.

(a) ManagementNotice by Indemnitee. The business and affairsIndemnitee agrees to notify the Company promptly in writing upon being served with any summons, citation, subpoena, complaint, indictment, information, or other document relating to any Proceeding or any claim, issue or matter involved in any Proceeding which may result in the indemnification of Indemnifiable Amounts or the corporationadvancement of Expenses hereunder; provided, however, that the failure to give any such notice shall be managed bynot disqualify Indemnitee from the right, or underotherwise affect in any manner any right of Indemnitee, to receive indemnification of Indemnifiable Amounts or advancements of Expenses hereunder, except to the direction ofextent the Board of Directors of the corporation.Company's ability to defend in such Proceeding or such claim, issue or matter is materially prejudiced thereby.

(b) RemovalDetermination of DirectorsRight to Indemnification. ExceptUpon written request by Indemnitee for such additional directors, if any, as are elected by the holders of any outstanding series of Preferred Stock as provided for or fixedindemnification pursuant to the provisions of Article FOURTH hereof and exceptSection 5(a) with respect to the removal of directors atany Proceeding, a Special Election Meeting (as defined in the bylawsdetermination with respect to Indemnitee's entitlement thereto shall be made by one of the corporation (hereinafter,following methods: (a) so long as there are Disinterested Directors with respect to such Proceeding, a "Special Election Meeting")), any director or the entire Board of Directors of the corporation may be removed solely by the affirmativemajority vote of the holdersDisinterested Directors, even if less than a quorum of at least 66 2/3% of the voting power of all the then outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.

(c) Vacancies and Newly-Created Directorships. Subject to the rights, if any ofthe holders of any outstanding series of Preferred Stock as provided for or fixed pursuant to the provisions of Article FOURTH hereof and the right of stockholders to elect directors to fill vacancies on the Board of Directors, (b) so long as there are Disinterested Directors with respect to such Proceeding, a committee of the corporation in connection withsuch Disinterested Directors designated by a Special Election Meeting, newly created directorships resulting from an increase in the authorized number of directors or any vacancies on the Board of Directors of the corporation resulting from death, resignation, retirement, disqualification, removal or other cause shall be filled solely and exclusively by the affirmativemajority vote of a majority of the remaining directors then in office,such Disinterested Directors, even though less than a quorum of the Board of Directors or, (c) if there are no Disinterested Directors, by an Independent Counsel retained by the Board of Directors provided as a written opinion delivered to the corporation. Any director so chosen shall hold office until the next electionBoard of directors and until his or her successor shallDirectors, a copy of which will also be elected and qualified. No decrease in the number of directors shall shorten the term of any incumbent director.delivered to Indemnitee.

(d)6. **Automatic Increase/Decrease in Authorized DirectorsDefense of the Underlying Proceeding**. During any period when the holders of any outstanding series of Preferred Stock as provided for or fixed pursuant to the provisions of Article FOURTH hereofThe Company shall have the right, but not the obligation, to elect onedefend Indemnitee in any Proceeding or more additional directors, then upon commencementany claim, issue or matter involved in any Proceeding which may give rise to the indemnification of and forIndemnifiable Amounts hereunder; provided, however, that the durationCompany shall notify Indemnitee of any such decision to defend within ten (10) calendar days of the period duringCompany's receipt of notice of any such Proceeding or such claim, issue or matter under Section 5(a) above. The Company shall not, without the prior written consent of Indemnitee, consent to the entry of any judgment against Indemnitee or enter into any settlement or compromise which such right continues: (i) includes an admission of fault of Indemnitee, or (ii) does not include, as an unconditional term thereof, the then otherwise total authorized numberfull release of directors of the corporation shall automatically be increased by such specified number of directors, and the holdersIndemnitee from all liability in respect of such outstanding series of Preferred StockProceeding or such claim, issue or matter, which release shall be entitledin form and substance reasonably satisfactory to elect the additional directorIndemnitee. This Section 6 shall not apply to a Proceeding or directors so providedany claim, issue or fixed pursuant to said provisions of Article FOURTH hereof, and (ii) each such additional director shall serve until such director's successor shall have been duly elected or qualified, or until such director's right to hold such office terminates pursuant to said provisions of Article FOURTH hereof, whichever occurs earlier, subject to such director's earlier death, resignation, retirement, disqualification or removal. Except as otherwise providedmatter involved in a Proceeding brought by the Board of Directors of the corporation in the resolution or resolutions establishing such series of Preferred Stock pursuant to the provisions of Article FOURTH hereof, whenever the holders of any outstanding series of Preferred Stock having the right to elect one or more additional directors are divested of such right pursuant to the provisions of such stock, the term of office of each such additional director elected by the holders of such series of Preferred Stock, or elected to fill any vacancies resulting from the death, resignation, retirement, disqualification or removal of each such additional director, shall forthwith terminate and the total authorized number of directors of the corporation shall automatically be decreased by such specified number of directors.

(e) No Written Ballot Indemnitee under . Unless and except to the extent that the bylaws of the corporation shall so require, the election of directors of the corporation need not be by written ballot. Section 13(a) below.

(f) (a) Amendment Consent to Judgment or Settlement or Compromise by Indemnitee. Indemnitee shall not, without the prior written consent of Bylaws the Company (which consent shall not be unreasonably withheld or delayed), consent to the entry of any judgment against Indemnitee or consent to or enter into any settlement or compromise with respect to any Proceeding or any claim, issue or matter involved in any Proceeding with respect to which the Company may have indemnification or advancements obligations to Indemnitee hereunder. The Company shall have no obligation to indemnify Indemnitee under this Agreement with respect to any Proceeding or any claim, issue or matter involved in any Proceeding for which a judgment, settlement or compromise is consented to or entered into by Indemnitee without the prior written consent of the Company (which consent shall not be unreasonably withheld or delayed).

4

---

7. **Procedure for Indemnification of Indemnifiable Amounts**.

(a) Indemnitee shall, following the final disposition of the Proceedings, by settlement and/or final adjudication by a court of competent jurisdiction evidenced by a final nonappealable order, submit to the Company a written claim specifying the Indemnifiable Amounts for which Indemnitee seeks indemnification under Section 3 of this Agreement and the basis for such claim. At the reasonable request of the Company, Indemnitee shall furnish such documentation and information as are reasonably available to Indemnitee and necessary to establish that Indemnitee is entitled to indemnification hereunder, and the Company shall pay any Expenses actually and reasonably incurred by Indemnitee in furnishing such documentation and information.

(b) Subject to Section 4 above, the Company shall pay such Indemnifiable Amounts to Indemnitee within thirty (30) calendar days after receipt of such written claim.

8. **Indemnification for Expenses of a Participant**. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Corporate Status, a participant (as a deponent, witness or otherwise) in any Proceeding to which Indemnitee was or is not a party or was or is not threatened to be made a party, the Indemnitee shall be indemnified as provided in Section 3 hereof.

9. **Indemnification for Expenses of a Party Who is Wholly or Partly Successful**.

(a) Notwithstanding any other provision of this Agreement, and without limiting any such provision, to the extent that Indemnitee was or is, by reason of Indemnitee's Corporate Status, a party to and was or is successful, on the merits or otherwise, as to any Proceeding or any claim, issue or matter involved in any Proceeding, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred with respect to such Proceeding or such claim, issue or matter, as applicable. In furtherance and not in limitation of the powers conferred foregoing, and by way of further explanation, if Indemnitee is not wholly successful in such Proceeding but is successful, on the laws of merits or otherwise, as to one or more but less than all claims, issues or matters involved in such Proceeding, the State of Delaware, the Board of Directors of the corporation is expressly authorized Company shall indemnify Indemnitee against all Expenses with respect to make, alter, amend and repeal the bylaws of the corporation, subject to the power of the stockholders of the corporation to alter, amend each successfully resolved claim, issue or repeal any bylaw whether adopted by them or otherwise. Any bylaw that is to be made, altered, amended or repealed by the stockholders of the corporation shall receive the affirmative vote of the holders of at least 66 2/3% of the voting power of all the then outstanding shares of capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class. matter.

(g) (b) Meetings For purposes of Stockholders this Section 9, “successful” shall take the broadest meaning permitted by law, and include, but not be limited to, (i) a verdict, adjudication, ruling, determination, judgment, order or other final decision on the merits by a court or arbitrator or other tribunal, as applicable, from which there is no further right to appeal, finding no liability on the part of Indemnitee; (ii) a termination, withdrawal or dismissal (with or without prejudice and by settlement or otherwise) of any Proceeding or any claim, issue or matter involved in any Proceeding, without any express finding of liability or guilt against Indemnitee, and (ii) the expiration of 120 days after the making of any claim or threat of any Proceeding without the institution of same and without the entering into of any settlement or compromise with respect to such claim or threat.

10. **Effect of Certain Resolutions; Waiver of Right of Contribution Against Indemnitee**. Subject Neither the termination of any Proceeding or any claim, issue or matter involved in any Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, nor the failure of the Company to award indemnification or to determine that indemnification is payable, shall create a presumption that Indemnitee is not entitled to indemnification hereunder. The Company hereby waives, to the rights, if fullest extent permitted by law, any right of contribution that it may have against Indemnitee with respect to any Proceeding or any claim, issue or matter involved in any Proceeding in which the holders of any outstanding series of Preferred Stock as provided for or fixed pursuant to the provisions of Article FOURTH hereof, special meetings of stockholders for any purpose or purposes may be called at any time by (i) the Board of Directors of the corporation, (ii) the Chairperson of the Board of Directors, (iii) the Chief Executive Officer of the corporation, or (iv) the President of the corporation, but such special meetings of stockholders may not be called by any other person or persons. Company and Indemnitee are jointly liable.

SEVENTH. Except as may otherwise be provided for or fixed pursuant to the provisions of Article FOURTH of this certificate of incorporation relating to the rights of the holders of any outstanding series of Preferred Stock, no action that is required or permitted to be taken by thestockholders of the corporation at any annual or special meeting of stockholders may be effected by written consent of stockholders in lieu of a meeting of stockholders. 5

EIGHTH

---

11. **Agreement to Advance Expenses; Conditions**. Indemnification and Advancement of Expenses.

(a) Right to Indemnification Except as set forth in . The corporation shall indemnify and hold harmless, Section 11(b), the Company will, if requested by Indemnitee, advance, to the fullest extent permitted by applicable Delaware law, as it presently exists or may hereafter be amended, any person (a to Indemnitee (hereinafter an “Covered Person Expense Advance”) who was any and all Expenses actually and reasonably paid or incurred by Indemnitee in connection with any Proceeding (whether prior to or after its final disposition). Indemnitee’s right to each Expense Advance will not be subject to the satisfaction of any standard of conduct and will be made without regard to Indemnitee’s ultimate entitlement to indemnification under the other provisions of this Agreement, or under provisions of the Company’s Charter or Bylaws or otherwise. Each Expense Advance will be unsecured and interest free and will be made by the Company without regard to Indemnitee’s ability to repay the Expense Advance. Indemnitee hereby undertakes to repay such Expense Advance if, and to the extent that, it is made ultimately determined, by final decision by a court or arbitrator, as applicable, from which there is threatened no further right to appeal, that Indemnitee is not entitled to be made a party indemnified for such Expenses under the Company’s Charter and Bylaws, the DGCL, this Agreement or is otherwise involved in any action, suit otherwise. Indemnitee shall qualify for an Expense Advance upon the execution and delivery of this Agreement by or proceeding, whether civil, criminal, administrative or investigative (a “proceeding”), by reason on behalf of Indemnitee, which shall constitute the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the corporation or, while a director or officer of the corporation, is or was serving at the request of the corporationasa director, officer, employee or agent of another corporation or of a partnership, limited liability company, joint venture, trust, enterprise or nonprofit entity, including service requisite undertaking with respect to employee benefit plans, against all liability repayment of an Expense Advance made hereunder and loss suffered and expenses (including attorneys’ fees) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in Paragraph (c) no other form of this Article EIGHTH, the corporation undertaking shall be required to indemnify a Covered Person qualify for an Expense Advance made hereunder other than the execution of this Agreement by or on behalf of Indemnitee. An Expense eligible for an Expense Advance will include (i) any and all reasonable Expenses incurred pursuing an action to enforce the right of advancement provided for in connection with a proceeding (or part thereof) commenced by such Covered Person only if Section 13, including Expenses incurred preparing and forwarding statements to the commencement Company to support the Expense Advances claimed, and (ii) notwithstanding anything herein to the contrary, any advance of such proceeding (or part thereof) by the Covered Person was authorized expenses provided for in the specific case by the Board of Directors of the corporation Section 13.

(b) Prepayment Indemnitee will not be entitled to any Expense Advance in connection with any of the matters for which indemnity is excluded pursuant to Section 3 or 4.

12. **Procedure for Advancement of Expenses**. Indemnitee shall submit to the Company a written claim specifying the Expenses for which Indemnitee seeks advancement under Section 11 of this Agreement, and the basis for such claim, together with documentation evidencing that Indemnitee has actually and reasonably incurred such Expenses. The corporation Company shall, if requested by Indemnitee and to the fullest extent permitted by applicable law, as it presently exists or may hereafter be amended, pay the expenses (includingattorneys' fees) incurred by a Covered Person in defending any proceeding in advance ofits finaldisposition, provided, however, that, such Expenses to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by Indemnitee or on behalf of Indemnitee within thirty (30) calendar days after receipt of such written claim and documentation.

13. **Remedies of Indemnitee**.

(a) Right to Petition Court. In the Covered Person event that Indemnitee submits to repay all amounts advanced if it should be ultimately determined the Company a written claim for indemnification of Indemnifiable Amounts under Sections 3 and 7 above or submits to the Company a written claim for advancement of Expenses under Sections 11 and 12 above, and the Company fails to make such indemnification or advancement, as applicable, pursuant to the terms of this Agreement, Indemnitee may petition the Court of Chancery of the State of Delaware (the "Court of Chancery"), to enforce the Company's obligations under this Agreement.

(b) Burden of Proof. In any judicial proceeding brought under Section 13(a) above, the Company shall have the burden of proving that the Covered Person Indemnitee is not entitled to be indemnified under this Article EIGHTH indemnification of Indemnifiable Liabilities or otherwise. Indemnifiable Expenses, as applicable, hereunder.

(c) Claims Expenses. If a claim for indemnification (following the final disposition of a proceeding) under this Article EIGHTH is not paid The Company agrees to reimburse Indemnitee in full within thirty (30) days after for any Expenses actually and reasonably incurred by Indemnitee in connection with investigating, preparing for, litigating, defending, prosecuting or settling any judicial proceeding brought by Indemnitee under Section 13(a) above, except where such judicial proceeding or any claim, issue or matter involved therein is adjudicated

finally by a writtenclaim therefor court of competent jurisdiction evidenced by a final nonappealable order in favor of the Covered Person has been received by the corporation, the Covered Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action, thecorporation shall have the burden of proving that the Covered Person is not entitled to therequested indemnification or advancement of expenses under applicable law.Company.

(d) Nonexclusivity Validity of Rights Agreement. The rights conferred on Company shall be precluded from asserting in any Covered Person by this Article EIGHTH shall not be exclusive of any other rights which such Covered Person may have or hereafter acquire Proceeding, including, without limitation, an action under any statute, provision Section 13(a) above, that the provisions of this certificate Agreement are not valid, binding and enforceable or that there is insufficient consideration for this Agreement and shall stipulate in such court that the Company is bound by all the provisions of incorporation, the bylaws of the corporation, agreement, vote of stockholders or disinterested directors or otherwise. this Agreement.

(e) Other Sources Failure to Act Not a Defense. The corporation's failure of the Company (including, without limitation, its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of the indemnification of Indemnifiable Amounts shall not be a defense in any action brought under Section 13(a) above, and shall not create a presumption that such indemnification is not permissible hereunder.

14. **Representations and Warranties of the Company**. The Company hereby represents and warrants to Indemnitee as follows:

(a) Authority. The Company has all necessary power and authority to enter into, and be bound by the terms of, this Agreement, and the execution, delivery and performance of the undertakings contemplated by this Agreement have been duly authorized by the Company.

(b) Enforceability. This Agreement, when executed and delivered by the Company in accordance with the provisions hereof, shall be a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws affecting the enforcement of creditors' rights generally or equitable principles.

15. **Insurance**. The Company shall cover Indemnitee under any insurance policy secured for the directors and officers of the Company or other Entity for which Indemnitee has Corporate Status.

16. **Contract Rights Not Exclusive**. The rights to indemnification of Indemnifiable Amounts and advancement of Expenses provided by this Agreement shall be in addition to, but not exclusive of, any other rights which Indemnitee may have at any time under applicable law or the Charter or Bylaws, or any other agreement, vote of stockholders or directors (or a committee of directors), or otherwise, both as to action in Indemnitee's official capacity and as to action in any other capacity as a result of Indemnitee's serving as a director and/or officer of the Company.

17. **Successors**. This Agreement shall be (a) binding upon all successors and assigns of the Company (including, without limitation, to the fullest extent permitted by law, any transferee of all or a substantial portion of the business, stock and/or assets of the Company and any direct or indirect successor by merger or consolidation or otherwise by operation of law), and (b)binding on and shall inure to the benefit of the heirs, personal representatives, executors and administrators of Indemnitee. To the fullest extent permitted by applicable law, the Company shall cause any successor to the business, stock and/or assets of the Company (whether by operation of law or otherwise) to assume and agree to perform this Agreement in the same manner as if any, no such succession had taken place. This Agreement shall continue for the benefit of Indemnitee and the heirs, personal representatives, executors and administrators of Indemnitee after Indemnitee has ceased to have Corporate Status.

18. **Other Sources; Subrogation**. The Company's obligation to indemnify or advance Expenses to advance expenses to Indemnitee, if any, Covered Person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, enterprise or nonprofit entity hereunder shall be reduced by the amount Indemnitee may receive, as

indemnification or advancement of Expense from any amount other Entity or individual or any insurance policy. In the event of any indemnification of Indemnifiable Amounts or advancement of Expenses by the Company under this Agreement, the Company shall, to the fullest extent permitted by law, be subrogated to the extent of such Covered Person collects indemnification or advancement to all of the rights of contribution or recovery of Indemnitee against other Entities or individuals and have a right of contribution against such other Entities or individuals, and, in furtherance thereof, Indemnitee shall take, at the request of the Company, all reasonable action necessary to secure such rights, including, without limitation, securing the execution and delivery by such other Entities or individuals of an agreement as to the division of indemnification and advancement liabilities as between such other Entities or individuals and the Company, in a manner reasonably acceptable to the Company prior to the payment by the Company of any such Indemnifiable Amounts or Expenses and/or the execution and delivery of such documents as are reasonably necessary to enable the Company to bring suit to enforce such rights.

19. **Governing Law; Change in Law; Jurisdiction**. This Agreement shall be governed by and construed and enforced under the laws of the State of Delaware, without giving effect to the provisions thereof relating to conflicts of law. The parties hereto waive any right to a trial by jury. To the fullest extent permitted by applicable law, the parties hereto (i) irrevocably submit to the exclusive personal jurisdiction of the Delaware Court of Chancery, and (ii)waive any claim of improper venue or any claim that the Court of Chancery is an inconvenient forum in any action to interpret, apply, or enforce the provisions of this Agreement or the rights, obligations or liabilities of the parties hereto. To the fullest extent permitted by applicable law, the parties hereby agree that the mailing of process and other papers in connection with any such proceeding in the manner provided in Section 22 below or in such other manner as may be permitted by law, shall be valid and sufficient service thereof.

20. **Severability**. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement, or any clause thereof, shall be determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, in whole or in part, such provision or clause shall be limited or modified in its application to the minimum extent necessary to make such provision or clause valid, legal and enforceable, and the remaining provisions and clauses of this Agreement shall remain fully enforceable and binding on the parties.

21. **Modifications and Waiver**. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by each of the parties hereto. Notwithstanding any other provision of this Agreement or any provision of law to the contrary, to the fullest extent permitted by law, no supplement, modification or amendment of this Agreement shall adversely affect any right or protection of Indemnitee in respect of any act or omission occurring prior to the time of such supplement, modification or amendment. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement (whether or not similar), nor shall such waiver constitute a continuing waiver.

22. **General Notices**. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given (i) when delivered by hand, (ii) when transmitted by electronic mail or facsimile and receipt is acknowledged, (iii) if sent by a reputable overnight courier, on the next business day after the date on which it is so sent; or (iv) if mailed by certified or registered mail with postage prepaid, on the third (3rd) business day after the date on which it is so mailed, in each case, to such address as may have been furnished by either party to the other.

23. **Termination**. This Agreement shall terminate as of the later of (i) ten (10) years after Indemnitee ceases to serve as a director and/or officer of the Company, or (ii) one (1) year after the final adjudication by a court of competent jurisdiction evidenced by a final non-appealable order with respect to

8

---

any Proceeding or any claim, issue or matter involved in any Proceeding in respect of which Indemnitee is granted rights of indemnification or advancement of expenses from such other corporation, partnership, limited liability company, joint venture, trust, enterprise hereunder.

[Signature Page Follows]

9

IN WITNESS WHEREOF, the parties hereto have executed this Director and Officer Indemnification Agreement as of the date first above written.

[SIGNATURE PAGE TO DIRECTOR AND OFFICER INDEMNIFICATION AGREEMENT]

THE COMPANY:

CENTURY COMMUNITIES, INC.

Name:
Title:

INDEMNITEE:

[Name of Director/Officer]

CONSULTING AGREEMENT

This CONSULTING AGREEMENT (this "Agreement") is made to be effective as of March23, 2024 (the "Effective Date") by and between Century Communities, Inc., a Delaware corporation ("Century"), and David L. Messenger ("Consultant").

1.Engagement of Consultant. Beginning on the Effective Date, Century engages Consultant to provide consulting services to Century, and Consultant agrees to provide consulting services to Century, subject to the terms and conditions of this Agreement.

2.Term of the Agreement. The term of this Agreement will be for three months beginning on March 23, 2024 and terminating June 23, 2024, subject to earlier termination as set forth in Section 8 hereof.

3.Services.

3.1Consultant will provide consulting services (the "Services") and where applicable, related deliverables ("Deliverables") to Century as specified in the "Scope of Work" attached hereto as Exhibit A.

3.2Whenever reasonably requested to do so by Century, Consultant agrees to (a) make himself available to perform the Services and/or (b) appear in person at the offices of Century or any other location designated by Century. Whenever Consultant is on Century's premises or performing the Services hereunder, Consultant agrees to conduct himself in a professional manner and abide by all applicable Century rules, policies and procedures, including Century's Code of Conduct.

4.Compensation.

4.1In consideration of the performance of the Services set forth in Exhibit A provided by Consultant and the terms and conditions herein, Century will pay Consultant a consulting fee, in the amount and in accordance with the provisions of Exhibit A.

4.2Century will reimburse Consultant for reasonable expenses incurred by Consultant in providing the Services, provided that such expenses are approved in advance. Consultant will invoice Century for the reimbursement of such expenses incurred during the previous two-week period and will attach receipts for such expenses attached to the invoices. Invoices will be submitted to the attention of Century's Interim Chief Financial Officer, and Century will pay such invoices within 15 days after its receipt thereof.

4.3Other than as provided in this Agreement, Century's financial obligations under this Agreement shall be limited to the payment of the compensation provided in this Agreement. Notwithstanding any other provision of this Agreement, in no event, shall Century be liable, regardless of whether any claim is based on contract or tort, for any (a) indirect, special, exemplary, consequential, incidental or punitive damages, even if that party has been advised of the possibility of such damages; and/or (b) lost profits, lost revenues, lost business expectancy, business interruption losses and/or benefit of the bargain damages.

5.Independent Contractor Status. The Services to be provided by Consultant hereunder will be those of an independent contractor, and Consultant will not be regarded as, nor will Consultant hold himself/herself out to be, an agent or employee of Century for any purpose.

5.1Consultant is solely responsible for all taxes, withholdings, and other statutory, regulatory or contractual obligations of any sort (including, but not limited to, those relating to workers' compensation, disability insurance, Social Security, unemployment compensation coverage, income taxes, etc.) in connection with the Services performed under this Agreement. Consultant agrees to hold Century harmless from loss or liability which may arise from the failure of Consultant to comply with such laws or regulatory or contractual obligations. In addition, Consultant is not entitled to participate in Century's employee benefit plans, bonus programs, group insurance arrangements or similar programs. Without limiting the preceding sentences, Consultant shall not receive any vacation pay, sick leave, paid time off, or other paid or unpaid leave of absence, or workers' compensation benefits, and no entitlement to any employee benefits shall be implied from this Agreement.

5.2Consultant will have the right to determine the means and methods of performing the Services hereunder.

5.3Consultant acknowledges that Consultant does not have the authority to incur any financial obligations or make other commitments on behalf of Century and agrees not to sign any documents or make any commitments on behalf of Century.

5.4CERTIFICATION: CONSULTANT ACKNOWLEDGES AND UNDERSTANDS THAT HE:

- WILL NOT BE ENTITLED TO ANY WORKERS' COMPENSATION BENEFITS IN THE EVENT OF INJURY.
- IS OBLIGATED TO PAY ALL FEDERAL AND STATE INCOME TAX ON ALL MONEY EARNED WHILE PERFORMING SERVICES FOR CENTURY. CENTURY WILL NOT MAKE ANY PAYROLL DEDUCTIONS FROM THE PAYMENTS DUE CONSULTANT HEREUNDER.

Consultant acknowledges the terms of the above section.

CONSULTANT'S INITIALS: /s/ DM

6.Intellectual Property Rights. The Deliverables resulting from the Services provided by Consultant under this Agreement, including without limitation, posters, maps, charts, motion pictures, publications, plans, specifications, drawings, models, paintings, prints, sculpture, sketches, applied art, studies, names, logos, advertising materials, marketing materials, software and reports of all kinds, together with all modifications thereto, shall for all purposes belong to, and be owned exclusively by Century (including its Affiliates). All Deliverables shall be the original work of Consultant and shall not infringe upon the rights of patent, trademark, or copyright of any other person. To the extent permitted by Applicable Law, all Deliverables shall be deemed "works made for hire" owned by Century. In any event, and without cost to Century, Consultant hereby irrevocably transfers and assigns to Century, the entire right, title and interest in all such works, and all copyright, trademark, patent and other rights therein throughout the world, including without limitation, the right to all copies thereof (e.g., negatives, sketches, drafts, originals) and all of the exclusive rights listed in 17 U.S.C. §106 or provided for under the laws of any foreign country. From time-to-time hereafter, Consultant, without cost to Century, will promptly execute further assignments as may be reasonably necessary to ensure exclusive ownership by Century of all Deliverables, developed by the Services of Consultant under this Agreement.

2

7.Confidential Information. Consultant will treat as confidential all information and/or materials about, relating to or concerning Century, its owners, affiliates and/or subsidiaries ("Confidential Information"), including, without limitation, oral and written information about, relating to or concerning Century, its owners, affiliates and/or subsidiaries, that (i) Century has by its policies or otherwise indicated should be kept confidential, (ii) should reasonably be deemed confidential by Consultant whether or not it was designated as confidential, or (iii) if disclosed could be injurious to Century, its owners, affiliates and/or subsidiaries. Consultant agrees not to use Confidential Information for any personal or professional purpose except as contemplated by this Agreement. Consultant will not disclose any Confidential Information to any other person or entity without the prior written consent of Century or unless required by law. If Consultant receives a subpoena or other validly issued administrative or judicial process requesting Confidential Information, Consultant will promptly notify Century of such receipt and may comply with such subpoena or process to the extent permitted by law. Century acknowledges that information that is generally known in the homebuilding industry is not Confidential Information. All Confidential Information will remain the sole and exclusive property of Century. In the event Consultant breaches this Agreement, because of the unique nature of the Confidential Information, damages will not provide an adequate remedy for Century for such a breach. Therefore, in the event of a breach or threat of breach, the Century shall be entitled to injunctive relief. In addition, in the case of unauthorized use or disclosure of Confidential Information by Consultant, Century shall be entitled to recover as liquidated damages the total amount of compensation paid to Consultant pursuant to this Agreement. The amount of such liquidated damages is agreed by the Parties as a reasonable amount to compensate Century for losses to be incurred in the event of beach of this Agreement.

8.Termination.

8.1 Either party may terminate this Agreement at any time, with or nonprofit entity. without cause, for convenience provided, however, that Century shall, upon termination, pay to Consultant a prorated amount for all Services completed through the date of termination.

(f) 8.3 Amendment The rights and obligations of the parties set forth in Sections 6, 7, and 9 of this Agreement and any remedies for breach of this Agreement shall survive any expiration or Repeal prior termination. Century may communicate such obligations to any other (or potential) client or employer of Consultant.

9.Arbitration. Consultant hereby agrees to submit to final and binding arbitration in Denver, Colorado any controversy or claim Consultant has or may have against Century, including any disputes relating to or in connection with this Agreement. Unless otherwise agreed, the arbitration will be conducted by the Judicial Arbiter Group in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association; provided, however, that the arbitrator(s) is not authorized to issue a decision or award that a court of applicable jurisdiction could not legally award under applicable state or federal laws at the time. Century and Consultant further agree that the arbitrator's award may be enforced by judgment in accordance with the Federal Arbitration Act. Disputes over whether a decision exceeds the authority of the arbitrator(s) will be decided by summary judgment proceedings in a court of competent jurisdiction. There will be no authority for any dispute between the parties to be arbitrated on a class action basis. Furthermore, arbitration can only decide a dispute between Consultant and Century and may not consolidate or join the claims of other persons that may have similar claims. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF ANY PARTY RELATED TO OR ARISING FROM THIS AGREEMENT.

3

10.Notices. Any repeal, amendment notice given to the parties hereunder must be in writing and delivered to the other party (a) in person, (b) by e-mail (c) by overnight delivery service, or modification (d) by certified mail, return receipt requested. Notice given in person or by e-mail will be effective when received or successfully transmitted. Notice given by overnight delivery service will be effective the first business day following the deposit of such notice with the delivery service. Notice given by certified mail will be effective 3 business days after a certified letter containing such notice, properly addressed with postage prepaid, is deposited with the postal service. Notices to Century will be sent to the address set forth in the signature block noted below. Notices to Consultant will be sent to the address set forth in the signature block noted below. Any party may designate a different address by giving notice according to this Section.

11.Compliance with Laws. Consultant, at Consultant's sole expense, shall obtain and maintain all necessary approvals, licenses and permits which are required to perform the Services. In addition, if Consultant becomes aware of any change in Applicable Laws affecting the Services to be performed hereunder, Consultant shall promptly notify Client of such change in writing.

12.Upon the Completion of the foregoing provisions Term of this Article EIGHTH Agreement. Consultant shall not adversely affect perform the following activities:

12.1Consultant will coordinate with Century to deactivate any right assigned access badge. In addition, Consultant will make every attempt possible to retrieve and return the access badge.

12.2If, during the course of an assignment, Century has provided Consultant with Century-owned equipment or protection job-related materials to complete this Agreement, Consultant shall return, or cause to be returned, all of Century's equipment or materials upon the earlier of (i) termination of the Agreement, (ii) or (ii) Century's demand for return of the equipment or materials.

13.Miscellaneous.

13.1All payments and benefits provided for under this Agreement are intended to be exempt from or otherwise comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance thereunder (together, "Section 409A"), so that none of the payments and benefits to be provided hereunder of any Covered Person in respect of any act or omission occurring prior will be subject to the time additional tax imposed under Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be exempt or so comply. Each payment and benefit payable under this Agreement is intended to constitute a separate payment for purposes of such repeal,amendment or modification. Section 1.409A-2(b) (2) of the Treasury Regulations. In no event will the Company reimburse the Consultant for any taxes that may be imposed on the Consultant as a result of Section 409A.

(g) 13.2Other Indemnification The parties agree that the terms of this Agreement are contractual in nature and Prepayment of Expenses. This Article EIGHTH shall not limit the right of the corporation, to the extent merely recitals and will be governed and construed in the manner permitted by law, to indemnify and to advance expenses to persons other than Covered Persons when and as authorized by appropriate corporate action.

NINTH. Notwithstanding anything contained in this certificate of incorporation to the contrary, the affirmative vote of the holders of at least 66 2/3% of the voting power of all the then outstanding shares of the capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend, alter, repeal or adopt any new or additional provision inconsistent accordance with Paragraphs (b) and (f) of Article SIXTH hereof, Article SEVENTH hereof, Article EIGHTH hereof, this Article NINTH and Article TENTH hereof.

TENTH. A director of the corporation shall not be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended. Any amendment, modification or repeal of the foregoing sentence shall not adversely affect any rightor protection of a director of the corporation hereunder in respect of a occurring prior to the time of such amendment, modification or repeal.

ELEVENTH. The corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this certificate of incorporation, and other provisions authorized by the laws of the State of Delaware at Colorado. The parties further agree that should any part of this Agreement be determined by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the time in force may parties intend the legality, validity and enforceability of the remaining parts will not be added affected thereby, and any illegal, invalid, or inserted, unenforceable part will be deemed not to be a part of this Agreement.

13.3Nothing contained herein and no act by Century or Consultant in the manner now performance of, or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or in any other persons whomsoever by and pursuant way related to, this certificate Agreement will be construed to create or evidence in any manner any employment, partnership, agency or joint venture relationship between the parties hereto.

Century and Consultant represent and acknowledge that it is their mutual intention that the sole relationship created between them by this Agreement is described in Section 5 hereof.

13.4The headings contained in this Agreement are for reference purposes only and do not in any way affect the meaning or interpretation of incorporation in its present form or as hereafter amended are granted subject any provision hereof.

13.5This Agreement and the attached Scope of Work expresses the entire agreement between Consultant and Century with reference to the rights reserved subject matter hereof. No waiver or modification of this Agreement or of any covenant, condition or limitation herein contained will be valid, unless in this Article ELEVENTH. writing and duly executed by the parties hereto.

TWELFTH 13.6: The corporation expressly elects to be governed by Section 203 terms and conditions hereof are hereby made binding on the successors and assigns of the General Corporation Law of the State of Delaware.

THIRTEENTH. An officer of the corporation shall not be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as an officer, except to the extent such exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as the same exists or both parties hereto, provided that neither party may hereafter be amended. Any amendment, modification or repeal of the foregoing sentence shall not adversely affect assign any right or protection of an officer delegate any duty hereunder without the prior written consent of the corporation other party, such consent not to be unreasonably withheld, conditioned or delayed. Any assignment or delegation without such prior written consent will be void, and will be a breach hereunder, in respect of any act or omission occurring prior except that Century may assign its rights hereunder to the time of such amendment, modification or repeal. another entity that is affiliated with Century.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the Corporation has caused parties hereto have executed and delivered this Restated Certificate of Incorporation Agreement to be executed this 28th day of July, 2023, in its name and on its behalf by its Chief Financial Officer and Corporate Secretary, pursuant to Section 103 effective as of the General Corporation Law day and year first above written.

CONSULTANT:

David L. Messenger

/s/ David L. Messenger

Date: 3/14/24

Address for Notices:

CENTURY:

Century Communities, Inc., a Delaware corporation

By: /s/ Dale Francescon

Name: Dale Francescon

Title: Co-CEO

3/18/24

Date

Address for Notices: Century Communities, Inc. 8390 E. Crescent Parkway, Suite 650 Greenwood Village, CO 80111

Attn: Jarrett Coleman, General Counsel

Email: Jarrett.Coleman@centurycommunities.com

EXHIBIT A

Scope of WorkConsultant will provide the State following Services and Deliverables described below for the associated rate shown below:

1. Liaison with the Company's Interim Chief Financial Officer and assist with the transition of the Company's Chief Financial Officer duties and responsibilities to the Company's Interim Chief Financial Officer.
2. Liaison with the Company's General Counsel and assist with the transition of the Company's Chief Compliance Officer duties and responsibilities to the Company's General Counsel.
3. Liaison with the Company's Co-Chief Executive Officers, and either of them, regarding the transition of Consultant's other duties and responsibilities.
4. Meet by telephone, video conference or in person with members of the Company's management as may be required or necessary in performing Consultant's Services hereunder.

The Services shall be provided in accordance with all relevant laws, statutes, and regulations. In rendering the Services to Century as an independent contractor, Consultant shall not be under the supervision or control of Delaware. Century with respect to the details, manner or means of performance except to the limited extent set forth in this Agreement. Nothing in this Agreement shall prevent or restrict Century from obtaining from any other person any services which are the same as or similar to the Services.The Company and Consultant understand, acknowledge and agree that the Company is not required to request, and Consultant is not required to provide any minimum level of Services under this Agreement.Payment/Rates A close-up of a signature Description automatically generated In consideration of the Services and rights and obligations set forth in this Exhibit A and the Consulting Agreement, Century shall pay Consultant a monthly fee of $50,000, which fees shall be payable monthly in arrears, and shall be paid by the Company within 30 days of the end of the month.

155999096.2156722377.1

Exhibit 22.1LIST OF SUBSIDIARY GUARANTORSAs of September 30, 2023 March 31, 2024, Century Communities, Inc. (referred to as the "Issuer") had $500 million principal amount outstanding of 3.875% Senior Notes due August 2029 (referred to collectively as the "2029 Notes") and $500 million principal amount outstanding of 6.75% Senior Notes due June May 2027 (referred to collectively as the "2027 Notes" and collectively with the 2029 Notes, the "Senior Notes"). The Senior Notes are unsecured senior obligations of the Issuer and are fully and unconditionally guaranteed on an unsecured basis, jointly and severally, by substantially all of the Issuer's direct and indirect wholly-owned operating subsidiaries (referred to collectively as "Guarantors"). The Issuer's subsidiaries associated with its financial services operations do not guarantee the Senior Notes.As of September 30, 2023 March 31, 2024, the entities set forth below, which are 100% owned subsidiaries of the Issuer, were guarantors of the outstanding Senior Notes. However, only the 2027 Notes and the related guarantees are registered securities under the Securities Act of 1933, as amended (the "Securities Act"). The offer and sale of the 2029 Notes and the related guarantees were not and will not be registered under the Securities Act or the securities laws of any other jurisdiction and instead were issued in reliance upon an exemption from such registration. Unless they are subsequently registered under the Securities Act, neither the 2029 Notes nor the related guarantees may be offered and sold

only in transactions that are exempt from the registration requirements under the Securities Act and the applicable securities laws of any other jurisdiction.The As the guarantees for the 2027 Notes were made in connection with the issuance of the 2027 Notes and an exchange offer effected under the Securities Act in April 2017, the Guarantors' condensed supplemental financial information is presented in the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 March 31, 2024 as if the guarantees existed during the periods presented pursuant to applicable SEC rules and guidance. In addition, pursuant to such SEC rules and guidance, the information regarding the Guarantors as of September 30, 2023 March 31, 2024 is set forth below.

Name of Entity	**State of Formation, Organization, or Incorporation**
5280 Reinsurance, LLC	Arizona
Augusta Pointe, LLC	Colorado
Avalon at Inverness, LLC	Colorado
AVR A, LLC	Colorado
AVR B, LLC	Colorado
AVR C, LLC	Colorado
Beacon Pointe, LLC	Colorado
Benchmark Communities, LLC	Delaware
Blackstone Homes, LLC	Colorado
BMC East Garrison, LLC	Delaware
BMC EG Bluffs, LLC	Delaware
BMC EG Bungalow, LLC	Delaware
BMC EG Garden, LLC	Delaware
BMC EG Grove, LLC	Delaware

Name of Entity	**State of Formation, Organization, or Incorporation**
BMC EG Towns, LLC	Delaware
BMC EG Village, LLC	Delaware
BMC Realty Advisors, Inc	California
BMCH California, LLC	Delaware
BMCH Tennessee, LLC	Delaware

Name of Entity	**State of Formation, Organization, or Incorporation**
BMCH Washington, LLC	Delaware
Bradburn Village Homes, LLC	Colorado
Casa Acquisition Corp.	Delaware
CC Communities, LLC	Colorado
CC Southeast Constructors, LLC	North Carolina
CCC Holdings, LLC	Colorado
CCG Constructors LLC	Georgia
CCG Realty Group LLC	Georgia
CCH Homes, LLC	Colorado
CCNC Realty Group, LLC	North Carolina
CCSC Realty Group, LLC	South Carolina
Centennial Holding Company LLC	Colorado
Century at Anthology, LLC	Colorado
Century at Ash Meadows, LLC	Colorado
Century at Autumn Valley Ranch, LLC	Colorado
Century at Beacon Pointe, LLC	Colorado
Century at Belleview Place, LLC	Colorado
Century at Caley, LLC	Colorado
Century at Candelas, LLC	Colorado

Century at Carousel Farms, LLC	Colorado
Century at Castle Pines Town Center, LLC	Colorado
Century at Claremont Ranch, LLC	Colorado
Century at Colliers Hill, LLC	Colorado
Century at Compark Village North, LLC	Colorado
Century at Compark Village South, LLC	Colorado
Century at Coyote Creek, LLC	Colorado
Century at Forest Meadows, LLC	Colorado
Century at Harvest Meadows, LLC	Colorado
Century at Landmark, LLC	Colorado
Century at Littleton Village, LLC	Colorado
Century at Littleton Village II, LLC	Colorado

Name of Entity	State of Formation, Organization, or Incorporation
Century at LOR, LLC	Colorado
Century at Lowry, LLC	Colorado
Century at Marvella, LLC	Colorado
Century at Mayfield, LLC	Colorado
Century at Meadowbrook, LLC	Colorado
Century at Midtown, LLC	Colorado
Century at Millennium, LLC	Colorado

Name of Entity	State of Formation, Organization, or Incorporation
Century at Murphy Creek, LLC	Colorado
Century at Oak Street, LLC	Colorado
Century at Observatory Heights, LLC	Colorado
Century at Outlook, LLC	Colorado
Century at Pearson Grove, LLC	Colorado
Century at Salisbury Heights, LLC	Colorado
Century at Shalom Park, LLC	Colorado
Century at Southshore, LLC	Colorado
Century at Spring Valley Ranch, LLC	Colorado
Century at Tanglewood, LLC	Colorado
Century at Terrain, LLC	Colorado
Century at The Grove, LLC	Colorado
Century at the Heights, LLC	Colorado
Century at The Meadows, LLC	Colorado
Century at Vista Ridge, LLC	Colorado
Century at Wildgrass, LLC	Colorado
Century at Wolf Ranch, LLC	Colorado
Century at Wyndham Hill, LLC	Colorado
Century Building Supply, LLC	Colorado
Century City, LLC	Colorado
Century Communities Construction, LLC	Utah
Century Communities Construction of Arizona, LLC	Arizona
Century Communities Investments LLC	Colorado
Century Communities Merchandising Group, LLC	Colorado
Century Communities of Arizona, LLC	Arizona
Century Communities of California, LLC	Delaware
Century Communities of Florida, LLC	Colorado
Century Communities of Florida Realty Group, LLC	Delaware
Century Communities of Georgia, LLC	Colorado

REFINITIV

Name of Entity	**State of Formation, Organization, or Incorporation**
Century Communities of Idaho, LLC	Colorado
Century Communities of Nevada, LLC	Delaware
Century Communities of Nevada Realty, LLC	Nevada
Century Communities of North Carolina, LLC	Delaware
Century Communities of South Carolina, LLC	Delaware
Century Communities of Tennessee, LLC	Delaware
Century Communities of Utah, LLC	Utah
Century Communities of Washington, LLC	Delaware
Century Communities Realty of Utah, LLC	Utah
Century Communities Southeast, LLC	Colorado

Name of Entity		**State of Formation, Organization, or Incorporation**
Century Land Holdings II, Couplet, LLC	Colorado	
Century Land Holdings, LLC	Colorado	
Century Land Holdings II, LLC	Colorado	
Century Land Holdings of Texas, LLC	Colorado	
Century Land Holdings of Utah, LLC	Utah	
Century Lincoln Station, LLC	Colorado	
Century Living at Compark, LLC	Colorado	
Century Living at Verona LLC	Colorado	
Century Living, LLC	Colorado	
Century Townhomes at Candelas, LLC	Colorado	
Century Tuscany GC, LLC	Delaware	
Cherry Hill Park, LLC	Colorado	
Cottages at Willow Park, LLC	Colorado	
Crown Hill, LLC	Colorado	
Enclave at Pine Grove, LLC	Colorado	
Estates at Chatfield Farms, LLC	Colorado	
Hearth at Oak Meadows, LLC	Colorado	
Horizon Building Services, LLC	Colorado	
Ladera, LLC	Colorado	
Lakeview Fort Collins, LLC	Colorado	
Lincoln Park at Ridgegate, LLC	Colorado	
Meridian Ranch, LLC	Colorado	
Montecito at Ridgegate, LLC	Colorado	
Neighborhood Associations Group, LLC	Delaware	
Overlook at Candelas, LLC	Colorado	
Park 5th Avenue Development Co., LLC		Colorado
Red Rocks Pointe, LLC	Colorado	
Reserve at Highpointe Estates, LLC	Colorado	
Reserve at The Meadows, LLC	Colorado	

Name of Entity	**State of Formation, Organization, or Incorporation**
SAH Holdings, LLC	Colorado
Saddleback Heights, LLC	Colorado

Stetson Ridge Homes, LLC	Colorado
Summit Aviator Business Trust	Utah
Summit Aviator WY Statutory Trust	Wyoming
The Overlook at Tallyn's Ranch, Reach, LLC	Colorado
The Retreat at Ridgegate, LLC	Colorado
The Veranda, LLC	Colorado
UCP, LLC	Delaware
UCP Barclay III, LLC	Delaware
UCP East Garrison, LLC	Delaware
UCP Kerman, LLC	Delaware

Name of Entity	**State of Formation, Organization, or Incorporation**	
UCP Meadowood III, LLC	Delaware	
UCP Sagewood, LLC	Delaware	
UCP Tapestry, LLC	Delaware	
Venue at Arista, LLC	Colorado	
Verona Estates, LLC	Colorado	
Villas at Murphy Creek, LLC	Colorado	
Waterside at Highland Park, LLC	Colorado	
Westown Condominiums, LLC	Colorado	
Westown Townhomes, LLC	Colorado	
Wildgrass, LLC	Colorado	
WJH LLC	Delaware	
WJH LLC of Delaware	Delaware	
WJH Brokerage OH LLC, D/B/A Wade Jurney Homes	Ohio	
WJH Brokerage TX LLC	Texas	
WJH Brokerage MI LLC	Michigan	
WJH Sales of AZ LLC	Arizona	
WJHAL LLC	Alabama	
WJHID LLC	Idaho	
WJHKY LLC	Kentucky	
WJH Brokerage AZ LLC	Arizona	
WJH Brokerage FL LLC	Florida	
WJH Brokerage IA LLC	Iowa	
WJH Brokerage IN LLC	Indiana	
WJH Brokerage MI LLC	Michigan	
WJH Brokerage NC LLC		North Carolina
WJH Brokerage OH LLC, D/B/A WADE JURNEY HOMES	Ohio	
WJH Brokerage TX NC LLC		Texas
WJH Sales of AZ, WJHAZ LLC	Arizona	

-

EXHIBIT 31.1

CERTIFICATION OF CO-PRINCIPAL EXECUTIVE OFFICER

PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002I, Dale Francescon, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Century Communities, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 25, 2023 April 24, 2024

/s/ Dale Francescon

Dale Francescon
Chairman of the Board and Co-Chief Executive Officer(Co-Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF CO-PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002I, Robert J. Francescon, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Century Communities, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 25, 2023 April 24, 2024

/s/ Robert J. Francescon

Robert J. Francescon
Co-Chief Executive Officer and President(Co-Principal Executive Officer)

EXHIBIT 31.3

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002I, David Messenger, J. Scott Dixon, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Century Communities, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 25, 2023 April 24, 2024

/s/ David Messenger J. Scott Dixon

David Messenger J. Scott Dixon

Interim Chief Financial Officer(Principal Financial Officer and Principal Accounting Officer)

EXHIBIT 32.1CERTIFICATION OF CO-PRINCIPAL EXECUTIVE OFFICER PURSUANT TO18 U.S.C. SECTION 1350,AS ADOPTED PURSUANT TOSECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 In connection with the Quarterly Report on Form 10-Q of Century Communities, Inc. (the "Company") for the quarterly period ended September 30, 2023 March 31, 2024, as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Quarterly Report"), I, Dale Francescon, Chairman of the Board and Co-Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. the Quarterly Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 25, 2023 April 24, 2024

/s/ Dale Francescon

Dale Francescon

Chairman of the Board and Co-Chief Executive Officer(Co-Principal Executive Officer)

EXHIBIT 32.2CERTIFICATION OF CO-PRINCIPAL EXECUTIVE OFFICER PURSUANT TO18 U.S.C. SECTION 1350,AS ADOPTED PURSUANT TOSECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 In connection with the Quarterly Report on Form 10-Q of Century Communities, Inc. (the "Company") for the quarterly period ended September 30, 2023 March 31, 2024, as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Quarterly Report"), I, Robert J. Francescon, Co-Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. the Quarterly Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 25, 2023 April 24, 2024

/s/ Robert J. Francescon

Robert J. Francescon

Co-Chief Executive Officer and President(Co-Principal Executive Officer)

EXHIBIT 32.3CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO18 U.S.C. SECTION 1350,AS ADOPTED PURSUANT TOSECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 In connection with the Quarterly Report on Form 10-Q of Century Communities, Inc. (the "Company") for the quarterly period ended September 30, 2023 March 31, 2024, as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Quarterly Report"), I, David Messenger, J. Scott Dixon, Interim Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. the Quarterly Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 25, 2023 April 24, 2024	/s/ David Messenger J. Scott Dixon
	David Messenger J. Scott Dixon
	Interim Chief Financial Officer(Principal Financial Officer and Principal Accounting Officer)

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.