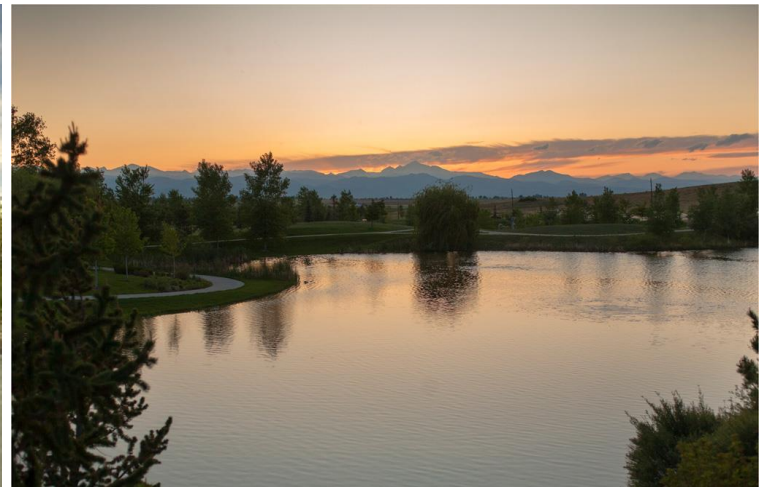




## 52<sup>ND</sup> ANNUAL COLORADO BUSINESS ECONOMIC OUTLOOK - 12/5/2016





# OREAD ACTIVITY

## 4Q 2011 - Oread acquires Anthem Colorado (1,500 lots)

- Seller: Pulte Homes
- Sold remainder of community to Newland in March 2015

## 4Q 2012 - Oread acquires Provenance (227 lots)

- Seller: Mile High Bank
- Sold in bulk (undeveloped) to Lennar in July 2014

## 2Q 2013 - Oread acquires Somerset Meadows (350 lots)

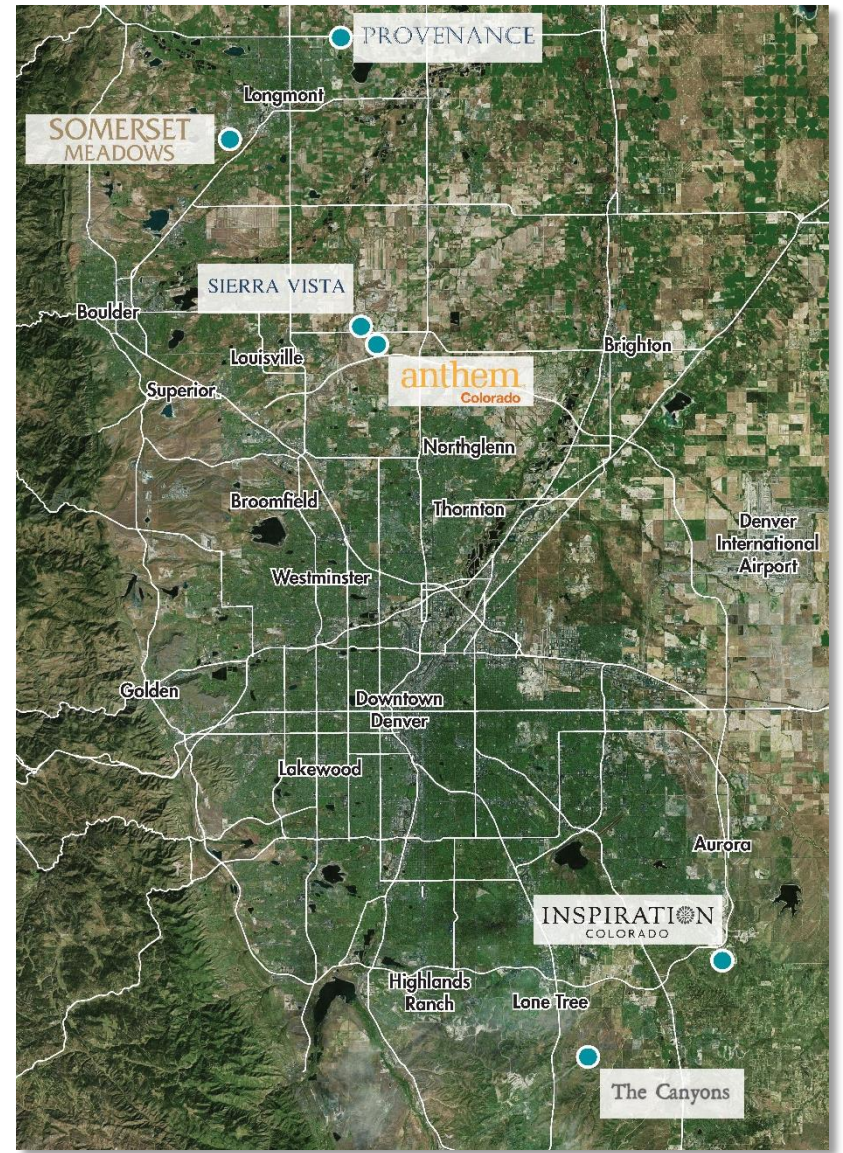
- Seller: Bankruptcy Estate
- Sold 5 filings (undeveloped) to 5 builders, 2013-2016

## 1Q 2014 - Oread acquires Rocking Horse (1,750 lots)

- Seller: Lennar Homes and Lennar's local JV Partner
- Sold remainder of community to Newland in March 2015

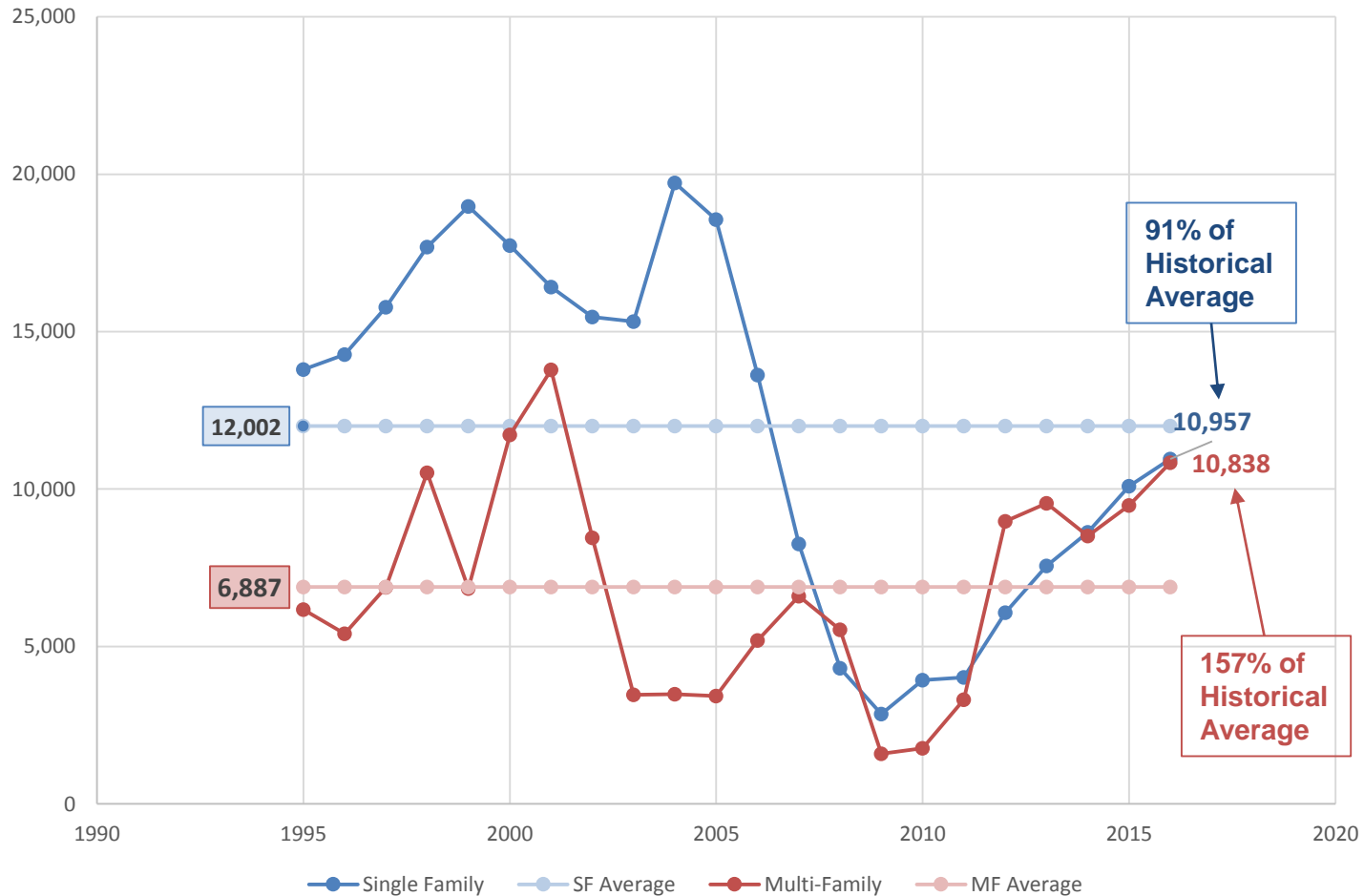
## 4Q 2015 - Oread acquires The Canyons (2,000 lots)

- Seller: Partnership containing various parties
- Oread simultaneously sold community to Shea Homes



# HISTORICAL PERMITS

Building Permits - Denver & Boulder MSA's



Notes: (1) Source is US Census Bureau Data; (2) Greeley is excluded from totals (was broken out as separate MSA after 2002, but tracked as a sub-MSA stat before then, so was excluded from all data); (3) 2016 is a straight-line extrapolation based on 2016 YTD data through October 2016

# FOR-SALE HOUSING SUMMARY

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- **Millenials and Baby Boomers:** historical demographically-driven demand
- Colorado, and Denver MSA specifically, **drastically under-housed** (T. Thibodeau)
- **Suburban Infill** demand (high-density) exceeds **Exurban** demand (conventional density)
- **Construction Defect Litigation** chilling MF for-sale construction, but townhome construction picking up quickly
- Denver-Boulder MSA: ~50K jobs annually, ~3% unemployment, **favorable national narrative**
- For-Sale Detached Homes: New Home Average \$520K; Resale Average Mid-\$400's (**prices well above national averages**); YTD Sales up 5% - 10% over 2015
- **Fixed Costs of Housing** in Denver-Boulder MSA are extreme, driving prices higher:
  - Government Fees increasing; fees not scalable to smaller homes; extreme delays
  - Expansive Soil Mitigation
  - Basements