Not filed with the U.S. Securities and Exchange Commission

FORM 8-K

CURRENT REPORT

PURSUANT TO THE INDENTURE GOVERNING THE COMPANY'S 6.625% SENIOR NOTES DUE 2028, THE INDENTURE GOVERNING THE COMPANY'S 4.625% SENIOR NOTES DUE 2029, AND THE INDENTURE GOVERNING THE COMPANY'S 4.625% SENIOR NOTES DUE 2030

Date of Report (Date of earliest event reported): February 26, 2024

ASHTON WOODS USA L.L.C.

(Exact name of registrant as specified in charter)

Nevada
(State or other jurisdiction of incorporation)

3820 Mansell Road, Suite 400, Alpharetta, Georgia 30022
(Address of principal executive offices)

(770) 998-9663
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 8.01 **Other Events**

On and after February 26, 2024, Ashton Woods USA L.L.C. (the "Company") intends to use the Investor Presentation provided herewith at conferences and in meetings with investors, analysts, and others. A copy of the Investor Presentation dated February 2024 is attached hereto as Exhibit 99.1.

Item 9.01 **Financial Statements and Exhibits**

Exhibit No.	Description
99.1	Ashton Woods USA L.L.C. Investor presentation dated February 2024.

SIGNATURE

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 hereunto duly authorized.

Dated: February 26, 2024

ASHTON WOODS USA L.L.C.

By: /s/ Zack Sawyer
Zack Sawyer
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Ashton Woods USA L.L.C. Investor presentation dated February 2024.

Exhibit 99.1

Ashton Woods

February 2024

ASHTON WOODS

DISCLAIMER

Certain statements included in this presentation contain forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995, which represent our expectations or beliefs concerning future events, and no assurance can be given that the results described in this report will be achieved. These forward-looking statements can generally be identified by the use of statements that include words such as "estimate," "project," "believe," "expect," "anticipate," "intend," "plan," "foresee," "likely," "will," "target," "could," "seek", or other similar words or phrases. All forward-looking statements are based upon information available to us as of the date of this report. Such statements include, but are not limited to, our expectations about trends in the housing or homebuilding industry markets; or for Ashton Woods in particular, plans to protect our balance sheet and leverage ratios, maintain liquidity, reduce inventory, lot supply, debt, overhead and costs, result of option contract renegotiations, sales of land or joint venture interests, the level of non-cash impairment charges we may incur, expectations for cash flow, as well as timing of these items of their related metrics, and our future opportunities and operations of Ashton Woods. A forward-looking statement speaks only as of the date on which such statement is made, and, except as required by law, we undertake no obligation to update or revise any forward-looking statement, to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events or new information, even if future events make it clear that any expected results that we have expressed or implied will not be realized. Though we are of the view that such forward-looking statements are reasonable, the results in the forward-looking statement may not be achieved. New factors emerge from time to time, and it is not possible for management to predict all such factors. These forward-looking statements reflect our best estimates and are subject to risks, uncertainties, and other factors, many of which are outside of our control, which could cause actual results to differ materially from the results discussed in the forward-looking statements. Important factors that could cause actual results to differ materially from those in forward-looking statements and that could negatively affect our business include, but are not limited to, the following: Deterioration in homebuilding industry conditions or adverse changes in general economic, real estate construction, or other business conditions; the impact of an epidemic, pandemic, or similar public threat, and the measures that federal, state and local governments and/or health authorities implement to address it; raw materials, electrical power, and building supply shortages and price fluctuations; high inflation; fluctuations in quarterly results due to seasonality and other factors; fluctuations and declines in the market value of our land and/or homes inventory or land under contract could result in impairments; increases in residential mortgage interest rates and the availability of mortgage financing; an increase in unemployment or underemployment; high cancellation rates; our potential expansion into new markets and/or acquisitions of other homebuilding companies; the availability of undeveloped land and improved lots at suitable prices; our lack of geographic diversification; the availability of reasonably priced financing to support our operations; physical impact of adverse weather conditions and regulations relating to climate change; our dependence on key employees; the availability and supply of skilled labor; our exposure to home warranty and construction defect claims and changes in immigration laws and policies; the availability and performance of our subcontractors; failure of our employees, subcontractors or agents to comply with applicable regulations and guidelines; the competitive nature of the homebuilding industry; slower home sales could extend the time it takes to recover land purchase and property development costs and force us to absorb additional costs; risks relating to unconsolidated joint ventures; negative publicity; failures in our financial and operational controls could result in cost overruns and errors in valuing sites; our ability to obtain surety bonds; terrorist attacks or increased domestic and international social, political or economic unrest or instability; technology failures, cybersecurity attacks, breaches, and/or threats, and related exposures; government regulations relating to health, safety and the environment could increase the cost of, limit the availability of our development and homebuilding projects and adversely affect our financial results; government regulations relating to our title and mortgage operations; a major health or safety incident; our exposure to various litigation and legal claims; the potential that government rulings or legislation could make us responsible for labor law violations of our subcontractors and other parties; our exposure to additional entity-level taxation by individual states and localities; we are not subject to various securities disclosure and reporting laws or the Sarbanes-Oxley Act of 2002; the level of our indebtedness; a downgrade in our credit ratings; our ability to incur additional indebtedness; our ability to generate cash to service existing indebtedness; the ability or our controlling shareholders to select our board members and influence our business, including in ways that may conflict with the interests of our bondholders; restrictive covenants included in our bond indentures and revolving credit agreement; and other factors, including those discussed elsewhere in our 2023 Annual Report under the caption "Risk Factors" which is available on our website, over which the Company has little or no control.

MANAGEMENT PRESENTERS

Zack Sawyer – CFO and CAO

- Joined Ashton Woods in 2008
- Promoted to CFO in January 2023
- Served as VP, CAO from February 2014 – December 2022
- 16 years of industry experience
- Prior to joining Ashton Woods worked in the audit department at KPMG Atlanta
- Named to 2019 Professional Builder's Forty under 40
- Served on Board of Directors of HouseProud Atlanta (Non-profit Organization)

Michael Escarra – VP and Corporate Controller

- Joined Ashton Woods in 2016
- Served as Vice President of Finance in our Florida and Atlanta divisions for 6 years
- 15 years of industry experience
- Previous to Ashton Woods, was CFO for local homebuilder, JW Collection

COMPANY OVERVIEW

ASHTON WOODS

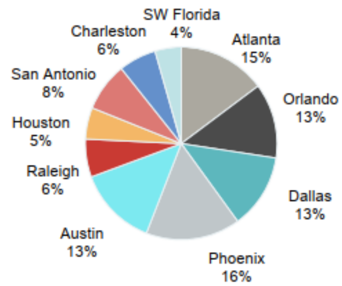
ASHTON WOODS AT A GLANCE

- **Largest private homebuilder and 12th largest homebuilder overall in the U.S.**[1]
  - Company founded in 1989
  - 35 years of operating history
  - ~76,000 homes delivered
  - 1,200+ employees across 12 operating divisions
  - Named 2023 Builder of the Year by Builder Magazine
- **Award winning brands**
  - Ashton Woods, offering luxury design and personalization
  - Starlight Homes, offering affordable entry level homes
- **Established presence in attractive housing markets**
  - Operations in 7 states across the Southeastern and Southwestern U.S.
    - Arizona, Florida, Georgia, North Carolina, South Carolina, Tennessee, and Texas
  - Geographic footprint focused on markets with favorable economic, demographic, and employment trends
  - Well-diversified with no market representing more than 16% of LTM revenues
- **Summary financial statistics**[2]
  - LTM revenues of $3.5bn
  - LTM pre-tax income of $445mm
  - LTM adjusted EBITDA of $508mm
  - Total assets of $2.9bn

Geographic focus

Diversified presence in high-growth Sunbelt and Southeast markets

LTM revenue by operating division[2]



[1] Home Builder Executive, based on closings for 2022; [2] For the 12 months ended 11/30/2023

COMPANY HIGHLIGHTS

- Focus on high-growth Sunbelt and Southeast Regions
- Best-in-class homebuilder brands
- Diversified and award-winning product offerings
- Significant activity in the entry level space, including SFR / wholesale business
- Attractive land portfolio
- Top-tier management team with significant industry experience

BEST-IN-CLASS BRANDS CREATE DIFFERENTIATED CUSTOMER VALUE PROPOSITION

ASHTON WOODS

STARLIGHT HOMES

GUIDING YOU HOME

High-end design and personalization

- The Ashton Woods brand is geared towards home buyers who have a preference for and willingness to pay a premium for design and personalization
- Design thoughtfully curated and inspired homes
- The Studio, along with AW collections, results in exceptional design and special designer touches in every Ashton Woods home
- National recognition through awards for the industry's Best Interior Model Merchandising and Best Design Center

Affordable entry level homes

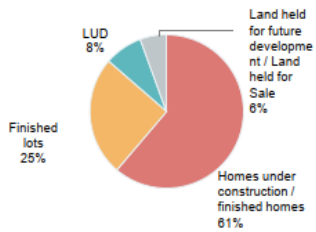
- Ashton Woods began offering entry-level homes under the Starlight Homes brand in FY 2017
- Driven by significant opportunity to convert renters into first-time homebuyers and capture move-down buyers
- High-efficiency building process – simplified design drives lower cycle times and higher asset turns
- Targeted, data-driven marketing strategy designed to continually optimize for cost / lead and cost / sale
- Starlight Homes represents 55% of closings and 45% of revenues for the 12 months ended November 30, 2023

ATTRACTIVE LAND PORTFOLIO AND FOCUS ON OPTIONED LOTS

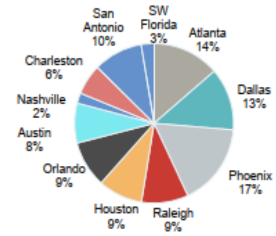
Highlights

- Diversified portfolio in well-established markets
- Strategic focus on optioned lots allows for flexibility in deployment of capital and limits unused inventory dollars on balance sheet
  - 78% optioned as of 11/30/2023
- 86% of our $1.8bn inventory balance at 11/30/2023 was either in the form of finished homes, homes under construction, or finished lots
- We control lots for 100% of projected FY 2024 and 2025 sales

Book value of inventory as of 11/30/2023 ($1.8bn)

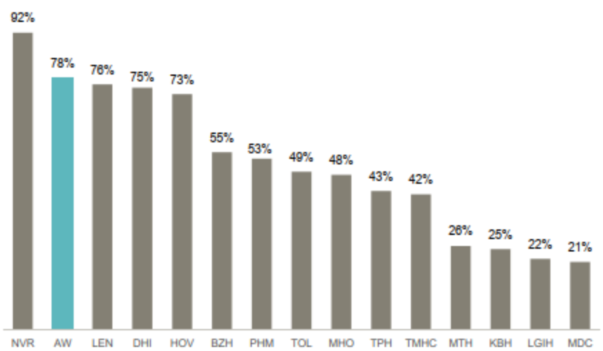


~83% of inventory is in homes or finished lots



Diversification by market is a strategic priority

% of lots optioned[1]



Owned and controlled lots as of 11/30/2023

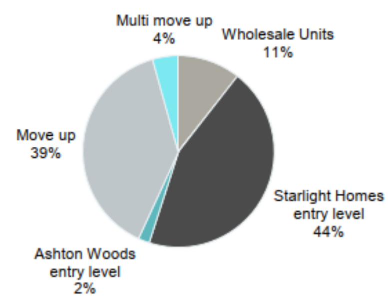
	Ashton Woods	Starlight Homes	Total
Owned Lots	4,190	7,795	11,985
Optioned Lots	19,409	24,265	43,674
Total	23,599	32,060	55,659
% of Total	42%	58%	100%
Years supply owned	1.1	1.6	1.4
Years supply controlled	6.1	6.8	6.4

Note: Ashton Woods owned lots includes lots with homes under construction
[1] Source: Most recent company filings for public builders. For AW, as of 11.30.2023.

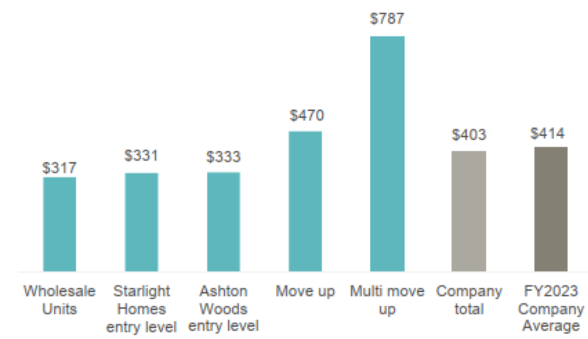
DIVERSIFIED PRODUCT OFFERINGS

- The Company has expanded its customer base, enhanced growth and improved profitability by diversifying its product portfolio in each market without a significant increase in overhead costs, including through the addition of Starlight Homes in fiscal year 2017.
- Prices range from low $200 thousands to over $1 million, with different products and features intended to meet the expectations and demands of different consumer segments
- For our Ashton Woods brand, in-depth analysis of homebuyer segments has driven us to focus on buyers who have a preference for and willingness to pay a premium for high design and personalization
- Addition of Starlight Homes brand in FY 2017 enhances appeal to first-time buyers in locations with dense apartment populations and proximity to transportation arteries
- Active in the wholesale business, selling to single family rental companies and investors

Closings by buyer type[1]



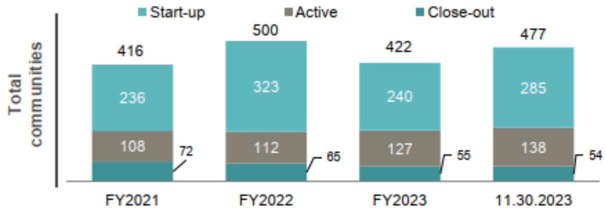
ASP ($000s)[1]

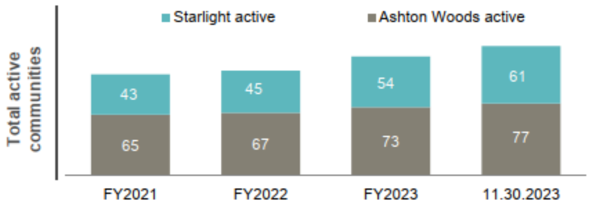


[1] For the 12 months ended 11/30/2023

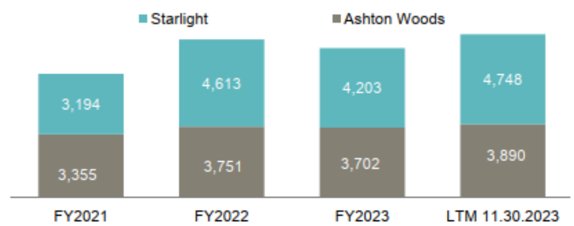
COMMUNITY OVERVIEW

Total communities

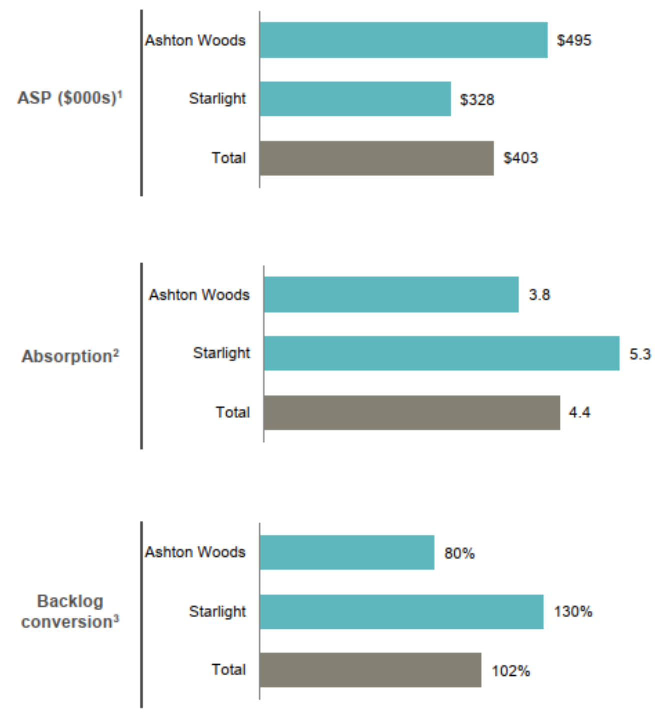




Total closings



Select operating metrics

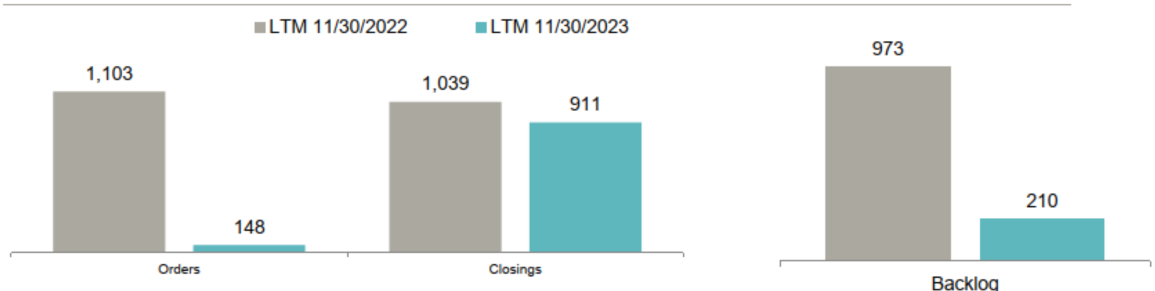


[1] Based on LTM ended 11/30/2023
[2] Based on average monthly sales per average active communities for the six months ended 11/30/2023
[3] Based on the three months ended 11/30/2023

WHOLESALE / SINGLE FAMILY RENTAL BUSINESS

- Active in new wholesale business in which homes, communities and land are sold to single family rental companies and investors
- Opportunities to build phases or whole communities, either as part of our regular homebuilding operations (wholesale units) or as a contract developer or builder (fee build revenues)
  - Company does not own or manage any single-family rental properties
  - Wholesale units are included as sales and closings, and shown in homebuilding revenue and cost of sales
  - Fee building revenues and cost of sales include homes built not on our balance sheet
- Business line was launched in FY 2019 as part of the Starlight entry-level brand
- Wholesale homes represented 2% of total company orders and 11% of total company deliveries in the last 12 months ended 11/30/2023
- Wholesale business benefits from standardized construction and limited sales and marketing costs
- Business is driving incremental growth and improvement in operating metrics

Wholesale Units



FINANCIAL SUMMARY

ASHTON WOODS

OPERATING AND FINANCIAL STRATEGY

- Continue to focus on current strong markets and grow market share
- Maintain an appropriate supply of land in key markets for future build out
- Continue to balance lot ownership and control through option contracts
- Continue to optimize portfolio of entry-level, move-up and multi-move-up communities
- Scale platform to enhance operational efficiency and cycle time reductions and generate better capital efficiency
- Continue to focus on reducing leverage and maintaining adequate liquidity, while balancing the needs of the business and continued distributions

HISTORICAL FINANCIAL PERFORMANCE SUMMARY

$ in millions, except as noted	Year ended May 31,			LTM
	2021	2022	2023	11/30/2023
Operations:				
Net New Orders	8,436	7,494	7,496	7,896
Absorption[1]	5.7	5.7	5.2	5.1
Closings	6,549	8,364	7,905	8,638
Closing ASP ($000)	$342	$385	$414	$403
Summary financials:				
Homebuilding revenue	$2,238	$3,221	$3,271	$3,483
Total revenue	$2,291	$3,273	$3,326	$3,538
Homebuilding gross margin (%)	22.3%	28.1%	24.1%	24.4%
Adjusted homebuilding gross margin (%)	24.3%	29.9%	26.1%	25.9%
SG&A as % of HB revenue	12.0%	11.5%	12.3%	12.9%
Pre-tax income	$234	$511	$433	$445
Adjusted EBITDA	$303	$621	$494	$508
Summary balance sheet:				
Total cash	$285	$487	$602	$299
Total debt	$744	$985	$987	$989
Total equity	$651	$1,027	$1,152	$1,242
Total assets	$1,800	$2,554	$2,783	$2,934

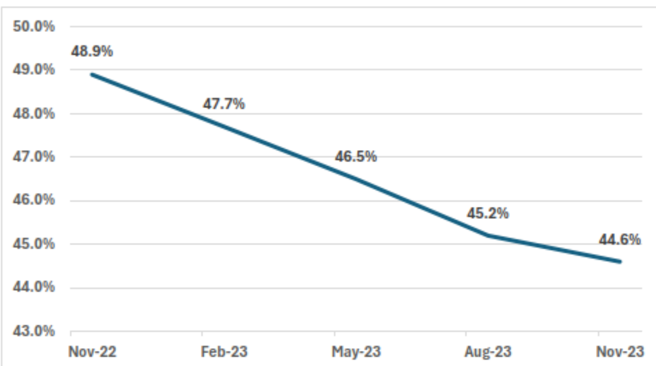
1 Based on net new orders divided by average active communities

BALANCE SHEET

Balance sheet commentary (As of 11.30.2023)

- Ample liquidity of $630mm
- Well staggered debt maturity profile
- No off-balance sheet debt
- Strategy to reduce leverage and lower risk as housing cycle matures while pursuing prudent growth

Leverage over time (debt to cap)

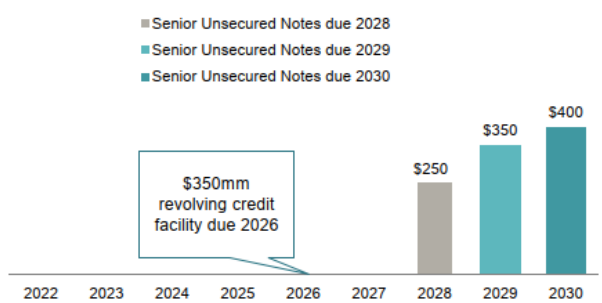


[1] As of 11/30/2023

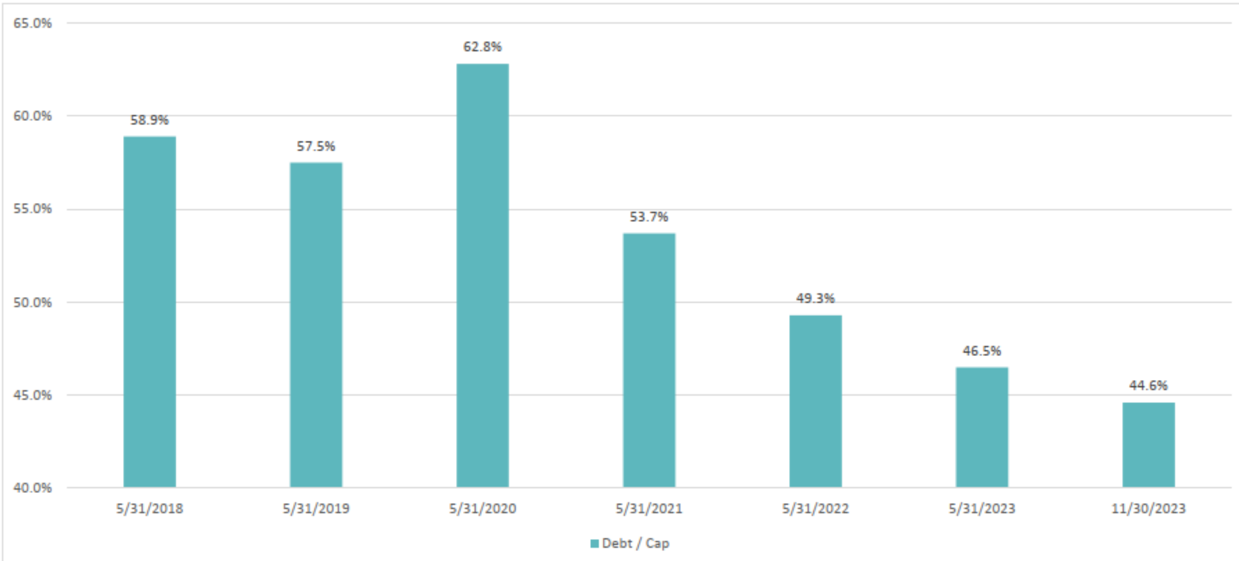
Capitalization ($mm)

	11/30/2023
Cash and Restricted Cash	$299
Unsecured Revolving Credit Facility	-
6.625% Senior Unsecured Notes due 2028	250
4.625% Senior Unsecured Notes due 2029	350
4.625% Senior Unsecured Notes due 2030	400
Discount and deferred costs	(11)
Total debt	**$989**
Book value of equity	1,242
Total capitalization	**2,231**
Credit statistics	
Total Debt / Total Book Capitalization	44.6%
Net debt / Net Book Capitalization	36.1%

Debt maturity schedule ($mm)[1]



HISTORICAL DEBT TO CAP



APPENDIX

ASHTON WOODS

Reconciliation of home gross margin to adjusted home gross margin

$ in millions, except as noted	Year ended May 31, 2021	Year ended May 31, 2022	Year ended May 31, 2023	LTM 11/30/2023
Home sales revenues	$ 2,238.5	$ 3,220.6	$ 3,270.6	$ 3,483.4
Cost of sales - homes	$ 1,739.7	$ 2,314.8	$ 2,468.1	$ 2,632.6
Home gross margin	**$ 498.7**	**$ 905.9**	**$ 802.6**	**$ 850.7**
Add: Inventory Impairments	$ 0.1	$ 0.3	$ 0.2	$ 0.3
Interest amortized to cost of sales	$ 46.0	$ 56.4	$ 51.2	$ 50.7
Adjusted home gross margin	*$ 544.8*	*$ 962.6*	*$ 854.0*	*$ 901.7*
Ratio of home gross margin to home sales revenues	*22.3%*	*28.1%*	*24.5%*	*24.4%*
Ratio of adj. home gross margin to home sales revenues	24.3%	29.9%	26.1%	25.9%

Reconciliation of net income to Adjusted EBITDA

$ in millions, except as noted	Year ended May 31,			LTM
	2021	2022	2023	11/30/2023
Net income	$ 234.2	$ 511.5	$ 433.2	$ 444.8
Depreciation and amortization	$ 8.9	$ 7.3	$ 6.5	$ 7.9
Interest amortized to cost of sales	$ 46.0	$ 56.4	$ 51.2	$ 50.7
Interest expensed	$ 14.3	$ 0.6	$ 2.7	$ 4.8
EBITDA	**$ 303.3**	**$ 575.8**	**$ 493.7**	**$ 508.1**
Loss from early extinguishment of debt	*$ 0.2*	*$ 45.7*	*$ -*	*$ -*
Adjusted EBITDA	***$ 303.5***	***$ 621.5***	***$ 493.7***	***$ 508.1***

Reconciliation of net debt to net capitalization

$ in millions, except as noted		As of 11/30/2023
Total debt (aggregate principal balance)	$	1,000.0
Less cash, cash equivalents, and restricted cash	$	299.0
Net debt	**$**	**701.0**
Total Members' equity	$	1,241.6
Total net capitalization	$	1,942.6
Total net debt to net capitalization		**36.1%**

ASHTON WOODS™