

D.R. HORTON, INC. ACQUIRES THE HOMEBUILDING OPERATIONS OF CLASSIC BUILDERS

12/04/18

ARLINGTON, Texas--(BUSINESS WIRE)-- [D.R. Horton, Inc.](#) (NYSE:DHI), America's Builder, today announced the acquisition of [Classic Builders](#) (Classic), the largest homebuilder by volume in Des Moines, Iowa in calendar 2017 as reported by Builder magazine. The homebuilding assets acquired include approximately 670 lots, 130 homes in inventory and 40 homes in sales order backlog. D.R. Horton also acquired control of approximately 550 lots through option contracts. For the twelve months ended October 31, 2018, Classic closed 238 homes (\$75 million in revenue) with an average home size of approximately 1,650 square feet and an average sales price of \$317,000. D.R. Horton expects to pay approximately \$60 million in cash for the purchase, and Classic will operate as a separate division within D.R. Horton.

Donald R. Horton, Chairman of the Board, said, "We are pleased to have Classic Builders join the D.R. Horton family. Their experienced, dedicated team and well-established building operations make Classic a great addition as we continue to expand our footprint in the Midwest."

Josh Moulton, President of Classic Builders, said, "Classic became the largest single-family homebuilder in the Des Moines area by building homes based on strong company values led by superior customer service." Seth Moulton, Vice President of Classic Builders, added, "We are excited to join the largest homebuilder in the country and look forward to continuing to provide superior customer service and growing our business further."

About D.R. Horton, Inc.

[D.R. Horton, Inc.](#), America's Builder, has been the largest homebuilder by volume in the United States since 2002. Founded in 1978 in Fort Worth, Texas, D.R. Horton has operations in 83 markets in 28 states across the United States and closed 51,857 homes during its fiscal year ended September 30, 2018. The Company is engaged in the construction and sale of high-quality homes through its diverse brand portfolio that includes D.R. Horton, [Emerald Homes](#), [Express Homes](#) and [Freedom Homes](#) with sales prices ranging from \$100,000 to over \$1,000,000. D.R. Horton also provides [mortgage financing](#) and [title services](#) for homebuyers through its mortgage and title subsidiaries.

Forward-Looking Statements

Portions of this document may constitute "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. Although D.R. Horton believes any such statements are based on reasonable assumptions, there is no assurance that actual outcomes will not be materially different. All forward-looking statements are based upon information available to D.R. Horton on the date this release was issued. D.R. Horton does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements in this release include that we expect to pay approximately \$60 million in cash for the purchase, and Classic will operate as a separate division within D.R. Horton. Forward-looking statements also include that their experienced, dedicated team and well-established building operations make Classic a great addition as we continue to expand our footprint in the Midwest.

Factors that may cause the actual results to be materially different from the future results expressed by the forward-looking statements include, but are not limited to: the cyclical nature of the homebuilding industry and changes in economic, real estate and other conditions; constriction of the credit and public capital markets, which could limit our ability to access capital and increase our costs of capital; reductions in the availability of mortgage financing provided by government agencies, changes in government financing programs, a decrease in our ability to sell mortgage loans on attractive terms or an increase in mortgage interest rates; the risks associated with our land and lot inventory; our ability to effect our growth strategies, acquisitions or investments successfully; the impact of an inflationary, deflationary or higher interest rate environment; home warranty and construction defect claims; the effects of health and safety incidents; the effects of negative publicity; supply shortages and other risks of acquiring land, building materials and skilled labor; reductions in the availability of performance bonds; increases in the costs of owning a home; the effects of governmental regulations and environmental matters on our homebuilding and land development operations; the effects of governmental regulations on our financial services operations; our significant debt and our ability to comply with related debt covenants, restrictions and limitations; competitive conditions within the homebuilding and financial services industries; the effects of the loss of key personnel; and information technology failures and data security breaches. Additional information about issues that could lead to material changes in performance is contained in D.R. Horton's annual report on Form 10-K, which is filed with the Securities and Exchange Commission.

D.R. Horton, Inc.
Jessica Hansen, 817-390-8200
Vice President of Investor Relations
InvestorRelations@drhorton.com

Source: D.R. Horton, Inc.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding D.R. Horton's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report or Form 10-K for the most recently ended fiscal year.

