

New Home Co Inc.  
Form 10-Q  
November 04, 2016

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 September 30, 2016 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 001-36283

The New Home Company Inc.  
(Exact Name of Registrant as Specified in Its Charter)

Delaware 27-0560089  
(State or other Jurisdiction of (I.R.S. Employer  
Incorporation or Organization) Identification No.)  
85 Enterprise, Suite 450  
Aliso Viejo, California 92656  
(Address of principal executive offices) (Zip Code)  
Registrant's telephone number, including area code (949) 382-7800  
Not Applicable  
(Former name,  
former address  
and former fiscal  
year, if changed  
since last report)

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

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

Registrant's shares of common stock outstanding as of November 2, 2016: 20,711,952

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THE NEW HOME COMPANY INC.  
 FORM 10-Q  
 INDEX

	Page Number
PART I Financial Information	
Item 1. <u>Financial Statements</u>	
<u>Condensed Consolidated Balance Sheets as of September 30, 2016 (Unaudited) and December 31, 2015</u>	3
<u>Unaudited Condensed Consolidated Statements of Operations for the Three and Nine Months Ended September 30, 2016 and 2015</u>	4
<u>Unaudited Condensed Consolidated Statement of Equity for the Nine Months Ended September 30, 2016</u>	5
<u>Unaudited Condensed Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2016 and 2015</u>	6
<u>Notes to Unaudited Condensed Consolidated Financial Statements</u>	7
Item 2. <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	24
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	37
Item 4. <u>Controls and Procedures</u>	38
Part II Other Information	
Item 1. <u>Legal Proceedings</u>	39
Item 1A. <u>Risk Factors</u>	39
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	39
Item 3. <u>Defaults Upon Senior Securities</u>	39
Item 4. <u>Mine Safety Disclosures</u>	39
Item 5. <u>Other Information</u>	39
Item 6. <u>Exhibits</u>	40
<u>Signatures</u>	41

## PART I – FINANCIAL INFORMATION

## Item 1. Financial Statements

THE NEW HOME COMPANY INC.  
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2016	December 31, 2015
	(Dollars in thousands, except per share amounts) (Unaudited)	
Assets		
Cash and cash equivalents	\$44,254	\$45,874
Restricted cash	970	380
Contracts and accounts receivable	21,379	23,960
Due from affiliates	842	979
Real estate inventories	383,392	200,636
Investment in unconsolidated joint ventures	42,489	60,572
Other assets	23,497	18,869
Total assets	\$516,823	\$351,270
Liabilities and equity		
Accounts payable	\$38,850	\$26,371
Accrued expenses and other liabilities	14,067	19,827
Due to affiliates	—	293
Unsecured revolving credit facility	229,924	74,924
Other notes payable	4,000	8,158
Total liabilities	286,841	129,573
Commitments and contingencies (Note 10)		
Equity:		
Stockholders' equity:		
Preferred stock, \$0.01 par value, 50,000,000 shares authorized, no shares outstanding	—	—
Common stock, \$0.01 par value, 500,000,000 shares authorized, 20,711,952 and 20,543,130, shares issued and outstanding as of September 30, 2016 and December 31, 2015, respectively	207	205
Additional paid-in capital	196,293	194,437
Retained earnings	33,375	26,133
Total The New Home Company Inc. stockholders' equity	229,875	220,775
Noncontrolling interest in subsidiary	107	922
Total equity	229,982	221,697
Total liabilities and equity	\$516,823	\$351,270
See accompanying notes to the unaudited condensed consolidated financial statements.		

## THE NEW HOME COMPANY INC.

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
	(Dollars in thousands, except per share amounts)			
Revenues:				
Home sales	\$125,142	\$57,878	\$246,281	\$133,315
Fee building, including management fees from unconsolidated joint ventures of \$1,539, \$3,255, \$6,251 and \$8,356, respectively	52,761	29,099	125,726	102,158
	177,903	86,977	372,007	235,473
Expenses:				
Cost of homes sales	105,799	48,741	211,859	112,747
Cost of fee building	50,832	27,028	120,063	96,014
Selling and marketing	6,055	3,442	14,577	7,531
General and administrative	6,468	5,105	17,476	13,078
	169,154	84,316	363,975	229,370
Equity in net income of unconsolidated joint ventures	488	4,056	4,428	9,180
Other expense, net	(195)	(123)	(590)	(843)
Income before income taxes	9,042	6,594	11,870	14,440
Provision for income taxes	(3,465)	(2,249)	(4,718)	(5,275)
Net income	5,577	4,345	7,152	9,165
Net (income) loss attributable to noncontrolling interest	(30)	99		