



INVESTOR PRESENTATION

Fourth Quarter and Full Year 2024

CAUTIONARY STATEMENT

Forward-Looking Statements

This presentation includes statements concerning our expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are not historical facts. These statements are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those expressed or implied by these statements. You can generally identify our forward-looking statements by the words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “may,” “objective,” “plan,” “potential,” “predict,” “projection,” “should,” “will” or other similar words. The statements in this presentation that are not historical statements, including statements regarding LGI Homes, Inc.’s (“LGI Homes”) future expectations, guidance, beliefs, plans, objectives, financial conditions, assumptions or future events or performance, are forward-looking statements within the meaning of the federal securities laws. LGI Homes has based its forward-looking statements on its management’s beliefs and assumptions based on information available to its management at the time the statements are made. LGI Homes cautions you that assumptions, beliefs, expectations, intentions and projections about future events may and often do vary materially from actual results. Therefore, LGI Homes cannot assure you that actual results will not differ materially from those expressed or implied by its forward-looking statements. Please read LGI Homes’ most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q filed thereafter and other filings with the Securities and Exchange Commission, including the “Risk Factors” and “Cautionary Statement about Forward-Looking Statements” sections in such filings, for a discussion of some of the factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement. LGI Homes expressly disclaims any intent, obligation or undertaking to update or revise any forward-looking statements to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

Use of Non-GAAP Financial Measures

In addition to the financial statements presented in accordance with U.S. generally accepted accounting principles (“GAAP”), LGI Homes uses certain non-GAAP financial measures, including Adjusted Gross Margin. Adjusted Gross Margin is a non-GAAP financial measure used by management as a supplemental measure in evaluating LGI Homes’ operating performance. LGI Homes defines Adjusted Gross Margin as Gross Margin less Capitalized Interest and adjustments resulting from the application of purchase accounting included in the Cost of Sales. Other companies may not calculate Adjusted Gross Margin or other non-GAAP financial measures in the same manner as LGI Homes and therefore such information may not be directly comparable to those measures of LGI Homes’ performance. Reconciliations of Adjusted Gross Margin to Gross Margin, the GAAP financial measure that management believe to be most directly comparable, are included in the Appendix at the end of this presentation.



COMPANY HIGHLIGHTS

Founded in 2003, LGI Homes is one of the nation's fastest growing homebuilders. LGI Homes' unique business model is focused on offering entry-level homebuyers quality homes at affordable prices through a well-established sales and marketing approach, a culture of customer service excellence, and a highly efficient construction process.

FOCUS ON PERFORMANCE

LGI HOMES AT A GLANCE

FULL YEAR 2024

\$2.2 BILLION REVENUE

6,131 HOME CLOSINGS⁽¹⁾

3.8 AVERAGE MONTHLY ABSORPTIONS

24.2% GROSS MARGIN ⁽²⁾ ⁽⁴⁾

26.3% ADJUSTED GROSS MARGIN ⁽³⁾ ⁽⁴⁾

36 MARKETS IN **21** STATES ⁽⁵⁾

70,899 OWNED & CONTROLLED LOTS ⁽⁵⁾

75,000+ HOMES CLOSED SINCE FOUNDING

- 1) Includes the bulk sale of 103 leased, single-family homes
- 2) Gross Margin is defined as Home Sales Revenues less Cost of Sales
- 3) Adjusted Gross Margin is defined as Gross Margin adjusted for Capitalized Interest and adjustments resulting from the application of purchase accounting included in Cost of Sales. See the Appendix for a reconciliation of Adjusted Gross Margin to Gross Margin
- 4) Calculated as a percentage of Home Sales Revenues
- 5) As of December 31, 2024



Affordable Alternative to Renting

Target Customer: Renters and First Time Homebuyers



Move-In Ready Inventory

100% Spec Homes – All upgrades included

Attractive, outlying suburban communities that are conveniently located near retail districts and business centers



Professionally Trained Sales Representatives

Information Centers are generally staffed by two to four trained sales professionals and are open 359 days per year



Marketing Excellence

Unique and highly successful marketing system proven to convert renters into new homeowners

Direct to consumer model limits reliance on realtors



Superior Homebuilding & Land Acquisitions Strategy

Flexible land acquisition strategy of purchasing or optioning finished lots and raw land for development



FOCUS ON OUR UNIQUE MODEL

THE LGI DIFFERENCE

We utilize a well-established sales and marketing approach, a culture of customer service excellence, a disciplined land acquisition and development strategy and a highly efficient home construction process.

Full-Time CM On Site

A highly trained, full-time Construction Manager on each site builds according to our manual and walks each home multiple times per day to ensure consistency and quality.

Even Flow Production

Consistent and efficient year-round work that will increase as sales increase in each project.

Set Building

By starting and building sets of three to four homes simultaneously on adjacent home sites, we optimize our pace of construction.

We Pay On Time, Every Time

We highly value our Trade Partners and pay them by direct deposit every Friday.

4-6 Plans Per Community

Four to six plans per community allows for consistency and standard components in order to maintain an average home completion time of approximately 105 to 135 days.

Clean Job Sites

A commitment to cleanliness promoting safety, efficiency, and higher quality construction.

Zero Options and No Changes

By standardizing and including the features and finishes entry-level buyers desire, we eliminate customization and can build 100% to Spec.

Advanced Scheduling System

Real-time updates and guaranteed schedules ensure efficient subcontractor progress.



FOCUS ON QUALITY AND EFFICIENCY

HOMEBUILDING EXCELLENCE

Building 100% spec homes eliminates options and potential changes, resulting in efficient build times. Our commitment to jobsite cleanliness promotes safety and efficiency, and results in higher quality, move-in ready homes for first time buyers. Additionally, our construction process generates significant loyalty from our trade partners who value our structure and the dependability of workflow it creates.

Standard Processes & Procedures

LGI Homes is a systems-based company with an “LGI Way” for everything we do. Our focus on systems and procedures provides employees with the tools they need to be successful and allows for our processes to be replicated in every market where we operate.

Manuals

Every department at LGI Homes has a comprehensive operating manual, detailing our time-proven processes for successfully accomplishing every job. Manuals create clear expectations, facilitate ongoing training and enable employees to quickly become proficient in their role.

Comprehensive Training

Our people receive world-class training and continuous development. Sales representatives undergo 100 days of training where they dive into our LGI Homes culture and learn the systems and processes behind conducting business the “LGI Way”

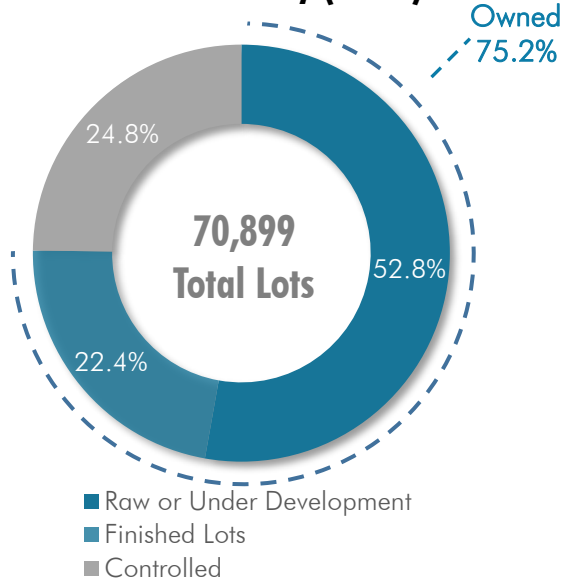


FOCUS ON CONSISTENCY

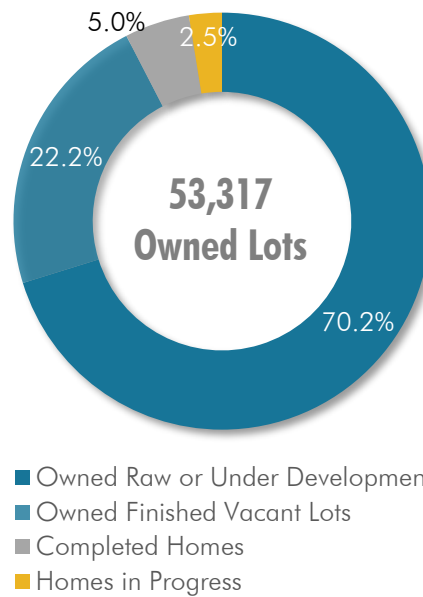
A SYSTEMS-BASED COMPANY

INVENTORY MANAGEMENT

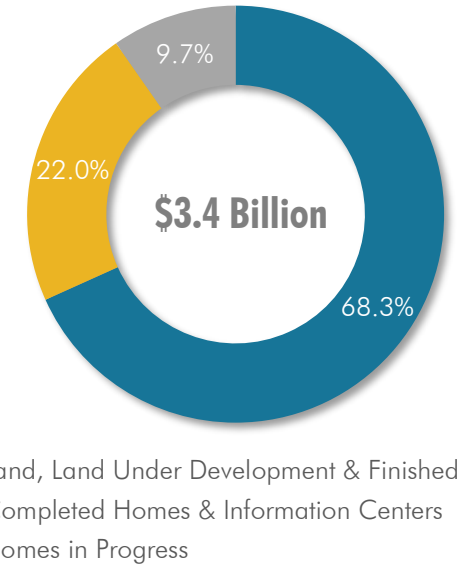
Total Lot Inventory (Units) ⁽¹⁾



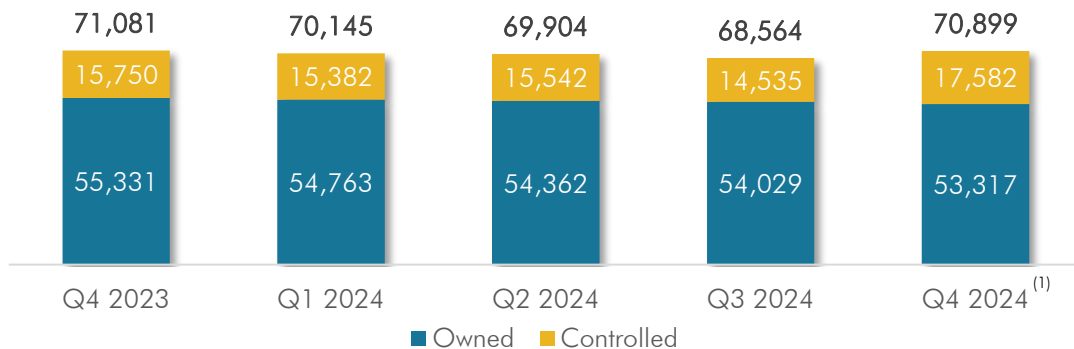
Owned Lot Inventory (Units) ^{(1) (2)}



Owned Real Estate Inventory (\$ Value) ^{(1) (3)}



Total Owned and Controlled Lots Over Time



Total Real Estate Inventory by Reportable Segment ⁽¹⁾

	2024 Home Closings	Owned Lots ⁽²⁾	Controlled Lots	Total Lots
Central	1,757	20,099	3,542	23,641
Southeast	1,635	13,870	4,434	18,304
Northwest	483	5,161	3,000	8,161
West	1,140	8,829	4,119	12,948
Florida	1,013	5,358	2,487	7,845
Total	6,028	53,317	17,582	70,899

Note: Some numbers may not foot due to rounding

1) As of December 31, 2024

2) Of the 53,317 owned lots as of December 31, 2024, 37,432 were raw/under development lots and 15,885 were finished lots

3) Excludes real estate not owned of \$37.1 million



FOCUS ON CONTINUED GROWTH

BECOME A TOP 5 BUILDER

The Company plans to double the size of its business through a combination of deepening our positions in existing markets, maintaining wholesale operations in line with total closings and pursuing selected M&A opportunities where they match business objectives.



Organic Growth

Expand in existing and recently entered markets, as well as selective expansion into new markets.

SINCE DECEMBER 31, 2013:

17
NEW STATES ⁽¹⁾

28
NEW MARKETS ⁽¹⁾

6.0x
MORE COMMUNITIES ⁽¹⁾

273%
HOME CLOSINGS GROWTH ⁽²⁾

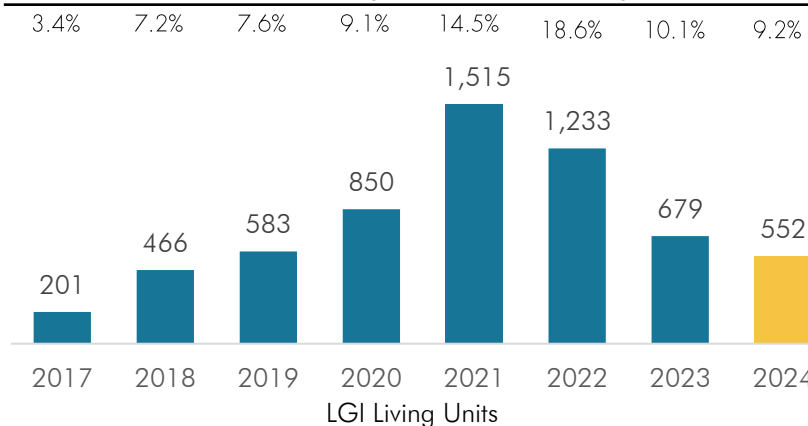
814%
REVENUE GROWTH ⁽²⁾



LGI LIVING

LGI Homes' wholesale business, LGI Living, opportunistically sells units to single-family rental investors at similar operating margins.

Wholesale Closings as a % of Total Closings



Highly Selective Acquisition Strategy

Acquisition targets are builders primarily focused on entry-level homes and land acquisitions that will add accretive value.

ACQUIRED IN 2014:



ACQUIRED IN 2018:



ACQUIRED IN 2021:

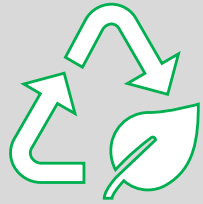


1) As of December 31, 2024

2) Growth metrics are for informational purposes only and are based on 2024 financial metrics and 2013 financial metrics pro forma for the GTIS Acquisition

FOCUSING ON LGI HOMES' ENGAGEMENT AND VALUES

Focused on the Sustainability

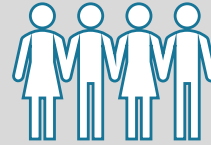


Sustainable Business Practices:

Since its founding in 2003, LGI Homes has been focused on helping renters become first-time homeowners. The Company understands the value a home can create and the stability it can provide. As part of that mission, the Company seeks to protect the environment through its compliance with all applicable laws, rules and regulations. Wherever possible, the Company seeks to maintain and cultivate green belts within its communities and to provide outdoor spaces for residents to interact with each other and with local natural habitats.

The Company builds its homes with the goal of making sustainability affordable for its customers. By limiting the number of floor plans, LGI Homes preserves natural resources and reduces waste. Additionally, its homes are equipped with modern energy-efficiency features like Low-E vinyl windows, programable thermostats, LED lights, EnergyStar appliances and plumbing fixtures designed to reduce water waste.

Focused on People



Our Communities:

The LGI Giving initiative was created for the Company's employees to have a larger impact on the communities they serve through volunteerism and financial contributions. Through this initiative, the Company has contributed over \$3.5 million in corporate non-profit sponsorships and donated over 40,000 employee service hours since 2016.

Our Employees:

LGI Homes has a proven record of identifying and attracting the best talent. As a result, it has built a diverse and inclusive team of high performers. Employees receive world-class training and continuous development that prepares them to contribute to the Company's shared success and equips them to be rewarded for their individual achievements.

At LGI Homes, people come first.

Focused on Governance



Board of Directors:

Corporate governance is the foundation of the organization, providing a framework for the roles, responsibilities, processes, and procedures across the Company.

LGI Homes' Board of Directors sets high standards for the Company's employees, officers and directors. The Board of Directors serves as a prudent fiduciary for stockholders and oversees the management of the Company's business.

Governance highlights and practices include:

- ▶ Diversity of skills and experience
- ▶ 86% independence
- ▶ Annual election of directors
- ▶ Strong corporate controls
- ▶ Executive compensation aligned with stockholder interests



FINANCIAL RESULTS

RECENT FINANCIAL RESULTS

Fourth Quarter 2024

- ▶ Home Closings: 1,533, (12.8%)
- ▶ Home Sales Revenue: \$557.4 Million, (8.4%)
- ▶ Average Sales Price: \$363,598, +5.1%
- ▶ Ending Active Communities: 151, +29.1%
- ▶ Average Active Communities: 143.7, +27.9%
- ▶ Gross Margin: 22.9%, (50) basis points
- ▶ Adjusted Gross Margin⁽¹⁾: 25.2%, +10 basis points
- ▶ Pre-Tax Net Income: \$67.1 Million, (2.1%)
- ▶ Net Income: \$50.9 Million, (2.3%)
- ▶ Basic EPS: \$2.16; Diluted EPS: \$2.15

Full Year 2024

- ▶ Home Closings: 6,028, (10.4%)
- ▶ Home Sales Revenue: \$2.2 Billion, (6.6%)
- ▶ Average Sales Price: \$365,394, +4.2%
- ▶ Ending Active Communities: 151, +29.1%
- ▶ Average Active Communities: 130.5, +25.6%
- ▶ Gross Margin: 24.2%, +120 basis points
- ▶ Adjusted Gross Margin⁽¹⁾: 26.3%, +160 basis points
- ▶ Pre-Tax Net Income: \$258.9 Million, (1.1%)
- ▶ Net Income: \$196.1 Million, (1.6%)
- ▶ Basic EPS: \$8.33; Diluted EPS: \$8.30

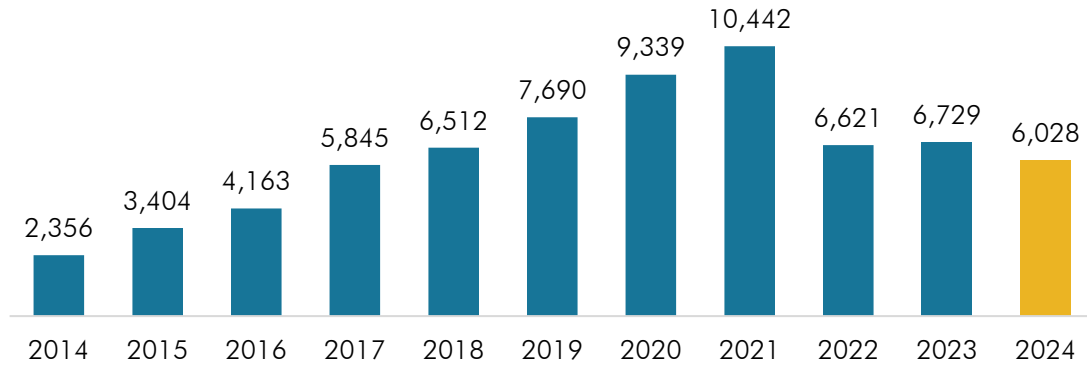
Note: Metrics compared to the fourth quarter and full year results as of December 31, 2023; numbers may not foot due to rounding

1) Adjusted Gross Margin is a non-GAAP measure defined as Gross Margin adjusted for Capitalized Interest and adjustments resulting from the application of purchase accounting included in Cost of Sales. See the Appendix for a reconciliation of Adjusted Gross Margin to Gross Margin

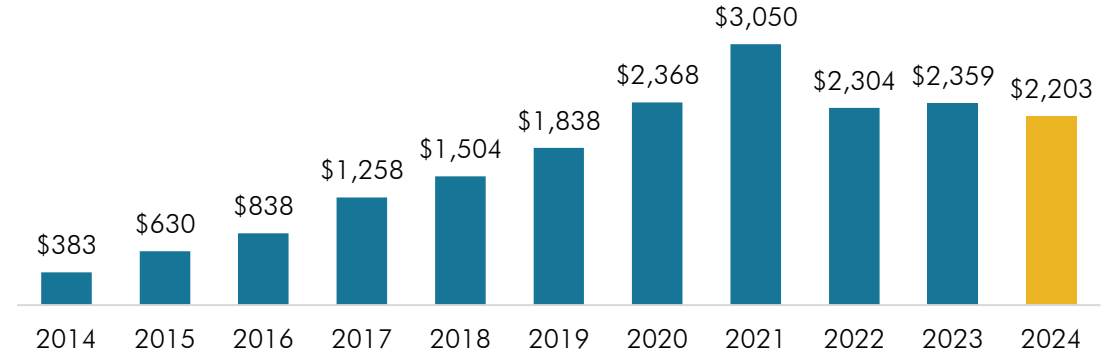
STRONG OPERATING RESULTS

LGI HOMES HAS GENERATED STRONG RESULTS AND INDUSTRY-LEADING ABSORPTIONS

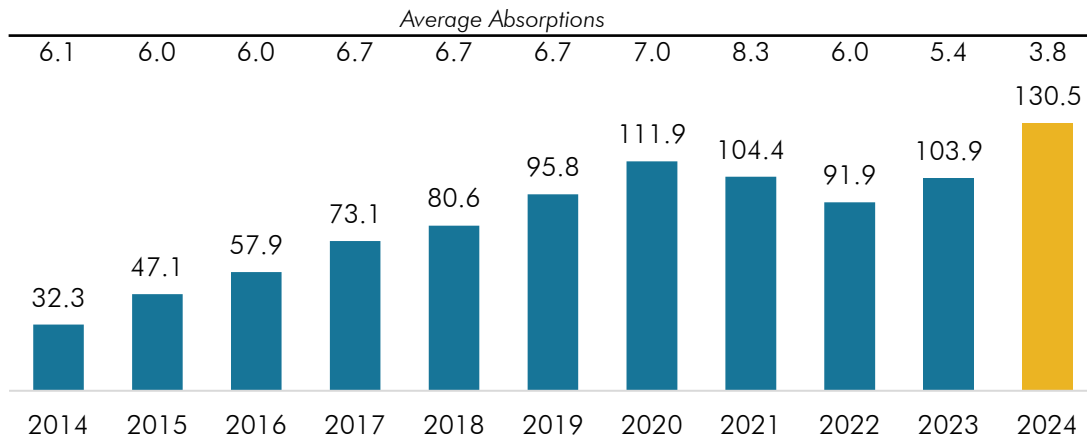
Home Closings (Units)



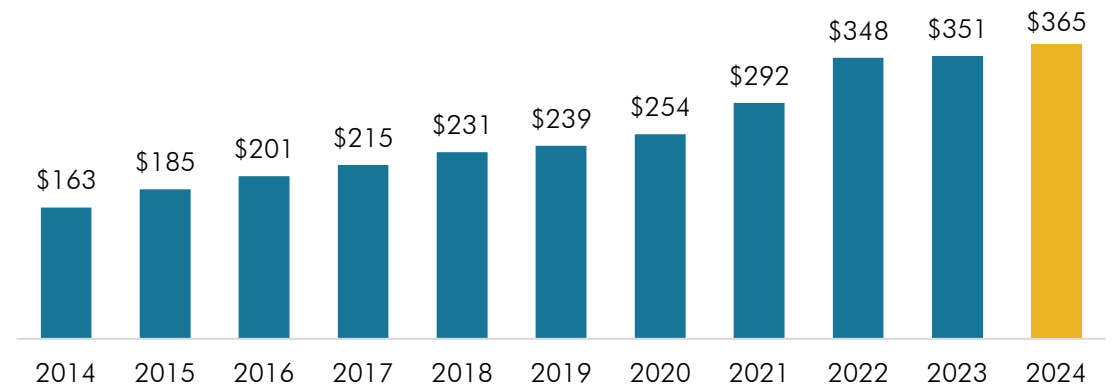
Revenue (\$ millions)



Average Communities and Absorptions ⁽¹⁾



Average Sales Price (\$ thousands)

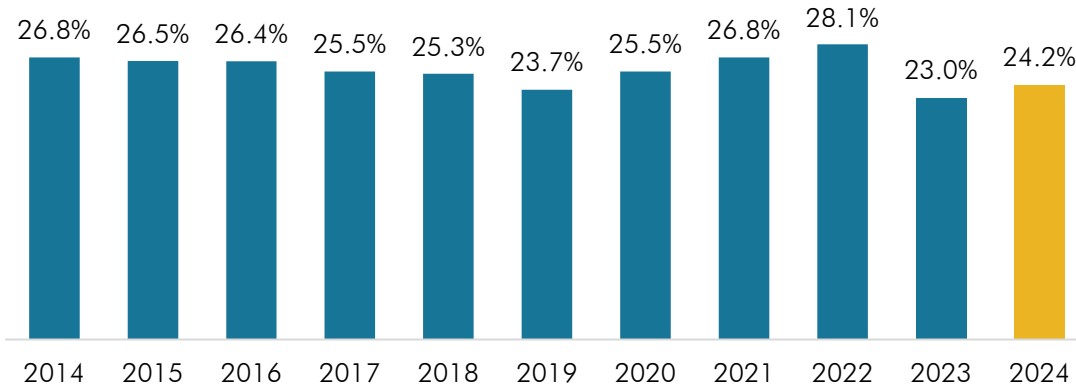


1) Absorptions per Community per Month; includes wholesale closings

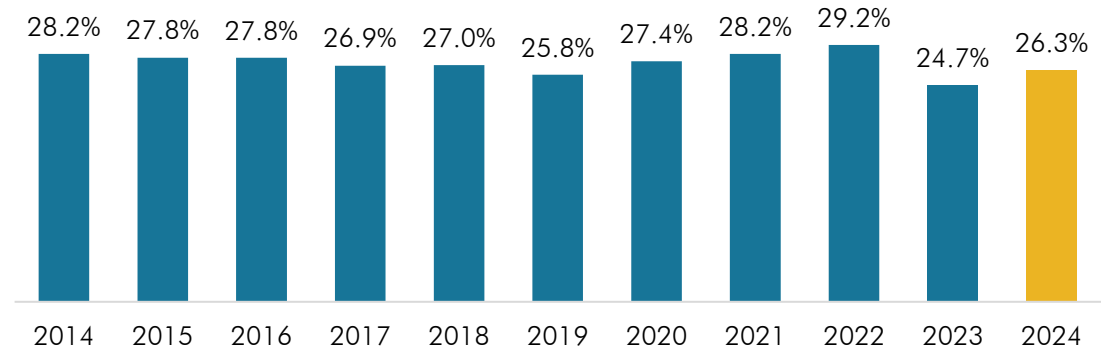
LEADING MARGINS & PROFITABILITY

LGI HOMES HAS CONSISTENTLY GENERATED STRONG MARGINS & PROFITABILITY

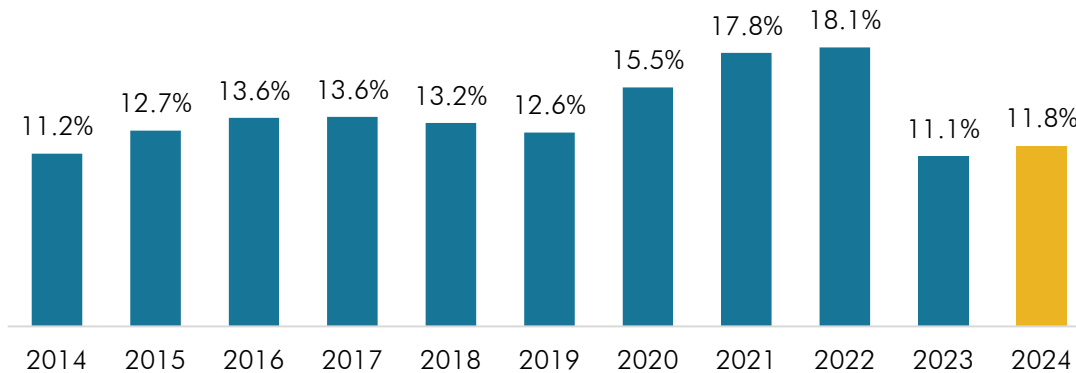
Gross Margin Percentage (1) (2)



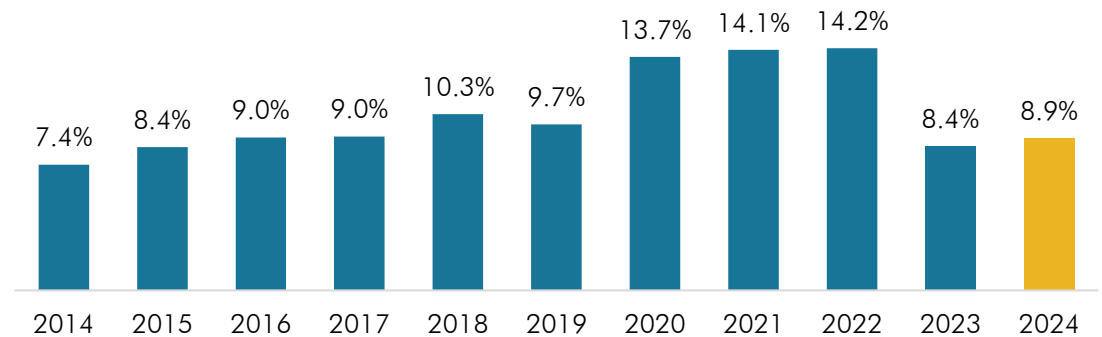
Adjusted Gross Margin Percentage (2) (3)



Pre-Tax Net Income Percentage (2)



Net Income Percentage (2) (4)



1) Gross Margin is defined as Home Sales Revenues less Cost of Sales

2) Calculated as a percentage of Home Sales Revenues

3) Adjusted Gross Margin is a non-GAAP measure defined as Gross Margin adjusted for Capitalized Interest and adjustments resulting from the application of purchase accounting included in Cost of Sales. See the Appendix for a reconciliation of Adjusted Gross Margin to Gross Margin

4) Beginning in FY 2020, results include the impact of 45L tax credits

BALANCE SHEET

INVESTING IN FUTURE COMMUNITY COUNT GROWTH

(\$ in thousands)	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023	December 31, 2024
ASSETS					
Cash and Cash Equivalents	\$ 35,942	\$ 50,514	\$ 31,998	\$ 48,978	\$ 53,197
Accounts Receivable	115,939	57,909	25,143	41,319	28,717
Real Estate Inventory	1,569,489	2,085,904	2,898,296	3,107,648	3,387,853
Goodwill	12,018	12,018	12,018	12,018	12,018
Other Assets	92,699	145,520	157,373	197,888	276,749
Total Assets	\$ 1,826,087	\$ 2,351,865	\$ 3,124,828	\$ 3,407,851	\$ 3,758,534
LIABILITIES					
Accounts Payable and Other Liabilities	\$ 148,684	\$ 150,781	\$ 365,415	\$ 303,488	\$ 240,588
Notes Payable	538,398	805,236	1,117,001	1,248,332	1,480,718
Total Liabilities	687,082	956,017	1,482,416	1,551,820	1,721,306
EQUITY					
Common Stock	267	269	272	275	276
Additional Paid-In Capital	270,598	291,577	306,673	321,062	337,161
Retained Earnings	934,277	1,363,922	1,690,489	1,889,716	2,085,787
Treasury Stock, at Cost	(66,137)	(259,920)	(355,022)	(355,022)	(385,996)
Total Equity	1,139,005	1,395,848	1,642,412	1,856,031	2,037,228
Total Liabilities and Equity	\$ 1,826,087	\$ 2,351,865	\$ 3,124,828	\$ 3,407,851	\$ 3,758,534
Gross Debt to Capitalization ⁽¹⁾	32.1%	36.6%	40.5%	40.2%	42.1%
Net Debt to Capitalization ⁽²⁾	30.6%	35.1%	39.8%	39.3%	41.2%

As December 31, 2024:

**\$53 Million
in Cash**

**\$3.4 Billion in
Inventory**

**Net Leverage of
41.2%**

**\$324 Million in
Liquidity**

1) Calculated as Notes Payable as a percentage of the sum of Notes Payable and Total Equity

2) Calculated as Notes Payable less Cash and Cash Equivalents ("Net Debt") as a percentage of the sum of Net Debt and Total Equity



APPENDIX

HISTORICAL FOURTH QUARTER OPERATING RESULTS

QUARTERS ENDED DECEMBER 31ST

	Q4 2014	Q4 2015	Q4 2016	Q4 2017	Q4 2018	Q4 2019	Q4 2020	Q4 2021	Q4 2022	Q4 2023	Q4 2024
Home Closings	652	946	1,139	1,844	1,852	2,515	3,408	2,526	1,448	1,758	1,533
Average Active Communities	38.0	52.0	62.3	78.3	85.3	104.3	113.7	103.7	94.3	112.3	143.7
Avg. Monthly Absorption Rate	5.7	6.1	6.1	7.8	7.2	8.0	10.0	8.1	5.1	5.2	3.6
Average Sales Price	\$166,288	\$186,854	\$207,928	\$219,618	\$229,568	\$240,815	\$263,321	\$317,132	\$337,198	\$346,083	\$363,598
Home Sales Revenues (\$M)	\$108.4	\$176.8	\$236.8	\$405.0	\$425.2	\$605.6	\$897.4	\$801.1	\$488.3	\$608.4	\$557.4
Gross Margin %	27.3%	26.5%	27.2%	24.4%	24.4%	23.5%	27.1%	26.4%	20.7%	23.4%	22.9%
Adjusted Gross Margin % ⁽¹⁾	28.9%	27.6%	28.5%	25.8%	26.2%	25.5%	28.8%	27.6%	22.1%	25.1%	25.2%
SG&A %	16.7%	13.1%	12.7%	10.8%	11.3%	9.6%	8.7%	8.8%	12.3%	13.6%	14.7%
Pre-Tax Net Income (\$M)	\$11.6	\$24.1	\$34.9	\$55.0	\$56.2	\$84.9	\$166.5	\$143.4	\$46.9	\$68.5	\$67.1
Pre-Tax Net Income %	10.7%	13.6%	14.8%	13.6%	13.2%	14.0%	18.6%	17.9%	9.6%	11.3%	12.0%
Effective Tax Rate %	34.9%	34.7%	33.6%	35.2%	24.1%	23.6%	18.1%	22.4%	27.2%	24.0%	24.2%
Net Income (\$M)	\$7.5	\$15.7	\$23.2	\$35.6	\$42.7	\$64.9	\$136.4	\$111.3	\$34.1	\$52.1	\$50.9
Net Income %	6.9%	8.9%	9.8%	8.8%	10.0%	10.7%	15.2%	13.9%	7.0%	8.6%	9.1%
Basic Earnings per Share	\$0.37	\$0.79	\$1.09	\$1.65	\$1.89	\$2.69	\$5.45	\$4.61	\$1.46	\$2.21	\$2.16
Diluted Earnings per Share	\$0.34	\$0.75	\$1.01	\$1.43	\$1.72	\$2.52	\$5.34	\$4.53	\$1.45	\$2.19	\$2.15

1) Adjusted Gross Margin is a non-GAAP measure defined as Gross Margin adjusted for Capitalized Interest and adjustments resulting from the application of purchase accounting included in Cost of Sales

HISTORICAL ANNUAL OPERATING RESULTS

YEARS ENDED DECEMBER 31ST

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Home Closings	2,356	3,404	4,163	5,845	6,512	7,690	9,339	10,442	6,621	6,729	6,028
Average Active Communities	32.3	47.1	57.9	73.1	80.6	95.8	111.9	104.4	91.9	103.9	130.5
Avg. Monthly Absorption Rate	6.1	6.0	6.0	6.7	6.7	6.7	7.0	8.3	6.0	5.4	3.8
Average Sales Price	\$162,677	\$185,146	\$201,374	\$215,220	\$231,020	\$239,032	\$253,553	\$292,104	\$348,052	\$350,510	\$365,394
Home Sales Revenues (\$M)	\$383.3	\$630.2	\$838.3	\$1,258.0	\$1,504.4	\$1,838.2	\$2,367.9	\$3,050.1	\$2,304.5	\$2,358.6	\$2,202.6
Gross Margin %	26.8%	26.5%	26.4%	25.5%	25.3%	23.7%	25.5%	26.8%	28.1%	23.0%	24.2%
Adjusted Gross Margin % ⁽¹⁾	28.2%	27.8%	27.8%	26.9%	27.0%	25.8%	27.4%	28.2%	29.2%	24.7%	26.3%
SG&A %	15.8%	13.8%	13.1%	12.0%	12.0%	11.4%	10.1%	8.9%	11.1%	13.1%	14.6%
Pre-Tax Net Income (\$M)	\$43.1	\$80.3	\$113.7	\$171.4	\$199.1	\$231.8	\$367.8	\$542.8	\$418.1	\$261.8	\$258.9
Pre-Tax Net Income %	11.2%	12.7%	13.6%	13.6%	13.2%	12.6%	15.5%	17.8%	18.1%	11.1%	11.8%
Effective Tax Rate %	34.5%	34.2%	34.0%	33.9%	22.0%	23.0%	11.9%	20.8%	21.9%	23.9%	24.3%
Net Income (\$M)	\$28.2	\$52.8	\$75.0	\$113.3	\$155.3	\$178.6	\$323.9	\$429.6	\$326.6	\$199.2	\$196.1
Net Income %	7.4%	8.4%	9.0%	9.0%	10.3%	9.7%	13.7%	14.1%	14.2%	8.4%	8.9%
Basic Earnings per Share	\$1.37	\$2.65	\$3.61	\$5.24	\$6.89	\$7.70	\$12.89	\$17.46	\$13.90	\$8.48	\$8.33
Diluted Earnings per Share	\$1.33	\$2.44	\$3.41	\$4.73	\$6.24	\$7.02	\$12.76	\$17.25	\$13.76	\$8.42	\$8.30

1) Adjusted Gross Margin is a non-GAAP measure defined as Gross Margin adjusted for Capitalized Interest and adjustments resulting from the application of purchase accounting included in Cost of Sales

RECONCILIATION OF ADJUSTED GROSS MARGIN (NON-GAAP)

QUARTERS ENDED DECEMBER 31ST

(\$ in thousands)	Q4 2014	Q4 2015	Q4 2016	Q4 2017	Q4 2018	Q4 2019	Q4 2020	Q4 2021	Q4 2022	Q4 2023	Q4 2024
Home Sales Revenues	\$108,420	\$176,764	\$236,830	\$404,975	\$425,160	\$605,649	\$897,398	\$801,076	\$488,262	\$608,414	\$557,396
Cost of Home Sales	\$78,820	\$129,874	\$172,502	\$306,298	\$321,602	\$463,435	\$654,069	\$589,359	\$387,227	\$465,785	\$429,885
Gross Margin	\$29,600	\$46,890	\$64,328	\$98,677	\$103,558	\$142,214	\$243,329	\$211,717	\$101,035	\$142,629	\$127,511
Capitalized Interest Charged to Cost of Sales	\$557	\$1,681	\$3,249	\$5,852	\$7,226	\$11,336	\$13,603	\$7,828	\$5,411	\$8,893	\$11,884
Purchase Accounting Adjustment ⁽¹⁾	\$1,172	\$272	\$31	\$20	\$561	\$1,067	\$1,601	\$1,754	\$1,399	\$981	\$900
Adjusted Gross Margin (Non-GAAP)	\$31,329	\$48,843	\$67,608	\$104,549	\$111,345	\$154,617	\$258,533	\$221,299	\$107,845	\$152,503	\$140,295
Gross Margin % ⁽²⁾	27.3%	26.5%	27.2%	24.4%	24.4%	23.5%	27.1%	26.4%	20.7%	23.4%	22.9%
Adjusted Gross Margin % ⁽²⁾	28.9%	27.6%	28.5%	25.8%	26.2%	25.5%	28.8%	27.6%	22.1%	25.1%	25.2%

1) Adjustments result from the application of purchase accounting related to prior acquisitions and represent the amount of the fair value step-up adjustments for real estate inventory included in Cost of Sales

2) Calculated as a percentage of Home Sales Revenues

RECONCILIATION OF ADJUSTED GROSS MARGIN (NON-GAAP)

YEARS ENDED DECEMBER 31ST

(\$ in thousands)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Home Sales Revenues	\$383,268	\$630,236	\$838,320	\$1,257,960	\$1,504,400	\$1,838,154	\$2,367,929	\$3,050,149	\$2,304,455	\$2,358,580	\$2,202,598
Cost of Home Sales	\$280,481	\$463,304	\$616,707	\$937,540	\$1,124,484	\$1,401,675	\$1,764,832	\$2,232,115	\$1,657,855	\$1,816,393	\$1,669,310
Gross Margin	\$102,787	\$166,932	\$221,613	\$320,420	\$379,916	\$436,479	\$603,097	\$818,034	\$646,600	\$542,187	\$533,288
Capitalized Interest Charged to Cost of Sales	\$1,704	\$6,057	\$10,680	\$17,400	\$24,311	\$35,230	\$40,381	\$37,546	\$20,276	\$33,368	\$42,071
Purchase Accounting Adjustment ⁽¹⁾	\$3,620	\$2,131	\$485	\$246	\$1,408	\$3,324	\$4,872	\$4,964	\$6,869	\$6,492	\$4,034
Adjusted Gross Margin (Non-GAAP)	\$108,111	\$175,120	\$232,778	\$338,066	\$405,635	\$475,033	\$648,350	\$860,544	\$673,745	\$582,047	\$579,393
Gross Margin % ⁽²⁾	26.8%	26.5%	26.4%	25.5%	25.3%	23.7%	25.5%	26.8%	28.1%	23.0%	24.2%
Adjusted Gross Margin % ⁽²⁾	28.2%	27.8%	27.8%	26.9%	27.0%	25.8%	27.4%	28.2%	29.2%	24.7%	26.3%

1) Adjustments result from the application of purchase accounting related to prior acquisitions and represent the amount of the fair value step-up adjustments for real estate inventory included in Cost of Sales

2) Calculated as a percentage of Home Sales Revenues



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