

TRI Pointe Homes, Inc.
Form 10-Q
August 13, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2013

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 1-35796

TRI Pointe Homes, Inc.

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(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or other Jurisdiction of
Incorporation or Organization)

27-3201111
(I.R.S. Employer
Identification No.)

19520 Jamboree Road, Suite 200
Irvine, California 92612
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (949) 478-8600

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

Registrant's shares of common stock outstanding at August 7, 2013: 31,597,907

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TRI POINTE HOMES, INC.

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Table of Contents**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements****TRI POINTE HOMES, INC.****CONSOLIDATED BALANCE SHEETS****(in thousands, except share amounts)**

	June 30, 2013	December 31, 2012
	(unaudited)	
Assets		
Cash and cash equivalents	\$ 37,537	\$ 19,824
Marketable securities	39,837	
Real estate inventories	301,831	194,083
Contracts and accounts receivable	1,448	548
Other assets	2,306	3,061
Total Assets	\$ 382,959	\$ 217,516
Liabilities and Equity		
Accounts payable and accrued liabilities	\$ 12,834	\$ 10,995
Notes payable	62,557	57,368
Total Liabilities	75,391	68,363
Commitments and contingencies (Note 7)		
Equity:		
Members equity		149,153
Stockholders' equity:		
Preferred stock, \$0.01 par value, 50,000,000 shares authorized, no shares outstanding as of June 30, 2013		
Common stock, \$0.01 par value, 500,000,000 shares authorized, 31,597,907 shares issued and outstanding as of June 30, 2013	316	
Additional paid-in capital	309,351	
Accumulated deficit	(1,917)	
Accumulated other comprehensive loss	(182)	
Total Stockholders' equity	307,568	
Total Equity	307,568	149,153
Total Liabilities and Equity	\$ 382,959	\$ 217,516

See accompanying notes to the unaudited condensed consolidated financial statements.

Table of Contents**TRI POINTE HOMES, INC.****CONSOLIDATED STATEMENTS OF OPERATIONS****(unaudited)****(dollars in thousands, except per share amounts)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Revenues:				
Home sales	\$ 47,457	\$ 7,736	\$ 71,314	\$ 12,324
Fee building	3,630	72	7,661	137
Total revenues	51,087	7,808	78,975	12,461
Expenses:				
Cost of home sales	38,318	6,807	57,767	10,879
Fee building	3,395	46	7,020	111
Sales and marketing	1,791	797	3,121	1,290
General and administrative	4,108	1,473	7,421	2,651
Total expenses	47,612	9,123	75,329	14,931
Income (loss) from operations	3,475	(1,315)	3,646	(2,470)
Other income (expense), net	89	(2)	261	10
Income (loss) before income taxes	3,564	(1,317)	3,907	(2,460)
Provision for income taxes	(1,489)		(1,562)	
Net income (loss)	\$ 2,075	\$ (1,317)	\$ 2,345	\$ (2,460)
Net income (loss) per share (Note 2)				
Basic	\$ 0.07	\$ (0.09)	\$ 0.08	\$ (0.18)
Diluted	\$ 0.07	\$ (0.09)	\$ 0.08	\$ (0.18)
Weighted average number of shares (Note 2)				
Basic	31,597,907	14,572,743	29,940,448	13,668,616
Diluted	31,614,646	14,572,743	29,953,625	13,668,616

See accompanying notes to the unaudited condensed consolidated financial statements.

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TRI POINTE HOMES, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(unaudited)

(in thousands)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Net income (loss)	\$ 2,075	\$ (1,317)	\$ 2,345	\$ (2,460)
Other comprehensive income (loss):				
Unrealized loss on marketable securities available for sale:				
Unrealized holding loss arising during the period	(264)		(163)	
Reclassification adjustment included in net income	21		(19)	
Unrealized loss on marketable securities, net	(243)		(182)	
Comprehensive income (loss)	\$ 1,832	\$ (1,317)	\$ 2,163	\$ (2,460)

See accompanying notes to the unaudited condensed consolidated financial statements.

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TRI POINTE HOMES, INC.
CONSOLIDATED STATEMENT OF EQUITY

(unaudited)

(in thousands, except share amounts)

	Number of Common Shares	Common Stock	Additional Paid-in Capital	Stockholders Equity Accumulated Deficit	Accumulated Other Comprehensive Income	Total Stockholders Equity	Members Equity	Total Equity
Balance at December 31, 2012		\$	\$	\$	\$	\$	\$ 149,153	\$ 149,153
Net income				2,345		2,345		2,345
Unrealized loss on available-for-sale marketable securities					(182)	(182)		(182)
Total comprehensive income						2,163		2,163
Conversion of members' equity into common stock	21,597,907	216	153,199	(4,262)		149,153	(149,153)	
Issuance of common stock, net of issuance costs	10,000,000	100	155,308			155,408		155,408
Stock-based compensation expense			844					