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**\$325,000,000**

**Offer to Exchange  
5.750% Senior Notes due 2019,  
and the guarantees thereof,  
which have been registered under the Securities Act of 1933,  
for any and all outstanding  
5.750% Senior Notes due 2019,  
and the guarantees thereof,  
which have not been registered under the Securities Act of 1933, of**

**Beazer Homes USA, Inc.**

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- We will exchange all original notes that are validly tendered and not withdrawn before the end of the exchange offer for an equivalent amount of new notes that we have registered under the Securities Act of 1933.
  - This exchange offer expires at 5:00 p.m., New York City time, on July 24, 2014, unless extended.
  - No public market exists for the original notes or the new notes. We do not intend to list the new notes on any securities exchange through any automated quotation system.
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See "[Risk Factors](#)" beginning on page 9 for a discussion of the risks that holders should consider prior to exchanging original notes for new notes.

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The notes will be our unsecured senior obligations and will rank equally with all of our other unsecured senior indebtedness. The notes are guaranteed jointly and severally on an unsecured senior basis by each of our existing and future material restricted subsidiaries, subject to certain conditions and the guarantees will be effectively junior to our secured obligations to the extent of the value of the collateral securing those obligations. Upon certain specified changes of control, the holders of the notes will have the right to require us to purchase all or a part of their notes at a repurchase price equal to the amount of the notes, plus accrued and unpaid interest, if any, to, but excluding, the repurchase date.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or the accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver the new notes for resale of such new notes. A broker-dealer who acquired original notes as a result of market-making or other trading activities may use this prospectus, as amended from time to time, in connection with any resales of the new notes.

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**The date of this prospectus is June 25, 2014**

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You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone else to provide different information. We are only offering these securities in states where the offer is permitted. You should not assume that the information is current as of a date other than the dates on the front of this document.

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This prospectus incorporates important business and financial information about the company that is not included in or delivered with this prospectus. Regarding the documents incorporated by reference into this prospectus, see "Incorporation of Certain Information by Reference" on page 55. We are providing a copy of this prospectus to each person, including any beneficial owner, to whom a copy of this prospectus is delivered, upon the written or oral request of such person. This prospectus incorporates by reference certain information, other than exhibits to such information (unless such exhibits are specifically incorporated by reference in this prospectus). Requests for such copies should be directed to:

Beazer Homes USA, Inc.  
Attn: Secretary  
1000 Abernathy Road, Suite 260  
Atlanta, Georgia 30328  
Telephone: (770) 829-3700

**In order to obtain timely delivery, security holders must request the information no later than five business days before July 2, 2009, the date of the exchange offer.**

[Table of Contents](#)**SUMMARY**

*This summary highlights selected information from this prospectus. The following summary information is qualified in its entirety elsewhere in this prospectus. This summary may not contain all of the information that you should consider prior to making a decision on new notes. You should read the entire prospectus carefully, including the “Risk Factors” section beginning on page 9 of this prospectus, which we refer to as the “prospectus.” Unless the context requires otherwise, all references to “we,” “us,” “our,” “Beazer Homes” and the “Company” refer to Beazer Homes USA, Inc. and its subsidiaries. References to the “notes” are references to the outstanding 5.750% Senior Notes due 2019 and the exchange offer notes due 2019 offered hereby, collectively. Definitions for certain other defined terms may be found under “Description of the Notes — Certain*

**The Company****Beazer Homes USA, Inc.**

We are a geographically diversified homebuilder with active operations in 16 states within three geographic regions in the United States. Our homes are designed to appeal to homeowners at various price points across various demographic segments and are generally offered in new construction. Our objective is to provide our customers with homes that incorporate exceptional value and quality while seeking to maximize returns over the course of a housing cycle.

Our principal executive offices are located at 1000 Abernathy Road, Suite 260, Atlanta, Georgia 30328, telephone (770) 829-3700. We promote our active communities through our Internet website located at <http://www.beazer.com>. Except for materials specifically incorporated by reference to our website, our website is not a part of and shall not be deemed incorporated by reference in this prospectus.

**The Exchange Offer****The Exchange Offer**

We are offering to exchange up to \$325,000,000 aggregate principal amount of our 5.750% Senior Notes due 2019 (the “original notes”) for up to \$325,000,000 aggregate principal amount of new 5.750% Senior Notes due 2019 (the “new notes”), which are currently being offered only by exchange. The new notes may only be exchanged in a minimum principal amount of \$2,000 and \$1,000, respectively, for the original notes and the new notes, respectively, in a minimum principal amount. In order to be exchanged, an original note must be properly tendered to us and the new notes must be properly tendered to us. Only notes that are validly tendered and not validly withdrawn prior to the exchange offer may be exchanged.

**Resales Without Further Registration**

Based on interpretations by the staff of the Securities and Exchange Commission and action letters issued to third parties, we believe that the new notes issued in the exchange offer may be offered for resale, resold or otherwise transferred by you without further registration and prospectus delivery provisions of the Securities Act of 1933, as amended, *provided that*:

- you are acquiring the new notes issued in the exchange offer in the

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	<ul style="list-style-type: none"> <li>• you have not engaged in, do not intend to engage in, and have not caused any person to participate in, the distribution of the new notes in violation of the provisions of the Securities Act; and</li> <li>• you are not our “affiliate,” as defined under Rule 405 of the Securities Act.</li> </ul>
	<p>Each broker-dealer that receives new notes for its own account in exchange for original notes were acquired by such broker-dealer as a result of market-making activities, must acknowledge that it will deliver a prospectus in connection with the new notes.</p>
	<p>The letter of transmittal states that, by so acknowledging that it will deliver a letter of transmittal, a broker-dealer will not be deemed to admit that it is an “underwriter” under the Securities Act. This prospectus, as it may be amended or supplemented from time to time, is a prospectus for a broker-dealer in connection with resales of new notes received in exchange for original notes were acquired by such broker-dealer as a result of market-making activities. We have agreed to use our reasonable best efforts to make this prospectus, as amended or supplemented, available to any broker-dealer for a period of 210 days after the date of this prospectus for use in connection with any such resale. See “Plan of Distribution.”</p>
Expiration Date	5:00 p.m., New York City time, on July 24, 2014, unless we extend the expiration date.
Accrued Interest on the New Notes and Original Notes	The new notes will bear interest from April 8, 2014 or the last interest payment date on the original notes surrendered in exchange therefor. Holders of original notes surrendered in exchange will be deemed to have waived the right to receive any payment of accrued interest on original notes accrued to the date of issuance of the new notes.
Conditions to the Exchange Offer	The exchange offer is subject to certain customary conditions which we describe in the letter of transmittal. See “Exchange Offer — Conditions.”
Procedures for Tendering Original Notes	Each holder of original notes wishing to accept the exchange offer must deliver a letter of transmittal, or a facsimile of the letter of transmittal; or if the original notes are held in book-entry form, the book-entry procedures described in this prospectus, the tendering holder must send a message to the exchange agent at the address listed in this prospectus. You must also send the required documentation together with the original notes to the exchange agent.
Special Procedures for Beneficial Holders	If you beneficially own original notes registered in the name of a broker-dealer, bank, trust company or other nominee and you wish to tender your original notes in exchange for new notes, you must send a letter of transmittal, or a facsimile of the letter of transmittal, to the exchange agent at the address listed in this prospectus.

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Guaranteed Delivery Procedures	<p>should contact such registered holder promptly and instruct them to tender on your own behalf, you must either arrange to have your original notes or obtain a properly completed bond power from the registered holder. This may take considerable time.</p> <p>You must comply with the applicable guaranteed delivery procedures for your original notes and:</p> <ul style="list-style-type: none"> <li>• your original notes are not immediately available;</li> <li>• time will not permit your required documents to reach the exchange agent in New York City time, on the expiration date of the exchange offer; or</li> <li>• you cannot complete the procedures for delivery by book-entry transfer in New York City time, on the expiration date of the exchange offer.</li> </ul>
Withdrawal Rights	<p>You may withdraw your tender of original notes at any time prior to 5:00 p.m. Eastern time on the date the exchange offer expires.</p>
Failure to Exchange Will Affect You Adversely	<p>If you are eligible to participate in the exchange offer and you do not tender your original notes, you will not have further exchange or registration rights and your original notes will not be transferred on transfer under the Securities Act. Accordingly, the liquidity of the original notes may be affected.</p>
Material U.S. Federal Income Tax Consequences	<p>Your participation in the exchange offer will not be a taxable event for U.S. federal income tax purposes. Accordingly, you will not recognize any taxable gain or loss as a result of the exchange offer. See “Federal Income Tax Consequences of the Exchange Offer.”</p>
Exchange Agent	<p>U.S. Bank National Association is serving as exchange agent in connection with the exchange offer. Deliveries by hand, registered, certified, first class or overnight mail shall be made to the Exchange Agent, U.S. Bank National Association, 111 Fillmore Avenue, St. Paul, MN 55107-1402, Attention: Exchange Agent, Department, Reference: Beazer Homes USA, Inc. Exchange. For information regarding the exchange offer, contact the Exchange Agent at telephone number (800) 934-6802 or (651) 466-7372.</p>
Use of Proceeds	<p>We will not receive any proceeds from the exchange offer. See “Use of Proceeds” in the exchange offer.</p>

[Table of Contents](#)**Summary of Terms of New Notes**

The exchange offer constitutes an offer to exchange up to \$325,000,000 aggregate principal amount of the new notes for up to an equal amount of the original notes. The new notes will be obligations of Beazer Homes evidencing the same indebtedness as the original notes, and will be governed by the same indenture. The form and terms of the new notes are substantially the same as the form and terms of the original notes except that the new notes will be registered under the Securities Act. See "Description of the Notes."

**Freely Transferable**

The new notes will be freely transferable under the Securities Act by the registered holders. Restricted holders are restricted from transferring the new notes until the registration and prospectus delivery requirements of the Securities Act are satisfied in all material respects (including interest rate, maturity and restrictive covenants), with the exception that the new notes will be registered under the Securities Act as part of the Terms of the Exchange Offer."

**Registration Rights**

The holders of the original notes currently are entitled to certain registration rights under a registration rights agreement entered into on the issue date of the original notes. Beazer Homes, the subsidiary guarantors named therein and the initial purchasers have agreed to cause Beazer Homes to register the original notes for resale under the Securities Act if such registration is not consummated prior to the exchange offer termination date. However, under the registration rights agreement, such registration rights will expire upon consummation of the exchange offer. The holders of original notes who do not exchange their original notes for new notes will not be able to reoffer, resell or otherwise dispose of their original notes until they are subsequently registered under the Securities Act or unless an exemption from registration under the Securities Act is available.

**Terms of New Notes****Issuer**

Beazer Homes USA, Inc.

**Securities**

\$325.0 million aggregate principal amount of 5.750% senior notes due

**Maturity**

June 15, 2019.

**Interest Payment Dates**

June 15 and December 15, commencing on December 15, 2014. Interest will be paid on the date it was most recently paid on the original notes.

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Guarantees	<p>On the issue date of the new notes, all payments on the new notes, including interest, shall be fully and unconditionally, jointly and severally guaranteed on a senior basis by the guarantors and their future material restricted subsidiaries, including substantially all of our subsidiaries, subject to customary release provisions.</p>
Ranking	<p>The new notes and the guarantees will be our and the guarantors' senior obligations. The ranking of the indebtedness evidenced by the new notes and the guarantees will:</p> <ul style="list-style-type: none"> <li>• rank senior in right of payment to any of our and the guarantors' existing and future indebtedness;</li> <li>• rank equally in right of payment with all of our and the guarantors' existing and future indebtedness;</li> <li>• be effectively subordinated in right of payment to our existing and future secured indebtedness, including the secured indebtedness of the guarantors, including under our 6% revolving credit facility due 2018 and our revolving credit facility due 2015, to the extent of the secured indebtedness;</li> <li>• be structurally subordinated to all existing and future indebtedness of our non-guarantor subsidiaries (other than indebtedness and liabilities of our guarantor subsidiaries, subject to any senior claims of the creditors of our guarantor subsidiaries).</li> </ul> <p>As of March 31, 2014, Beazer and the subsidiary guarantors had approximately \$4.8 million of outstanding, net of unamortized discount of \$4.8 million and unamortized premium of \$0.2 million, which (1) \$346.2 million was secured indebtedness and (2) \$54.7 million was unsecured indebtedness subordinate to the new notes and the guarantees. In addition, as of March 31, 2014, our non-guarantor subsidiaries had outstanding indebtedness and other liabilities (excluding unamortized discount and premium) of approximately \$1.0 million.</p>
Optional Redemption	<p>Prior to March 15, 2019 (three months prior to the maturity date), we may, in whole or in part, at a price equal to 100% of the principal amount thereof, together with interest, if any, to the redemption date, plus the make-whole premium described under "Optional Redemption."</p> <p>We may also redeem any of the notes at any time on or after March 15, 2019 (three months prior to the maturity date), in whole or in part, at a price equal to 100% of the principal amount thereof, together with interest, if any, to the date of redemption.</p> <p>In addition, on or prior to June 15, 2017, we may redeem up to 35% of the notes issued under the indenture at a redemption price of 105.750%</p>

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	<p>interest with the net proceeds of certain equity offerings, provided at least an amount of the notes originally issued remain outstanding immediately after the offering. See “Description of the Notes — Optional Redemption.”</p>
Change of Control	<p>Upon a change of control, we will be required to make an offer to purchase 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of payment. See “Description of the Notes — Mandatory Offers to Purchase the Notes” and “Certain Covenants — Change of Control.”</p>
Certain Covenants	<p>The indenture governing the notes contains covenants that will, among other things, restrict the ability of our restricted subsidiaries to:</p> <ul style="list-style-type: none"> <li>• incur additional secured indebtedness;</li> <li>• effect sale and leaseback transactions; and</li> <li>• effect certain mergers or consolidations or transfers of substantial assets.</li> </ul> <p>These limitations will be subject to a number of important qualifications. See “Description of the Notes — Certain Covenants.”</p>
Absence of a Public Market	<p>The new notes will be a new issue for which there will not initially be a public market. We cannot assure you as to the development or liquidity of any market for the new notes.</p>
Risk Factors	<p>You should carefully consider the information under “Risk Factors” beginning on page 10 and all other information included or incorporated by reference in this prospectus before making a decision to exchange original notes for new notes.</p>
<p>For additional information regarding the notes, see the “Description of the Notes” section of this prospectus.</p>	

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Our summary historical consolidated financial and operating data set forth below as of and for each of the fiscal years ended September 30, 2011, 2012 and 2013 and for the six months ended March 31, 2013 and 2014 are derived from our audited consolidated financial statements and our unaudited condensed financial statements. These historical results are not necessarily indicative of the results to be expected in the future. You should also read our historical financial statements and related notes in our Annual Report on Form 10-K for the fiscal year ended September 30, 2013 and our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2014, as well as the sections in such reports entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" herein by reference.

(\$ in millions, except as noted below)	Fiscal Year Ended September 30,	
	2011	2012
<b>Statement of Operations Data(1):</b>		
Total revenue	\$ 742	\$1,006
Gross profit	48	105
Operating (loss) income	(132)	(62)
Loss from continuing operations	(200)	(136)
<b>Operating Statistics:</b>		
Number of new orders, net of cancellations	3,927	4,901
Units in backlog at end of period(2)	1,450	1,923
Number of closings(3)	3,249	4,428
Average sales price per home closed (in thousands)	\$219.4	\$224.9
<b>Balance Sheet Data (end of period):</b>		
Cash, cash equivalents and restricted cash	\$ 647	\$ 741
Inventory	1,204	1,112
Total assets	1,977	1,982
Total debt	1,489	1,498
Stockholders' equity	198	262
<b>Supplemental Financial Data:</b>		
Cash provided by/(used in):		
Operating activities	\$ (179)	\$ (21)
Investing activities	(260)	5
Financing activities	273	134
Interest incurred(4)	131	125
Ratio of earnings to fixed charges(5)	—	—

- (1) Statement of operations data is from continuing operations. Gross profit includes inventory impairments and lot options abandonment charges of \$2.6 million, \$2.2 million and \$0.9 million for the fiscal years ended September 30, 2011, 2012 and 2013 and for the six months ended March 31, 2013 and 2014, respectively. Gross profit also includes warranty recoveries of \$1.4 million and \$11.0 million for the fiscal years ended September 30, 2011 and 2012, respectively. Loss from continuing operations includes a loss on extinguishment of debt of \$2.9 million, \$45.1 million, \$4.6 million, \$3.6 million for the fiscal years ended September 30, 2011, 2012 and 2013 and the six months ended March 31, 2013 and 2014, respectively. The aforementioned

- primarily related to the deterioration of the homebuilding environment over the past few years.
- (2) A home is included in “backlog” after a sales contract is executed and prior to the transfer of title to the purchaser. Because the closings are subject to contingencies, it is possible that homes in backlog will not result in closings.

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- (3) A home is included in “closings” when title is transferred to the buyer. Revenue and cost of sales for a house are generally recognized at the time of closing.
- (4) Interest incurred is expensed or, if qualified, capitalized to inventory and subsequently amortized to cost of sales as homes are sold.
- (5) “Earnings” consist of (a) income (loss) before income taxes, (b) amortization of previously capitalized interest and (c) fixed charges less interest. “Fixed charges” consist of (a) interest incurred, (b) amortization of deferred loan costs and debt discount and (c) that portion of interest (33%) deemed to be representative of interest.

Earnings for the fiscal years ended September 30, 2011 and 2012 were insufficient to cover fixed charges by \$71 million and \$41 million, respectively.

[Table of Contents](#)**RISK FACTORS**

*An investment in the new notes offered hereby involves a high degree of risk. You should carefully consider the following risk factors before you participate in the exchange offer. We urge you to carefully read this prospectus and the documents incorporated by reference herein. You should be particularly attentive to being an investor in the new notes prior to making an investment decision. The following is not intended as, and should not be construed as, a complete list of all the relevant risk factors. There may be other risks that a prospective investor should consider that are relevant to its own particular circumstances. You should carefully consider the risks, uncertainties and assumptions discussed under the caption "Risk Factors" included in our most recent Annual Report on Form 10-K, as well as the risks incorporated by reference in this prospectus, as updated by our subsequent filings under the Securities Exchange Act of 1934, as amended.*

***Risks Related to the Notes and the Exchange Offer***

**Certain of our existing debt instruments impose significant restrictions and obligations on us that could adversely affect our liquidity, and make it difficult for us to satisfy our debt obligations.**

Certain of our secured and unsecured indebtedness and revolving credit and letter of credit facilities, including the indenture governing such facilities, impose significant restrictions and obligations on us. Under certain of these instruments, we must comply with defined covenants which limit our ability to, among other things, incur additional debt, engage in certain asset sales, make certain types of restricted payments, engage in transactions with affiliates and create liens on our assets. Breaches of these covenants could result in an event of default under the applicable instrument. Any such event of default could negatively impact other covenants under certain of our other debt. There can be no assurance that we will be able to obtain any waivers or amendments that may become necessary in the future without significant additional cost or at all.

As of March 31, 2014, we had total outstanding indebtedness of approximately \$1.5 billion, net of unamortized discount of approximately \$0.1 billion and accretion of \$46.1 million. Our substantial indebtedness could have important consequences to us and the holders of our securities, including

- causing us to be unable to satisfy our obligations under our debt agreements;
- making us more vulnerable to adverse general economic and industry conditions;
- making it difficult to fund future working capital, land purchases, acquisitions, share repurchases, general corporate purposes and other needs;
- causing us to be limited in our flexibility in planning for, or reacting to, changes in our business.

In addition, subject to restrictions in our existing debt instruments and the indenture governing the notes, we may incur additional indebtedness. At current debt levels, the related risks that we now face could intensify. Our growth plans and our ability to make payments of principal or interest on our indebtedness, will depend on our future operating performance and our ability to enter into additional debt and/or equity financings. If we are unable to generate sufficient cash flows in the future to service our debt, we may be required to refinance all or a portion of our existing debt, to sell assets or to obtain additional financing. We cannot assure that we will be able to do any of the foregoing on terms acceptable to us, if at all.

**Despite our substantial indebtedness, we may still be able to incur significantly more debt. This could intensify the risks described here.**

We and our subsidiaries may be able to incur substantial indebtedness in the future. Although the terms of certain of the agreements governing our debt impose restrictions on our ability to incur additional

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indebtedness, these restrictions are subject to a number of important qualifications and exceptions, and the indebtedness incurred in compliance with these restrictions may be substantial. If new debt is added to our current debt levels, the related risks that we now face could intensify.

### **We may not be able to generate sufficient cash to service all of our indebtedness, and may be forced to take other actions to satisfy our debt obligations if our cash flow is insufficient to service our indebtedness that may not be successful.**

Our ability to satisfy our debt obligations will depend upon, among other things, our future financial and operating performance, which is subject to a number of risks, including economic conditions and financial, business, regulatory and other factors, many of which are beyond our control. In addition, as of March 31, 2014, our existing senior notes (including the 9.125% senior notes due 2018 which were redeemed on April 23, 2014) had a maturity date (or put right) that is earlier than the notes offered hereby, and we will be required to repay or refinance such indebtedness prior to when the notes offered hereby come due.

We cannot assure you that our business will generate cash flow from operations in an amount sufficient to fund our liquidity needs. If our cash flow is insufficient to service our indebtedness, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or other financing, or take other actions to service our indebtedness, including the notes. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. Our ability to repay or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of existing debt may restrict us from adopting some of these alternatives. In the absence of such operating results and resources, we could face substantial liquidity problems. Our ability to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to consummate those dispositions for fair value. Any proceeds that we could realize from any such dispositions may not be adequate to meet our debt service obligations then due.

### **Repayment of our debt, including required principal and interest payments on the notes, is dependent in part on cash flow generated by our subsidiaries.**

Our subsidiaries own a significant portion of our assets and conduct a significant portion of our operations. Accordingly, repayment of our debt is dependent, to a significant extent, on the generation of cash flow by our subsidiaries and their ability to make such cash available to us, by their own operations or otherwise. Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our debt. Each subsidiary is a distinct legal entity with no obligation, other than the guarantees of the guarantor subsidiaries, to provide us with funds for our debt. Under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. While the indenture governing the notes restricts our subsidiaries to incur consensual restrictions on their ability to pay dividends or make other intercompany payments to us, these limitations are subject to certain qualifications and exceptions. In the event that we do not receive distributions from our subsidiaries, we may be unable to make required principal and interest payments on our indebtedness, including the notes.

### **If we default on our obligations to pay our other indebtedness, we may not be able to make payments on the notes.**

Any default under the agreements governing our indebtedness that is not waived by the required lenders, and the remedies sought by the lenders, could leave us unable to pay principal, premium, if any, or interest on the notes and could substantially decrease the market value of the notes. If we are unable to generate cash flow and are otherwise unable to obtain funds necessary to meet required payments of

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principal, premium, if any, or interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial instruments governing our indebtedness, we could be in default under the terms of the agreements governing such indebtedness. In the event of indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest, the facility could elect to terminate their commitments, cease making further letters of credit or loans available and institute foreclosure proceedings be forced into bankruptcy or liquidation. Any default could also constitute a cross-default under our other indebtedness, including the notes.

If our operating performance declines, we may in the future need to seek waivers from the required lenders under our revolving credit facility. If we breach our covenants under the revolving credit facility and seek a waiver, we may not be able to obtain a waiver from the required lenders. In the event of default under our revolving credit facility, the lenders could exercise their rights as described above, and we could be forced into bankruptcy or liquidation.

### **The notes are structurally subordinated to all liabilities of our subsidiaries that are not guarantors.**

The notes are structurally subordinated to indebtedness and other liabilities of our non-guarantor subsidiaries and joint ventures, and our subsidiaries and joint ventures, including trade creditors, have priority as to the assets of these subsidiaries and joint ventures. In the event of reorganization or similar proceeding of any non-guarantor subsidiaries and joint ventures, these entities will pay the holders of their debts, before their trade creditors before they will be able to distribute any of their assets to us. As of March 31, 2014, our non-guarantor subsidiaries had liabilities of \$1.0 million. In addition, the indenture governing the notes permits, subject to certain limitations, these subsidiaries and joint ventures to incur indebtedness and does not contain any limitation on the amount of other liabilities, such as trade payables, that may be incurred by these entities. See our condensed consolidated financial statements for the quarter ended March 31, 2014, incorporated by reference in this prospectus, for financial information on our non-guarantor subsidiaries.

### **Our revolving credit facility and indentures governing our currently outstanding notes contain significant operating and financial restrictions that may limit our and our subsidiary guarantors' ability to operate our and their businesses.**

Our revolving credit facility and the indentures governing our currently outstanding notes contain significant operating and financial restrictions. These restrictions limit our and our subsidiaries' ability to, among other things (not all restrictions are included in each indenture, including

- incur additional indebtedness or issue certain preferred shares;
- create liens on certain assets to secure debt;
- pay dividends or make other equity distributions;
- purchase or redeem capital stock;
- make certain investments; and
- consolidate or merge.

These restrictions could limit our and our subsidiaries' ability to finance our and their future operations or capital needs, make acquisitions, or pursue other business opportunities. In addition, our revolving credit facility requires us to maintain specified financial ratios and to satisfy certain financial covenants. We may be required to take action to reduce our debt or act in a manner contrary to our business objectives to meet these

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ratios and satisfy these covenants. Events beyond our control, including changes in economic and business conditions in the markets in which we do so. We may not be able to meet these ratios or satisfy these covenants and we cannot assure you that the lender under our revolving credit facility will do so. A breach of any of the covenants in, or our inability to maintain the required financial ratios under, our debt could result in a default under our debt becoming immediately due and payable and, if such debt is secured, foreclosure on our assets that secure that obligation. A default under our debt could result in default under other obligations and result in other creditors accelerating the payment of other obligations and foreclosing on assets that secure those obligations. Defaults could materially impair our financial conditions and liquidity.

### **The notes and the guarantees are not secured by any of our assets and therefore are effectively subordinated to our existing and future debt.**

The notes and any guarantees thereof are general unsecured obligations ranking effectively junior in right of payment to our and the guarantors' existing and future indebtedness to the extent of the collateral securing such indebtedness. As of March 31, 2014, we and the guarantors had approximately \$340 million of debt. The indenture governing the notes permits the incurrence of additional indebtedness, some of which may be secured. See "Description of the Notes" for more information. If a guarantor is declared bankrupt, becomes insolvent or is liquidated or reorganized, creditors whose indebtedness is secured by our assets or the guarantors' assets will be entitled to the remedies available to secured holders under applicable laws, including the foreclosure of the collateral securing such indebtedness, which may be made with respect to the notes or the affected guarantees. As a result, there may be insufficient assets to pay amounts due on the notes and guarantees proportionately, than holders of secured indebtedness.

### **Federal and state statutes allow courts, under specific circumstances, to void a guarantor's guarantee and require note holders to return payments made thereof.**

If any guarantor becomes a debtor in a case under the U.S. Bankruptcy Code or encounters other financial difficulty, under federal or state law, a court may void, subordinate or otherwise decline to enforce such guarantor's guarantee. A court might do so if it found that when such guarantor is liquidated or reorganized, when payments became due under the guarantee, the guarantors received less than reasonably equivalent value or fair consideration and:

- was insolvent or rendered insolvent by reason of such incurrence;
- was left with inadequate capital to conduct its business; or
- believed or reasonably should have believed that it would incur debts beyond its ability to pay.

The court might also void a guarantee, without regard to the above factors, if the court found that the applicable guarantor made its guarantee in exchange for a delay or defraud its creditors.

A court would likely find that a guarantor did not receive reasonably equivalent value or fair consideration for its guarantee, if such guarantee was made directly or indirectly from the issuance of the notes. If a court were to void the issuance of the notes or any guarantee, you may no longer have the applicable guarantor. Sufficient funds to repay the notes may not be available from other sources, including the remaining obligors, if any. In such event, you may not be able to repay any amounts that you already received from a guarantor.

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The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding and upon the valuation assumptions and methodology applied by the court. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets;
- if the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

On the basis of historical financial information, recent operating history and other factors, we believe that each guarantor, after giving its contribution it has against other guarantors, will not be insolvent, will not have unreasonably small capital for the business in which it is engaged beyond its ability to pay such debts as they mature. We cannot assure you, however, as to what standard a court would apply in making these determinations. We agree with our conclusions in this regard. The guarantees could be subject to the claim that, since the guarantees were incurred for our benefit and the other guarantors, the obligations of the guarantors thereunder were incurred for less than reasonably equivalent value or fair consideration.

### **Certain of our subsidiaries are not subject to the restrictive covenants in the indenture governing the notes.**

Certain of our subsidiaries are not subject to the restrictive covenants in the indenture governing the notes. This means that these entities may engage in activities that we and our restricted subsidiaries are prohibited from doing, such as incurring substantial additional debt, securing assets in property, the notes, paying dividends, making investments, selling substantial assets and entering into mergers or other business combinations. These activities may reduce our ability to make payments of principal and interest when due and to comply with our other obligations under the notes, and could reduce the amount of assets available to satisfy your claims should we default on the notes. In addition, the initiation of bankruptcy or insolvency proceedings or the entry into liquidation proceedings by our subsidiaries, or their default under their other credit arrangements, will not result in a cross-default on the notes.

### **We may not be able to repurchase the notes upon a change of control.**

Upon the occurrence of certain specific kinds of change of control events, we will be required to offer to repurchase all outstanding notes and interest thereon, plus, without duplication, accrued and unpaid interest and additional interest, if any, to the date of repurchase. However, it is possible that at the time of the change of control to make the required repurchase of all notes delivered by holders seeking to exercise their repurchase right. A change of control may trigger a similar repurchase requirement for, or result in an event of default under or the acceleration of, other indebtedness, or the repurchase facility will not allow such repurchases. Any failure by us to repurchase the notes upon a change of control would result in an event of default under the notes and constitute a cross-default on other indebtedness existing at that time. In addition, certain important corporate events, such as leveraged recapitalizations, changes in the level of our indebtedness, would not constitute a "Change of Control" under the indenture. See "Description of the Notes — Certain Covenants

### **The market value of the notes may be exposed to substantial volatility.**

A number of factors, including factors specific to us and our business, financial condition and liquidity, the price of our common stock and market conditions, interest rates, unavailability of capital and financing sources, volatility levels and other factors could lead to a decline in the value of the notes.

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liquidity in any market for the notes. As previously disclosed, in an effort to accelerate our path to profitability, we may seek to expand our business and may be funded through additional debt. Our existing senior notes are thinly traded, and because the notes offered hereby similarly may be thinly traded, we may not be able to accurately value the notes. Moreover, if one or more of the rating agencies rates the notes and assigns a rating that is below the expectations of investors or the rating(s) of the notes, the price of the notes would likely decline.

### **An active trading market may not develop for the new notes.**

There is no established public trading market for the notes, and an active trading market may not develop. We do not intend to apply for listing of the notes on any securities exchange. As a result, there may be limited liquidity of any trading market that does develop for the notes. In addition, the liquidity of the market prices quoted for the notes may be adversely affected by changes in the overall market for this type of security and by changes in demand for or in the prospects for companies in our industry generally. As a consequence, an active trading market may not develop for the notes, holders of the notes, or, even if they can sell their notes, they may not be able to sell them at an acceptable price.

### **The liquidity of any trading market that develops for the notes may be adversely affected by future repurchases by us of notes through open market repurchases, privately negotiated transactions or otherwise.**

We have in the past repurchased our securities and may in the future repurchase the notes, through exchange offers, open market repurchases, or otherwise. If a significant percentage of the notes were repurchased or exchanged in any such transaction, the liquidity of the trading market for the notes would be substantially reduced. Any notes repurchased or exchanged will reduce the amount of notes outstanding. As a result, the notes may trade at a price that is below what they would trade if the applicable transaction was not consummated, subject to prevailing interest rates, the market for similar securities and other factors. The repurchase of the notes may also make the trading prices of the notes more volatile. If a portion of the notes were repurchased or exchanged in the future, the liquidity of the notes and the absence of an active market could adversely affect your ability to trade the notes and the prices at which the notes may be traded.

### **If you fail to exchange your original notes, you will face restrictions that will make the sale or transfer of your original notes more difficult.**

If you do not exchange your original notes for new notes in the exchange offer, you will continue to be subject to the restrictions on trading of the original notes in the legend on your original notes. In general, you may only offer or sell the original notes if they are registered under the Securities Act and the notes are offered and sold under an exemption from those requirements. To the extent other original notes are tendered and accepted in the exchange offer, the trading market, if any, for your original notes would be adversely affected because your original notes will be less liquid than the new notes. See "Exchange Offer — Consequences of Failure to Exchange."

### **Some holders that exchange their original notes may be required to comply with registration and prospectus delivery requirements in connection with the exchange of their new notes.**

If you exchange your original notes in the exchange offer for the purpose of participating in a distribution of the new notes, you may be required to register the new securities and, if so, will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with the exchange. If you are required to comply with the registration and prospectus delivery requirements, then you may face additional burdens on the transfer of your original notes in the event of a failure to comply with applicable requirements.

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## FORWARD-LOOKING STATEMENTS

This prospectus (including the documents incorporated by reference herein) contains forward-looking statements. These forward-looking statements represent our expectations or beliefs concerning future events, and it is possible that the results described in this prospectus (including the documents incorporated by reference herein) may not be achieved. These forward-looking statements can generally be identified by the use of statements that include words such as “estimate,” “predict,” “anticipate,” “intend,” “plan,” “foresee,” “likely,” “will,” “goal,” “target” or other similar words or phrases. All forward-looking statements are made to us on the date of this prospectus.

These forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside of our control, that could cause our actual results to differ materially from the results discussed in the forward-looking statements, including, among other things, the risks discussed in the section captioned “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Additional information about factors that could lead to material changes in performance is contained in our Annual Report on Form 10-K for the fiscal year ended September 30, 2013. These factors are not intended to be an all-encompassing list of factors that could affect the operations, performance, development and results of our business, but instead are the risks that we currently perceive as potentially affecting our business. These risks include:

- the availability and cost of land and the risks associated with the future value of our inventory such as additional asset impairment;
- economic changes nationally or in local markets, including changes in consumer confidence, declines in employment levels, inflation and decreases in the price of new homes and resale homes in the market;
- the cyclical nature of the homebuilding industry and a potential deterioration in homebuilding industry conditions;
- estimates related to homes to be delivered in the future (backlog) are imprecise as they are subject to various cancellation risks;
- shortages of or increased prices for labor, land or raw materials used in housing production;
- our cost of and ability to access capital and otherwise meet our ongoing liquidity needs including the impact of any downgrade on our tangible net worth or liquidity levels;
- our ability to comply with covenants in our debt agreements or satisfy such obligations through repayment or refinancing;
- a substantial increase in mortgage interest rates, increased disruption in the availability of mortgage financing, a change in tax treatment of mortgage interest, or an increased number of foreclosures;
- increased competition or delays in reacting to changing consumer preference in home design;
- factors affecting margins such as decreased land values underlying land option agreements, increased land development costs and delays or difficulties in implementing initiatives to reduce production and overhead cost structure;
- estimates related to the potential recoverability of our deferred tax assets;
- potential delays or increased costs in obtaining necessary permits as a result of changes to, or complying with, laws, regulations and governmental policies, or possible penalties for failure to comply with such laws, regulations and governmental policies;

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- the results of litigation or government proceedings and fulfillment of the obligations in the Deferred Prosecution Agreement (as set forth in the Company's Form 10-K for the fiscal year ended September 30, 2013) and consent orders with governmental authorities and other settlements;
- the impact of construction defect and home warranty claims;
- the cost and availability of insurance and surety bonds;
- the performance of our unconsolidated entities and our unconsolidated entity partners;
- delays in land development or home construction resulting from adverse weather conditions;
- the impact of information technology failures or data security breaches;
- effects of changes in accounting policies, standards, guidelines or principles; or
- terrorist acts, acts of war and other factors over which the Company has little or no control.

Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by law, we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of uncertainties that may emerge from time to time and it is not possible for management to predict all such factors.

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## THE EXCHANGE OFFER

### Terms of the Exchange Offer

#### *Purpose of the Exchange Offer*

We sold \$325,000,000 in principal amount of the original notes on April 8, 2014, in a transaction exempt from the registration requirements of the Securities Act. The initial purchasers of the original notes subsequently resold the original notes in reliance on Rule 144A and Regulation S under the Securities Act.

In connection with the sale of original notes to the initial purchasers pursuant to a purchase agreement, dated April 3, 2014, among us and the initial purchasers, the holders of the original notes became entitled to the benefits of a registration rights agreement dated April 8, 2014, among us, the initial purchasers and the subsequent purchasers named therein.

The registration rights agreement provides that, unless the exchange offer would violate applicable law or any applicable interpretation of applicable law,

- will file an exchange offer registration statement for the notes with the SEC;
- will use our commercially reasonable efforts to cause the SEC to declare the exchange offer registration statement effective as soon as practicable;
- will use our commercially reasonable efforts to, on or prior to 180 days after April 8, 2014, complete the exchange of the new notes for the original notes, prior thereto in the exchange offer; and
- will keep the registered exchange offer open for not less than 20 business days (or longer if required by applicable law or other regulatory requirements) after the date notice of the registered exchange offer is mailed to the holders of the original notes.

The exchange offer being made by this prospectus, if consummated within the required time periods, will satisfy our obligations under the registration rights agreement.

Upon the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal, we will accept for exchange any original notes tendered to us, not withdrawn prior to the expiration date. We will issue \$1,000 principal amount of new notes in exchange for each \$1,000 principal amount of original notes accepted in the exchange offer. Holders may tender some or all of their original notes pursuant to the exchange offer in denominations of \$2,000 or less, or in multiples thereof.

Based on no-action letters issued by the staff of the SEC to third parties we believe that holders of the new notes issued in exchange for original notes may resell and otherwise transfer the new notes, other than any holder that is an affiliate of ours within the meaning of Rule 405 under the Securities Act, without registration and prospectus delivery provisions of the Securities Act. This is true as long as (i) the new notes are acquired in the ordinary course of business, (ii) the holder is not engaging in or intending to engage in a distribution of the new notes, and (iii) the holder has no arrangement or understanding with respect to the distribution of the new notes. A broker-dealer that acquired original notes directly from us cannot exchange the original notes in the exchange offer. A broker-dealer that acquired original notes in the exchange offer for the purpose of participating in a distribution of the new notes cannot rely on the no-action letters of the staff of the SEC and the prospectus delivery requirements of the Securities Act in connection with any resale transaction.

Each broker-dealer that receives new notes for its own account in exchange for original notes, where such original notes were acquired in connection with market-making or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes and provide additional information.

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We will accept validly tendered original notes promptly following the expiration of the exchange offer by giving written notice of the exchange agent. The exchange agent will act as agent for the tendering holders of original notes for the purposes of receiving the new notes from to such holders.

If any tendered original notes are not accepted for exchange because of an invalid tender or the occurrence of the conditions set forth in "Conditions" without waiver by us, certificates for any such unaccepted original notes will be returned, without expense, to the tendering holder after the expiration date or the termination of the exchange offer, as applicable.

Holders of original notes who tender in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the transmittal, transfer taxes with respect to the exchange of original notes, pursuant to the exchange offer. We will pay all charges and expenses in connection with the exchange offer. See "The Exchange Offer — Fees and Expenses."

### ***Shelf Registration Statement***

Pursuant to the registration rights agreement, we have agreed to file a shelf registration statement if:

- we are not permitted to file the exchange offer registration statement or consummate the exchange offer because the exchange offer is prohibited by law or SEC policy;
- the exchange offer is not consummated within 180 days after the issue date of the original notes; or
- any holder (other than the initial purchasers) is prohibited by law or the applicable interpretations of the SEC from participating in the exchange offer.

A holder that sells original notes pursuant to the shelf registration statement generally must be named as a selling securityholder in the prospectus to purchasers, because a seller will be subject to civil liability provisions under the Securities Act in connection with these sales. The seller will be bound by applicable provisions of the applicable registration rights agreement, including indemnification obligations. In addition, each holder will deliver information to be used in connection with the shelf registration statement and provide comments on the shelf registration statement included in the shelf registration statement and benefit from the provisions regarding any liquidated damages in the registration rights agreement.

We have agreed to file a shelf registration statement with the SEC as promptly as practicable, but in any event within 45 days after being so required, and to make commercially reasonable efforts to cause a shelf registration statement to be declared effective by the SEC within 90 days after being so required (such effectiveness be required prior to 180 days following the issue date of the original notes). In addition, we agreed to use our commercial shelf registration statement continually effective, supplemented and amended for a period of two years following the date the shelf registration statement is declared effective and such shelf registration statement is filed at the request of the issuer for a period of one year from the date the shelf registration statement is declared effective and such shelf registration statement is filed at the request of the issuer for a shorter period which terminates when all notes covered by that shelf registration statement have been sold under it.

### ***Additional Interest in Certain Circumstances***

If any of the following, each a "registration default," occurs:

- the exchange offer is not completed on or before the 180th calendar day following the issue date of the original notes or, if that date is a non-business day, the succeeding day that is a business day; or

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- the shelf registration statement is required to be filed but is not filed or declared effective within the time periods required by declared effective but thereafter ceases to be effective or usable (subject to certain exceptions),

the interest rate borne by the notes as to which the registration default has occurred will be increased by 0.25% per annum upon the occurrence will continue to increase by 0.25% each 90-day period that the liquidated damages (as defined below) continue to accrue under any such circumstance. The total increase in the interest rate will in no event exceed one percent (1.0%) per annum. We refer to this increase in the interest rate on the notes as the "interest rate increase." Interest is payable in addition to any other interest payable from time to time with respect to the notes in cash on each interest payment date to the next payment date. After the cure of registration defaults, the accrual of liquidated damages will stop and the interest rate will revert to the original interest rate.

Under certain circumstances, we may delay the filing or the effectiveness of the exchange offer, registration statement or the shelf registration statement required to maintain its effectiveness or amend or supplement it for a period of up to 60 days during any 12-month period. Any delay period will result in liquidated damages with respect to a registration default.

The sole remedy available to the holders of the original notes will be the immediate increase in the interest rate on the original notes and any additional interest due as described above will be payable in cash on the same interest payment dates as the original notes.

### ***Expiration Date; Extensions; Amendment***

We will keep the exchange offer open for not less than 20 business days, or longer if required by applicable law, after the date on which the exchange offer is mailed to the holders of the original notes. The term "expiration date" means the expiration date set forth on the cover page of this prospectus supplement, in which case the term "expiration date" means the latest date to which the exchange offer is extended.

In order to extend the expiration date, we will notify the exchange agent of any extension by written notice and will issue a public announcement to 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date. Any such announcement will include the number of original notes tendered for exchange as of such date.

We reserve the right:

- to delay accepting any original notes and to extend the exchange offer or to terminate the exchange offer and not accept original notes if any of the conditions set forth under "Conditions" shall have occurred and shall not have been waived by us, if permitted to be waived, or such delay, extension or termination to the exchange agent; or
- to amend the terms of the exchange offer in any manner deemed by us to be advantageous to the holders of the original notes. (We reserve the right to amend the terms of the exchange offer for certain types of changes in the terms of the exchange offer, for example, a change in the consideration offered or per share tender.)

All conditions set forth under "The Exchange Offer — Conditions" must be satisfied or waived prior to the expiration date.

Any delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by written notice. If the delay is determined by us to constitute a material change, we will promptly disclose such amendment in a manner reasonably calculated to inform the holders of the amendment. In the event of a material change in the exchange offer, including the waiver

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of a material condition by us, we will extend the exchange offer, if necessary, so that at least five business days remain prior to the expiration of the offer in the event of a material change.

Without limiting the manner in which we may choose to make a public announcement of any extension, amendment or termination of the offer, we are not obligated to publish, advertise, or otherwise communicate any such announcement, other than by making a timely release to an appropriate news outlet.

### **Exchange Offer Procedures**

To tender in the exchange offer, a holder must complete, sign and date the letter of transmittal, or a facsimile thereof, have the signature guaranteed if required by instruction 2 of the letter of transmittal, and mail or otherwise deliver the letter of transmittal or such facsimile or a book entry transfer, together with the original notes and any other required documents. To be validly tendered, such documents must reach the exchange agent in New York City time, on the expiration date. Delivery of the original notes may be made by book-entry transfer in accordance with the procedures set forth in the prospectus. Such book-entry transfer must be received by the exchange agent prior to the expiration date.

The term “agent’s message” means a message, transmitted by a book-entry transfer facility to, and received by, the exchange agent, for a book-entry transfer, which states that such book-entry transfer facility has received an express acknowledgment from the participant in such book entry transfer of the original notes that such participant has received and agrees to be bound by the terms of the letter of transmittal and that we may enforce such book entry transfer.

The tender by a holder of original notes will constitute an agreement between such holder and us in accordance with the terms and substance of the prospectus and in the letter of transmittal.

Delivery of all documents must be made to the exchange agent at its address set forth below. Holders may also request their respective trust companies or nominees to effect such tender for such holders.

Each broker-dealer that receives new notes for its own account in exchange for original notes, where such original notes were acquired in connection with market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such notes.

The method of delivery of original notes and the letter of transmittal and all other required documents to the exchange agent is at the election of the holder. If the method of delivery by mail, it is recommended that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed for delivery to the exchange agent before 5:00 p.m., New York City time, on the expiration date. No letter of transmittal or original notes should be sent to us after the expiration date.

Only a holder of original notes may tender original notes in the exchange offer. The term “holder” with respect to the exchange offer means the registered holder of original notes or any other person who has obtained a properly completed bond power from the registered holder.

Any beneficial holder whose original notes are registered in the name of its broker, dealer, commercial bank, trust company or other person should contact such registered holder promptly and instruct such registered holder to tender on its behalf. If such beneficial holder wishes to tender original notes, the registered holder must, prior to completing and executing the letter of transmittal and delivering its original notes, either make appropriate arrangements to deliver the original notes in such holder’s name or obtain a properly completed bond power from the registered holder. The transfer of record ownership of the original notes will be effected by the exchange agent.

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Signatures on a letter of transmittal or a notice of withdrawal, must be guaranteed by an “eligible guarantor institution” within the meaning of the Securities Exchange Act unless the original notes are tendered:

- by a registered holder who has not completed the box entitled “Special Issuance Instructions” or “Special Delivery Instructions”;
- for the account of an eligible guarantor institution.

In the event that signatures on a letter of transmittal or a notice of withdrawal are required to be guaranteed, such guarantee must be by an eligible guarantor institution.

If a letter of transmittal is signed by a person other than the registered holder of any original notes listed therein, such original notes must be accompanied by appropriate bond powers and a proxy which authorizes such person to tender the original notes on behalf of the registered holder, in each case where the registered holder or holders appears on the original notes.

If a letter of transmittal or any original notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, or other persons acting in a fiduciary or representative capacity, such persons should so indicate when signing, and unless waived by us, evidence satisfactory to us must be submitted with such letter of transmittal.

All questions as to the validity, form, eligibility, including time of receipt, and withdrawal of the tendered original notes will be determined in our sole discretion, which determination will be final and binding, *provided, however*, that such determination may be challenged in a court of competent jurisdiction. We reserve the absolute right to reject any and all original notes not properly tendered or any original notes our acceptance of which, in the opinion of our counsel, does not comply with the terms and conditions of the exchange offer. We reserve the absolute right to waive any irregularities or defects as to the original notes. If we waive any condition of the notes for any note holder, we will waive such condition for all note holders. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, shall be final and binding, *provided, however*, that such determination may be challenged in a court of competent jurisdiction. Unless waived, any defects or irregularities in the original notes must be cured within such time as we shall determine. None of us, the exchange agent or any other person shall be under any duty to notify tendering holders of irregularities with respect to tenders of original notes, nor shall any of them incur any liability for failure to give such notification. Tenderness of original notes will not be made until such irregularities have been cured or waived. Any original notes received by the exchange agent that are not properly tendered or which have irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders of original notes without cost to the tendering holders, as provided in the relevant letter of transmittal, promptly following the expiration date.

In addition, we reserve the absolute right in our sole discretion to:

- purchase or make offers for any original notes that remain outstanding subsequent to the expiration date or, as set forth under “Special Issuance Instructions,” terminate the exchange offer in accordance with the terms of the registration rights agreement; and
- to the extent permitted by applicable law, purchase original notes in the open market, in privately negotiated transactions or otherwise.

The terms of any such purchases or offers may differ from the terms of the exchange offer.

By tendering, each holder will represent to us that, among other things:

- such holder or other person is not our “affiliate,” as defined under Rule 405 of the Securities Act, or, if such holder or other person is our affiliate, such holder or other person is not subject to the registration and prospectus delivery requirements of the Securities Act to the extent applicable;

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- the new notes acquired pursuant to the exchange offer are being obtained in the ordinary course of business of such holder or of the issuer;
- neither such holder or other person has any arrangement or understanding with any person to participate in the distribution of such new notes in violation of the Securities Act; and
- neither such holder nor such other person is engaged in or intends to engage in a distribution of the new notes.

We understand that the exchange agent will make a request promptly after the date of this prospectus to establish accounts with respect to the new notes with a Depository Trust Company (“DTC”) for the purpose of facilitating the exchange offer, and subject to the establishment of such accounts, any holder of the new notes in DTC’s system may make book-entry delivery of original notes by causing DTC to transfer such original notes into the exchange agent’s account in accordance with DTC’s procedures for such transfer. Although delivery of the original notes may be effected through book-entry transfer in DTC, a letter of transmittal properly completed and duly executed with any required signature guarantee, or an agent’s message in lieu of a letter of transmittal, together with the required documents must in each case be transmitted to and received or confirmed by the exchange agent at its address set forth below on or before the expiration date of the exchange offer. Delivery of the original notes in accordance with the guaranteed delivery procedures described below are complied with, within the time period provided under such procedures. Delivery of the original notes to the exchange agent.

## **Guaranteed Delivery Procedures**

Holders who wish to tender their original notes and:

- whose original notes are not immediately available; or
- who cannot deliver their original notes, the letter of transmittal or any other required documents to the exchange agent prior to the expiration date of the exchange offer; or
- who cannot complete the procedures for delivery by book-entry transfer prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer,

may effect a tender if:

- the tender is made by or through an “eligible guarantor institution”;
- prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer, the exchange agent receives from such “eligible guarantor institution” a properly completed and duly executed Notice of Guaranteed Delivery, by facsimile transmission, mail or hand delivery, setting forth the number of original notes to be tendered, the certificate number or numbers of such original notes and the principal amount of original notes tendered, stating the name of the holder of such original notes, and guaranteeing that, within three business days after the expiration date, a letter of transmittal, or facsimile thereof or an agent’s message in lieu of a letter of transmittal, together with the certificate(s) representing the original notes to be tendered in proper form for transfer and any other documents required by the exchange agent will be deposited by the eligible guarantor institution with the exchange agent; and
- a properly completed and duly executed letter of transmittal (or facsimile thereof) together with the certificate(s) representing the original notes to be tendered in proper form for transfer or an agent’s message in the case of delivery by book-entry transfer and all other documents required by the exchange agent within three business days after the expiration date.

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### **Withdrawal of Tenders**

Except as otherwise provided in this prospectus, tenders of original notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date.

To withdraw a tender of original notes in the exchange offer, a written or facsimile transmission notice of withdrawal must be received by us no later than 5:00 p.m., New York City time, on the expiration date. Any such notice of withdrawal must:

- specify the name of the depositor, who is the person having deposited the original notes to be withdrawn;
- identify the original notes to be withdrawn, including the certificate number or numbers and principal amount of such original notes; if the original notes are to be transferred by book-entry transfer, the name and number of the account at DTC to be credited;
- be signed by the depositor in the same manner as the original signature on the letter of transmittal by which such original notes were tendered, or be accompanied by documents of transfer sufficient to have the trustee with respect to the original notes transfer the original notes into the name of the depositor withdrawing the tender; and
- specify the name in which any such original notes are to be registered, if different from that of the depositor.

All questions as to the validity, form and eligibility, including time of receipt, of such withdrawal notices will be determined by us in our sole discretion. Our determination shall be final and binding on all parties, *provided, however*, that such determination may be challenged in a court of competent jurisdiction. If a withdrawal notice is not received by us by the expiration date, any original notes tendered but which are not accepted for exchange will be deemed not to have been validly tendered for purposes of the exchange offer and no new notes will be issued with respect to such original notes unless the original notes so withdrawn are validly retendered. Any original notes which have been tendered but which are not accepted for exchange will be returned without cost to such holder promptly after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn original notes will be returned to the depositor by one of the procedures described above under “The Exchange Offer — Exchange Offer Procedures” at any time prior to the expiration date.

### **Conditions**

Notwithstanding any other term of the exchange offer, we will not be required to accept for exchange, or exchange, any new notes for exchange or to amend the exchange offer before the expiration date, if:

- in the opinion of our counsel, the exchange offer or any part thereof contemplated herein violates any applicable law or interpretation of any applicable law;
- any action or proceeding shall have been instituted in any court or by any governmental agency which might materially impair the consummation of the exchange offer or any material adverse development shall have occurred in any such action or proceeding with respect to us;
- any governmental approval has not been obtained, which approval we shall deem necessary for the consummation of the exchange offer;
- any cessation of trading on any securities exchange, or any banking moratorium, shall have occurred, as a result of which we are unable to consummate the exchange offer; or
- a stop order shall have been issued by the SEC or any state securities authority suspending the effectiveness of the registration statement or the exchange offer has been initiated for that purpose.

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If any of the foregoing conditions exist, we may, in our reasonable discretion:

- refuse to accept any original notes and return all tendered original notes to the tendering holders promptly following the expiration of the exchange offer, as applicable;
- extend the exchange offer and retain all original notes tendered prior to the expiration of the exchange offer, subject, however, to the tendering holders' right to withdraw their tendered original notes; or
- waive such condition, if permissible, with respect to the exchange offer and accept all properly tendered original notes which do not constitute a material change to the exchange offer, we will promptly disclose such waiver by means of a prospectus supplement to the holders, and we will extend the exchange offer, if necessary, so that at least five business days remain prior to the expiration of the exchange offer. See prospectus supplement.

## **Exchange Agent**

We have appointed U.S. Bank National Association as exchange agent for the exchange offer. Please direct questions and requests for copies of this prospectus or of the letter of transmittal and requests for the notice of guaranteed delivery to U.S. Bank National Association at:

*By Mail, Overnight Courier or Hand Delivery:*

U.S. Bank National Association  
111 Fillmore Avenue  
St. Paul, MN 55107-1402  
Attention: Specialized Finance Department  
Reference: Beazer Homes USA, Inc. Exchange

*By Facsimile:*

(651) 466-7372  
Attention: Specialized Finance Department  
Reference: Beazer Homes USA, Inc. Exchange

*To Confirm by Telephone or for Information:*

(800) 934-6802  
Reference: Beazer Homes USA, Inc. Exchange

U.S. Bank National Association is the trustee under the indenture governing the original notes and the new notes.

## **Fees and Expenses**

We will pay the expenses of soliciting original notes for exchange. The principal solicitation is being made by mail by U.S. Bank National Association. However, additional solicitations may be made by telephone, facsimile or in person by our officers and regular employees and our affiliates.

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<http://www.sec.gov/Archives/edgar/data/91>

exchange agent.

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We will pay U.S. Bank National Association as exchange agent reasonable and customary fees for its services and will reimburse it for expenses in connection therewith and pay other registration expenses, including fees and expenses of the trustee under the indenture, filing fees and distribution expenses.

We will pay all transfer taxes, if any, applicable to the exchange of the original notes in connection with the exchange offer. If, however, the original notes or the original notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be issued in the name of, a registered holder of the original notes tendered, or if tendered original notes are registered in the name of any person other than the person to whom a transfer tax is imposed for any reason other than the exchange of the original notes in this exchange offer, then the amount of any such transfer tax, if any, imposed on a registered holder or any other person, will be payable by the tendering holder.

### **Accounting Treatment**

The new notes will be recorded at the same carrying value as the original notes as reflected in our accounting records on the date of exchange. For accounting purposes will be recognized by us.

### **Consequences of Failure to Exchange**

Holders of original notes who are eligible to participate in the exchange offer but who do not tender their original notes will not have their original notes will continue to be subject to restrictions on transfer of the original notes as described in the legend on the original notes. Original notes under exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws may not be offered or sold, unless registered under the Securities Act, except under an exemption from, or in a transaction not subject to, applicable state securities laws.

### **Regulatory Approvals**

We do not believe that the receipt of any material federal or state regulatory approval will be necessary in connection with the exchange offer registration statement under the Securities Act.

### **Other**

Participation in the exchange offer is voluntary and holders of original notes should carefully consider whether to accept the terms and conditions of the exchange offer. Holders of the original notes are urged to consult their financial and tax advisors in making their own decisions on what action to take with respect to their original notes.

Neither our affiliates nor the affiliates of the guarantors have any interest, direct or indirect, in the exchange offer.

[Table of Contents](#)**USE OF PROCEEDS**

This exchange offer is intended to satisfy our obligations to register an exchange offer of the new notes for the original notes required to be entered into in connection with the offering of the original notes. We will not receive any cash proceeds from the issuance of the new notes. In exchange for the new notes, we will receive the outstanding original notes in like principal amount, the terms of which are identical in all material respects to the terms of the original notes otherwise described herein. The original notes surrendered in exchange for the new notes will be retired and cancelled and cannot be reissued.

[Table of Contents](#)**RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth information regarding our ratio of earnings to fixed charges for each of the periods shown. For purposes of calculation, we use earnings before income taxes and fixed charges (EBIT) divided by fixed charges. Fixed charges consist of interest expense on our debt, amortization of debt discounts and premiums, and our lease obligations.

	<b>Fiscal Years ended September 30</b>		
	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Ratio of Earnings to Fixed Charges(a)</b>	—	—	—
(a) Earnings for the fiscal years ended September 30, 2009, 2010, 2011 and 2012 were insufficient to cover fixed charges by \$37 million, \$37 million, \$37 million and \$37 million, respectively.			

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## DESCRIPTION OF OTHER INDEBTEDNESS

**Secured Revolving Credit Facility** — In September 2012, we amended and expanded our Secured Revolving Credit Facility from \$300 million to \$1 billion. The three-year amended Secured Revolving Credit Facility provides for future working capital and letter of credit needs collateralized by substantially all of our personal property (excluding cash and cash equivalents) and real property. This facility is subject to various financial, collateral-based and negative covenants that we are required to comply with to comply. As of March 31, 2014, we were in compliance with all such covenants and had \$150 million of available borrowings under the Secured Revolving Credit Facility. We have elected to cash collateralize all letters of credit; however, as of March 31, 2014, we have pledged approximately \$1 billion of inventory and other assets to the Secured Revolving Credit Facility to collateralize potential future borrowings or letters of credit. The Secured Revolving Credit Facility contains certain covenants, including financial maintenance covenants, with which we are required to comply. Subject to our option to cash collateralize our obligations under the Secured Revolving Credit Facility, upon certain conditions, our obligations under the Secured Revolving Credit Facility are secured by liens on substantially all of our personal property and our owned real properties. There were no outstanding borrowings under the Secured Revolving Credit Facility as of March 31, 2014 or September 30, 2013.

We have entered into stand-alone, cash-secured letter of credit agreements with banks to maintain our pre-existing letters of credit and to provide additional letters of credit. The letter of credit arrangements combined with our Secured Revolving Credit Facility provide a total letter of credit capacity of \$1.15 billion. As of March 31, 2014 and September 30, 2013, we have letters of credit outstanding of \$26.5 million and \$25.2 million, respectively, which are secured by cash in restricted accounts. The Company may enter into additional arrangements to provide additional letter of credit capacity.

**Senior Secured Notes** — In July 2012, we issued and sold \$300 million aggregate principal amount of our 6.625% Senior Secured Notes (the “Notes”) through a private placement to qualified institutional buyers. The Senior Secured Notes are secured by substantially all of our personal property (excluding cash and cash equivalents) and real property with a second lien priority junior to the liens securing our secured revolving credit facility. The Senior Secured Notes are secured by our existing and future senior indebtedness. Substantially all of our significant subsidiaries are full and unconditional guarantors of the Senior Secured Notes. We are severally liable for obligations under the Senior Secured Notes, the Senior Notes and the Secured Revolving Credit Facility. Each guarantor is a subsidiary of Beazer Homes USA, Inc. The Senior Secured Notes were issued at par (before underwriting and other issuance costs). Interest is payable semi-annually in cash in arrears, beginning October 15, 2012. The Senior Secured Notes will mature on April 15, 2018. The Senior Secured Notes are governed by the Indenture, dated as of July 18, 2012 (the “2012 Indenture”) that contains covenants which, subject to certain exceptions, limit the ability of Beazer Homes USA, Inc. among other things, incur additional indebtedness, engage in certain asset sales, make certain types of restricted payments and create liens on our assets. The 2012 Indenture contains customary events of default.

Upon a change of control (as defined in the 2012 Indenture), the 2012 Indenture requires us to make an offer to repurchase the Senior Secured Notes for their principal amount, plus accrued and unpaid interest. If we sell certain assets and do not reinvest the net proceeds in compliance with the Indenture, we will offer to repurchase the Senior Notes at 100% of their principal amount, plus accrued and unpaid interest. We may redeem the Senior Secured Notes on or after July 15, 2015, in whole or in part, at a redemption price equal to 100% of the principal amount, plus a customary make-whole premium, plus accrued and unpaid interest to the redemption date. In addition, at any time on or prior to July 15, 2015, we may redeem up to 35% of the aggregate principal amount of Senior Secured Notes through certain equity offerings at a redemption price equal to 106.625% of the principal amount of the Senior Secured Notes plus accrued and unpaid interest to the redemption date; provided, that at least 65% of the aggregate principal amount of the Senior Secured Notes originally issued under the Indenture is redeemed.

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redemption. Thereafter, we may redeem some or all of the Senior Secured Notes at redemption prices set forth in the 2012 Indenture. These prices range from 103.313% to 103.313%.

**Senior Notes** — Our Senior Notes are unsecured obligations ranking pari passu with all other existing and future senior indebtedness of the Company and its subsidiaries. The Company and its subsidiaries are full and unconditional guarantors of the Senior Notes and are jointly and severally liable for obligations under the Senior Notes and the Senior Secured Revolving Credit Facility. Each guarantor subsidiary is a 100% owned subsidiary of Beazer Homes USA, Inc.

The Company's Senior Notes are subject to indentures containing certain restrictive covenants which, among other things, restrict our ability to repurchase our common stock, incur additional indebtedness and to make certain investments. Specifically, all of our Senior Notes contain covenants that prohibit the Company from incurring additional indebtedness unless it is refinancing indebtedness or non-recourse indebtedness. The incurrence of refinancing indebtedness and non-recourse indebtedness under applicable indentures, are exempted from the covenant test. As of March 31, 2014, we were not able to incur additional indebtedness, except for the refinancing of our 2016 Notes. Compliance with our Senior Note covenants does not significantly impact our operations. We were in compliance with the covenants of the Senior Notes as of March 31, 2014.

Our Senior Notes due 2016 (the "2016 Notes") contain the most restrictive covenants, including the consolidated tangible net worth covenant. If our consolidated tangible net worth fall below \$85 million for two consecutive quarters, the Company is required to make an offer to purchase 100% of the 2016 Notes, which, if fully subscribed, this could result in our having to purchase \$27.5 million of the 2016 Notes, which may be reduced by certain amounts (but not less than par) made in the open market after the triggering date. As of March 31, 2014, our consolidated tangible net worth was \$206.8 million, which is in compliance with the consolidated tangible net worth covenant requirement.

In February 2013, we issued and sold \$200 million aggregate principal amount of 7.250% Senior Notes due 2023 (the "2023 Notes") through a private placement to qualified institutional buyers. Interest on the 2023 Notes is payable semi-annually in cash in arrears. The 2023 Notes will mature on February 1, 2023. Prior to maturity, we may, at our option, redeem the 2023 Notes at any time, in whole or in part, at a price of 100% plus a customary make-whole premium provision through August 1, 2018. In August 2013, we exchanged 100% of the 2023 Notes for 2015 Notes, which are freely transferable and registered under the Securities Act.

In September 2013, we issued and sold \$200 million aggregate principal amount of 7.500% Senior Notes due 2021 (the "2021 Notes") through a private placement to qualified institutional buyers. Interest on the 2021 Notes is payable semi-annually in cash in arrears beginning on March 15, 2014. The 2021 Notes will mature on September 15, 2021. Prior to maturity, we may, at our option, redeem the 2021 Notes at any time, in whole or in part, at specified redemption prices, which also include a customary make-whole premium provision through September 15, 2016. In January 2014, we exchanged 100% of the 2021 Notes for 2015 Notes, which are freely transferable and registered under the Securities Act.

The 2021 and 2023 Notes rank equally in right of payment with all of our existing and future senior unsecured obligations, senior to all of our subordinated indebtedness and effectively subordinated to the Company's existing and future secured indebtedness, including indebtedness under the 2012 Indenture, our 6.625% Senior Secured Notes due 2018, to the extent of the value of the assets securing such indebtedness. The 2021 and 2023 Notes are also subordinated to all indebtedness and other liabilities of all of the Company's subsidiaries that do not guarantee the 2021 or 2023 Notes. The 2021 and 2023 Notes are unconditionally guaranteed jointly and severally on a senior basis by the Company's wholly-owned subsidiaries party to the relevant indentures.

During the fiscal year ended September 30, 2013, we used a portion of the net cash proceeds from the 2023 Notes offering to redeem the 2015 Notes due 2015 (the "2015 Notes"). The 2015

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Notes were redeemed at 101.146% of the principal amount, plus accrued and unpaid interest. During fiscal 2013, we also repurchased \$2 million of Senior Notes due 2018 in open market transactions. These transactions resulted in a loss on debt extinguishment of \$3.6 million, net of unamortized discounts and debt issuance costs recognized in the quarter ended March 31, 2013. All Senior Notes redeemed/repurchased by the Company were canceled.

**Senior Notes: Tangible Equity Units** — In July 2012, we issued 4.6 million 7.5% TEUs (the “2012 TEUs”), which were comprised of “PSPs”) and senior amortizing notes. As the two components of the TEUs are legally separate and detachable, we have accounted for the two components for financial reporting purposes and valued them based on their relative fair value at the date of issuance. The amortizing notes are unsecured senior debt in excess of all of our other unsecured indebtedness. Outstanding notes pay quarterly installments of principal and interest through maturity. The PSPs were valued (additional paid in capital) at the initial fair value of these contracts based on the relative fair value method. The PSPs related to the 2012 TEUs were exchanged for Beazer Homes USA, Inc. common stock on July 15, 2015. On March 12, 2014, we exchanged 1,368,108 shares of our common stock for 890,000 TEUs upon the exemption from registration provided by Section 3(a)(9) of the Securities Act.

**Junior Subordinated Notes** — \$103.1 million of unsecured junior subordinated notes mature on July 30, 2036, are redeemable at par value over the first ten years ending July 30, 2016. Thereafter, the securities have a variable interest as defined in the junior subordinated notes agreement. The notes and the related securities are subordinated to our Secured Revolving Credit Facility and Senior Notes. In January 2010, we modified the terms of these notes and recorded these notes at their estimated fair value. Over the remaining life of the notes, we will increase their carrying value until this carrying value equals the par value of the notes. As of March 31, 2014, the unamortized accretion was \$46.1 million and will be amortized over the remaining life of the notes. As of March 31, 2014, we are in compliance with all covenants under our junior subordinated notes.

**Cash Secured Loans** — We have two separate loan facilities, totaling \$22.4 million outstanding as of March 31, 2014. Borrowing under these facilities will replenish cash used to repay or repurchase the Company’s debt and would be considered “refinancing indebtedness” under certain of the debt covenants. However, because the loans are fully collateralized by cash equal to the loan amount, the loans do not provide liquidity to the Company.

The loans mature in November 2017, however, the lenders of these facilities may put the outstanding loan balances to the Company at any time. Borrowings under the facilities are fully secured by cash held by the lender or its affiliates. This secured cash is reflected as restricted cash on our consolidated balance sheet as of March 31, 2014 and our audited balance sheet as of September 30, 2013. The cash secured loan has an interest rate of LIBOR plus 0.4% per annum which is paid every three months following the effective date of each borrowing. During the fiscal year ended September 30, 2013, we repaid \$1 million of the outstanding cash secured term loans and recognized a \$1 million loss on debt extinguishment in the quarter ended September 30, 2013, net of unamortized discounts and debt issuance costs related to these loans.

**Other Secured Notes Payable** — We periodically acquire land through the issuance of notes payable. As of March 31, 2014 and September 30, 2013, we had notes payable of \$23.8 million and \$19.3 million, respectively, primarily related to land acquisitions. These notes payable have varying expiration dates and have a weighted average fixed rate of 4.03% at March 31, 2014. These notes are secured by the real estate to which they relate.

The agreements governing these secured notes payable contain various affirmative and negative covenants. There can be no assurance that we will obtain future waivers or amendments that may become necessary without significant additional cost or at all. In each instance, however, a covenant violation does not increase the indebtedness.

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## DESCRIPTION OF THE NOTES

Definitions for certain defined terms may be found under “— Certain Definitions” appearing below. References in this “Description of the Notes” are to Beazer Homes USA, Inc. only and not to any of its subsidiaries unless the context otherwise requires, and references to the “Notes” in this “Description of the Notes” are to the 5.750% Senior Notes due 2019 and the new 5.750% Senior Notes due 2019 offered hereby, collectively.

The Notes are issued as a series of securities under an Indenture dated as of April 8, 2014 (the “**Indenture**”), among the Company, the Bank National Association, as trustee (the “**Trustee**”). The following summaries of certain provisions of the Indenture do not purport to be qualified in their entirety by reference to, all the provisions of the Indenture, including the definitions of certain terms therein. Wherever parts of the Indenture not otherwise defined herein are referred to, such sections or defined terms shall be incorporated herein by reference. A copy of the Indenture and the Notes will be provided to you upon request to the Company.

### General

The Notes are senior unsecured obligations of the Company. The maximum aggregate principal amount of the Notes now outstanding is \$100,000,000. The Company may issue additional Notes (“**Additional Notes**”) from time to time. The Notes and any Additional Notes subsequently issued under the Indenture shall be subject to the same terms and conditions set forth in the Indenture and the Notes. Unless the context requires otherwise, references to “Notes” for all purposes of the Indenture and this “Description of the Notes” shall include all Additional Notes that are actually issued. The Notes are guaranteed by each of the Subsidiary Guarantors pursuant to the guarantees (the “**Subsidiary Guarantees**”) set forth in the Indenture and the Notes below.

The Notes bear interest at the rate of 5.750% per annum from the Issue Date or, if interest has already been paid, from the date it was first issued and December 15 of each year, commencing on December 15, 2014, to holders of record (the “**Holder**”) at the close of business on June 15 of each year immediately preceding the respective interest payment date. The Notes will mature on June 15, 2019. Interest is computed on the basis of a 360-day year.

Principal, premium, if any, and interest on the Notes is payable, and the Notes may be presented for registration of transfer or exchange in whole or in part at the option of the Company, payment of interest may be made by check mailed to the Holders of the Notes at their respective addresses set forth in the Indenture and the Notes. All payments of principal, premium, if any, and interest with respect to Notes represented by one or more permanent global notes registered in the name of a nominee will be made by wire transfer of immediately available funds to the accounts specified by the Holder or Holders thereof. The Company will maintain sufficient cash or cash equivalents on hand or in escrow to cover any transfer tax or other governmental charge payable in connection with certain transfers or exchanges of the Notes. Initial terms and conditions of the Notes are set forth in the Indenture and the Notes. The Company may subsequently act as the Paying Agent and/or the Registrar and the Company may act as the Registrar without prior notice to the Holders.

### Ranking

The Notes are senior unsecured obligations of the Company and rank (i) senior in right of payment to all existing and future Indebtedness of the Company, expressly subordinated in right of payment to the Notes (or to all senior indebtedness), (ii) pari passu in right of payment with all existing and future Indebtedness of the Company that is not so subordinated and (iii) effectively subordinate to all Secured Indebtedness and Non-Recourse Indebtedness to the extent of the proceeds of such obligations.

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The Subsidiary Guarantees are senior unsecured obligations of the Subsidiary Guarantors and rank (i) senior in right of payment to all other obligations of the Subsidiary Guarantors that is, by its terms, expressly subordinated in right of payment to the Subsidiary Guarantees (or to all senior indebtedness of the Subsidiary Guarantors that is not so subordinated and (iii) effectively subordinate to all other indebtedness of the Subsidiary Guarantors to the extent of the value of the assets securing such obligations.

As of March 31, 2014, the Company and the Subsidiary Guarantors had approximately \$300.0 million of Secured Indebtedness outstanding and approximately \$1.0 million of Non-Recourse Indebtedness outstanding.

In addition, the Notes and the Subsidiary Guarantees are structurally subordinated to all existing and future liabilities of the Company and the Subsidiary Guarantors. As of March 31, 2014, the Company's non-guarantor Subsidiaries had approximately \$1.0 million of liabilities (excluding intercompany payables).

### **Optional Redemption**

The Company may redeem all or any portion of the Notes at any time and from time to time on or after March 15, 2019 (three months prior to the maturity date) at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, together, with accrued and unpaid interest on the Notes (subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant interest payment date).

In addition, on or prior to June 15, 2017, the Company may, at its option, redeem up to 35% of the aggregate principal amount of Notes then outstanding with the net proceeds of an Equity Offering at 105.750% of the principal amount thereof plus accrued and unpaid interest, if any, to the date fixed for redemption (subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant interest payment date); *provided* that at least 65% of the aggregate principal amount of Notes originally issued under the Indenture remain outstanding after such redemption. Notice of any such redemption must be given within 60 days of the date of the relevant Equity Offering.

At any time, or from time to time, prior to March 15, 2019 (three months prior to the maturity date), the Company may at its option redeem all or any portion of the Notes at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus the Applicable Premium as of, and accrued and unpaid interest on the Notes (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date). Notice of such redemption must be given not less than 30 nor more than 60 days prior to the redemption date.

“**Applicable Premium**” means, with respect to a Note at any redemption date, the greater of (i) 1.00% of the principal amount of such Note plus the present value at such redemption date of (1) the principal amount of such note plus (2) all required remaining scheduled interest payments due on the Note to the maturity date (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate plus 0.50% of the principal amount of such Note on such redemption date.

“**Treasury Rate**” means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a maturity date as of such redemption date compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the yield to maturity date; *provided, however*, that if the period from the redemption date to the maturity date is less than one year, the weekly average yield to maturity of United States Treasury securities adjusted to a constant maturity of one year will be used.

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In the event less than all of the Notes are to be redeemed at any time, selection of the Notes to be redeemed will be made by the Trustee on a pro rata basis, by lot or by any other method permitted by the Indenture, unless otherwise required by law or regulatory requirements. Not less than 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed. On and after the redemption date, the Trustee will redeem on the Notes or portions thereof called for redemption.

### **Mandatory Offers to Purchase the Notes**

The Indenture requires the Company to offer to purchase all of the outstanding Notes upon a Change of Control of the Company. See “Change of Control.” The provisions relating to an offer to purchase upon a Change of Control is not waivable by the Board of Directors of the Company. If a Change of Control were to be required, there can be no assurance that the Company would have sufficient funds to pay the purchase price for all Notes offered for purchase. In addition, the Company’s ability to finance the purchase of Notes may be limited by the terms of its then existing borrowing agreements. An offer to purchase the Notes when required will result in an Event of Default with respect to the Notes.

If an offer is made to purchase Notes as a result of a Change of Control, the Company will comply with applicable law, including, without limitation, the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and Rule 14e-1 thereunder, if applicable.

The Change of Control feature of the Notes may in certain circumstances make more difficult or discourage a takeover of the Company or its management. The Change of Control feature, however, is not the result of management’s knowledge of any specific effort to obtain control of the Company by tender offer, solicitation or otherwise, or part of a plan by management to adopt a series of anti-takeover provisions.

### **The Subsidiary Guarantees**

Each of the Subsidiary Guarantors shall (so long as it remains a Subsidiary of the Company) fully and unconditionally guarantee, jointly and severally, all of the Company’s obligations under the Notes, including its obligations to pay principal, premium, if any, and interest on the Notes. The Subsidiary Guarantees are senior unsecured obligations of the applicable Subsidiary Guarantor. The Indenture provides that the obligations of the Subsidiary Guarantors are limited to the maximum amount which, after giving effect to all other contingent and fixed liabilities of such Subsidiary Guarantor and after giving effect to all payments made by or on behalf of any other Subsidiary Guarantor in respect of the obligations of such other Subsidiary Guarantor under its Subsidiary Guarantee, such Subsidiary Guarantor’s contribution obligations under the Indenture, will result in the obligations of such Subsidiary Guarantor under its Subsidiary Guarantee not constituting a fraudulent transfer or obligation under federal or state law. However, there can be no assurance that this provision will be effective to ensure that the obligations of the Subsidiary Guarantors will not constitute a fraudulent conveyance or fraudulent transfer obligation under applicable law. Each Subsidiary Guarantor that makes a payment under its Subsidiary Guarantee shall be entitled to a contribution from each other Subsidiary Guarantor in an amount *pro rata*, based on the net assets of each Subsidiary Guarantor in accordance with GAAP. Except as provided in “Certain Covenants” below, the Company is not restricted from selling or otherwise disposing of its assets.

The Indenture provides that each existing and future Restricted Subsidiary (other than, in the Company’s discretion, any Restricted Subsidiary with a Book Value of not more than \$5.0 million) be a Subsidiary Guarantor and, at the Company’s discretion, any Unrestricted Subsidiary may be a Subsidiary Guarantor.

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The Indenture provides that if all or substantially all of the assets of any Subsidiary Guarantor, or all (or a portion sufficient to cause to be a Subsidiary of the Company) of the Capital Stock of any Subsidiary Guarantor, is sold (including by consolidation, merger, issuance or liquidation, dissolution or otherwise) by the Company or any of its Subsidiaries, or, unless the Company elects otherwise, if any Subsidiary or Unrestricted Subsidiary in accordance with the terms of the Indenture, then such Subsidiary Guarantor (in the event of a sale or other disposition of such Subsidiary Guarantor or a designation as an Unrestricted Subsidiary) or the Person acquiring such assets (in the event of a sale or other disposition of such assets of such Subsidiary Guarantor) shall be deemed automatically and unconditionally released and discharged from any of its obligations under the Indenture in connection with the sale or other disposition of such assets or the action on the part of the Trustee or any Holder of the Notes, subject in each case to compliance with the covenants set forth below under “—Mergers and Consolidations”.

## Certain Definitions

Set forth below is a summary of certain of the defined terms used in the Indenture. Reference is made to the Indenture for the full definitions.

“**Attributable Debt**” means, in respect of a Sale and Leaseback Transaction, the present value (discounted at the weighted average effective rate of interest of all series of outstanding debt securities of all series outstanding under the applicable indenture at the date of determination, compounded semiannually) of the scheduled payments during the remaining term of the lease included in such transaction, including any period for which such lease has been extended or renewed, or, if earlier, until the earliest date on which the lessee may terminate such lease upon payment of a penalty (in which case the obligation shall include such penalty), after excluding all amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments and other charges.

“**Bankruptcy Law**” means title 11 of the United States Code, as amended, or any similar federal or state law for the relief of debtors.

“**Book Value**” means, with respect to any asset of the Company or any of its Subsidiaries, the book value thereof as reflected in the most recent financial statements of the Company filed with the SEC (or if such asset has been acquired after the date of such financial statements, the then-current book value as determined by the Company consistent with recent practices).

“**Business Day**” means any day other than a Legal Holiday.

“**Capital Stock**” of any Person means any and all shares, rights to purchase, warrants or options (whether or not currently exercisable) and other securities or interests in (however designated and whether voting or non-voting) the equity (which includes, but is not limited to, common stock, preferred stock and other equity interests) of such Person (excluding any debt securities that are convertible into, or exchangeable for, such equity).

“**Capitalized Lease Obligations**” of any Person means the obligations of such Person to pay rent or other amounts under a lease that are included in the financial reporting purposes in accordance with GAAP, and the amount of such obligation will be the capitalized amount thereof determined in accordance with GAAP.

“**Change of Control**” means any of the following:

- (i) the sale, transfer, lease, conveyance or other disposition (in one transaction or a series of transactions) of all or substantially all of the assets of the Company, or of the Company, in its entirety or substantially as an entirety



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require the Company to repurchase or redeem such Capital Stock upon the occurrence of a change of control occurring prior to the final maturity of such Capital Stock. Disqualified Stock if the change of control provisions applicable to such Capital Stock are no more favorable to the holders of such Capital Stock than the provisions of the covenant set forth in the Indenture and such Capital Stock specifically provides that the Company will not repurchase or redeem (or be required to repurchase or redeem) such Capital Stock pursuant to such provisions prior to the Company's repurchase of Notes pursuant to the "Change of Control" covenant set forth in the Indenture.

**"Equity Offering"** means a public or private equity offering or sale after the Issue Date by the Company for cash of Capital Stock, other than Disqualified Stock.

**"Event of Default"** has the meaning set forth in "Description of the Notes — Events of Default."

**"Exchange Notes"** means any notes issued in exchange for the Notes pursuant to the Registration Rights Agreement or similar agreement.

**"Fair Market Value"** means with respect to any asset or property the sale value that would be obtained in an arm's length transaction between a willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy. Fair Market Value shall be determined by the Company acting in good faith and shall be evidenced by a board resolution (certified by the Secretary or Assistant Secretary of the Company) or an opinion of a financial officer of the Company delivered to the Trustee.

**"GAAP"** means generally accepted accounting principles set forth in the opinions and interpretations of the Accounting Principles Board of Certified Public Accountants and statements and interpretations of the Financial Accounting Standards Board or in such other statements by a significant segment of the accounting profession of the United States, as in effect from time to time. At any time after the Issue Date, the Company may elect to apply International Financial Reporting Standards ("**IFRS**") accounting principles in lieu of GAAP and, upon any such election, references herein to GAAP shall be deemed to refer to IFRS (except as otherwise provided in the Indenture); *provided* that any such election, once made, shall be irrevocable; *provided, further*, any calculation of the Company's financial performance under the Indenture that requires the application of GAAP for periods that include fiscal quarters ended prior to the Company's election to apply IFRS shall be determined in accordance with GAAP. The Company shall give notice of any such election made in accordance with this definition to the Trustee.

**"Hedging Obligations"** of any Person means the obligations of such Person pursuant to any interest rate swap agreement, foreign currency swap agreement, collar agreement, option or futures contract or other similar agreement or arrangement relating to interest rates or foreign exchange rates.

**"Holder"** means a Person in whose name a Note is registered in the Security Register.

**"Incur"** (and derivatives thereof) means to, directly or indirectly, create, incur, assume, guarantee, extend the maturity of, or otherwise incur Indebtedness; *provided, however*, that neither the accrual of interest (whether such interest is payable in cash or kind) nor the accretion of interest shall be considered an Incurrence of Indebtedness.

**"Indebtedness"** of any Person at any date means, without duplication,

(i) all indebtedness of such Person for borrowed money (whether or not the recourse of the lender is to the whole of the assets of such Person or to the whole of the assets of the Company or to the whole of the assets of the Company and its subsidiaries);

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(ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments (including a purchase money mortgage) with the acquisition of any businesses, properties or assets of any kind or with services incurred in connection with capital expenditures or contingent purchase price which, as of the date of incurrence thereof, is not required to be recorded as a liability in accordance with GAAP;

(iii) all fixed obligations of such Person in respect of letters of credit or other similar instruments or reimbursement obligations, standby letters of credit or similar instruments issued for the benefit of, or surety, performance, completion or payment bonds, earnest money deposits, undertakings or indemnifications issued by, such Person in the ordinary course of business (as determined in good faith by the Company);

(iv) all obligations of such Person with respect to Hedging Obligations (other than those that fix or cap the interest rate on variable rate debt permitted by the Indenture or that fix the exchange rate in connection with Indebtedness denominated in a foreign currency and otherwise);

(v) all Capitalized Lease Obligations of such Person;

(vi) all Indebtedness of others secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person;

(vii) all Indebtedness of others guaranteed by, or otherwise the liability of, such Person to the extent of such guarantee or liability;

(viii) all Disqualified Stock issued by such Person (the amount of Indebtedness represented by any Disqualified Stock will equal the amount of such Disqualified Stock plus involuntary liquidation preference plus accrued and unpaid dividends);

*provided* that Indebtedness shall not include accrued expenses, trade payables, liabilities related to inventory not owned, customer deposits or other liabilities in the ordinary course of business (as determined in good faith by the Company). The amount of Indebtedness of any Person at any date will be:

(a) the outstanding balance at such date of all unconditional obligations as described above;

(b) the maximum liability of such Person for any contingent obligations under clause (vii) above; and

(c) in the case of clause (vi) (if the Indebtedness referred to therein is not assumed by such Person), the lesser of the (A) Fair Market Value of the Lien securing the Indebtedness of others on the date that the Lien attaches and (B) amount of the Indebtedness secured.

“**Intangible Assets**” of the Company means all unamortized debt discount and expense, unamortized deferred charges, goodwill, patents, trademarks, names, copyrights and all other items which would be treated as intangibles on the consolidated balance sheet of the Company and its Restricted Subsidiaries in accordance with GAAP.

“**Issue Date**” means April 8, 2014.

“**Legal Holiday**” means Saturday, Sunday or a day on which banking institutions in New York, New York, Atlanta, Georgia or at a place of payment obligated by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment shall be made on the succeeding day that is not a Legal Holiday.

“**Lien**” means, with respect to any asset, any mortgage, deed of trust, lien, pledge, charge, security interest or other similar encumbrance on such asset, whether or not filed, recorded or otherwise perfected under applicable law (including, without limitation, any conditional sale or

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“**Material Subsidiary**” means any Subsidiary of the Company which accounted for 5% or more of the Consolidated Tangible Assets of the Company for the fiscal year ending immediately prior to any Default or Event of Default.

“**Non-Recourse Indebtedness**” with respect to any Person means Indebtedness of such Person for which (i) the sole legal recourse for payment on such Indebtedness is against the specific property identified in the instruments evidencing or securing such Indebtedness and such property (including through the purchase of Capital Stock of the Person owning such property) with the proceeds of such Indebtedness or such Indebtedness (including through the acquisition (directly or indirectly, including through the purchase of Capital Stock of the Person owning such property) of such property) may be realized upon in collection of principal or interest on such Indebtedness. Indebtedness which is otherwise Non-Recourse Indebtedness is not Non-Recourse Indebtedness because there is recourse to the borrower, any guarantor or any other Person for (a) environmental warranties, covenants, (b) indemnities for and liabilities arising from fraud, misrepresentation, misapplication or non-payment of rents, profits, deposits, insurance proceeds or sums actually received by the borrower from secured assets to be paid to the lender, waste and mechanics’ liens, breach of separateness covenants or (c) in the case of the borrower thereof only, other obligations in respect of such Indebtedness that are payable solely as a result of a voluntary bankruptcy filing (or similar filing or action) by such borrower.

“**Obligations**” means, with respect to any Indebtedness, all obligations (whether in existence on the Issue Date or arising afterwards, directly or indirect) for or in respect of principal (when due, upon acceleration, upon redemption, upon mandatory repayment or repurchase pursuant to the terms of such Indebtedness or otherwise), premium, interest, penalties, fees, indemnification, reimbursement and other amounts payable and liabilities with respect to such Indebtedness accrued or accruing after the commencement of any bankruptcy, insolvency or reorganization or similar case or proceeding at the contract rate or contract rate applicable upon default) specified in the relevant documentation, whether or not the claim for such interest is allowed as a claim against the assets of the borrower.

“**Officer**” means the chairman, the chief executive officer, the president, the chief financial officer, the chief operating officer, the chief accounting officer, any assistant treasurer, the controller, the secretary, any assistant secretary or any vice president of a Person.

“**Officers’ Certificate**” means a certificate signed by two Officers, one of whom must be the Person’s chief executive officer, chief financial officer or chief accounting officer.

“**Paying Agent**” means any office or agency where Notes and the Subsidiary Guarantees may be presented for payment.

“**Person**” means any individual, corporation, partnership, limited liability company, joint venture, incorporated or unincorporated association, trust, unincorporated organization or government or other agency or political subdivision thereof or other entity of any kind.

“**Publicly Traded Debt Securities**” means any issue of debt securities by the Company originally issued in a public offering registered with the SEC pursuant to Rule 144A under the Securities Act and of which at least \$20.0 million is outstanding.

“**Registrar**” means an office or agency where Notes may be presented for registration of transfer or for exchange.

“**Registration Rights Agreement**” means the Registration Rights Agreement related to the Notes, dated the Issue Date, among the Company and the initial purchasers of the Notes.

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“**Restricted Subsidiary**” means each of the Subsidiaries of the Company which is a restricted subsidiary under any Publicly Traded I

“**Sale and Leaseback Transaction**” means a sale or transfer made by the Company or a Restricted Subsidiary (except a sale or trans Restricted Subsidiary) of any property which is either (a) a manufacturing facility, office building or warehouse whose book value equals or Consolidated Tangible Assets as of the date of determination or (b) another property or group of properties (not including model homes) wh Company’s Consolidated Tangible Assets as of the date of determination, in each case if such sale or transfer is made with the agreement, co property to the Company or a Restricted Subsidiary.

“**SEC**” means the Securities and Exchange Commission.

“**Secured Indebtedness**” means any Indebtedness which is secured by (i) a Lien on any property of the Company or any Restricted S stock owned directly or indirectly by the Company or a Restricted Subsidiary in a corporation or on equity interests owned by the Company partnership or other entity not organized as a corporation or in the Company’s rights or the rights of a Restricted Subsidiary in respect of Inde or other entity in which the Company or a Restricted Subsidiary has an equity interest; *provided* that “Secured Indebtedness” shall not includ securing in the foregoing manner of any such Indebtedness which immediately prior thereto was not Secured Indebtedness shall be deemed to Indebtedness at the time security is given.

“**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

“**Security Register**” is a register of the Notes and of their transfer and exchange kept by the Registrar.

“**Subsidiary**” of any Person means any (i) corporation of which at least a majority of the aggregate voting power of all classes of the indirectly beneficially owned by such Person and (ii) any entity other than a corporation of which such Person, directly or indirectly, benefi Common Equity; *provided* that in each of case (i) and (ii), such Person is required to consolidate such entity in accordance with GAAP.

“**Subsidiary Guarantee**” means the guarantee of the Notes by each Subsidiary Guarantor under the Indenture.

“**Subsidiary Guarantors**” means (i) each of the Company’s Restricted Subsidiaries in existence on the Issue Date, other than The Rid of the Company’s Subsidiaries that becomes a guarantor of the Notes pursuant to the provisions of the Indenture.

“**Trust Indenture Act**” or “**TIA**” means the Trust Indenture Act of 1939, as amended.

“**Trustee**” means the party named as such until a successor replaces such party in accordance with the applicable provisions of the In successor trustee serving under the Indenture.

“**Unrestricted Subsidiary**” means any Subsidiary of the Company which is not a Restricted Subsidiary.

“**U.S. Government Obligations**” means securities which are (i) direct obligations of the United States of America, for the payment o pledged or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, are not

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callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank or trust company as custodian for U.S. Government Obligation or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the purpose of such depository receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable on such receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of such Obligation evidenced by such depository receipt.

“**Wholly Owned Subsidiary**” of any Person means (i) a Subsidiary of which 100% of the Common Equity (except for directors’ qualified personal interests owned by other Persons solely due to local law requirements that there be more than one stockholder, but which interest is not in excess of 10% for such purpose) is owned directly by such Person or through one or more other Wholly Owned Subsidiaries of such Person, or (ii) any entity other than such Person, directly or indirectly, owns all of the Common Equity of such entity.

## **Certain Covenants**

The following is a summary of certain covenants that are contained in the Indenture. Such covenants are applicable (unless waived or modified by the Indenture) so long as any of the Notes are outstanding or until the Notes are defeased pursuant to provisions described under “— Discharge and Redemption”.

### *Change of Control*

The Indenture provides that, following the occurrence of any Change of Control, the Company will so notify the Trustee in writing by which it will offer to purchase (a “**Change of Control Offer**”) from all Holders, and will purchase from Holders accepting such Change of Control Offer (b) the principal amount of such Change of Control Offer (the “**Change of Control Payment Date**”), the outstanding principal amount of Notes at an offer price (the “**Change of Control Price**”) of an amount equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest, if any, to the Change of Control Payment Date, and (c) the procedures set forth in the “Change of Control” covenant of the Indenture.

In addition, the Indenture provides that, within 30 days after the date on which a Change of Control occurs, the Company (with Notice of Change of Control) at the Company’s request (and at the expense of the Company) will send or cause to be sent to all Persons who were Holders on the date of the Change of Control, at the addresses appearing in the Security Register, a notice of such occurrence and of such Holder’s rights arising as a result thereof. Such notice shall be sent to such Holder on or before the Change of Control Payment Date, which shall be no earlier than 45 days nor later than 60 days from the date such notice is sent.

The Indenture also provides that:

(a) In the event of a Change of Control Offer, the Company will only be required to accept Notes in minimum denominations of \$1,000 in excess thereof.

(b) Not later than one Business Day after the Change of Control Payment Date in connection with which the Change of Control Offer is made, the Company will (i) accept for payment Notes or portions thereof tendered pursuant to the Change of Control Offer, (ii) deposit with the Paying Agent all available funds, to pay the purchase price of all Notes or portions thereof so accepted and (iii) deliver to the Paying Agent an Officer’s Certificate of the portions thereof accepted for payment by the Company. The Paying Agent will promptly mail or deliver to Holders of Notes so accepted the Change of Control Price of the Notes purchased from each such Holder, and the Company will execute and, upon receipt of an Officer’s Certificate, the Trustee will promptly authenticate and mail or deliver to such Holder a new Note equal in

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principal amount to any unpurchased portion of the Note surrendered. Any Notes not so accepted will be promptly mailed or delivered to the Holder thereof at the Company's expense to the Holder thereof. The Company will publicly announce the results of the Change of Control Offer promptly after the Date.

(c) Any Change of Control Offer will be conducted by the Company in compliance with applicable law, including, without limitation, the Securities Act and Rule 14e-1 thereunder.

The Company may enter into other arrangements or incur other indebtedness with similar change of control obligations. There can be no assurance that the Company will be available at the time of a Change of Control to make any required repurchases. The Company's failure to make any required repurchases in connection with the Offer will create an Event of Default under the Indenture.

No quantitative or other established meaning has been given to the phrase "all or substantially all" (which appears in the definition of "Change of Control"). Courts have interpreted this phrase in various contexts. In interpreting this phrase, courts make a subjective determination as to the portion of assets conveyed and the proportion of an entity's income derived from the assets conveyed. Accordingly, there may be uncertainty as to whether a Change of Control can determine whether a Change of Control has occurred and exercise any remedies such Holder may have upon a Change of Control. In addition, a Chancery Court of Delaware raised the possibility that a change of control as a result of a failure to have "continuing directors" comprising a majority of the Board may be unenforceable on public policy grounds.

### *Limitations on Secured Indebtedness*

The Indenture provides that the Company will not, and will not permit any of its Restricted Subsidiaries to, create, incur, assume or guarantee any Secured Indebtedness unless the Notes are equally and ratably secured with (or on a senior basis to, if the Secured Indebtedness is subordinated Indebtedness) the Notes. The Indenture does not prohibit the creation, incurrence, assumption or guarantee of Secured Indebtedness which is secured by:

- (i) Liens on model homes, homes held for sale, homes that are under contract for sale, or any option, contract or other agreement relating to the sale of such homes;
- (ii) Liens on property acquired by the Company or a Restricted Subsidiary and Liens on property of a Person existing at the time of such acquisition or consolidated with the Company or any Restricted Subsidiary or becomes a Restricted Subsidiary; provided that in each case such Liens are in contemplation of such acquisition, merger or consolidation and (b) do not extend to any asset other than those of the Person merged with or consolidated with the Company or the Restricted Subsidiary or the property acquired by the Company or the Restricted Subsidiary;
- (iii) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into by the Company or Restricted Subsidiaries in the ordinary course of business (as determined in good faith by the Company);
- (iv) purchase money mortgages (including, without limitation, Capitalized Lease Obligations and purchase money security interests);
- (v) Liens on property or assets of any Restricted Subsidiary securing Indebtedness of such Restricted Subsidiary owing to the Company or Restricted Subsidiaries.

Any Lien created for the benefit of the Holders of the Notes pursuant to the preceding paragraph shall provide by its terms that such Lien shall be unconditionally released and discharged upon the release and discharge of the Lien securing such other obligations.

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Additionally, such permitted Secured Indebtedness includes any amendment, restatement, supplement, renewal, replacement, extension or modification of any Secured Indebtedness permitted at the time of the original incurrence thereof.

In addition, the Company and its Restricted Subsidiaries may create, incur, assume or guarantee Secured Indebtedness, without equal priority, immediately thereafter the sum of (a) the aggregate principal amount of all Secured Indebtedness outstanding (excluding (x) Secured Indebtedness permitted under clauses (i) through (v) above and (y) any Secured Indebtedness in relation to which the Notes have been equally and ratably secured) and (b) all Attributable Debt in relation to Leaseback Transactions (excluding Attributable Debt in respect of Sale and Leaseback Transactions satisfying the conditions set forth in clause (c) of the first sentence, or meeting the requirements set forth in the second sentence, under “— Restrictions on Sale and Leaseback Transactions”) as of the date of the Notes, shall not exceed the greater of (i) \$700.0 million and (ii) 40% of Consolidated Tangible Assets.

The provisions described above with respect to limitations on Secured Indebtedness are not applicable to Non-Recourse Indebtedness and will not restrict the Company’s or any Restricted Subsidiaries’ ability to create, incur, assume or guarantee any unsecured Indebtedness.

### ***Restrictions on Sale and Leaseback Transactions***

The Indenture provides that the Company will not, and will not cause or permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction in violation of the Indenture, unless:

- (1) notice is promptly given to the Trustee of the Sale and Leaseback Transaction;
- (2) the Company or the relevant Restricted Subsidiary receive fair value for the property sold (as determined in good faith pursuant to the Indenture) and delivered to the Trustee); and
- (3) the Company or such Restricted Subsidiary, within 365 days after the completion of the Sale and Leaseback Transaction, applies, or causes to be applied, within such 365-day period, an amount equal to the net proceeds therefrom either:
  - to the redemption, repayment or retirement of (a) any Notes outstanding under the Indenture, (b) any of the Company’s Indebtedness evidenced by a bond, note, debenture or similar instrument (other than a trade payable or a current liability arising in the ordinary course of business), or (c) any Indebtedness of any Subsidiary of the Company that is evidenced by a bond, note, debenture or similar instrument (other than a trade payable or a current liability arising in the ordinary course of business) and which Indebtedness ranks equally in right of payment with the Subsidiary Guarantee of such Subsidiary Guarantor, and/or
  - to the purchase by the Company or any Restricted Subsidiary of property used in its respective trade or business.

These provisions will not apply to a Sale and Leaseback Transaction if, at the time such Sale and Leaseback Transaction is entered into, the term of the lease in the Sale and Leaseback Transaction is three years or less. In addition, the Company and its Restricted Subsidiaries enter into if immediately thereafter the sum of (a) the aggregate principal amount of all Secured Indebtedness outstanding (excluding Secured Indebtedness permitted under clauses (i) through (v) of the first paragraph under “—Limitations on Secured Indebtedness in relation to which the Notes have been secured equally and ratably (or prior to)) and (b) all Attributable Debt in

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Transactions (excluding Attributable Debt in respect of Sale and Leaseback Transactions satisfying the conditions set forth in clauses (1), (2), meeting the requirements set forth in the second sentence, under this caption “— Restrictions on Sale and Leaseback Transactions”) as of the exceed the greater of (i) \$700.0 million and (ii) 40% of Consolidated Tangible Assets.

### *Limitations on Mergers and Consolidations*

The Indenture provides that neither the Company nor any Subsidiary Guarantor will consolidate or merge with or into, or sell, lease, or substantially all of its assets (including, without limitation, by way of liquidation or dissolution), or assign any of its obligations under the Notes (as an entirety or substantially in one transaction or series of related transactions), to any Person (in each case other than with the Company or Subsidiary) unless:

(i) the Person formed by or surviving such consolidation or merger (if other than the Company or such Subsidiary Guarantor, a sale, lease, conveyance or other disposition or assignment will be made (collectively, the “**Successor**”), is a solvent corporation or other entity under the laws of the United States or any state thereof or the District of Columbia, and the Successor assumes by supplemental indenture to the Trustee all of the obligations of the Company or such Subsidiary Guarantor, as the case may be, under the Notes or such Subsidiary Guarantees as the case may be, and the Indenture; and

(ii) immediately after giving effect to such transaction, no Default or Event of Default has occurred and is continuing.

The foregoing provisions shall not apply to a transaction involving the consolidation or merger of a Subsidiary Guarantor with or into another entity, or the sale, lease, conveyance or other disposition of all or substantially all of the assets of such Subsidiary Guarantor, that results in such Subsidiary Guarantor being a Subsidiary Guarantor as provided under “— The Subsidiary Guarantees” above.

No quantitative or other established meaning has been given to the phrase “all or substantially all” by courts which have interpreted this phrase. In interpreting this phrase, courts make a subjective determination as to the portion of assets conveyed, considering such factors as the value of the assets, the value of an entity’s income derived from the assets conveyed. Accordingly, there may be uncertainty as to whether a Holder of Notes can determine whether a Subsidiary Guarantor has sold, leased, conveyed or otherwise disposed of all or substantially all of its assets and exercise any remedies such Holder may have upon the occurrence of a Default or Event of Default.

### **Events of Default**

The following are Events of Default under the Indenture:

(i) the failure by the Company to pay interest on any Note when the same becomes due and payable and the continuance of any such failure for a period of 90 days; or

(ii) the failure by the Company to pay the principal or premium of any Note when the same becomes due and payable at maturity (including the failure to make payment pursuant to a Change of Control Offer);

(iii) the failure by the Company or any of its Subsidiaries to comply with any of its agreements or covenants in, or provisions of, the Indenture, the Subsidiary Guarantees or the Indenture and such failure continues for the period and after the notice specified below;

(iv) the acceleration of any Indebtedness (other than Non-Recourse Indebtedness) of the Company or any of its Subsidiaries the amount of which exceeds \$25.0 million or more in the aggregate;

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(v) the failure by the Company or any of its Subsidiaries to make any principal or interest payment in respect of Indebtedness (Indebtedness) of the Company or any of its Subsidiaries with an outstanding aggregate amount of \$25.0 million or more within five days of payment becoming due and payable (after giving effect to any applicable grace period set forth in the documents governing such Indebtedness) to pay shall be remedied, waived or extended, then the Event of Default hereunder shall be deemed likewise to be remedied, waived or extended by the Company;

(vi) a final judgment or judgments that exceed \$25.0 million or more in the aggregate, for the payment of money, having been entered in a court of competent jurisdiction against the Company or any of its Subsidiaries and such judgment or judgments is not satisfied, stayed, annulled or reversed, entered;

(vii) the Company or any Material Subsidiary pursuant to or within the meaning of any Bankruptcy Law:

- (a) commences a voluntary case;
- (b) consents to the entry of an order for relief against it in an involuntary case;
- (c) consents to the appointment of a Custodian of it or for all or substantially all of its property; or
- (d) makes a general assignment for the benefit of its creditors;

(viii) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

- (a) is for relief against the Company or any Material Subsidiary as debtor in an involuntary case;
- (b) appoints a Custodian of the Company or any Material Subsidiary or a Custodian for all or substantially all of the property of the Company or any Material Subsidiary; or
- (c) orders the liquidation of the Company or any Material Subsidiary and the order or decree remains unstayed and in effect for more than 90 days;

(ix) any Subsidiary Guarantee ceases to be in full force and effect (other than in accordance with the terms of such Subsidiary Guarantee) or is declared null and void and unenforceable or found to be invalid or any Subsidiary Guarantor denies its liability under its Subsidiary Guarantee or the release of a Subsidiary Guarantor from its Subsidiary Guarantee in accordance with the terms of the Indenture and the Subsidiary Guarantee;

A Default as described in sub-clause (iii) above will not be deemed an Event of Default until the Trustee notifies the Company, or the Holders of at least 25% in principal amount of the then outstanding Notes notify the Company and the Trustee, of the Default and the Company does not cure the Default within 60 days of the date of notice must specify the Default, demand that it be remedied and state that the notice is a "Notice of Default." If such a Default is cured within 60 days of the date of notice, the Default shall be deemed to have been cured.

If an Event of Default (other than an Event of Default specified in sub-clauses (vii) and (viii) above) shall have occurred and be continuing at the time of the maturity of the Notes, or the Company or the Holders of at least 25% in principal amount of the Notes then outstanding by notice to the Company and the Trustee, shall be due and payable immediately. Upon such declaration of acceleration, the amounts due and payable on the Notes, as determined pursuant to the terms of the Indenture, will be due and payable immediately. If an Event of Default with respect to the Company specified in sub-clauses (v) through (ix) above shall occur, the amount will ipso facto become and be immediately due and payable without any declaration, notice or other act on the part of the Trustee and the Company. The Holders of a majority in principal amount of the Notes then outstanding by written notice to the Trustee and the Company may waive such Default or Event of Default in payment of principal or interest) on the Notes under the Indenture. Holders of a majority in principal amount of the Notes then outstanding by written notice to the Trustee and the Company may waive such Default or Event of Default in payment of principal or interest) on the Notes under the Indenture. Holders of a majority in principal amount of the Notes then outstanding by written notice to the Trustee and the Company may waive such Default or Event of Default in payment of principal or interest) on the Notes under the Indenture.

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Notes may rescind an acceleration and its consequence (except an acceleration due to nonpayment of principal or interest on the Notes) if the court, by judgment or decree and if all existing Events of Default have been cured or waived.

The Holders may not enforce the provisions of the Indenture, the Notes or the Subsidiary Guarantees except as provided in the Indenture. The Holders of a majority in principal amount of the Notes then outstanding may direct the Trustee in its exercise of any trust or power; *provided*, however, that such direction does not conflict with the terms of the Indenture. The Trustee may withhold from the Holders notice of any continuing Default or Event of Default (except a Default or Event of Default resulting from nonpayment of principal or interest on the Notes or that resulted from the failure to comply with the covenant entitled "Change of Control") if the Trustee determines that such notice is in the Holders' interest.

The Company is required to deliver to the Trustee a quarterly statement regarding compliance with the Indenture, and include in such statement a statement of the Company is aware of any Default or Event of Default, a statement specifying such Default or Event of Default and what action the Company is taking with respect thereto. In addition, the Company is required to deliver to the Trustee prompt written notice of the occurrence of any Default or Event of Default, or any development, financial or otherwise, which might materially affect its business, properties or affairs or the ability of the Company to perform its obligations under the Indenture.

## **Reports**

The Indenture provides that, as long as any of the Notes are outstanding, the Company will deliver to the Trustee and mail to each Holder of the Notes the same with the SEC copies of the quarterly and annual reports and of the information, documents and other reports with respect to the Company and its subsidiaries, any, which the Company and the Subsidiary Guarantors may be required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act, that, notwithstanding that neither the Company nor any of the Subsidiary Guarantors may be required to remain subject to the reporting requirements of the Exchange Act, the Company will continue to file with the SEC and provide the Trustee and Holders with such annual and quarterly reports and other reports with respect to the Company and the Subsidiary Guarantors as are required under Sections 13 and 15(d) of the Exchange Act. If the Company or any Subsidiary Guarantor is not permitted under the Exchange Act, the Company shall promptly upon written notice to each prospective Holder. The Company and each Subsidiary Guarantor will also comply with the other provisions of Section 314(a) of the Trust Indenture Act. In no event, this covenant shall not require the Company to file any such reports, information or documents with the SEC within any specified time period. Such reports, information or documents to the Trustee and Holders shall only arise after (and only to the extent) such reports, information or documents are filed with the SEC.

## **Discharge and Defeasance of Indenture**

The Company and the Subsidiary Guarantors may discharge their obligations under the Notes, the Subsidiary Guarantees and the Indenture by depositing with the Trustee money or U.S. Government Obligations sufficient to pay principal of, premium and interest on the Notes to maturity or redemption, or if the Notes are to be called for redemption within one year, subject to meeting certain other conditions.

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The Indenture permits the Company and the Subsidiary Guarantors to terminate all of their respective obligations under the Indenture and the Subsidiary Guarantees, other than the obligation to pay interest on and the principal of the Notes and certain other obligations (“**legal defeasance**”):

- (i) depositing in trust with the Trustee, under an irrevocable trust agreement, cash or U.S. Government Obligations in an amount sufficient to pay the principal of, premium and interest on the Notes to their maturity or redemption, as the case may be, and
- (ii) complying with certain other conditions, including delivery to the Trustee of an opinion of counsel or a ruling received from a court of competent jurisdiction in effect that Holders will not recognize income, gain or loss for federal income tax purposes as a result of the Company’s exercise of such option to pay principal of, premium and interest on the Notes in full, and in the same manner and at the same times as would have been the case otherwise, which opinion or ruling is based on applicable federal tax law since the Issue Date.

In addition, the Indenture permits the Company and the Subsidiary Guarantors to terminate all of their obligations under the Indenture and the Subsidiary Guarantees in the event of an Event of Default specified in the Indenture, and the Subsidiary Guarantees will be released (“**covenant defeasance**”), at any time by:

- (i) depositing in trust with the Trustee, under an irrevocable trust agreement, cash or U.S. Government Obligations in an amount sufficient to pay the principal of, premium and interest on the Notes to their maturity or redemption, as the case may be, and
- (ii) complying with certain other conditions, including delivery to the Trustee of an opinion of counsel or a ruling received from a court of competent jurisdiction in effect that Holders will not recognize income, gain or loss for federal income tax purposes as a result of the Company’s exercise of such option to pay principal of, premium and interest on the Notes in full, and in the same manner and at the same times as would have been the case otherwise.

Notwithstanding the foregoing, no discharge, legal defeasance or covenant defeasance described above will affect the following obligations of the Company under the Notes:

- rights of registration of transfer and exchange of Notes;
- rights of substitution of mutilated, defaced, destroyed, lost or stolen Notes;
- rights of Holders of the Notes to receive payments of principal thereof, premium, if any, and interest thereon, upon the original maturity or acceleration;
- rights, obligations, duties and immunities of the Trustee;
- rights of Holders of Notes that are beneficiaries with respect to property so deposited with the Trustee payable to all or any of them;
- obligations of the Company to maintain an office or agency in respect of the Notes.

The Company or the Subsidiary Guarantors may exercise the legal defeasance option with respect to the Notes notwithstanding the presence of an Event of Default with respect to the Notes. If the Company or the Subsidiary Guarantors exercise the legal defeasance option with respect to the Notes, the principal of, premium and interest on the Notes accelerated due to an Event of Default with respect to the Notes. If the Company or the Subsidiary Guarantors exercise the covenant defeasance option, the principal of, premium and interest on the Notes may not be accelerated due to an Event of Default with respect to the covenants to which such covenant defeasance is applicable. If an Event of Default were to occur by reason of another Event of Default, the realizable value at the acceleration date of the cash and U.S. Government Obligations deposited in the defeasance trust may be less than the principal of, premium, if any, and interest then due on the Notes, in that the required deposit in the defeasance trust is based upon such realizable value, which will vary depending upon interest rates and other factors.

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### **Transfer and Exchange**

A Holder will be able to transfer or exchange Notes only in accordance with the provisions of the Indenture. The Registrar may require a Holder to furnish appropriate endorsements and transfer documents, and to pay any taxes and fees required by law or permitted by the Indenture.

### **Amendment, Supplement and Waiver**

Subject to certain exceptions, the Indenture or the Notes may be amended or supplemented with the consent (which may include consent to a tender offer or exchange offer for Notes) of the Holders of at least a majority in principal amount of the Notes then outstanding, and any existing Default or Event of Default in the payment of interest on or the principal of the Notes) under, or compliance with any provision of the Indenture with the consent (which may include consents obtained in connection with a tender offer or exchange offer for Notes) of the Holders of a majority in principal amount of the Notes then outstanding. Without the consent of any Holder, the Company, the Subsidiary Guarantors and the Trustee may amend the Indenture or the Notes to cure any ambiguity, defect or inconsistency; to comply with the "Limitations on Mergers and Consolidations" section set forth in the Indenture; to provide for any Subsidiary Guarantee of the Notes; to add security to or for the benefit of the Holders of the Notes; to evidence the release, termination or discharge of any Subsidiary Guarantee of the Notes when such release, termination or discharge is permitted by the Indenture; or new events of default for the protection of the Holders of the Notes; to make any change that does not adversely affect the legal rights under the Indenture or to comply with or qualify the Indenture under the Trust Indenture Act.

Without the consent of each Holder affected, the Company may not:

- (i) reduce the amount of Notes whose Holders must consent to an amendment, supplement or waiver;
- (ii) reduce the rate of or change the time for payment of interest, including default interest, on any Note;
- (iii) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to redemption under the Indenture set forth in the Indenture;
- (iv) make any Note payable in money other than that stated in the Note;
- (v) make any change in the "Waiver of Past Defaults and Compliance with Indenture Provisions," "Rights of Holders to Receive Payment of Principal" or "Consent of Holders" sections set forth in the Indenture;
- (vi) modify the ranking or priority of the Notes or any Subsidiary Guarantee;
- (vii) modify any of the provisions with respect to mandatory offers to repurchase Notes pursuant to the "Change of Control" section of the Indenture if the obligation to make such mandatory offer to repurchase has arisen;
- (viii) release any Subsidiary Guarantor from any of its obligations under its Subsidiary Guarantee or the Indenture otherwise than as provided in the Indenture; or
- (ix) waive a continuing Default or Event of Default in the payment of principal of or interest on the Notes.

The right of any Holder to participate in any consent required or sought pursuant to any provision of the Indenture (and the obligation to provide such consent otherwise required from such Holder) may be subject to the requirement that such Holder shall have been the Holder of record of the Notes at the time consent is required or sought as of a date identified by the Trustee in a notice furnished to Holders in accordance with the terms of the Indenture.

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### **No Personal Liability of Incorporators, Shareholders, Officers, Directors or Employees**

The Indenture provides that no recourse for the payment of the principal of, premium, if any, or interest on any of the Notes, or for any respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Company or any Subsidiary Guarantor in the Indenture of the creation of any Indebtedness represented thereby, shall be had against any incorporator, shareholder, officer, director, employee or contractor, Subsidiary Guarantor or any successor Person thereof. Each Holder, by accepting such Notes, waives and releases all such liability.

### **Concerning the Trustee**

The Indenture contains certain limitations on the rights of the Trustee, should it become a creditor of the Company, to obtain payment of or on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions in a conflicting interest (as defined in the Indenture), it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as a Trustee (if not qualified under the TIA) or resign.

Holder of a majority in principal amount of the then outstanding Notes have the right to direct the time, method and place of conducting any remedy available to the Trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default occurs and is not cured, the Trustee, in its exercise of its power, to use the degree of care of a prudent person in similar circumstances in the conduct of his own affairs. Subject to such limitations, the Trustee has no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder, unless such Holder shall have offered to indemnify the Trustee to the satisfaction of the Trustee.

### **Governing Law**

The Indenture, the Notes and the Subsidiary Guarantees will be governed by the laws of the State of New York.

[Table of Contents](#)**BOOK-ENTRY SETTLEMENT AND CLEARANCE**

Except as set forth below or in the “Description of the Notes,” the new notes will be issued in registered, global form (the “Global Notes”) in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. Notes will be issued at the closing of this exchange offer.

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor. Beneficial interests in the Global Notes may not be exchanged for definitive notes in registered certificated form (“Certificated Notes”) except as described below. See “— Exchange of Global Notes for Certificated Notes.” Except in the limited circumstances described below, owners of Global Notes will not be entitled to receive physical delivery of notes in certificated form.

Transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect clearing agents, if applicable, those of Euroclear and Clearstream, Luxembourg), which may change from time to time.

The notes may be presented for registration of transfer and exchange at the corporate trust office of the trustee.

**Depository Procedures**

The following description of the operations and procedures of DTC, Euroclear and Clearstream, Luxembourg is provided solely as a general overview. The operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. Neither we, nor DTC, assume any responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited-purpose trust company organized under the laws of the State of New York, a “banking organization” under the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participating owners (“Participants”) and to facilitate the clearance and settlement of transactions in those securities between the Participants through electronic book-entry. The Participants include securities brokers and dealers (including the initial purchasers), banks, trust companies, clearing corporations and other financial organizations. Access to DTC’s system is also available to other entities such as banks, brokers, dealers and trust companies that clear through DTC with a Participant, either directly or indirectly (collectively, the “Indirect Participants”). Persons who are not Participants may beneficially own Global Notes only through the Participants or the Indirect Participants. The ownership interests in, and transfers of ownership interests in, each security are recorded on the records of the Participants and Indirect Participants.

DTC has also advised us that, pursuant to procedures established by it:

- upon deposit of the Global Notes, DTC will credit the accounts of the Participants designated by the initial purchasers with proceeds of the Global Notes; and
- ownership of these interests in the Global Notes will be shown on, and the transfer of ownership of these interests will be effected, by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of Global Notes).



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Cross-market transfers between the Participants, on the one hand, and Euroclear or Clearstream, Luxembourg participants, on the other, will be made in accordance with DTC's rules on behalf of Euroclear or Clearstream, Luxembourg, as the case may be, by its respective depository. However, such transfers will require delivery of instructions to Euroclear or Clearstream, Luxembourg, as the case may be, by the counterparty in such system in accordance with and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, Luxembourg, as the case may be, will, if the transfer requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving funds from DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear or Clearstream, Luxembourg participants may not deliver instructions directly to the depositories for Euroclear or Clearstream, Luxembourg.

DTC has advised us that it will take any action permitted to be taken by a holder of notes only at the direction of one or more Participants who have credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the notes as to which such holder has given such direction. However, if there is an event of default under the notes, DTC reserves the right to exchange the Global Notes for notes in registered form and such notes to its Participants.

Although DTC, Euroclear and Clearstream, Luxembourg have agreed to the foregoing procedures to facilitate transfers of interests in the Global Notes, DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or to continue to perform such procedures, and may discontinue them at any time. Neither we nor the trustee nor any paying agent nor the initial purchasers nor any of our or their agents will have any responsibility for the performance of Euroclear, Clearstream, Luxembourg or their respective participants or indirect participants of their respective obligations under the rules and procedures of such systems.

### **Exchange of Global Notes for Certificated Notes**

A Global Note is exchangeable for Certificated Notes in registered form if:

- DTC (1) notifies us that it is unwilling or unable to continue as depository for the Global Notes or (2) has ceased to be a clearing agent under the Exchange Act and, in either case, we fail to appoint a successor depository; or
- we, at our option, notify the trustee in writing that we elect to cause the issuance of the notes in certificated form (provided that we would notify Participants of our determination, but would only withdraw beneficial interests from a Global Note at the request of the trustee); or
- there has occurred and is continuing a default or an event of default with respect to the notes.

In addition, beneficial interests in a Global Note may be exchanged for Certificated Notes upon prior written notice given to the trustee in accordance with the indenture. In all cases, Certificated Notes delivered in exchange for any Global Note or beneficial interests in Global Notes will be in registered form and issued in any approved denominations, requested by or on behalf of the depository (in accordance with its customary procedures).

### **Same Day Settlement and Payment**

We will make payments in respect of the new notes represented by the Global Notes (including principal, premium, if any, interest and other amounts) by the transfer of immediately available funds to the accounts specified by DTC or its nominee. We will make all payments of principal, interest and other amounts

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and additional interest, if any, with respect to Certificated Notes by wire transfer of immediately available funds to the accounts specified by or, if no such account is specified, by mailing a check to each such holder's registered address. The new notes represented by the Global Notes in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in such notes will, therefore, be required to be settled in immediately available funds. We expect that secondary trading in any Certificated Notes will also be settled in immediately available funds.

Because of time-zone differences, credits of interests in the Global Notes received in Clearstream, Luxembourg or Euroclear as a result of a sale by a DTC Participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Sales of interests involving interests in such Global Notes settled during such processing will be reported to the relevant Clearstream, Luxembourg or Euroclear. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of interests in the Global Notes by or through a Clearstream, Luxembourg or Euroclear Participant to a DTC Participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream, Luxembourg or Euroclear only as of the business day following settlement in DTC.

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**MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE EXCHANGE OFFER**

The following discussion is a summary of material U.S. Federal income tax consequences of the exchange offer to holders of original notes upon the Internal Revenue Code of 1986, as amended (the "Code"), regulations of the Treasury Department, administrative rulings and pronouncements of the Internal Revenue Service and judicial decisions as of the date hereof, all of which are subject to change, possibly with retroactive effect. This summary does not address income tax consequences that may be applicable to particular holders, including, among others, dealers in securities, financial institutions, investment advisers and other organizations. In addition, this summary does not consider the effect of any foreign, state, local, gift, estate or other tax laws that may be applicable to a holder. This summary applies only to a holder that acquired original notes at original issue for cash and holds such original notes as a capital asset within the meaning of the Code.

The exchange of original notes for new notes in the exchange offer will not constitute a taxable event to holders for U.S. Federal income tax purposes. If gain or loss will be recognized by a holder upon receipt of a new note, the holder's holding period for the new note will include the holder's holding period for the original note exchanged therefor, and the holder's basis in the new note will be the same as the holder's basis in the original note immediately before the exchange.

Persons considering the exchange of original notes for new notes should consult their own tax advisors concerning the U.S. Federal income tax consequences of their particular situations as well as any consequences arising under the laws of any other taxing jurisdiction.

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## PLAN OF DISTRIBUTION

If you wish to exchange your original notes in the exchange offer, you will be required to make representations to us as described in “Procedures” in this prospectus and in the letter of transmittal. In addition, each broker-dealer that receives new notes for its own account pursuant to the exchange offer will acknowledge that it will deliver a prospectus in connection with any resale of such new notes. This prospectus, as it may be amended or supplemented, will be used by a broker-dealer in connection with resales of new notes received in exchange for original notes where such original notes were acquired through market-making activities or other trading activities. We have agreed to use our reasonable best efforts to make this prospectus, as amended or supplemented, available for a period of 210 days after the date of this prospectus for use in connection with any such resale.

We will not receive any proceeds from any sale of new notes by broker-dealers. New notes received by broker-dealers for their own account may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of offers, or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or at prices to be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from the purchasers of any such new notes. Any broker-dealer that resells new notes that were received by it for its own account pursuant to the exchange offer and who participates in a distribution of such new notes may be deemed to be an “underwriter” within the meaning of the Securities Act and any profit or loss from any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. Furthermore, any broker-dealer that acquires original notes for its own account as a result of market-making activities or other trading activities, and who receives new notes in exchange for original notes, may be deemed to be an “underwriter” within the meaning of the Securities Act and is required to deliver a prospectus in connection with any resale of the new notes. However, a broker-dealer acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

A broker-dealer that acquired original notes directly from us cannot exchange the original notes in the exchange offer. Any holder who acquires original notes for the purpose of participating in a distribution of the new notes cannot rely on the no-action letters of the staff of the SEC and must comply with the requirements of the Securities Act in connection with any resale transaction.

For a period of 210 days after the date of this prospectus, we will promptly send additional copies of this prospectus and any amendments to any broker-dealer that requests such documents in the letter of transmittal. We have agreed to pay all expenses incident to the exchange offer, including the expenses for the holders of the original notes, other than commissions or concessions of any brokers or dealers, and will indemnify the holders of the original notes and the dealers, against certain liabilities, including liabilities under the Securities Act.

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### LEGAL MATTERS

The enforceability of the new notes and the guarantees offered in this prospectus, the binding obligations of Beazer Homes and the Su notes and guarantees and other matters will be passed upon for us by King & Spalding LLP, Atlanta, Georgia.

### EXPERTS

The consolidated financial statements, incorporated in this prospectus by reference from the Company's Annual Report on Form 10-K 2013, and the effectiveness of Beazer Homes USA, Inc.'s internal control over financial reporting have been audited by Deloitte & Touche L accounting firm, as stated in their reports, which are incorporated herein by reference. Such consolidated financial statements have been so i reports of such firm given upon their authority as experts in accounting and auditing.

### WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational requirements of the Exchange Act and accordingly, file reports, proxy statements and other inform registration statement on Form S-4, including exhibits, under the Securities Act with respect to the securities offered by this prospectus. This statement, but does not contain all of the information included in the registration statement or the exhibits. The SEC maintains a website that c regarding registrants that file electronically with the SEC. The address of that site is <http://www.sec.gov>. To receive copies of public recor prescribed rates, you may complete an online form at <http://www.sec.gov>, send a fax to (202) 772-9337 or submit a written request to the SE F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information.

In addition, our common stock is traded as "BZH" on the New York Stock Exchange. Because our common stock is listed on the New other information concerning us can also be inspected at the office of the New York Stock Exchange, Inc., 20 Broad Street, New York, New Y

### INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

This prospectus is part of a registration statement filed with the SEC. The SEC allows us to "incorporate by reference" selected docu we can disclose important information to you by referring you to those documents. The information in the documents incorporated by referenc prospectus, and information in documents that we file later with the SEC will automatically update and supersede this information. We incorp listed below filed by us under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act.

- our Annual Report on Form 10-K for the fiscal year ended September 30, 2013, filed on November 8, 2013;
- our Quarterly Reports on Form 10-Q filed for the quarter ended December 31, 2013, filed on January 31, 2014, and for the qu May 1, 2014;
- our Current Reports on Form 8-K filed on February 10, 2014, March 12, 2014, April 3, 2014 (Item 8.01 only) and April 9, 20

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- the information specifically incorporated by reference into our Annual Report on Form 10-K for the fiscal year ended September 30, 2013, and our quarterly financial statement on Schedule 14A, filed on December 20, 2013.

All documents filed by us pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this prospectus and all documents incorporated by reference into this prospectus are to be incorporated herein by reference. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained herein or in any other document incorporated or deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded, to constitute a part of this prospectus.

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No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this prospectus. Such information or representations must not be relied upon as having been authorized by the company or the initial purchasers. This prospectus is not a solicitation of an offer to buy any of the securities offered hereby in any jurisdiction to any person to whom it is unlawful to make such offer. Neither the delivery of this prospectus nor any sale made hereunder shall under any circumstances create any implication that the information contained herein is true as of the date hereof or that there has not been a change in the affairs of the company since the date hereof.



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**PROSPECTUS**

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## **Beazer Homes USA, Inc.**

**Offer to Exchange  
5.750% Senior Notes due 2019,  
and the guarantees thereof,  
which have been registered under the Securities Act of 1933,  
for any and all outstanding  
5.750% Senior Notes due 2019,  
and the guarantees thereof,  
which have not been registered under the Securities Act of 1933**

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<http://www.sec.gov/Archives/edgar/data/91>

**June 25, 2014**

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