TEAM FIRST
TRANSFORM, INSPIRE, AND UNLEASH VALUE LIKE NEVER BEFORE

May 11–13, 2015 \ Turnberry Isle \ Miami
THE MULTI-CYCLE MASTER PLAN OF TODAY & TOMORROW
Moderators:
- John Covert, Regional Director, Metrostudy
- Jeff Handlin, Principal, Oread Capital & Development

Speakers:
- Denise Hogenes, Western Division Vice President, CCMC
- David Pelletz, South East Regional President, Standard Pacific
- Aaron Smith, Vice President, Brand Strategy, Roni Hicks
ROLES OF MASTER PLANNED COMMUNITY TEAM

- Jeff Handlin, Oread Capital (Developer)
- David Pelletz, Standard Pacific Homes (Builder)
- Denise Hogenes, CCMC (Community Association Mgmt)
- Aaron Smith, Roni Hicks (Marketing & Advertising)
- John Covert, Metrostudy (Market Research)
• MPC’s represent nearly 2/3 of all homes built in Denver Metro Area

• In 2014, buyer traffic in MPC outpaced stand alone projects by 4 to 1.

• Builders in Denver MPC’s average 3x the starts pace than NON-MPC
The Lifecycle of a Masterplanned Community

COMMUNITY ESTABLISHMENT/CREATION
- Why
  - Who
  - How

EARLY STAGE OPERATIONS/STABILIZATION
- Online
- Traditional Media
- Social Media
- Signage
- Grand Opening
- Realtor and Consumer Outreach

LATE STAGE OPERATIONS AND TURNOVER
- Planned Gradual Transition/ Autonomy Process
- Experiment with additional segments and/or concepts

Managing IRR, Profit, and Risk along the lifecycle is the hard-fought balance of successful communities.
COMMUNITY ESTABLISHMENT / CREATION
### Housing Affordability (10% Down Payment)

<table>
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<tr>
<th>Masterplan</th>
<th>Submarket</th>
<th>Low</th>
<th>High</th>
<th>Annual Starts</th>
<th>Annual Closings</th>
<th>Qtr Starts</th>
<th>Inventory</th>
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### Top 10 Totals

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<td>$30,000</td>
<td>$570,000</td>
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<td>$5,400</td>
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<td>$3,754.06</td>
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<td>$30,000</td>
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<td>$3,838.11</td>
<td>$46,057.28</td>
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### Notes

- **Submarket Analysis**
- **Demographics**
- **Credit Quality**
- **Demand Metrics**
- **Supply Metrics**
COMMUNITY ESTABLISHMENT / CREATION
UNDERSTANDING THE ‘WHO’…

- Consumer Segmentation
- Consumer Attitudinal Profiles
- Product Preferences
- Community Feature Preferences
- Aesthetic Preferences
Why Consumer Segmentation?

- Source of real demand
- Enable quantitative & qualitative insights that appeal to each consumer group
- Help to optimize the financial performance of project
- Determine the basis of focus from concept to delivery
- Foundation for targeted marketing programs
COMMUNITY ESTABLISHMENT / CREATION

Quantitative

Demand, Demographics, Ethnographies

Panel-style Interviews

One-on-One Interviews

Qualitative
COMMUNITY ESTABLISHMENT / CREATION
RESULTS DRIVEN FOCUS GROUPS

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COMMUNITY ESTABLISHMENT / CREATION
VISIONING SESSIONS
• Ask simple questions about the brand. Not the community, not the people who will live there, but the brand.

• Understand clearly those things that truly differentiate your brand from any other community in the market.

• Ask yourself, does the consumer care?

• Write a story, but don’t share it.
COMMUNITY ESTABLISHMENT / CREATION
BRAND DEVELOPMENT

A tight knit community of open hearts, open minds and open spaces. Whether you come to Mountain House school or not, in the field, on the soccer field or on the cultural cycle, we're all in on the same side of this great place just over the rainbow's edge.

Mountain House
MountainHouseLiving.com

Education is at the heart of everything we do.
With a top-ranked school and a wide variety of sports, we believe in developing our children's minds and bodies in equal measure. From local clubs to sports like tennis, we offer a range of activities to keep kids active and engaged.

Mountain House
MountainHouseLiving.com

Retreat to the countryside for room to breathe and room to roam. Enjoy the peace of mind that comes with living in a thriving community with access to all the amenities of a modern city. Mountain House offers the best of both worlds.
COMMUNITY ESTABLISHMENT / CREATION
BRAND DEVELOPMENT

Growing up in a real hometown.

See how we live »

Mountain House
8 new neighborhoods with 19 model homes
From the high $300,000s

We do everything outside.

See how we play »

Mountain House
9 new neighborhoods with 21 model homes
From the low $400,000s

Education is at the heart of everything we do.

See how we learn »

Mountain House
8 new neighborhoods with 22 model homes
From the low $400,000s
COMMUNITY ESTABLISHMENT / CREATION
UNDERSTANDING THE ‘HOW’…

• Community Design Charrette
• Design to Implementation
• Sustainability of Function & Design
COMMUNITY ESTABLISHMENT / CREATION
DESIGN TO IMPLEMENTATION
COMMUNITY ESTABLISHMENT / CREATION
CONVERTIBLE – FUNCTIONAL - ATTRACTIVE
COMMUNITY ESTABLISHMENT / CREATION

• Bigger Isn’t Always Better
• Create Sustainable Space
  ✓ Today’s Consumer is Wise to Operating Cost Burdens
• Avoid Specific Room Usages
• Build Spaces That Invite…
  ✓ Large Crowds
  ✓ Quaint Gatherings
COMMUNITY ESTABLISHMENT / CREATION
PRODUCT SEGMENTATION
COMMUNITY LAUNCH

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Launch with conviction and momentum.
- Align your efforts
- Build excitement, generate buzz
- Traditional, online, social
- Pre-sales & events (consumer/Realtor) [RADIO]
- Memorialize it and leverage it for the future [VIDEO]
EARLY STAGE OPERATIONS & STABILIZATION
### Metrostudy Traffic Profile Analysis Report

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<th>Net Contracts</th>
<th>% Comp</th>
<th>Conversion Rate %</th>
<th>Index</th>
<th>Non-buyers</th>
<th>% Comp</th>
<th>% of Total Traffic</th>
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<td>243</td>
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### Periodic re-evaluation of the ‘Who’ and the ‘How’ – once you have critical mass of data

- Are your customers who you thought they were?
- Are your customers driven to certain models/segments that can inform operational decisions?

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EARLY STAGE OPERATIONS & STABILIZATION
AMENITY PHASING

- Cashflow & financial advantages
- Ability to make adjustments to better serve community needs
- Create sense of anticipation
- Activating spaces easier when phased
- Must build enough critical mass & momentum to keep consumer engaged

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EARLY STAGE OPERATIONS & STABILIZATION

AMENITY PHASING
EARLY STAGE OPERATIONS & STABILIZATION
REPOSITIONING / COMMUNITY ADJUSTMENTS

BEFORE

Builders:
- DR Horton
- Centex

AFTER

Builders:
- Tripointe
- Taylor Morrison
- Lennar
LATE STAGE OPERATIONS AND TURNOVER
COMMUNITIES WE LIKE
STAPLETON – DENVER, CO (FOREST CITY)
TEHALEH – BONNEY LAKE, WA (NEWLAND)
TEHALEH – BONNEY LAKE, WA

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CELEBRATION, FL – THE WALT DISNEY CO.

- Lifecycle Programming...
  - Adjusts w/ Community Needs
  - Stands the Test of Time
  - Serves Multiple Stakeholders
    - Developers
    - Builders
    - Homeowner
RIDGE GATE, CO – COVENTRY DEVELOPMENT

‘Where the city meets the prairie’

- 3,500 acres mixed-use, high density. 1,000 acres dedicated to open space
- ‘Build at the speed of need’
- ‘Modified Grid’ to respect and incorporate topography
- 1st new home community in Colorado with solar included in homes
GREAT PARK – ‘THE GREENHOUSE’
“Each home is a canvas – an opportunity to take a house that we build & make it a reflection of you.”
NOCATEE – PONTE VEDRA, FL
MIDTOWN – ‘GARDEN COMMUNITY CENTER’
FITNESS ON DEMAND

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