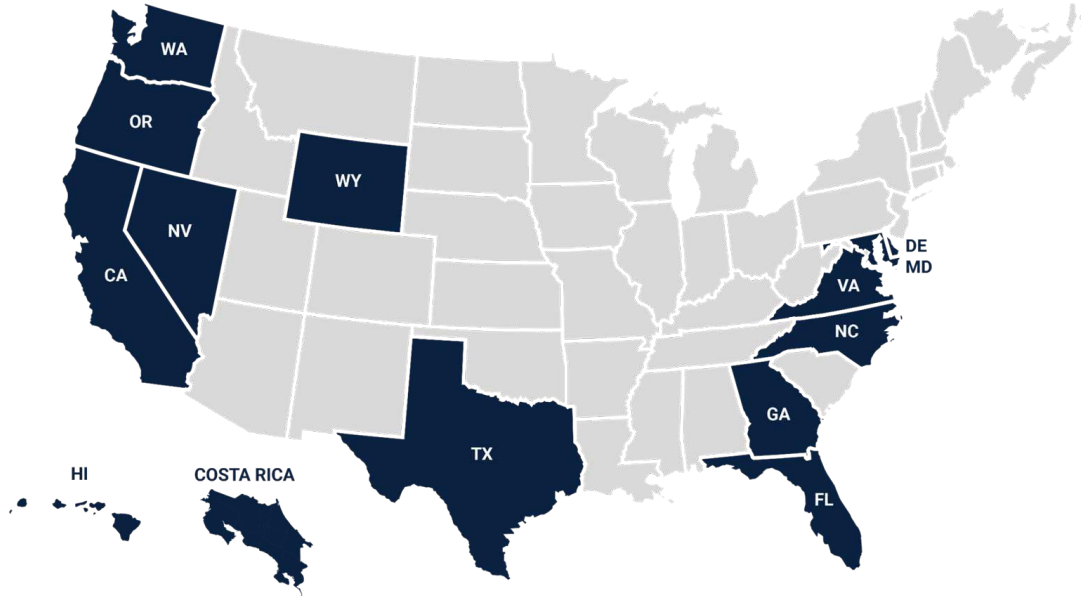




Hillwood Communities



33 Years | 102 Communities | 13 States | 2 Countries



29 Current Projects

TEXAS

Austin (1)
Dallas-Fort Worth (14)
Houston (3)
San Antonio (2)

VIRGINIA

N. Virginia (4)

FLORIDA

Orlando (1)
Tampa (1)

CALIFORNIA

Simi Valley (1)


OREGON

Bend (1)

NORTH CAROLINA

Raleigh (1)

Pandemic Impacts



	2019	2021
DFW Home Starts	35k	58k
Hillwood Lot Development	2,527	5,167
Hillwood Average Home Price	\$364k (\pm 2% YoY)	\$482k (25% increase)
Hillwood Annual Home Sales	1,628 (35% YoY)	2,392 (53% increase in 2020 only 4% dip in 2021)
Hillwood Average Home S.F.	2,803	2,635
Mortgage Rate	3.92%	2.89%
Monthly Payment (P+I)	\$1,564	\$1,798
Out-of-state Relocations	14%	23%
Realtor Sales Percentage	74%	80%

Post-Pandemic Drivers

- Out-of-state relocations have soared (CA, NY)
- Millennials are entering the market in large numbers
- WFA (work from anywhere)
- Renters/first time homebuyers and urban dwellers
- Buyers are craving master-planned community experiences and are willing to pay the 10-20% premium for an MPC



Buyer Demand

- Local community is top priority
- Outdoor areas preferred for socializing
 - outdoor entertainment/kitchens
 - outdoor community gathering places
- Scheduled activities create reasons to meet
- “Staycation” – highly amenitized communities
- Work from home/anywhere (TECHNOLOGY)
- Health and wellness focus



Ongoing Challenges and Our Response



Challenge

Response

Materials and labor shortage effects on builders and cost increases will continue in 2022

Metering sales to manage schedules and costs; shift to spec vs. TBB

Land prices and availability; competition with builder-developer

Continue due diligence to maintain viability; explore exurb sites and JV opportunities

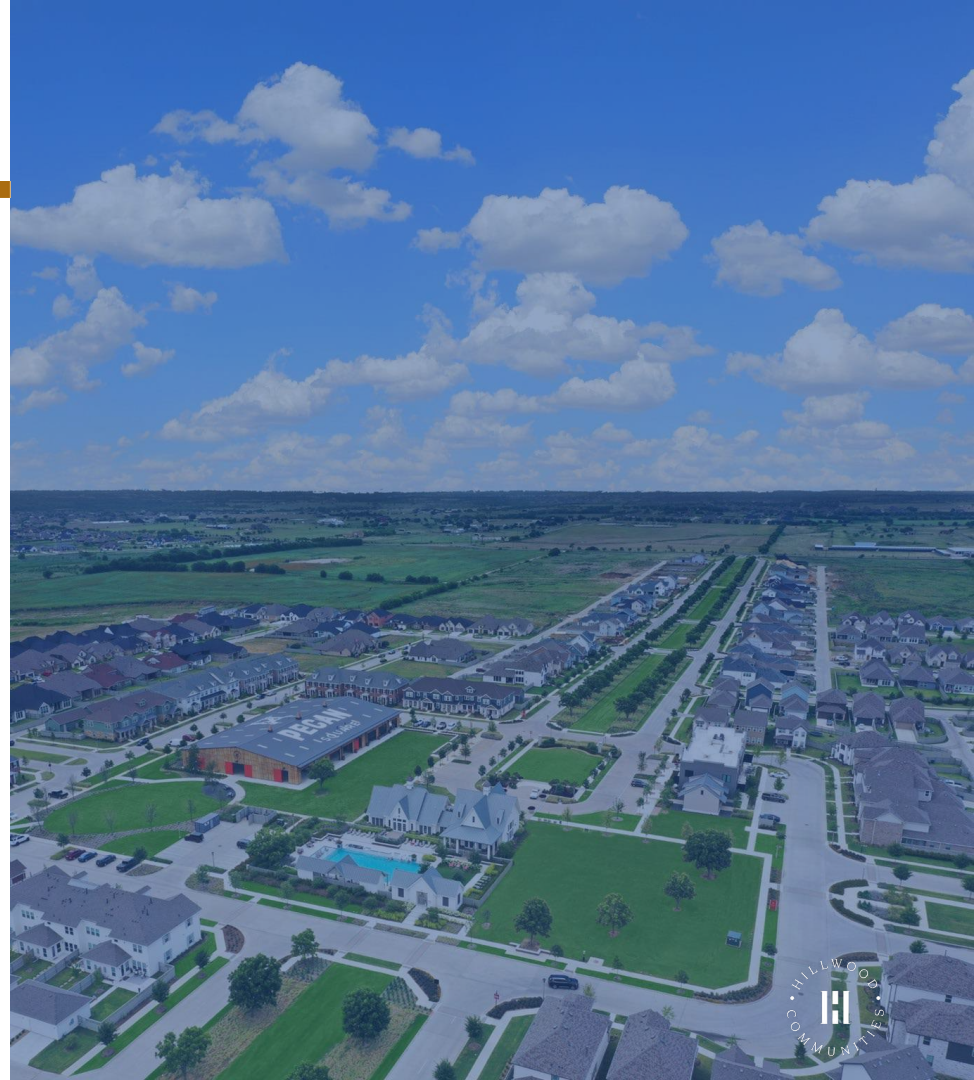
Rising interest rates and home prices

Product segmentation for price attainability and focus on Build For Rent (BFR)



The Future

- Community and amenity design that speaks to Millennials first as the largest group of new home buyers
- Higher density housing approvals and product segmentation for attainably priced homes
- Focus on sustainability and stewardship
- INNOVATE, INNOVATE, INNOVATE – technology is a core requirement



Link to view Hillwood Alliance Texas Mobility
Innovation Zone (MIZ) demonstration video:

<https://youtu.be/g7uKkwsshk4>





Thank You

