

Top 50

JOHN BURNS
REAL ESTATE CONSULTING

Master-Planned Communities of 2013

The top 50 master-planned communities (MPCs) in the country accounted for 5.4% of 2013 new home sales. There were 23,463 new home sales in the top 50 master-planned communities in the country in 2013 — a 12% increase over 2012.

Everything is bigger in Texas, including its master-planned communities, and 2013 was no exception. This year's list of top 50 masterplans included 17 from the state of Texas (one-third of all entries) and 13 from Houston alone. There were nine Florida masterplans in the top 50 in 2013, seven California communities, four Phoenix communities, and four Washington, DC masterplans. And while Las Vegas was represented by just three masterplans, all of them were in the nation's top 20.

Newland Communities has five of the nation's top 50 in 2013, the most of any individual developer. The San Diego-based developer's masterplans were located in four different metro areas, easily making them the most geographically diversified developer in the country. Houston-based **Johnson Development** was represented by four masterplans in the top 50, and Sunrise, FL-based **GL Homes** and **Shea Homes** in Walnut, CA both had three.

To complete this analysis we connected with developer representatives at **more than 100** master-planned communities nationwide.

Waning lot supplies and development delays contributed to lower sales in some communities. 2013 sales were lower than 2012 volume in 13 of the top 50 master-planned communities, or 26% of the communities. Reduced sales

were most common in Houston, Phoenix, Las Vegas, and Washington, DC, while most Florida and Southern California MPCs enjoyed increased sales. Our conversations with the community developers revealed several factors that slowed new home sales:

- **Some communities are winding down.** Examples of former "hot" master-planned communities that are nearly out of lots include **Telfair** on Houston's southwest side, **Otay Ranch** on San Diego's south side, and **Power Ranch** in Phoenix. New home sales declined by 62–75% in these communities in 2013, and they no longer appear in our top 50 ranking. Several Northern California communities similarly dropped from the top 50 this year.
- **Delayed lot deliveries slowed builders' sales.** The spike in demand for finished lots in late 2012 and early 2013 left developers scrambling to deliver. Bottlenecks emerged in planning and approval processes, as engineers and jurisdiction offices were overwhelmed and labor shortages slowed site work. Some local developers still lack development financing, which slowed their progress. Without enough lots to build on, builders' sales declined. **Brambleton** in Washington, DC and **The Woodlands** in Houston both report lower 2013 home sales, yet demand remains strong.
- **Builders intentionally limited sales and raised prices in the first half of 2013.** Many California, Southwest Florida, and Texas builders were restricting sales and bumping prices regularly in the first half of 2013. In some cases, the builders were rationing lots they couldn't replace.
- **New home sales cooled in the second half of 2013.** Our proprietary builder survey confirmed slowing sales and weaker pricing beyond seasonal expectations since September. The impact of the government shutdown in October was especially significant in the Northeast corridor from Baltimore to Virginia Beach. However, no region was immune to the pause in the housing market as buyers assessed the impacts of higher rates and home prices.

More ranking and sales data can be found on the following pages.

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Master-Planned Communities of 2013

Top-Selling Master-Planned Communities

Ranked by 2013 Net Sales

- | | | | | | |
|----|----------------------|--------------------------------|-----|-----------------------------|----------------------------------|
| 1 | THE VILLAGES | The Villages, FL (Central FL) | 26 | CANYON HILLS | Lake Elsinore, CA (Riverside) |
| 2 | THE IRVINE RANCH | Orange County, CA | 27 | CRYSTAL FALLS | Leander, TX (Austin) |
| 3 | CINCO RANCH | Katy, TX (Houston) | 28 | VALENCIA RESERVE | Palm Beach, FL |
| 4 | MOUNTAIN'S EDGE | Las Vegas, NV | 29 | SHADOW CREEK RANCH | Houston, TX |
| 5 | NOCATEE | Ponte Vedra, FL (Jacksonville) | 30 | MOUNTAIN HOUSE | Tracy, CA (Central Valley) |
| 6 | RIVERSTONE | Houston, TX | 31 | VISTANCIA | Phoenix, AZ |
| 7 | PROVIDENCE | Las Vegas, NV | 32 | THE MEADOWS | Castle Rock, CO (Denver) |
| 8 | THE WOODLANDS | Houston, TX | 33 | FISHHAWK RANCH | Lithia, FL (Tampa) |
| 9 | LAKWOOD RANCH | Sarasota, FL | 34 | STONE RIDGE | Aldie, VA (Washington, DC) |
| 10 | ALAMO RANCH | San Antonio, TX | 35 | ESTRELLA | Goodyear, AZ (Phoenix) |
| 11 | STAPLETON | Denver, CO | 36 | DURBIN CROSSING | Jacksonville, Florida |
| 12 | SUMMERLIN | Las Vegas, NV | 37 | TERAVISTA | Round Rock, TX (Austin) |
| 13 | CROSS CREEK RANCH | Houston, TX | 38 | PAVILION PARK AT GREAT PARK | Irvine, CA |
| 14 | LAKE NONA | Orlando, FL | 39 | HASTINGS FARMS | Queens Creek, AZ (Phoenix) |
| 15 | ALIANA | Houston, TX | 40 | ONE LOUDOUN | Ashburn, VA (Washington, DC) |
| 16 | WOODFOREST | Montgomery, TX (Houston) | 41t | ST. CHARLES | St. Charles, MD (Washington, DC) |
| 17 | SIENNA PLANTATION | Houston, TX | 41t | VERRADO | Buckeye, AZ (Phoenix) |
| 18 | CANYON LAKES WEST | Cypress, TX (Houston) | 43t | HERITAGE WAKE FOREST | Wake Forest, NC (Raleigh) |
| 19 | BRAMBLETON | Ashburn, VA (Washington, DC) | 43t | WESTRIDGE | Dallas, TX |
| 20 | VALENCIA | Los Angeles, CA | 45 | ROSEDALE | Azusa, CA (Los Angeles) |
| 21 | FIRETHORNE | Houston, TX | 46t | WESTHEIMER LAKES | Katy, TX (Houston) |
| 22 | RANCHO MISSION VIEJO | San Juan Capistrano, CA | 46t | RIVERSTONE | Naples, FL |
| 23 | DAYBREAK | Salt Lake City, UT | 48 | THE BRIDGES | Delray Beach, FL (West Palm) |
| 24 | CANE BAY PLANTATION | Charleston, SC | 49 | OAKHURST AT KINGSWOOD | Houston, TX |
| 25 | EAGLE SPRINGS | Humble, TX (Houston) | 50 | HIGHLANDS RANCH | Denver, CO |

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Many new master-planned communities join our top 50 ranking. Each of the master-planned communities in the top ten have been in our ranking before; however, over 20% of our top 50 communities are new to the ranking this year. We expect that some of these new communities will rise in the ranking as they gain momentum and older communities reach completion. Next year's master-planned community ranking will surely bring a new round of conclusions and perhaps some surprises.

Tracking builder activity can yield timely insights. We identified a small but growing trend of MPC developers who do not track the builders' activity in their community. As the housing recovery progresses, developers who are not tracking builders' sales and inventory will not have a good read on when to develop more lots. In addition, these developers are more likely to miss the early signs of weakening home prices when sales slow and inventory rises.

Our consulting team members have recently visited or consulted on all of these communities and can answer any questions you may have.

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Rankings 2013	2012	Project Name & Location	Developer	Net Sales		YOY%
				2013	2012	Δ
1	1	THE VILLAGES The Villages, FL (Central FL)	Villages of Lake Sumter, LLC	3,419	2,851	20%
2	2	THE IRVINE RANCH ¹ Orange County, CA	The Irvine Company	1,444	1,434	1%
3	↑ 4	CINCO RANCH Katy, TX (Houston)	Newland Communities	854	982	-13%
4	↑ 5	MOUNTAIN'S EDGE Las Vegas, NV	Focus Property Group	841	948	-11%
5	↑ 10t	NOCATEE Ponte Vedra, FL (Jacksonville)	The PARC Group	838	508	65%
6	↑ 7	RIVERSTONE Houston, TX	Johnson Development Corp.	791	605	31%
7	↓ 6	PROVIDENCE Las Vegas, NV	Focus Property Group	726	760	-4%
8	↓ 3	THE WOODLANDS Houston, TX	The Woodlands Development Company	649	1,007	-36%
9	↓ 8	LAKWOOD RANCH Sarasota, FL	Schroeder-Manatee Ranch, Inc.	618	573	8%
10	↑ 13	ALAMO RANCH ² San Antonio, TX	Galo Properties	600	500	20%
11	↓ 10t	STAPLETON Denver, CO	Forest City	570	508	12%
12	↑ 14	SUMMERLIN Las Vegas, NV	The Howard Hughes Corporation	566	471	20%
13	↑ 28	CROSS CREEK RANCH Houston, TX	Johnson Development Corp.	509	301	69%
14	↑ 16	LAKE NONA Orlando, FL	Tavistock Group	475	441	8%
15	N/A	ALIANA Houston, TX	Aliana Development Company	464	304	53%
16	↑ 24	WOODFOREST Montgomery, TX (Houston)	Johnson Development Corp.	457	308	48%
17	↑ 18	SIENNA PLANTATION Houston, TX	Johnson Development Corp.	445	387	15%
18	N/A	CANYON LAKES WEST Cypress, TX (Houston)	Land Tejas Companies	378	190	99%
19	↓ 15	BRAMBLETON Ashburn, VA (Washington)	Soave Enterprises	373	466	-20%
20	↑ 31	VALENCIA Los Angeles, CA	FivePoint Communities	372	282	32%
21	↑ 32t	FIRETHORNE Houston, TX	JDC/Firethorne	361	280	29%
22	N/A	RANCHO MISSION VIEJO San Juan Capistrano, CA	Rancho Mission Viejo, LLC	360	0	N/A
23	↑ 26	DAYBREAK Salt Lake City, UT	Kennecott Land	353	304	16%
24	↑ 50t	CANE BAY PLANTATION Charleston, SC	Gramling Brothers Real Estate & Dev.	341	214	59%
25	↑ 34	EAGLE SPRINGS Humble, TX (Houston)	Newland Communities	321	277	16%

↑ Rank Increased
↓ Rank Declined

¹Irvine includes Cypress Village, Portola Springs, Stonegate, Woodbury & Laguna Altura
²Estimate

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					2013	2012	Δ
26	↑	47	CANYON HILLS Lake Elsinore, CA (Riverside)	Pardee Homes	308	223	38%
27		N/A	CRYSTAL FALLS Leander, TX (Austin)	The Lookout Development Group	305	176	73%
28t	↑	29t	VALENCIA RESERVE Palm Beach, FL	GL Homes	299	292	2%
28t	↓	19t	SHADOW CREEK RANCH Houston, TX	Shadow Creek Ranch Development	299	362	-17%
30	↓	22	MOUNTAIN HOUSE Tracy, CA (Central Valley)	Shea Homes	290	333	-13%
31	↓	29t	VISTANCIA Phoenix, AZ	Sunbelt/Shea Homes	266	292	-9%
32	↑	37	THE MEADOWS Castle Rock, CO (Denver)	Castle Rock Development Company	263	250	5%
33	↓	19t	FISHHAWK RANCH Lithia, FL (Tampa)	Newland Communities	256	362	-29%
34		N/A	STONE RIDGE Aldie, VA (Washington, DC)	Van Metre Homes	254	171	49%
35	↑	48	ESTRELLA Goodyear, AZ (Phoenix)	Newland Communities	252	222	14%
36		N/A	DURBIN CROSSING ² Jacksonville, FL	Durbin Crossing LLC/Durbin Crossing N. LLC	250	212	18%
37	↑	40	TERAVISTA Round Rock, TX (Austin)	Newland Communities	249	238	5%
38		N/A	PAVILION PARK AT GREAT PARK Irvine, CA	Five Point Communities	245	0	N/A
39		39	HASTINGS FARMS Queens Creek, AZ (Phoenix)	William Lyon Homes	244	242	1%
40		N/A	ONE LOUDOUN Ashburn, VA (Washington, DC)	Miller & Smith/North American Seksui House, LLC	243	75	224%
41t	↓	35t	ST. CHARLES St. Charles, MD (Washington, DC)	St. Charles Companies	241	271	-11%
41t		41	VERRADO Buckeye, AZ (Phoenix)	DMB	241	233	3%
43t	↓	42	HERITAGE WAKE FOREST Wake Forest, NC (Raleigh)	Ammons Development Group	235	232	1%
43t		N/A	WESTRIDGE Dallas, TX	D.R. Horton	235	197	19%
45	↓	35	ROSEDALE Azusa, CA (Los Angeles)	Brookfield/CDG/Starwood Capital	234	271	-14%
46t		N/A	WESTHEIMER LAKES Katy, TX (Houston)	Land Tejas Companies	230	159	45%
46t		N/A	RIVERSTONE Naples, FL	GL Homes	230	188	22%
48	↓	38	THE BRIDGES Delray Beach, FL (West Palm)	GL Homes	225	245	-8%
49		N/A	OAKHURST AT KINGSWOOD Houston, TX	Friendswood Development	224	221	1%
50	↓	12	HIGHLANDS RANCH ² Denver, CO	Shea Homes	220	507	-57%
TOTAL					23,463	20,875	12%

↑ Rank Increased ²Estimate

↓ Rank Declined

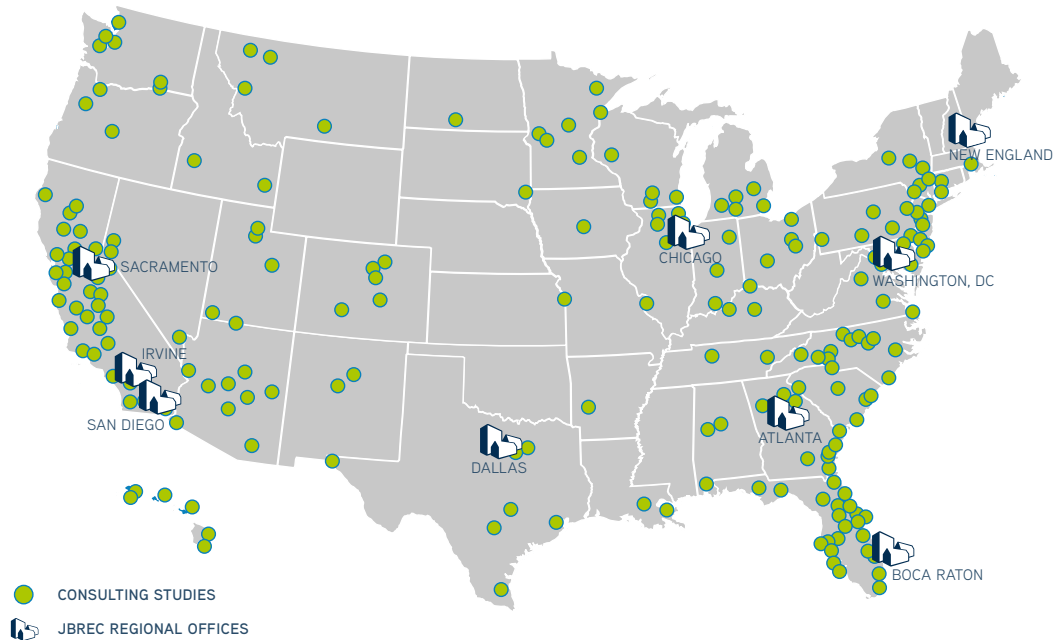
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John Burns Real Estate Consulting is an independent research provider and consulting firm focused on the US housing industry. We compile and analyze an unprecedented volume of information to keep our clients informed so they can make decisions that drive profitable strategies.

We have nine local offices across major US housing markets working together to ensure we provide the most accurate and trusted analysis on the housing industry as possible.



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