

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM S-8

**REGISTRATION STATEMENT UNDER
THE SECURITIES ACT OF 1933**

LGI Homes, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

46-3088013

(I.R.S. Employer Identification No.)

1450 Lake Robbins Drive, Suite 430

The Woodlands, Texas

(Address of Principal Executive Offices)

77380

(Zip Code)

LGI Homes, Inc. 2016 Employee Stock Purchase Plan

(Full title of the plan)

Charles Merdian

Chief Financial Officer

LGI Homes, Inc.

1450 Lake Robbins Drive, Suite 430

The Woodlands, Texas 77380

(Name and address of agent for service)

(281) 362-8998

(Telephone number, including area code, of agent for service)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per share(2)	Proposed maximum aggregate offering price(2)	Amount of registration fee
Common stock, \$0.01 par value	500,000	\$26.515	\$13,257,500	\$1,335.03

- (1) Pursuant to Rule 416 under the Securities Act of 1933, as amended (the "Securities Act"), this Registration Statement is deemed to include additional shares of LGI Homes, Inc. common stock issuable under the terms of the LGI Homes, Inc. 2016 Employee Stock Purchase Plan by reason of any stock dividend, stock split, recapitalization or other similar transaction.
- (2) Estimated solely for the purpose of calculating the registration fee in accordance to Rules 457(c) and (h) promulgated under the Securities Act and based on the average of the high and low prices of LGI Homes, Inc. common stock reported on the Nasdaq Global Select Market on May 25, 2016.

EXPLANATORY NOTE

LGI Homes, Inc. (the “Registrant” or the “Company”) is filing this Registration Statement on Form S-8 under the Securities Act of 1933, as amended, (the “Securities Act”), to register 500,000 shares of its common stock, par value \$.01 per share, issuable pursuant to the terms of the LGI Homes, Inc. 2016 Employee Stock Purchase Plan.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The information required by Part I of Form S-8 to be contained in the Section 10(a) prospectus is omitted from this Registration Statement in accordance with Rule 428 under the Securities Act and the Note to Part I of Form S-8.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference

The following documents filed or to be filed with the Securities and Exchange Commission (the “SEC”) by the Company are incorporated by reference in this Registration Statement:

- (a) The Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as filed with the SEC on March 9, 2016, including information incorporated by reference in the Form 10-K from the Company’s definitive proxy statement for its 2016 Annual Meeting of Stockholders, which was filed with the SEC on March 23, 2016.
- (b) The Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, as filed with the SEC on May 10, 2016.
- (c) The Company’s Current Reports on Form 8-K filed with the SEC on January 7, 2016, May 9, 2016 and June 2, 2016.
- (d) The description of the Company’s common stock contained in the Company’s Registration Statement on Form 8-A filed with the SEC pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), on October 10, 2013, and any amendment or report filed for the purpose of updating such description.

In addition, all documents subsequently filed with the SEC by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (excluding information furnished pursuant to Items 2.02 and 7.01 of Form 8-K) prior to the filing by the Company of a post-effective amendment to this Registration Statement which indicates that all such securities offered hereby have been sold, or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference into this Registration Statement and to be a part hereof from the date of the filing of such documents.

Any statement contained herein or incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending or completed actions, suits or proceedings in which such person is made a party by reason of such person being or having been a director, officer, employee or agent to the Company. The Delaware General Corporation Law provides that Section 145 is not exclusive of other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise. The Company's bylaws provide for indemnification by the Company of its directors and officers to the fullest extent permitted by the Delaware General Corporation Law.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for unlawful payments of dividends or unlawful stock repurchases, redemptions or other distributions, or (iv) for any transaction from which the director derived an improper personal benefit. The Company's certificate of incorporation provides for such limitation of liability.

The Company maintains standard policies of insurance under which coverage is provided (a) to its directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act, and (b) to the Company with respect to payments which may be made by the Company to such officers and directors pursuant to the above indemnification provision or otherwise as a matter of law.

The Company has entered into customary indemnification agreements with its executive officers and directors that provide them, in general, with customary indemnification in connection with their service to the Company or on its behalf.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

See Index to Exhibits.

Item 9. Undertakings.

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) to reflect in the prospectus any facts or events arising after the effective date of this Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement;

(iii) to include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement;

provided, however, that paragraphs (1)(i) and (1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Company pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

The undersigned registrant hereby undertakes that, for purposes of determining liability under the Securities Act, each filing of the Company's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers, and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that, in the opinion of the Commission, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer, or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in The Woodlands, Texas, on the 3rd day of June, 2016.

LGI Homes, Inc.

By: /s/ Eric T. Lipar
Name: Eric T. Lipar
Title: Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Eric Lipar, Charles Merdian and Meg Britton, and each of them severally, his or her true and lawful attorney or attorneys-in-fact and agent or agents, with full power to act with or without the others and with full power of substitution and resubstitution, to execute in his name, place and stead, in any and all capacities, any or all amendments (including pre-effective and post-effective amendments) to this Registration Statement and any registration statement for the same offering filed pursuant to Rule 462 under the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents and each of them full power and authority, to do and perform in the name and on behalf of the undersigned, in any and all capacities, each and every act and thing necessary or desirable to be done in and about the premises, to all intents and purposes and as fully as they might or could do in person, hereby ratifying, approving and confirming all that said attorneys-in-fact and agents or their substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons in the capacities indicated on the 3rd day of June, 2016.

<u>Signature</u>	<u>Title</u>
<u>/s/ Eric T. Lipar</u> Eric T. Lipar	Chief Executive Officer and Chairman of the Board (Principal Executive Officer)
<u>/s/ Charles Merdian</u> Charles Merdian	Chief Financial Officer and Treasurer (Principal Financial Officer and Principal Accounting Officer)
<u>/s/ Ryan Edone</u> Ryan Edone	Director
<u>/s/ Duncan Gage</u> Duncan Gage	Director
<u>/s/ Bryan Sansbury</u> Bryan Sansbury	Director
<u>/s/ Steven Smith</u> Steven Smith	Director
<u>/s/ Rob Vahradian</u> Rob Vahradian	Director

INDEX TO EXHIBITS

Exhibit Number	Exhibit
*4.1	Certificate of Incorporation of LGI Homes, Inc. (incorporated by reference from Exhibit 3.1 to the Registrant's Registration Statement on Form S-1, Registration No. 333-190853).
*4.2	Bylaws of LGI Homes, Inc. (incorporated by reference from Exhibit 3.2 to the Registrant's Registration Statement on Form S-1, Registration No. 333-190853).
5.1	Opinion of Baker Botts L.L.P.
10.1	LGI Homes, Inc. 2016 Employee Stock Purchase Plan.
23.1	Consent of Ernst & Young LLP.
23.2	Consent of Armanino LLP.
23.3	Consent of Baker Botts L.L.P. (included in Exhibit 5.1).
24.1	Power of Attorney (included on signature page of this Registration Statement).

* Incorporated by reference herein as indicated.

BAKER BOTTS L.L.P.

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 WASHINGTON

June 3, 2016

082911.0104

LGI Homes, Inc.
 1450 Lake Robbins Drive
 Suite 430
 The Woodlands, Texas 77380

Re: LGI Homes, Inc.
2016 Employee Stock Purchase Plan

Ladies and Gentlemen:

We have acted as counsel to LGI Homes, Inc., a Delaware corporation (the "Company"), with respect to certain legal matters in connection with the Registration Statement on Form S-8 (the "Registration Statement") to be filed by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), relating to 500,000 shares (the "Shares") of common stock, par value \$0.01 per share, of the Company, that may be issued pursuant to the Company's 2016 Employee Stock Purchase Plan (the "Plan"). At your request, this opinion is being furnished to you for filing as Exhibit 5.1 to the Registration Statement.

In our capacity as your counsel in the connection referred to above, we have examined originals, or copies certified or otherwise identified, of the Company's Certificate of Incorporation and Bylaws, each as amended to date, the Plan, corporate records of the Company, including minute books of the Company, as furnished to us by you, certificates of public officials and of representatives of the Company, statutes and other instruments and documents as a basis for the opinions hereinafter expressed. In giving such opinions, we have relied upon certificates of officers of the Company and of public officials with respect to the accuracy of the material factual matters contained in such certificates. In giving the opinions below, we have assumed that the signatures on all documents examined by us are genuine, that all documents submitted to us as originals are accurate and complete, that all documents submitted to us as copies are true and correct copies of the originals thereof and that all information submitted to us was accurate and complete. In addition, we have assumed for purposes of this opinion that the consideration received by the Company for the Shares will not be less than the par value of the Shares.

On the basis of the foregoing, and subject to the assumptions, limitations and qualifications hereinafter set forth, we are of the opinion that:

1. The Company is a corporation duly organized and validly existing in good standing under the laws of the State of Delaware.

2. The Shares are duly authorized for issuance and, when issued from time to time in accordance with the provisions of the Plan, including, without limitation, upon payment for such Shares as provided in the Plan, the Shares will be duly authorized by all necessary corporate action on the part of the Company, validly issued, fully paid and nonassessable.

The opinions set forth above are limited in all respects to matters of the General Corporation Law of the State of Delaware. We hereby consent to the filing of this opinion with the Commission as Exhibit 5.1 to the Registration Statement. In giving this consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ BAKER BOTTS L.L.P.

TST:ajj

LGI HOMES, INC.
2016 EMPLOYEE STOCK PURCHASE PLAN

1. **Purpose.** The purpose of the LGI Homes, Inc. 2016 Employee Stock Purchase Plan (the “**Plan**”) is to encourage and enable the employees of the Company and its Participating Subsidiaries (as such term is defined in Section 2) to acquire a proprietary interest in the Company through the ownership of shares of its common stock, \$0.01 par value (the “**Common Stock**”), in order to assure a closer identification of employees’ interests with those of the Company by providing employees with a more direct stake in its welfare, thereby stimulating the employees’ efforts on the Company’s behalf and strengthening such employees’ desire to remain with the Company.

The Plan shall become effective on the date it is approved by the stockholders at the Company’s 2016 Annual Meeting of Stockholders (the “**Effective Date**”).

The rights granted under the Plan are intended to meet the requirements of Section 423 of the Internal Revenue Code of 1986, as amended from time to time (the “**Code**”), and the Plan and the rights granted hereunder shall be interpreted consistently with such intent.

2. **Definitions.** As used in the Plan the following terms shall have the meanings set forth below:

(a) “**Allocation Date**” has the meaning assigned in Section 13 of the Plan.

(b) “**Administrative Committee**” has the meaning assigned in Section 4.1 of the Plan.

(c) “**Board**” means the Board of Directors of the Company.

(d) “**Code**” has the meaning assigned in Section 1 of the Plan.

(e) “**Common Stock**” has the meaning assigned in Section 1 of the Plan.

(f) “**Company**” means LGI Homes, Inc., a Delaware corporation, or any successor corporation by merger, reorganization, consolidation or otherwise.

(g) “**Compensation Committee**” means the Compensation Committee of the Board.

(h) “**Corporate Transaction**” has the meaning assigned in Section 17 of the Plan.

(i) “**Eligible Compensation**” means (i) regular base salary paid to the Employee by the Company or a Participating Subsidiary during such Employee’s period of participation in the Plan and (ii) any overtime payments, bonuses, commissions, profit-sharing distributions and other incentive-type payments received during such period. Eligible Compensation shall be calculated before deduction of (A) any income or employment tax or other withholdings; or (B) any contributions made by the employee to any Code Section 401(k) salary deferral plan or Code

Section 125 cafeteria benefit program now or hereafter established by the Company or any Subsidiary. Eligible Compensation shall not include any contributions made on the Employee's behalf by the Company or any Subsidiary to any employee benefit or welfare plan now or hereafter established (other than Code Section 401(k) or Code Section 125 contributions deducted from such Eligible Compensation). The Plan Administrator may make modifications to the definition of Eligible Compensation for one or more offerings as deemed appropriate.

(j) **"Employee"** means an employee of the Company or a Participating Subsidiary.

(k) **"Effective Date"** has the meaning assigned in Section 1 of the Plan.

(l) **"Exercise Date"** means the last day of each Offering Period.

(m) **"Fair Market Value"** per share of Common Stock on any date means the closing sale price per share during regular trading hours of Common Stock on such date on the principal securities market in which the Common Stock is then traded; or, if there were no trades on that date, the closing sale price during regular trading hours of the Common Stock on the first trading day prior to that date.

(n) **"Grant Date"** means the first day of each Offering Period.

(o) **"Individual Brokerage Account"** has the meaning assigned in Section 13 of the Plan.

(p) **"Offering Period"** has the meaning assigned in Section 6 of the Plan.

(q) **"Participant"** means an Employee who is enrolled in the Plan and meets each of the eligibility requirements in Section 5.1 of the Plan.

(r) **"Participating Subsidiary"** means each Subsidiary that is authorized, in accordance with Section 5.2 of the Plan, to extend the benefits of the Plan to its eligible Employees. The Participating Subsidiaries in the Plan as of the Effective Date are listed in Appendix A to the Plan.

(s) **"Plan"** means the LGI Homes, Inc. 2016 Employee Stock Purchase Plan.

(t) **"Plan Administrator"** means the Compensation Committee or the Administrative Committee to the extent such entity is carrying out its administrative functions under the Plan.

(u) **"Purchase Price"** has the meaning assigned in Section 9 of the Plan.

(v) **"Stock Purchase Contributions"** means payroll deductions of Eligible Compensation that occur during an Offering Period for the purpose of purchasing shares of Common Stock under the Plan.

(w) “**Subsidiary**” means any subsidiary corporation of the Company (as determined in accordance with Code Section 424), whether now existing or subsequently established.

3. **Amount of Stock Subject to the Plan.** The total number of shares of Common Stock which may be sold pursuant to the Plan, subject to adjustment as provided in Section 17, shall be up to five hundred thousand (500,000) shares. The shares sold under the Plan may be either authorized and unissued shares, or issued shares reacquired by the Company. If rights granted under the Plan terminate or expire for any reason without having been exercised in full, the shares of Common Stock not purchased hereunder pursuant to such rights shall be available again for purposes of the Plan.

4. **Administration of the Plan.**

4.1 The Plan shall be administered by the Compensation Committee. The Compensation Committee may delegate any or all of its administrative authority under the Plan to a committee comprised of officers or senior level employees of the Company (the “**Administrative Committee**”). However, the Administrative Committee shall not have the authority to (i) increase the maximum number of shares of Common Stock available for issuance under the Plan or the maximum number of shares of Common Stock that may be purchased per Participant for any Offering Period (other than for adjustments under Section 17), (ii) modify the eligibility requirements under the Plan, (iii) designate a Subsidiary as a Participating Subsidiary, (iv) change the duration of the Offering Periods or (v) change the Purchase Price for any Offering Period.

4.2 Subject to the provisions of the Plan, the Plan Administrator shall have the authority to construe the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan, and to make all other determinations necessary or advisable for administering the Plan, including all determinations of eligibility pursuant to Section 5.

4.3 The Plan Administrator may correct any defect, supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent that it shall deem expedient to carry it into effect, and it shall be the sole and final judge of such expediency. The determination of the Plan Administrator on the matters referred to in this Section 4, shall be final and binding on all persons.

4.4 The Company’s sole contribution toward the Plan will consist of making shares of Common Stock available for purchase by Participants at the Purchase Price and bearing costs of administration in carrying out the Plan.

5. **Eligibility.**

5.1 Only Employees of the (i) Company, and (ii) its Participating Subsidiaries may participate in the Plan. Rights to purchase shares of Common Stock for each Offering Period shall be granted to those Employees of the Company and its Participating Subsidiaries:

- (a) who as of the first day of the Offering Period in which the grant is to be made have completed at least one year of service for the Company and/or its Participating Subsidiaries, as determined by the Plan Administrator;
- (b) whose customary employment is not less than 20 hours per week;
- (c) whose customary employment is not less than 5 months per year; and
- (d) who would not, immediately after the grant, own (within the meaning of Code Section 424(d)) or hold outstanding options or other rights to purchase, stock possessing five percent (5%) or more of the total combined voting power or value of all classes of capital stock of the Company or any Subsidiary.

Decisions regarding an individual's status as an Employee eligible to participate in the Plan shall be made by the Plan Administrator in its discretion, and no person shall be eligible to participate in the Plan unless the Plan Administrator determines in its discretion that such person is eligible under the criteria established above.

5.2 Each U.S. corporation that becomes a Subsidiary after the Effective Date shall automatically become a Participating Subsidiary effective as of the start date of the first Offering Period coincident with or next following the date on which it becomes such a Subsidiary, unless the Plan Administrator determines otherwise prior to the start date of that Offering Period. Any other corporation whose participation in the Plan is delayed by Plan Administrator determination under the preceding sentence, any Subsidiary as of the Effective Date that is not designated as a Participating Subsidiary on Appendix A and any other corporation that becomes a Subsidiary after the Effective Date shall become a Participating Subsidiary when authorized by the Plan Administrator to extend the benefits of the Plan to such Subsidiary's Employees.

6. *Offering Periods.*

6.1 Shares of Common Stock shall be offered for purchase under the Plan through a series of successive Offering Periods until such time as (i) the maximum number of shares of Common Stock available for issuance under the Plan shall have been purchased or (ii) the Plan shall have been sooner terminated.

6.2 Each "**Offering Period**" shall be of such duration not to exceed twenty-four (24) months, as determined by the Plan Administrator prior to the start of the applicable Offering Period. Until such time as the Plan Administrator specifies otherwise, Offering Periods shall be of a duration of three (3) months and shall run from January 1 to March 31, April 1 to June 30, July 1 to September 30 and October 1 to December 31 of each year.

6.3 The terms and conditions of each Offering Period may vary, and two or more Offering Periods may run concurrently under the Plan, each with its own terms and conditions. In addition, special Offering Periods may be established with respect to entities that are acquired by the Company (or any Subsidiary of the Company) or under such other circumstances as the Plan Administrator deems appropriate. In no event, however, shall the terms and conditions of any

Offering Period contravene the express limitations and restrictions of the Plan, and the Participants in each separate Offering Period conducted for one or more Participating Subsidiaries shall have equal rights and privileges under that offering in accordance with the requirements of Section 423(b)(5) of the Code and the applicable Treasury Regulations thereunder.

7. **Allotment.** Each Employee who is otherwise eligible to participate hereunder shall be granted rights to purchase shares of Common Stock as follows:

(a) a Participant in an Offering Period shall receive on the start date of such Offering Period, a right to purchase shares of Common Stock pursuant to the Plan. The actual number of shares of Common Stock purchased for each Participant on the Exercise Date of an Offering Period shall be that number of shares of Common Stock determined by dividing the Purchase Price for that Offering Period into the amount of contributions accumulated on such date in Stock Purchase Contributions attributable to the Participant, as provided for under Section 11; provided, however, that no fractional shares shall be purchased, and any funds held that would otherwise have been used to purchase fractional shares shall be held in the Participant's account for the next Offering Period or, if the Participant is not participating in the next Offering Period, refunded to the Participant. Subject to Section 17 and Section 18, the maximum number of shares of Common Stock that may be purchased by a Participant for any such Offering Period shall be two thousand five hundred (2,500). However, the Plan Administrator shall have the discretionary authority, exercisable prior to the start of any Offering Period, to increase or decrease the limitations to be in effect for the number of shares of Common Stock that may be purchased per Participant in each Offering Period; and

(b) if the total of all shares of Common Stock to be purchased by all Participants on an Exercise Date as computed pursuant to (a) above exceeds the number of shares of Common Stock then available under the Plan, then all such purchases shall be adjusted proportionately to eliminate such excess and the authorized Stock Purchase Contribution of each Participant, to the extent in excess of the aggregate Purchase Price payable for shares of Common Stock pro-rated to such individual, shall be refunded by the Plan or by an agent of the Plan.

8. **Time of Granting Rights.** Neither anything contained in the Plan or in any resolution adopted or to be adopted by the Board or the stockholders of the Company, nor any action taken by the Compensation Committee, shall constitute the granting of any rights. Rather, the granting of a right to purchase shares of Common Stock shall be made automatically and without further action by the Company on the first day of each Offering Period to each Participant on such date.

9. **Exercise of Purchase Right and Purchase Price.** Each right to purchase shares of Common Stock which is granted for an Offering Period shall be exercised on the Exercise Date for that Offering Period. The "**Purchase Price**" per share at which Common Stock will be purchased on the Participant's behalf on each Exercise Date will be established by the Plan Administrator prior to the start of that Offering Period, but in no event shall such Purchase Price be less than eighty-five percent (85%) of the lower of (i) the Fair Market Value per share of Common Stock on the start date of that Offering Period or (ii) the Fair Market Value per share of Common Stock on that Exercise Date. Until such time as the Plan Administrator determines otherwise, the Purchase Price per share

shall be equal to eighty-five percent (85%) of the Fair Market Value per share of Common Stock on the Exercise Date for the Offering Period.

10. ***Elections to Enroll in the Plan.*** Subject to the terms and conditions of the Plan, an eligible Employee must, in order to purchase shares for an Offering Period, complete and submit a payroll deduction authorization through enrollment procedures established by the Company on or prior to the start date of such Offering Period. The payroll deduction authorization will permit weekly, bi-weekly, semi-monthly or monthly Stock Purchase Contributions on terms and conditions more fully described in Section 11 hereof. Once an Offering Period has begun an Employee may prospectively suspend the payroll deduction authorization for such Offering Period as described in Section 11.2(b), but may not otherwise modify the payroll deduction for such Offering Period. Once the enrollment process has been properly completed, such enrollment shall be deemed to automatically apply to all subsequent Offering Periods, until such enrollment and payroll deduction authorization is modified, cancelled or revoked in accordance with the Plan and/or procedures prescribed by the Plan Administrator.

11. ***Method of Payment.***

11.1 Unless otherwise specified by the Plan Administrator, payment for shares of Common Stock purchased under the Plan shall be on the basis of Stock Purchase Contributions made solely through payroll deductions with no right of prepayment. As soon as practicable after the start date of an Offering Period, the Company or the Participating Subsidiary with whom a Participant is employed, will commence Stock Purchase Contributions from the Participant's Eligible Compensation. Each Stock Purchase Contribution shall be in an amount designated by the Participant in the currency in which the Participant is paid. Such elections shall be subject to a minimum amount as may be specified by the Plan Administrator. Furthermore, such elections shall be subject to a maximum amount equal to the lessor of (i) twenty-five percent (25%) of Eligible Compensation or (ii) the limits specified in Section 18.

11.2 The rate of Stock Purchase Contributions shall continue in effect throughout the Participant's participation in the Plan, except for changes effected in accordance with the following guidelines:

(a) Changing Rate of Stock Purchase Contributions. A Participant may change the amount of Stock Purchase Contributions by delivering notice in accordance with the procedures established by the Company; any such change shall become effective as soon as practicable following the start of the next Offering Period.

(b) Suspending Stock Purchase Contributions. A Participant may at any time suspend his or her Stock Purchase Contributions under the Plan by delivering notice in accordance with the procedures established by the Company. Such suspension shall become effective as soon as administratively practicable during the then current Offering Period. Such a suspension will not result in a refund of previously accumulated Stock Purchase Contributions. A Participant's Stock Purchase Contributions previously accumulated for the Offering Period in which such a suspension occurs shall be applied to the purchase of shares of Common Stock on the next scheduled Exercise Date.

12. **Use of Funds; No Interest Paid.** Unless the Plan Administrator determines otherwise or required by applicable law, all Stock Purchase Contributions collected from the Participant under the Plan, pursuant to Section 11 hereof, shall be included in the general funds of the Company (or a Participating Subsidiary) free of any trust or other restriction, and may be used for any corporate purpose. No interest shall be paid or credited to any Participant.

13. **Delivery of Stock.** As soon as practicable after the end of each Offering Period, shares of Common Stock purchased for each Participant pursuant to the Plan with the balance of Stock Purchase Contributions attributable to such Participant as of the Exercise Date shall be delivered directly to an individual account established for each such Participant with a brokerage firm selected by the Company (the “**Individual Brokerage Account**”). The “**Allocation Date**” is the date of such delivery. Except as otherwise provided below, the deposited shares may not be transferred from the Individual Brokerage Account until the later of (i) the end of the two (2) year period measured from the applicable Grant Date and (ii) the Participant’s termination of employment.

The foregoing procedures shall not in any way limit when the Participant may sell his or her shares. Those procedures are designed solely to assure that any sale of shares of Common Stock prior to the satisfaction of the required holding period is made through the Individual Brokerage Account. In addition, the Participant may request a distribution of shares of Common Stock from his or her Individual Brokerage Account should the Participant wish to make a gift of any shares of Common Stock held in that account. Shares of Common Stock may not be transferred from the Individual Brokerage Account for use as collateral for a loan, unless those shares of Common Stock have been held for the required holding period. Any pledge or disposition of shares of Common Stock shall be subject to the terms of the Company’s insider trading policy, as in effect from time to time.

The foregoing procedures shall apply to all shares of Common Stock purchased by each Participant, whether or not that Participant continues in Employee status.

No Participant shall, by reason of the Plan or any rights granted pursuant thereto, or by the fact that there are Stock Purchase Contributions attributable to a Participant sufficient to purchase shares of Common Stock which the Participant has elected to purchase, have any rights of a stockholder of the Company until shares of Common Stock have been delivered to such Participant in the manner provided in this Section 13.

14. **No Transferability.** Rights to purchase shares of Common Stock granted under the Plan to any Employee are not transferable by such Employee otherwise than by will or the laws of descent and distribution, and are exercisable during an Employee’s lifetime only by the Employee. In the event of violation of this provision, the Plan Administrator shall terminate the Employee’s right to purchase shares of Common Stock and refund, either by the Plan or by an agent of the Plan, the Stock Purchase Contributions attributable to such Employee during the relevant Offering Period.

15. **Termination of Employment.** If a Participant ceases to be employed by the Company or by a Participating Subsidiary for any reason, all rights to purchase shares of Common Stock granted to the Participant with respect to the then current Offering Period hereunder shall immediately cease (unless otherwise directed by the Plan Administrator in its sole discretion). The

amount of Stock Purchase Contributions attributable to such a former Participant shall be refunded, either by the Plan or by an agent of the Plan, to the former Participant as soon as administratively practicable (or in the case of death, to the person or persons to whom the former Participant's rights hereunder shall pass) in the currency in which collected.

16. **Leave of Absence.** Should the Participant cease to remain in active service by reason of an approved unpaid leave of absence, then the Participant shall have such Stock Purchase Contributions authorized by the Participant and collected to date on his or her behalf for that Offering Period held for the purchase of shares of Common Stock on his or her behalf on the next scheduled Exercise Date. In no event, however, shall any amounts be collected on the Participant's behalf during such unpaid leave, unless otherwise determined by the Plan Administrator. Upon the Participant's return to active service his or her authorized Stock Purchase Contributions shall automatically resume at the rate in effect at the time the leave began, unless the individual withdraws from the Plan or modifies the then existing election prior to his or her return to active service.

17. **Adjustments for Changes in Capitalization.** If the outstanding shares of Common Stock are changed into or exchanged for a different number or kind of shares or other securities of the Company by reason of any (i) stock dividend, spinoff, recapitalization, stock split, or combination or exchange of shares, subdivision or similar transaction, (ii) a merger, reorganization or consolidation, (iii) a reclassification or change in par value, or (iv) other extraordinary or unusual event affecting the outstanding Common Stock as a class without the Company's receipt of consideration, or if the value of outstanding shares of Company Stock is substantially reduced as a result of a spinoff or the Company's payment of an extraordinary dividend or distribution to its stockholders (each, a "**Corporate Transaction**") then, subject to any required action by the stockholders of the Company, the number and kind of shares of Common Stock available under the Plan or subject to any limit or maximum hereunder shall automatically be proportionately adjusted, with no action required on the part of the Compensation Committee or otherwise to the extent necessary to prevent dilution or enlargement of the rights of Participants under the Plan. Any adjustments to outstanding shares of Common Stock under this Plan shall be consistent with Code Section 424, to the extent applicable.

18. **\$25,000 Limitation.**

(a) No Participant shall be entitled to accrue rights to acquire shares of Common Stock pursuant to any purchase right outstanding under the Plan if and to the extent such accrual, when aggregated with (i) rights to purchase shares of Common Stock accrued under any other purchase right granted under the Plan and (ii) similar rights accrued under other employee stock purchase plans (within the meaning of Code Section 423) of the Company or any Subsidiary, would otherwise permit such Participant to purchase more than Twenty-Five Thousand Dollars (\$25,000.00) worth of stock of the Company or any Subsidiary (determined on the basis of the Fair Market Value per share on the date or dates such rights are granted) for each calendar year such rights are at any time outstanding.

(b) If by reason of such accrual limitations or the operation of the limitation set forth in Section 7(a), any purchase right of a Participant does not accrue for a particular Offering Period, then the Stock Purchase Contributions which the Participant made during that Offering

Period with respect to such purchase right shall be refunded, either by the Plan or by an agent of the Plan, as soon as administratively practicable after the Exercise Date.

(c) In the event there is any conflict between the provisions of this Section 18 and one or more provisions of the Plan or any instrument issued thereunder, the provisions of this Section 18 shall be controlling.

19. **Termination and Amendment of the Plan.** The Plan may be abandoned or terminated at any time by the Compensation Committee or the Board. The Compensation Committee, at any time prior to the termination of the Plan, may make such changes and additions to the Plan as the Compensation Committee shall deem advisable; provided, however, that except as provided in Section 17 hereof, the Compensation Committee may not, without approval of the Company's stockholders, increase the maximum number of shares issuable under the Plan or modify the eligibility requirements for participation in the Plan. No termination or amendment of the Plan may, without consent of the holder of a right to purchase then outstanding, terminate or materially and adversely affect the Participant's rights under the Plan.

20. **Plan Not an Employment Contract.** The Plan does not and shall not be deemed to constitute a contract of employment with any Employee. Terms of employment and the right of the Company or any of its Subsidiaries to terminate the employment of any Employee, with or without cause, shall depend entirely upon the terms of employment otherwise existing between any Employee and the Company or any of its Subsidiaries without regard to the Plan.

21. **Indemnification of Compensation Committee and Administrative Committee.** In addition to such other rights of indemnification as they may have, the members of the Compensation Committee and the Administrative Committee shall be indemnified by the Company against all costs and expenses reasonably incurred by them in connection with any action, suit or proceeding to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan or any rights granted thereunder and against all amounts paid by them in settlement thereof or paid them in satisfaction of a judgment in any such action, suit or proceeding, except a judgment based upon a finding of bad faith. Upon the institution of any such action, suit or proceeding, the Compensation Committee and Administrative Committee member or members shall notify the Company in writing, giving the Company an opportunity at its own cost to defend the same before such Compensation Committee and Administrative Committee member or members undertake to defend the same on their own behalf.

22. **Section 16 Requirements.** Any other provisions of the Plan notwithstanding, to the extent that any Employee participating in the Plan is subject to the provisions of Section 16 of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and the rules and regulations promulgated thereunder, such Employee's participation in the Plan shall be subject to, and such Employee shall be required to comply with, any and all additional restrictions and/or requirements imposed by the Plan Administrator, in its sole discretion, in order to insure that the exemption made available pursuant to Rule 16b-3 promulgated pursuant to the Exchange Act is available with respect to all transactions pursuant to the Plan affected by or on behalf of any such Employee.

23. **Governing Law.** The Plan shall be governed by, and all questions arising hereunder shall be determined in accordance with, the laws of the State of Texas, without regard to choice of law principles that direct the application of the laws of another state.

APPENDIX A

LIST OF PARTICIPATING SUBSIDIARIES

LGI Homes Corporate, LLC

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form S-8) pertaining to the 2016 Employee Stock Purchase Plan of LGI Homes, Inc. of our report dated March 9, 2016, with respect to the consolidated financial statements of LGI Homes, Inc. included in its Annual Report (Form 10-K) for the year ended December 31, 2015, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Houston, Texas

June 3, 2016

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement (Form S-8) pertaining to the 2016 Employee Stock Purchase Plan of LGI Homes, Inc., of our reports dated March 31, 2014 for the following entities:

LGI-GTIS Holdings, LLC and Subsidiaries;

LGI-GTIS Holdings II, LLC and Subsidiaries;

LGI-GTIS Holdings III, LLC and Subsidiaries; and

LGI-GTIS Holdings IV, LLC and Subsidiaries

Included in the 2015 Annual Report (Form 10-K) of LGI Homes, Inc. filed with the Securities and Exchange Commission.

/s/ Armanino LLP

San Ramon, CA

June 2, 2016