

THE LAUNCH REPORT

3Q20 NEWSLETTER

THE PORCH AT UNION PARK BY HILLWOOD COMMUNITIES



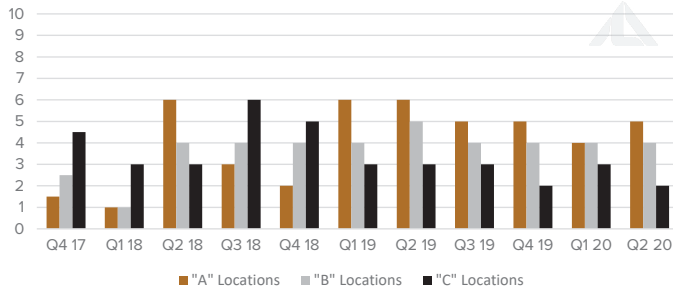
LAUNCH

DEVELOPMENT FINANCE ADVISORS



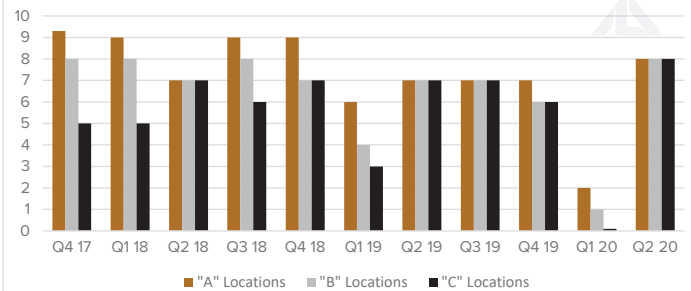
RESIDENTIAL LAND SURVEY - CA - SACRAMENTO, BAY AREA, LOS ANGELES (3Q20)

Sacramento Supply of Finished Lots



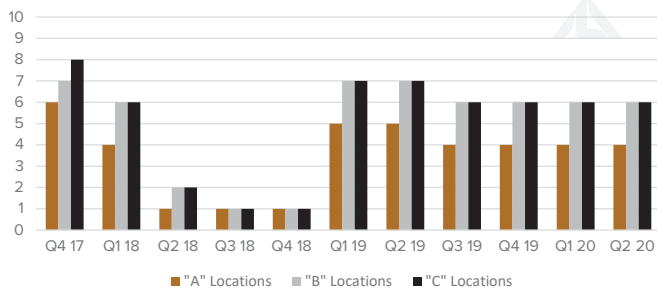
Source: Land Advisors Organization

Sacramento Demand of Finished Lots



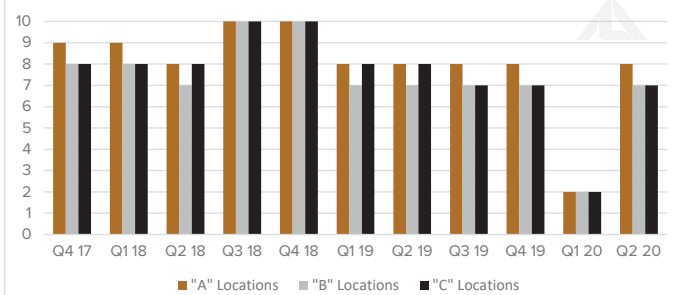
Source: Land Advisors Organization

Bay Area Supply of Finished Lots



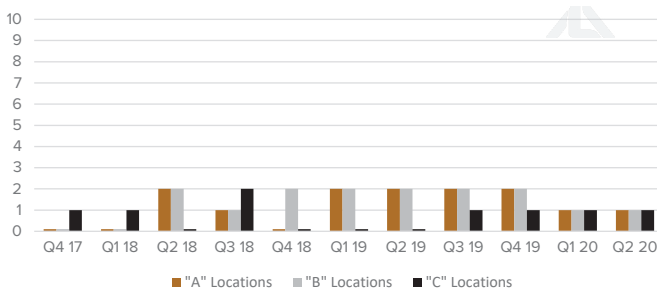
Source: Land Advisors Organization

Bay Area Demand of Finished Lots



Source: Land Advisors Organization

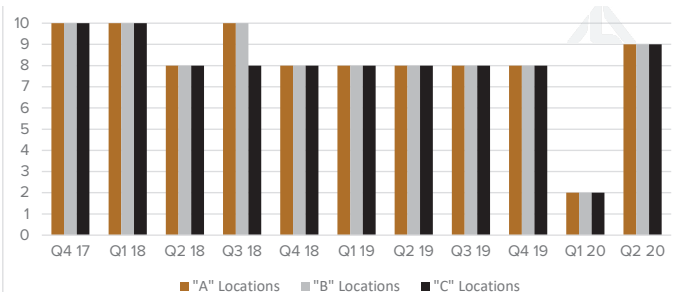
Los Angeles Supply of Finished Lots



Source: Land Advisors Organization

^^^Los Angeles Infill does not track FLVs

Los Angeles Demand of Finished Lots

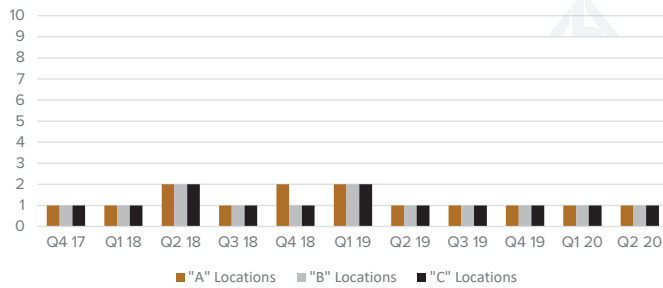


Source: Land Advisors Organization



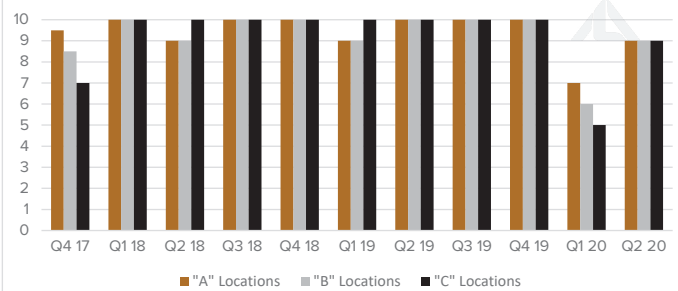
RESIDENTIAL LAND SURVEY - CA - ORANGE COUNTY, RIVERSIDE, SAN DIEGO (3Q20)

Orange County Supply of Finished Lots



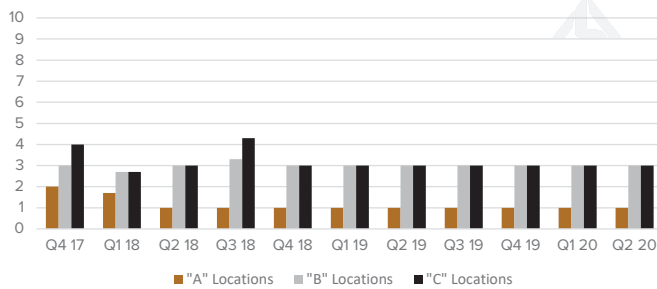
Source: Land Advisors Organization
^^^ OC has only started tracking FLV as of Q3 2019.

Orange County Demand of Finished Lots



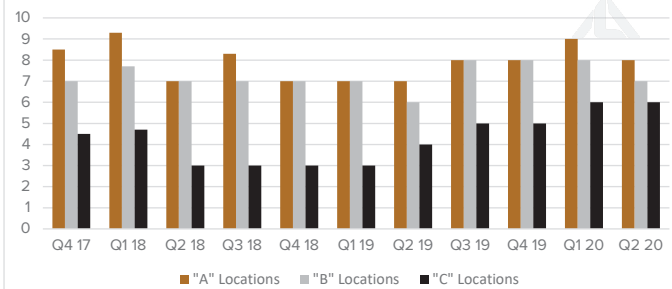
Source: Land Advisors Organization

Riverside Supply of Finished Lots



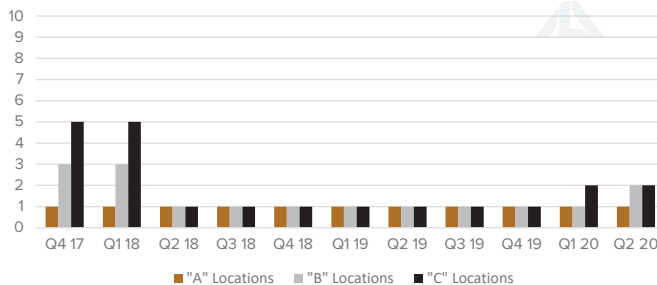
Source: Land Advisors Organization

Riverside Demand of Finished Lots



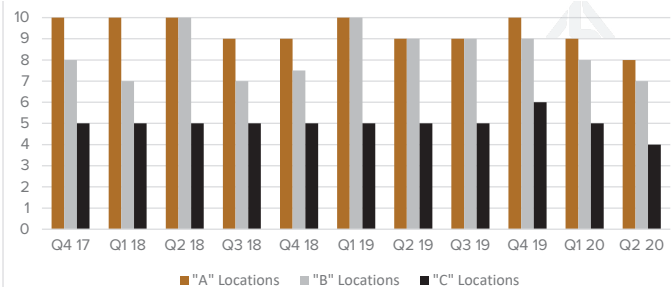
Source: Land Advisors Organization

San Diego Supply of Finished Lots



Source: Land Advisors Organization

San Diego Demand of Finished Lots

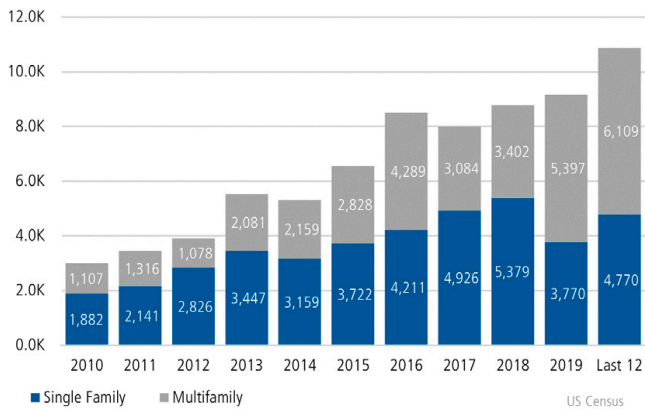


Source: Land Advisors Organization

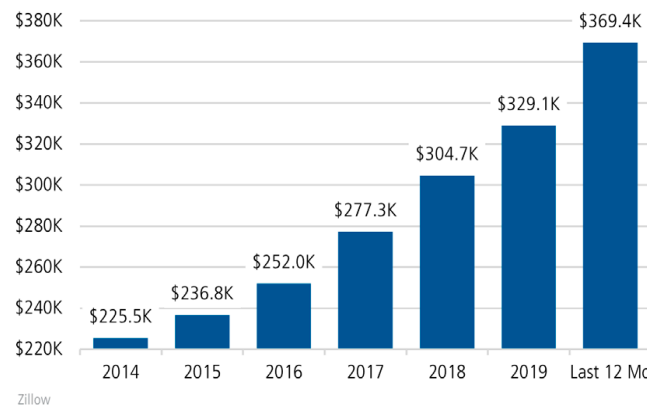


MARKETS AT A GLANCE - UTAH, BOISE, LAS VEGAS (3Q20)

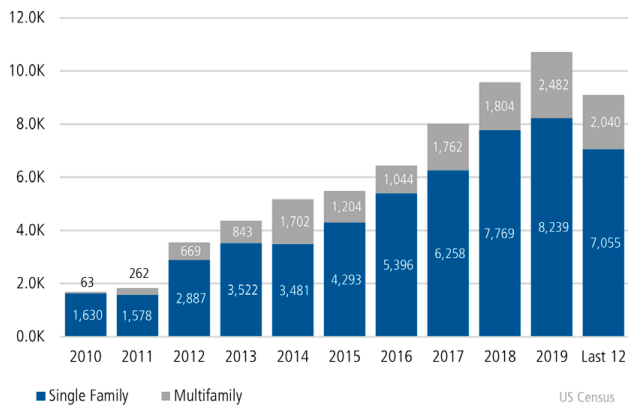
Utah Single Family & Multi-Family Permits



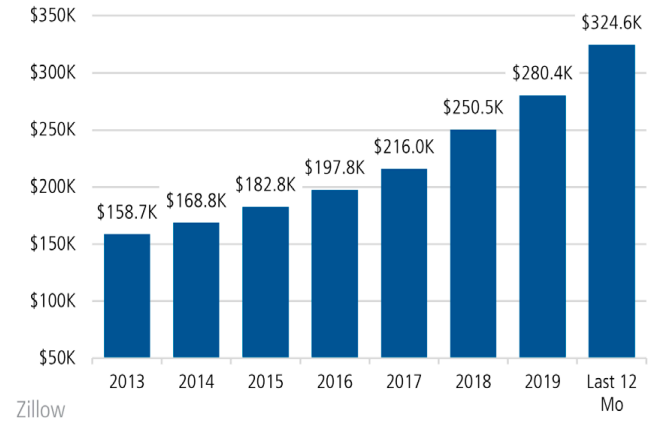
Utah Median Price New & Existing Homes



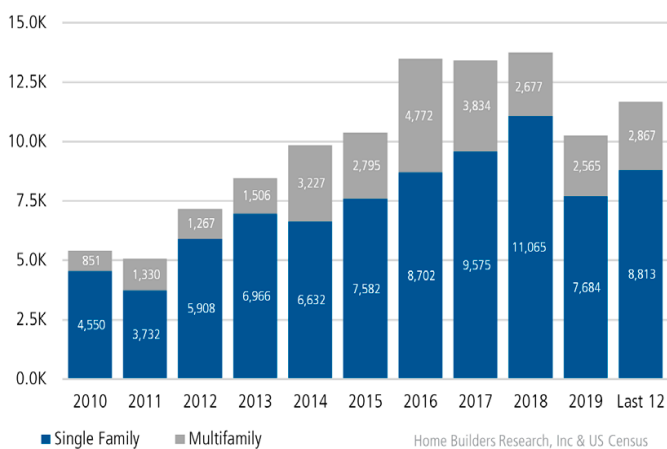
Boise Single Family & Multi-Family Permits



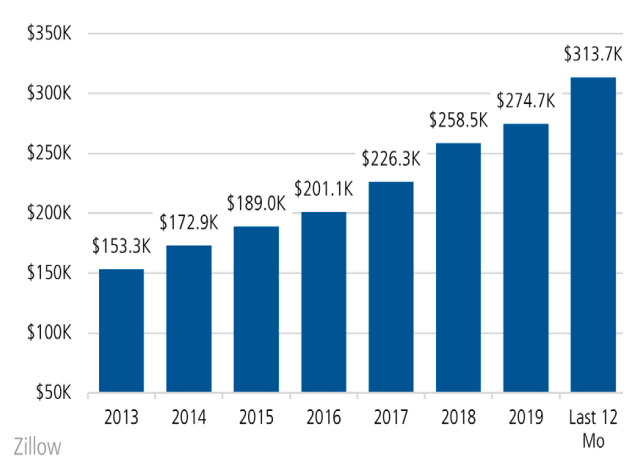
Boise Median Price New & Existing Homes



Las Vegas Single Family & Multi-Family Permits



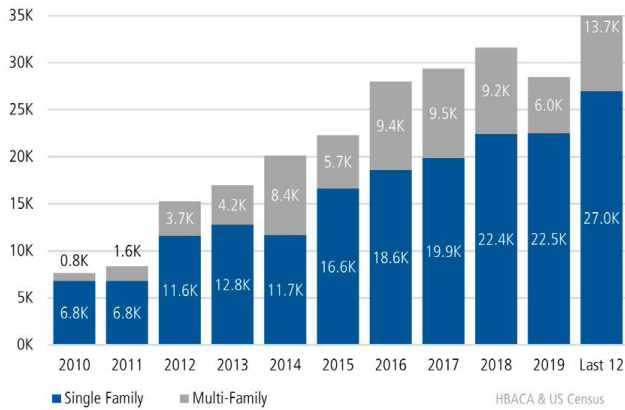
Las Vegas Median Price New & Existing Homes



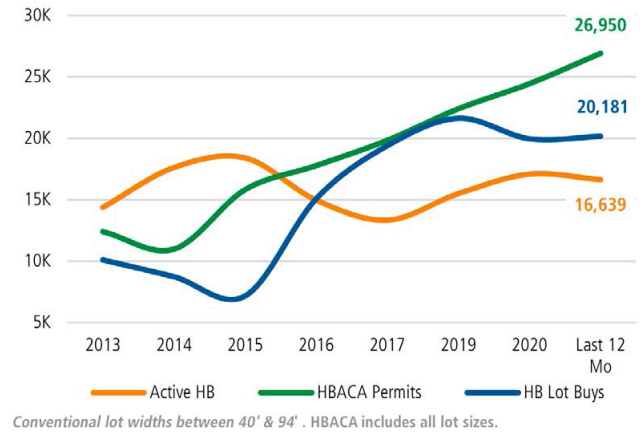


MARKETS AT A GLANCE - PHOENIX, RENO, TUCSON (3Q20)

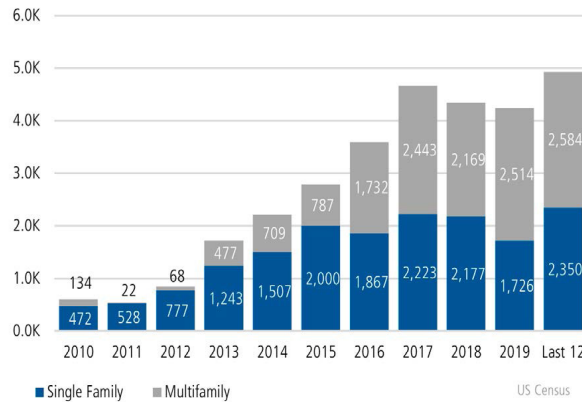
Phoenix Single Family & Multi-Family Permits



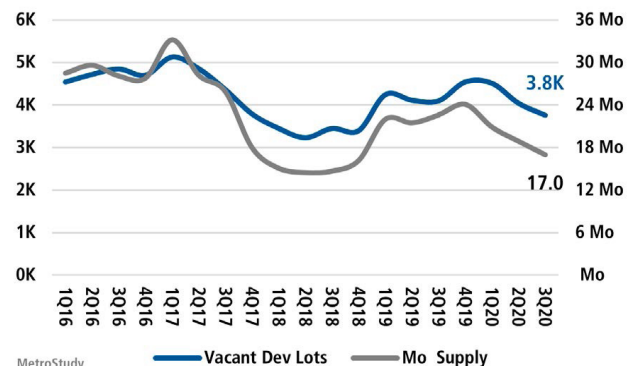
Phoenix Finished Lot Inventory vs. Permits



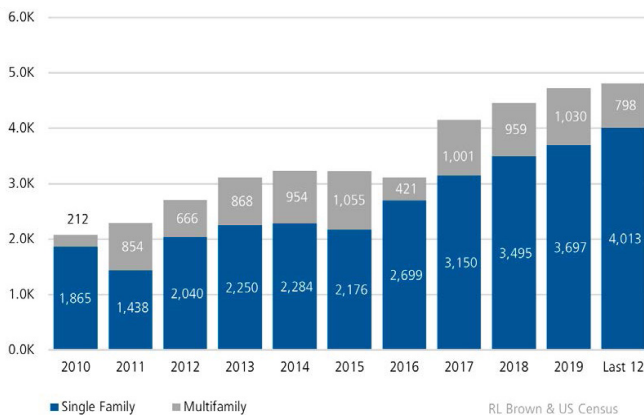
Reno Single Family & Multi-Family Permits



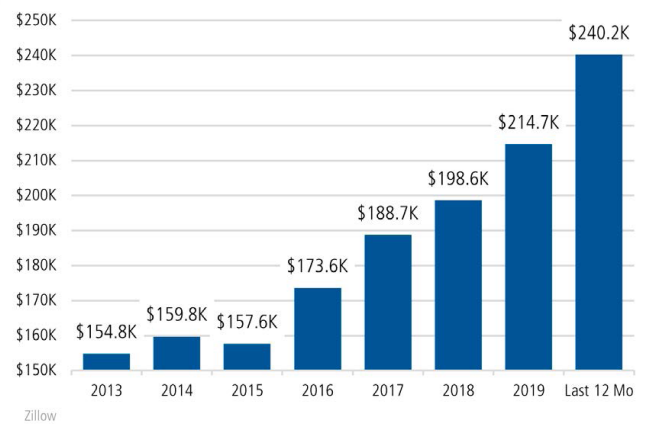
Reno New Vacant Developed Lots & Months Supply



Tucson Single Family & Multi-Family Permits



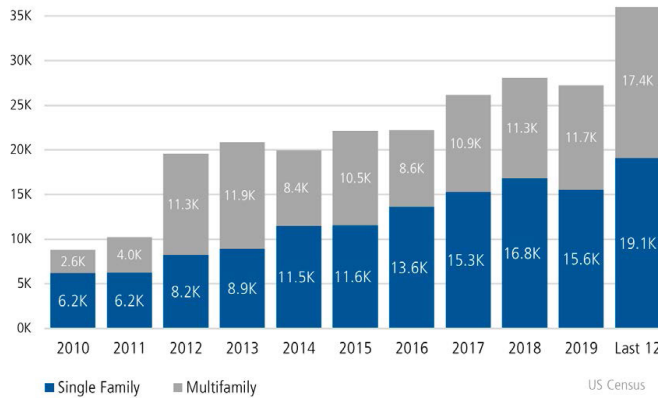
Tucson Median Price New & Existing Homes



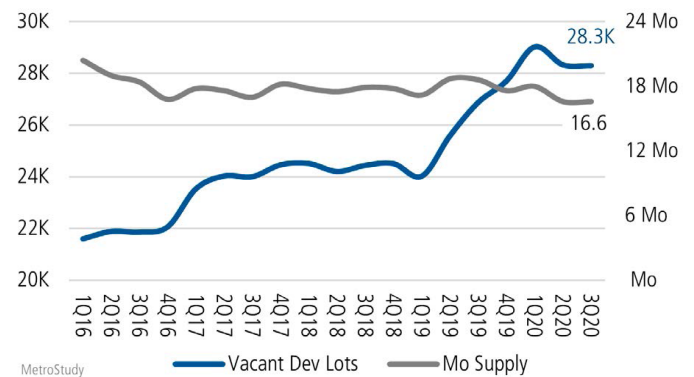


MARKETS AT A GLANCE - AUSTIN, HOUSTON, DALLAS (3Q20)

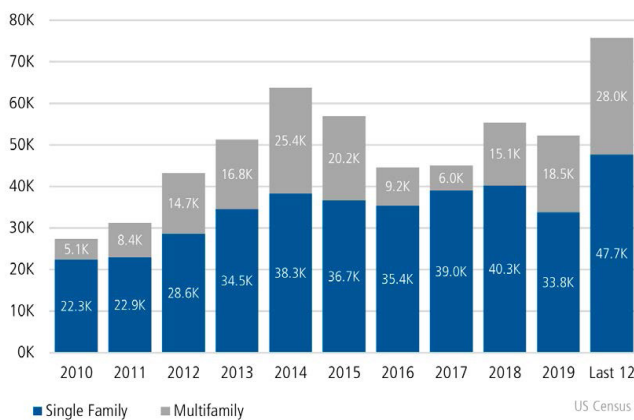
Austin Single Family & Multi-Family Permits



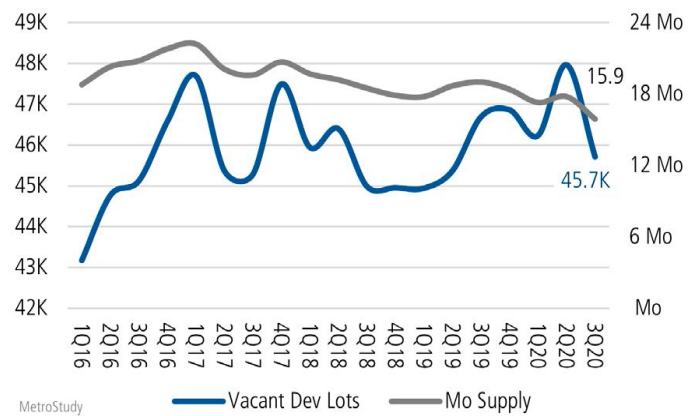
Austin Vacant Developed Lot Supply



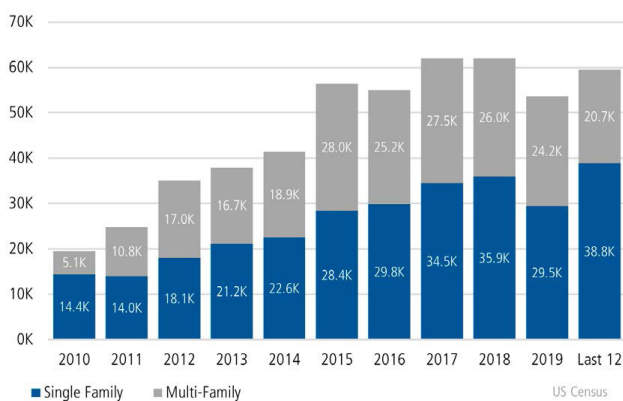
Houston Single Family & Multi-Family Permits



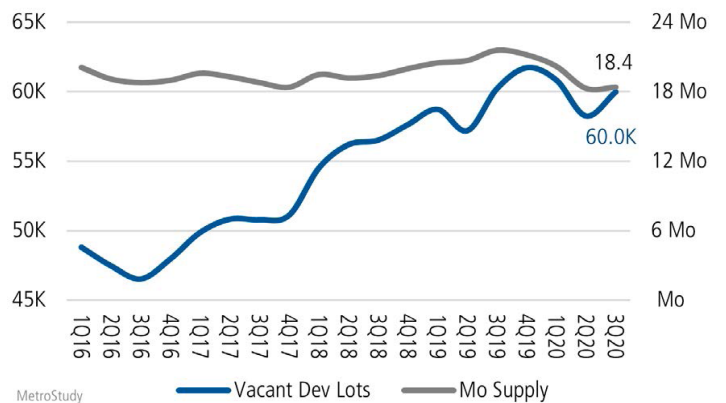
Houston Vacant Developed Lot Supply



Dallas Single Family & Multi-Family Permits



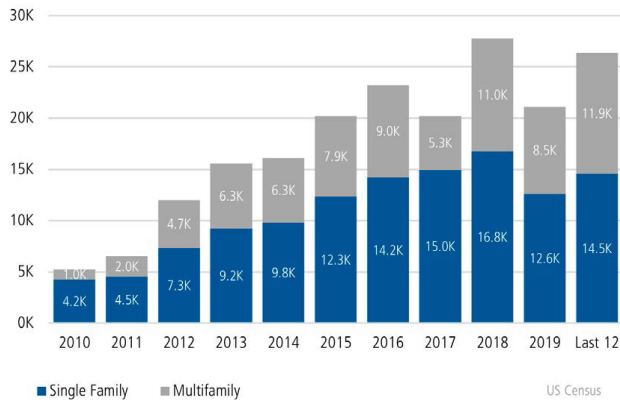
Dallas Vacant Developed Lot Supply



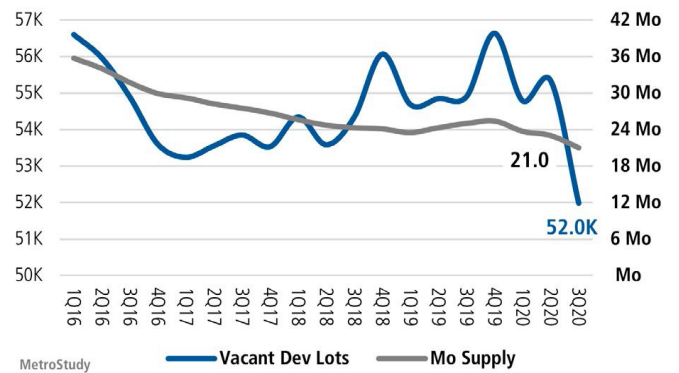


MARKETS AT A GLANCE - ORLANDO, TAMPA, CHARLOTTE (3Q20)

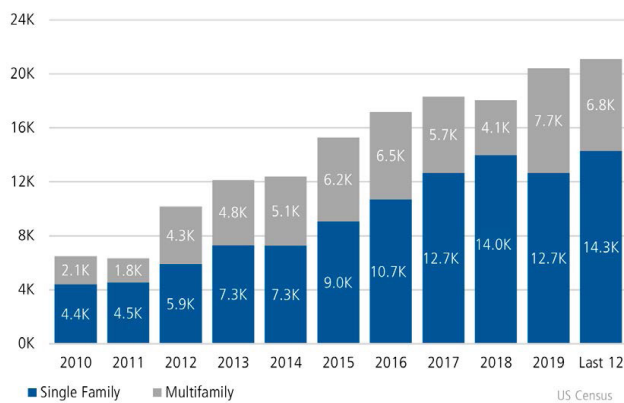
Orlando Single Family & Multi-Family Permits



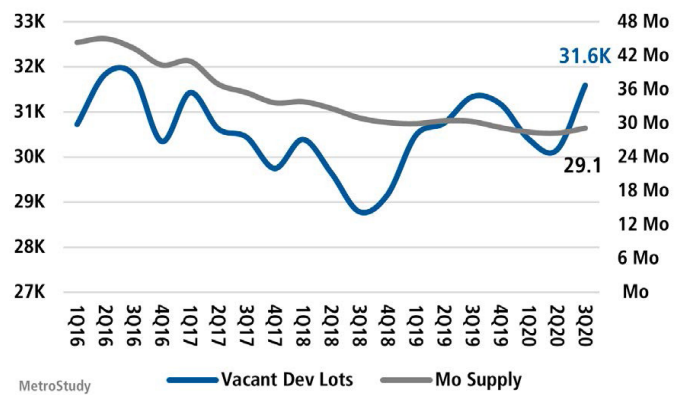
Orlando Vacant Developed Lot Supply



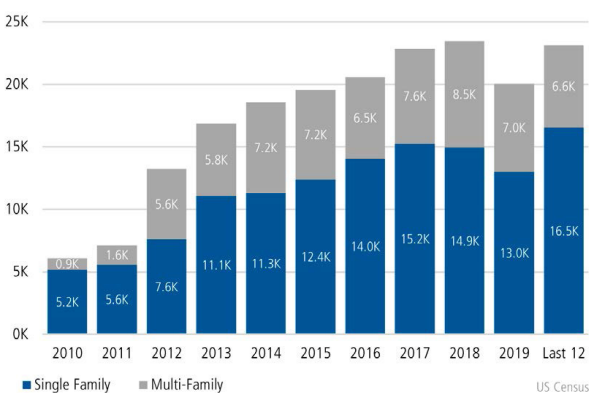
Tampa Single Family & Multi-Family Permits



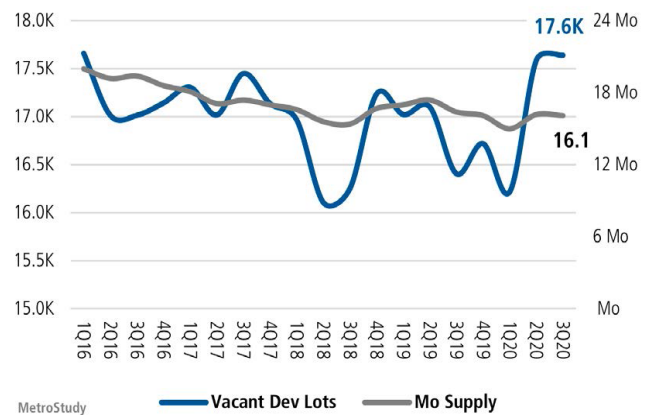
Tampa Vacant Developed Lot Supply



Charlotte Single Family & Multi-Family Permits



Charlotte Vacant Developed Lot Supply





The Guest Corner

In this issue of The Launch Report, we are privileged to be able to provide an interview with Fred Balda and Elaine Ford, the President and Senior Vice President respectively of Hillwood Communities ("Hillwood") in relation to creating a sense of community within master planned communities. Over its 32 year history Hillwood has won numerous awards for its master planned communities and in September 2020, Hillwood won an additional ten McSAM Awards including Developer of the Year in a ceremony hosted by the Dallas Builders Association; just another testament to the fantastic work Hillwood does in creating vibrant and successful master planned communities.

An Interview with Fred Balda / Elaine Ford of Hillwood Communities on the Topic of Community Building within Master Planned Communities



When I asked Fred Balda, President of Hillwood Communities, if he would be open to an interview related to community building within master planned communities, I did not have any expectation related to how much information he would be willing to provide on the subject. To my surprise and delight, not only was he open to the interview, but he also brought Elaine Ford, Senior Vice President of Development into the interview. The amount of information provided felt like I was drinking from a fire hose.

While we have never dedicated an entire Launch Report™ to a single topic or interview; given the amount, detail and insight of the information provided by Fred Balda and Elaine Ford on this subject, we have committed this entire issue to our interview on community building.



While the information was provided in the interview setting, the article the information has been edited to condense the main community building points. I have also included electronic links throughout the article to provide the reader with additional information on specific Hillwood projects, amenities and/or other points of interest.

1. One of the key components of Hillwood's LiveSmart principals is "sense of community". As it relates to this core principal, in your opinion, what are the three most critical components of creating community?

The most critical components of community building are amenities, programming of the amenities, and segmentation.

Amenities – The amenities that we provide in our communities have evolved over time and will continue to evolve as consumer preferences change. In one of our most recent developments called Union Park, we have K-12 school on-site and middle and high schools adjacent to and connected by walking and biking trails; a 30 acre Central Park with play fields; an ADA accessible multi-age active exploration park recreational / indoor and outdoor workout facilities, pools, open air pavilions for concerts and celebrations, a food truck park, an outdoor kitchen, a large shaded dog park, as well as a several catch and release pond.



An Interview with Fred Balda / Elaine Ford of Hillwood Communities

Continued



Programming the Amenities

It is one thing to create the amenity, it is another to energize the amenity. The lifestyle component of the master planned community is such a critical part of creating community. It's important to get this part right because it will set the tone and vibe for the community sooner than one may think and can be an important part of the "word of mouth" referral program to bring potential buyers into the community. We hire a full time Lifestyle Manager ("LM") who programs over [300 events](#) each year to help energize the community as highlighted in the community A Year in Review newsletter.





An Interview with Fred Balda / Elaine Ford of Hillwood Communities

Continued

It isn't just the organized events that make the lifestyle of a Hillwood Communities' development special, it is the one-on-one touches that bring the families together and makes neighbors lasting friends. The strength of the successful community building was highlighted during the Covid 19 shutdown. The residents had such strong community bonds that the connections between families became even stronger. The cost of the LM is a part of the homeowner's association dues, and once we have sold out of the community, the LM will remain on as an integral part of each community.

Segmentation

It's important to pay attention to the variety of [builders](#), product types, price points and architectural styles.

The built environment is an integral part of creating a visual sense of place and community. The variety of products not only creates a beautiful, timeless streetscape, it builds a diverse community of families from different backgrounds making the community even more special.

2. How has creation of community changed over the years since Hillwood developed its LiveSmart principals in 2011?

The biggest community building change for us over the years and what continues to be an everchanging component of our community building effort is that of technology.

Being a large master planned community developer, we can work with the large fiber and connectivity companies to bring in large robust fiber optics into our communities. This technology component is nothing new as it was happening 20 years ago; however, it's even bigger now because people are working from home and doing more activities from home that were not even imagined 20 years ago. With the COVID-19 pandemic, people are really focused on what the home is all about, and it has really highlighted the need for adaptable, robust connectivity. COVID-19 has really put an emphasis on the need for technology. To ensure that we get the right technology in our community and in the homes, we provide a list of guidelines and minimum technology requirements that are required in every home. This is a mandate and not an option. If we are bringing in all of this "big pipe" you better use it properly. In our latest community [Pecan Square](#) we have added our biggest technology bundle in the homes to date called Pecan Square Canopy which is meant to keep the home owner and home connected through a half gig of internet connectivity, Amazon Echo Show, Ring Video Doorbells and full coverage wi-fi throughout the entire home at move in. We will keep on upgrading this component of our programming with every community we develop.

Technology has changed the way people work. We surveyed the residents in our [Harvest](#) community and found that approximately forty percent of the residents worked out of the home or traveled for work. With this data in mind we also observed in our daily lives that a lot of people have meetings and do work in local coffee shops. This reinforced our knowledge that people are social animals who want the company of others. They want to be around activity, and they want to see people, even if they do not know them. Starbucks has done a great job at capitalizing on this fact. So, with all this data we asked ourselves "what can we do with this information to connect the dots." Our response was to restore a 100 year old farmhouse in Harvest and partner with an operator to open a coffee shop at the end of our large central green and create a state of the art [co-working](#) space in our [Pecan Square](#) community's Greeting House. At the Greeting House, we have new spaces where you can get great coffee, do some work, hold a working meeting, read, people watch, and socialize.



An Interview with Fred Balda / Elaine Ford of Hillwood Communities

Continued



We have also addressed the way people shop from home with the Pecan Square Post & Parcel amenity to give owners piece of mind in relation to the delivery of their online shopping packages. We have worked with Amazon to install lockers where people can have parcels delivered to the lockers to be picked up at their convenience.

The other thing that that has really changed over the years is lifestyle programming. This is a huge convenience for our residents. Humans are social, and if you can create activities and events that are special, this will create a lot of synergy and activity in the community. Ultimately, the residents in the community will share this with their friends and co-workers by word of mouth and social media, and this becomes your best marketing: friends selling your community to their friends. To accomplish this goal, we hire energetic individuals to create these events and connect families. They become our ambassadors for the project.

The last change is the way we market our product. Everything now is digital and must be accessible via your cell phone. Ninety percent of our advertising budget is now used for digital marketing with only ten percent going to other marketing activities. This year, we have leaned into digital even more by creating virtual shopping pages on our websites and launching interactive maps where buyers can search for their dream home by picking their builder, lot, floor plan and elevation then create a brochure they can print or email to the builder sales counselor and write a purchase contract. All from the safety and comfort of their home.



An Interview with Fred Balda / Elaine Ford of Hillwood Communities

Continued

3. How has COVID-19 impacted community building and what will be the long term implications of COVID-19 (if any) on community building moving forward?

The COVID-19 pandemic has emphasized the fact that some things never change and have just highlighted the need for what you were already doing. For instance, the need to be able to get out of the house to go for a run, bike ride, or walk. Open space, trails, and parks are such an important and basic amenity in what we are offering. The other thing that COVID-19 has highlighted for us are dogs. Dogs are part of the family and dogs need to have a place in your community. This is why we are going to have a [dog park](#) in every community going forward.





An Interview with Fred Balda / Elaine Ford of Hillwood Communities

Continued

Second, all our communities have recreational and fitness facilities; however, with COVID-19 no one could use these indoor facilities. COVID has proven that we need to be able to take some of these recreational offerings outside. For instance, we were beginning to design our latest fitness center when COVID-19 hit, and we have begun to make changes to allow us take various fitness classes, such as yoga, gladiator-style fitness activities, and other pursuits outside. Here again all these classes are not only fitness classes, but they are also social activities that help to develop the social fabric of the community.

Third, now that people are spending more time at home, home buyers are rethinking how the home is used. Not only is the home shelter, but it has become an office, school, dorm room, and recreational facility. Accordingly, builders are reassessing how homes are laid out and the room count to address these changes. We are also seeing residents spending much more money than before on private outdoor spaces adding covered patios, outdoor grilling, and TV areas as well as backyard pools so they can spend more time outside while remaining in their own private space.

4. In relation to community building, what one amenity or event when added to the community building effort has surprised you the most and why?

The one thing that we weren't really sure how it was going to work was our [community gardens](#) at [Harvest](#). We're developers not farmers, and so we didn't know much about the real work of farming. We hired a farmer to come in and run our farming operation, and he can keep and sell all the produce he grows in four of our five greenhouses. We rent the green houses to him for \$1 per year with the caveat that he teach classes for the school kids and residents in relation to gardening. We built 150 family gardening plots and leased these areas to the residents for \$60 per year. They can plant and grow their own produce. The farming operation and gardening plots have been so well received and have really become multigenerational. Retirees and young families can come together and work the land and grow their own food. Lastly, the farming operation lets us give back all excess produce to [North Texas Food Bank](#).

5. If you had the ability to redo one of your community building amenities/efforts, which amenity/effort would that be and why?

I am going to answer this question in a different way. The difference between our old amenities and our new amenities is that our new amenities include more flexible space so that you can have a variety of different activities occurring in the building, or unprogrammed open space. In the old times, we just had a dedicated building, room, or outside area that was to be used for a certain activity, and that is all you could do with the space. If that certain activity was not going on, the space was unused.

Now most of our spaces are simple spaces that can be combined and/or opened to the outside. As a general comment, in today's market if you can create more flexibility in your spaces both inside and outside, this is a huge benefit. Additionally, because our projects are in Texas, we are using more shade structures in our outside spaces. Lastly, do not forget about dedicated spaces for dogs. Dogs are such an important component of all family types, and dog friendly spaces including walking areas and dog parks are an important community building amenity that is here to stay.



An Interview with Fred Balda / Elaine Ford of Hillwood Communities

Continued

As the lifestyle of the community is such an important component of our communities, the programming of these flexible spaces is so important and our LMs play such an important part in organically programing these spaces with the specific wants of the community. It's amazing what they do with these open spaces: blow up movie nights, food truck nights, dog events, family field day races, you name it, if you have the space and have someone to program the space it will be utilized. You cannot have an open space of nothing where nothing happens. Naturally, when you are developing these areas you must think through the possibilities, and then you make sure that you have the infrastructure in place to support these activities. For example, if you are going to be bringing in food trucks you want to make sure that they have access to the proper power requirements in the areas where they set up.





An Interview with Fred Balda / Elaine Ford of Hillwood Communities

Continued

There is a real lasting trend toward fitness, and we have fitness centers; however, Elaine Ford has really done an impressive job of creating more outdoor fitness areas to allow for outdoor yoga and other group classes along with trails that include ninja warrior style fitness stations, multi-surface walking and running tracts and other activities. We see this as a trend that will continue in the future.

One last comment on this topic, the last thing that I wish I could redo on our older communities is technology. Technology is huge. It is critical that you install the best technology available so that you can upgrade your technology over time. We are trying to do a better job of creating community hotspots that increase the connectivity throughout the community.

6. What is the one amenity that all master planned communities must have to begin to create community?

I have touched on this in my prior comments, but if you could only do one amenity for your community, it would be an open gathering space. Then you could begin to add on to this space with walking trails that allow residents to walk the dog or get some exercise. Then you can add on a recreational center with adaptive indoor and outdoor spaces.

The overlay to all of this is great fiber network. Fiber is also the item that is very much required in just about everything that we do whether its recreation, education, entertainment, work or just living in your home.

7. What is an “average” community building amenity cost to lift off a new master planned community and what role does special district financing play in this role?

In our communities we spend between \$10,000 to \$12,000 per lot on amenities and landscaping. Unfortunately, the first phase of our projects are expensive because you must build your upfront amenities. You cannot get away with providing a rendering of your amenity center and say, “coming soon”. I would say that we will generally spend between \$5 and \$10 million on our first phase amenities and then we can grow the amenity package as we build out the project. For instance, on our Pecan Square project we started with our Information Center, a beautiful recreational center, and a co-working building. Now we are building a covered arena which that alone would be sufficient for most communities, but we are going to add so much more to this because we really want to energize the public square. As a result of this, we are probably spending fifty percent more on this area than what we would normally do for the first phase of development.

Special taxing districts play a huge roll in the development of our master planned communities whether it is a PID, MMD, FWSD, TIRZ or MUD - you name it and we use all flavors of special districts in our projects. Money is fungible and whether you are using it for this project or that project to the extent that you can be reimbursed for these costs from a district it is a critical component of being able to build and finance these incredible master planned communities. These districts allow us to get so much more bang for our buck. *[Editor’s Note: See the number of [RCLCO’s Top Selling Master Planned Communities](#) that are utilizing special district financing in the second article included in this issue of the Launch Report™]*



An Interview with Fred Balda / Elaine Ford of Hillwood Communities

Continued

8. Steve Jobs said that “People don’t know what they want until you show it to them. That is why I never rely on market research. Our task is to read things that are not yet on the page.” As it relates to this quote; what community building items is Hillwood reading that are not yet on the page?

This question really gets to innovation, and this is one of Hillwood’s basic core operational principals. We try to do our best to stay ahead of the curve. For instance, when we realized that forty percent of our residents either worked from home or worked on the road, we built the [co-working space](#) at Pecan Square. It was our ‘Starbucks Idea’ where you could have a cool area to work, meet others and get a great cup of coffee.



The idea for the co-working space came from the information and data we collect from residents, and it is important to gather and analyze the data. The residents will provide this information if you ask them for it.



An Interview with Fred Balda / Elaine Ford of Hillwood Communities

Continued

The idea for the co-working space came from the information and data we collect from residents, and it is important to gather and analyze the data. The residents will provide this information if you ask them for it.

Another item that is in the forefront of our thinking derives from our 27,000 acre [Alliance](#) industrial park project. Alliance was the first industrial park in the United States with an airport. Alliance is all about planes, trains and trucks moving goods and just about every large company in the United States has some sort of distribution and/or warehouse facility in Alliance.

As Alliance is all about moving goods, we are taking this concept to the next step and connecting the dots between our commercial projects and our residential projects by piloting a new program that will allow drones to move goods from Alliance along preapproved flying routes to our Pecan Square project. The initial test flight should take place before the end of 2020.

Taking the concept of moving goods, we are also working with [Uber Elevate](#) to move people from DFW to the CBD and our projects. This is a little further down the road will take more time for development, but it is all about convenience and saving time- something we cannot get enough of.

What we are trying to do is to connect the dots and make sure that by connecting the dots it makes sense. If it works, fantastic and if it does not, we will get back up and hopefully the next initiative will work out. The key is to never stop thinking, connecting the dots, and innovating.

Fred Balda is the President of Hillwood Communities. Elaine Ford is the Senior Vice President of Hillwood Communities.

How are the Top MPC's Financing Infrastructure?

By Carter Froelich and Pam Giss

RCLCO Real Estate Advisors has published their year-end [2020 Mid-Year Top Selling Master Planned Communities Report](#) ("Report") and the professionals at Launch Development Finance Advisors have updated our financing matrix to illustrate how these top selling communities are financing their infrastructure.

As illustrated on the next page, 46 of the 50 communities shown in the Report utilize some type of public financing mechanism to offset their infrastructure costs. The 46 communities that are using public financing constitute 91 percent of the total home sales within the top selling master planned communities; demonstrating the importance of special taxing districts to access long term, low interest financing for master planned community development.

TOP-SELLING

MASTER-PLANNED COMMUNITIES **MID-YEAR 2020**

INFRASTRUCTURE FINANCING MECHANISMS

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LAUNCH
DEVELOPMENT FINANCE ADVISORS

Rank	MPC (1)	MSA (City, State) (1)	Total Units Sold FY 2020	Infrastructure Financing Information					
				Public Financing / District (Y/N)	Special District Type (2)	Special Assessment Bonds	General Obligation Bonds	Revenue Bonds	Special Tax Levy Bonds
1	The Villages*	The Villages (FL)	1,000	Y	CDD	X			
2	Lakewood Ranch	North Port-Sarasota-Bradenton (Sarasota, FL)	838	Y	CDD	X			
3	Wellen Park(3)	North Port-Sarasota-Bradenton (Venice, FL)	683	Y	ID	X			
4	Summerlin	Las Vegas-Henderson-Paradise (Las Vegas, NV)	642	Y	SID	X			
5	Daybreak	Salt Lake City (South Jordan, UT)	507	Y	SAD	X			
6	North Pointe Valley Vista	Las Vegas-Henderson-Paradise (North Las Vegas, NV)	475	Y	SID	X			
7	Cane Bay Plantation	Charleston-North Charleston (Charleston, SC)	472	N					
8	Nocatee	Jacksonville (Ponte Vedra, FL)	439	Y	CDD	X			
9	Eastmark	Phoenix-Mesa-Scottsdale (Mesa, AZ)	436	Y	CFD	X	X		
10	Bridgeland	Houston - The Woodlands-Sugar Land (Cypress, TX)	425	Y	MUD		X		
11	Tartesso	Phoenix-Mesa-Scottsdale (Buckeye, AZ)	420	Y	CFD		X		
12	Balmoral	Houston-The Woodlands-Sugar Land (Houston, TX)	409	Y	MUD		X		
13	Viera	Palm Bay-Melbourne-Titusville (Melbourne, FL)	357	Y	CDD	X			
14	Cadence (4)	Las Vegas-Henderson-Paradise (Henderson, NV)	356	Y	RED			X	
15	Ontario Ranch	Riverside-San Bernardino-Ontario (Ontario, CA)	339	Y	CFD				X
16t	Sunfield	Austin-Round Rock (Buda, TX)	327	Y	MUD		X		
16t	Tamarron	Houston-The Woodlands-Sugar Land (Katy, TX)	327	Y	MUD		X		
16t	Verrado	Phoenix-Mesa-Scottsdale (Buckeye, AZ)	327	Y	CFD		X		
19	Estrella	Phoenix-Mesa-Scottsdale (Goodyear, AZ)	322	Y	CFD	X	X		
20	River Islands	Stockton-Lodi (Stockton, CA)	320	Y	CFD				X
21	Lake Nona	Orlando-Kissimmee-Sanford (Orlando, FL)	317	Y	CDD	X			
22	Tradition	Port St. Lucie (St. Lucie, FL)	313	Y	CDD	X			
23	Sienna	Houston - The Woodlands-Sugar Land (Missouri City, TX)	298	Y	MUD		X		
24	Easton Park	Austin-Round Rock (Austin, TX)	296	Y	MUD		X		
25t	Inspira	Las Vegas-Henderson-Paradise (Las Vegas, NV)	280	Y	SID	X			
25t	Latitude Margaritaville	Deltona-Daytona Beach-Ormond Beach (Daytona Beach, FL)	280	N					
27	Skye Canyon	Las Vegas-Henderson-Paradise (Las Vegas, NV)	275	Y	SID	X			
28	Pecan Square	Dallas-Fort Worth-Arlington (Northlake, TX)	263	Y	MMD	X			
29	Sierra Vista/Sterling Lakes	Houston-The Woodlands-Sugar Land (Arcola, TX)	261	Y	MUD		X		
30	Union Park	Dallas-Fort Worth-Arlington (Addison, TX)	250	Y	MMD	X	X		
31	Santa Rita Ranch	Austin-Round Rock (Liberty Hill TX)	249	Y	MUD		X		
32	WoodCreek**	Dallas-Fort Worth-Arlington (Fate, TX)	247	Y	MUD		X		
33	Brambleton	Washington-Arlington-Alexandria (Brambleton, VA)	245	N					
34t	Great Park Neighborhoods	Los Angeles-Long Beach-Anaheim (Irvine, CA)	242	Y	CFD				X
34t	Silverado	Dallas-Fort Worth-Arlington (Aubrey, TX)	242	Y	MUD		X		
36	Valley Ranch	San Antonio-New Braunfels (San Antonio, TX)	241	Y	MUD		X		
37t	Harmony	Houston-The Woodlands-Sugar Land (Spring, TX)	235	Y	MUD		X		
37t	Nexton	Charleston-North Charleston (Charleston, SC)	235	Y	ID	X			
39t	Babcock Ranch	Punta Gorda (Punta Gorda, FL)	230	Y	CISD	X			
39t	Cross Creek Ranch	Houston - The Woodlands - Sugar Land (Fulshear, TX)	230	Y	MUD		X		
41	Viridian	Dalls-Fort Worth-Arlington (Arlington, TX)	229	Y	MMD / PID / TIRZ	X	X	X	
42	Elyson	Houston - The Woodlands - Sugar Land (Katy, TX)	227	Y	MUD		X		
43	Harvest Green	Houston-The Woodlands-Sugar Land (Richmond, TX)	225	Y	MUD		X		
44	Starkey Ranch	Tampa-St. Petersburg-Clearwater (Land O Lakes, FL)	220	Y	CDD	X			
45	Lago Mar	Houston-The Woodlands-Sugar Land (Texas City, TX)	216	Y	MUD		X		
46	Otay Ranch(5)	San Diego-Carlsbad (San Diego, CA)	202	Y	CFD				X
47	Bexley	Tampa-St. Petersburg-Clearwater (Land O Lakes, FL)	199	Y	CDD	X			
48	Trinity Falls	Dallas-Fort Worth - Arlington (McKinney, TX)	191	Y	MUD		X		
49	Spencer's Crossing	Riverside-San Bernardino-Ontario (Murrieta, CA)	190	Y	CFD				X
50	Flowers Plantation	Raleigh (Clayton, NC)	186	N					
Total Home Sales or MPC's Utilizing Special Taxing Districts / Average			13,136	46		21	23	3	5
Percentage of Home Sales Occurring Within MPC Using Special Taxing Districts			91.0%	92.0%					

(1) Per RCLCO's Top Selling MPC Report - MY 2020. (2) Estimates only. Figures are not intended to represent the financing history of the specific MPC. Figures were derived from publicly available information including but not limited to: public offering statements, sales data, developer websites, district websites, county treasurer's websites, property tax billings, and county assessor's websites. MPC's frequently contain multiple financing districts, and the data included in the table assumes a sample property in a single district. (3) Formerly West Villages. (4) According to the Redevelopment Association of Nevada, the Henderson Redevelopment Agency provided a tax increment subsidy in an amount not to exceed \$208 million to Cadence to finance infrastructure costs. (5) Includes Montecito Village, Lomas Verde, and Winding Walk.

*The Villages does not provide Mid-Year Figures. Sales are estimated based on prior performance. **Preliminary sales estimate based on data provided by community representatives in mid-June. Sales figures will be updated when available.

Source: RCLCO Real Estate Advisors & Launch Development Finance Advisors

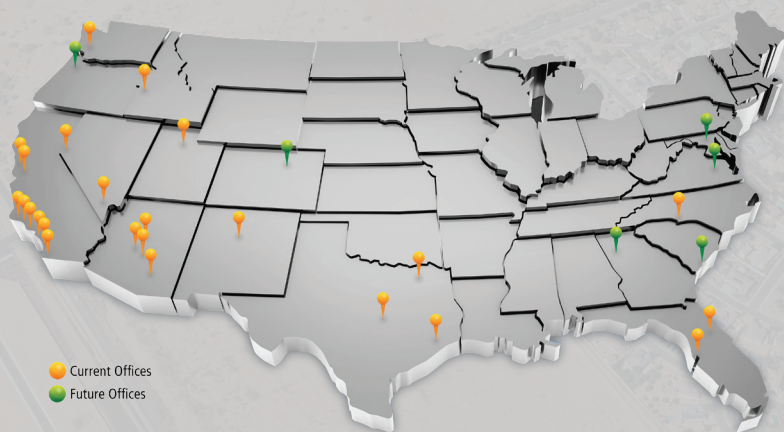
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