

Investor Presentation

2023 First Quarter

GREEN BRICK PARTNERS

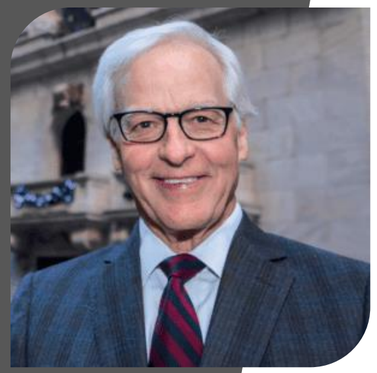


Forward Looking Statements

This presentation and our conference call contain "forward-looking statements" within the meaning of the Private Securities Litigation Act of 1995. These statements concern expectations, beliefs, projections, plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts and typically include the words "anticipate," "believe," "consider," "estimate," "expect," "feel," "intend," "plan," "predict," "seek," "strategy," "target," "will" or other words of similar meaning. Specifically, these statements reflect our expectations regarding (i) our expectations for improvement of cycle times and the impact of such improvement on future deliveries and results of operations; (ii) our expectations for future unit deliveries, the pace of such deliveries and the factors that impact the pace of future deliveries; (iii) our positioning to perform in a volatile market; (iv) changes in the homebuilding market, including the impact of macroeconomic and demographic factors on long-term demand for homes; (v) our strategies to maintain and strengthen our balance sheet, cash flows and margins, and our positioning in the industry; (vi) the impact of changes in interest rates on demand; (vii) our ability to manage price and pace and the impact on our future financial results, including margin performance; (viii) our expectations of the number and location of lot completions in 2023, and the impacts of self-developed lots on our margin performance; (ix) the demand for home ownership in the markets in which we operate and our ability to capitalize on such demand; (x) our strategic advantages, ability to implement our growth strategies, and the impact on our future results and (xi) our ability to capitalize on market conditions to improve margins and grow market share, including as compared to other public homebuilders. These forward-looking statements reflect our current views about future events and involve estimates and assumptions which may be affected by risks and uncertainties in our business, as well as other external factors, which could cause future results to materially differ from those expressed or implied in any forward- looking statement. These risks include, but are not limited to: (1) changes in macroeconomic conditions, including increasing interest rates and inflation that could adversely impact demand for new homes or the ability of potential buyers to qualify; (2) general economic conditions, seasonality, cyclicality and competition in the homebuilding industry; (3) shortages, delays or increased costs of raw materials and increased demand for materials, or increases in other operating costs, including costs related to labor, real estate taxes and insurance, which in each case exceed our ability to increase prices; (4) a shortage of qualified and available labor; (5) an inability to acquire land in our current and new markets at anticipated prices or difficulty in obtaining land-use entitlements; (6) our inability to successfully execute our strategies, including an inability to grow our operations or expand our Trophy brand; (7) our inability to implement new strategic investments; (8) a failure to recruit, retain or develop highly skilled and competent employees; (9) government regulation risks; (10) a lack of availability or volatility of mortgage financing; (11) severe weather events or natural disasters; (12) difficulty in obtaining sufficient capital to fund our growth; (13) regulatory and macroeconomic factors that could impact our ability to complete anticipated lots or that could result in us delaying the opening of new communities, (14) our ability to meet our debt service obligations; (15) a decline in the value of our inventories and resulting write-downs of the carrying value of our real estate assets and (16) changes in accounting standards that adversely affect our reported earnings or financial condition. For a more detailed discussion of these and other risks and uncertainties applicable to Green Brick please see our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission.

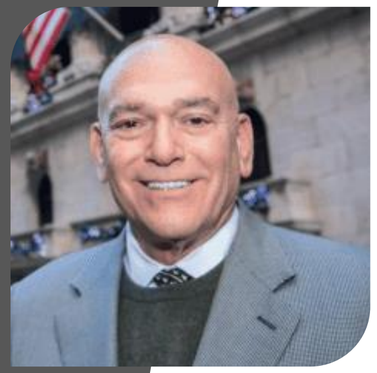
GREEN BRICK
PARTNERS

Management Presenters



Jim Brickman

Chief Executive Officer
and Co-Founder



Rick Costello

Chief Financial Officer



Jed Dolson

Chief Operating Officer and
Executive Vice President

GREEN BRICK
PARTNERS

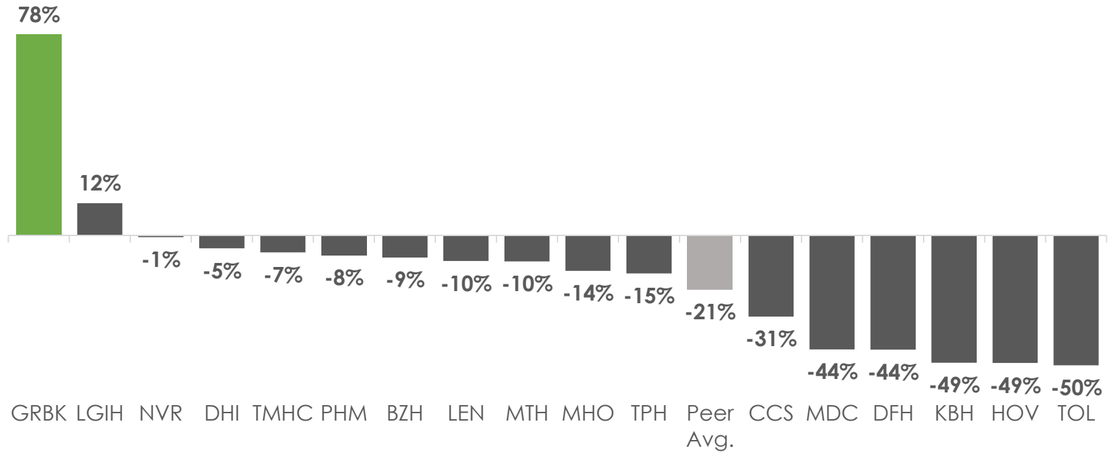
Strategic Advantages

We believe we are well positioned to navigate volatility.

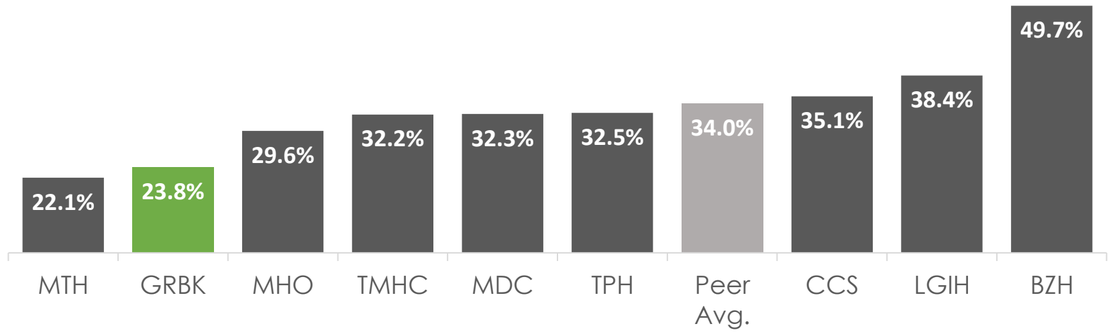
- **Footprint in the best markets of DFW and Atlanta**
  - Demographic shift, job creation, and in-migration provide long-term tailwinds in our markets
  - Dallas, our largest market, has attracted over 200 companies for office relocations and/or expansions since the pandemic[1]
- **High exposure in in-fill submarkets**
  - Approximately 80% of Q1 2023 revenues were from supply constrained in-fill communities
  - Limited competition due to limited resales of existing inventory
  - Deep expertise in complicated entitlement and regulatory processes
- **Superior lot and land position**
  - Superior lot and land position to sustain operations and be opportunistic about future growth
  - Ability to self-develop lots brings flexibility, higher margins, and the capability to start more homes under construction without an outlay of cash to purchase the finished lots when demand returns
- **Efficient operational infrastructure**
  - Incrementally improved efficiency and use of technology in back office and homebuilding operations
- **Strong balance sheet**
  - Ample liquidity with strong operating cash flows
  - Consistently one of the lowest debt-to-total capital ratios among peers at 23.8%. Net debt-to-total capital ratio of 13.3% (as of 3/31/23)
  - 100% fixed rate debt with weighted average interest rate of 3.3% (as of 3/31/2023)

1. Source: Dallas Chamber of Commerce

Net Sales Order YoY Change (Most Recently Reported Quarter)



Debt-to-Total Capital As Of 3/31/23



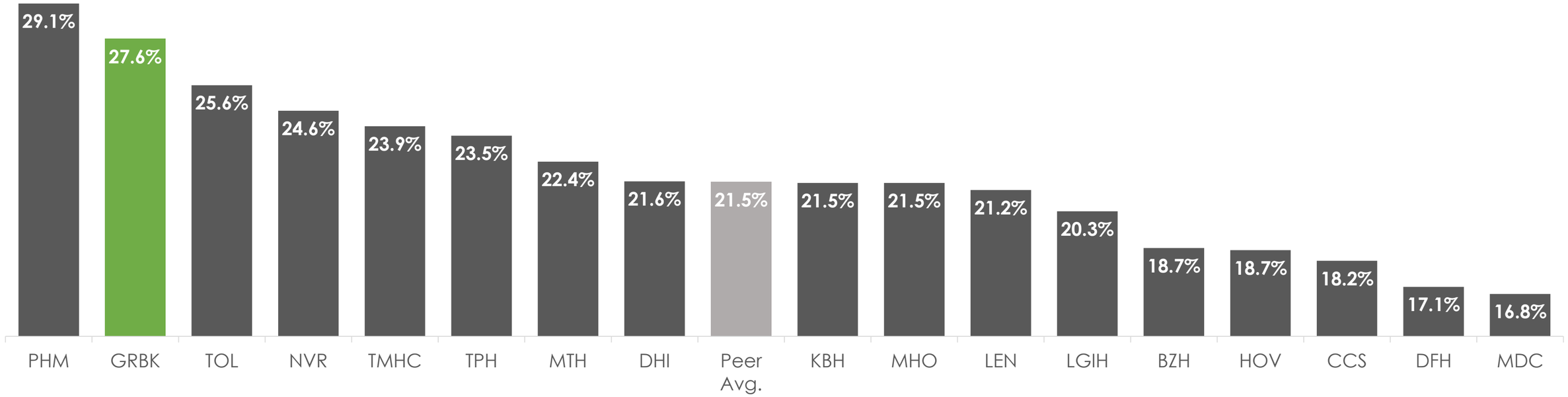
Source: Public filings of each small or mid-cap peer company.

GREEN BRICK PARTNERS

Industry-Leading Gross Margins

Green Brick has maintained one of the best gross margins in the industry.

Gross Margin Percentage (Most Recently Reported Quarter)



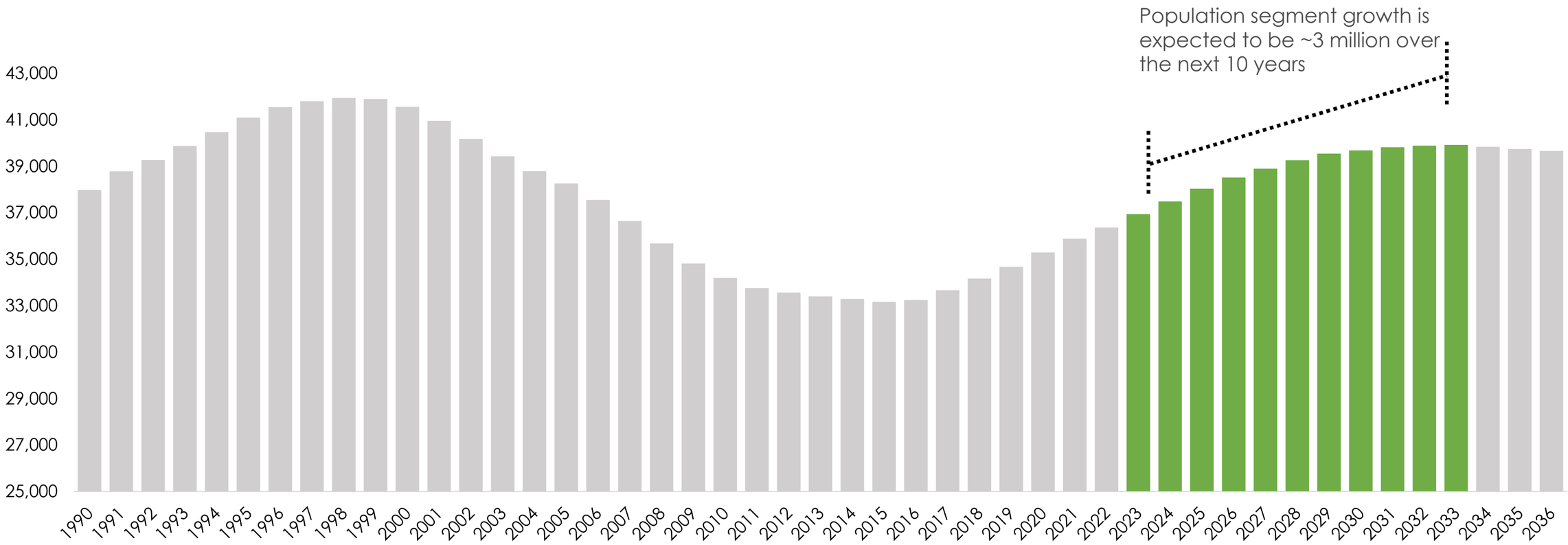
Source: Public filings of each peer company

GREEN BRICK PARTNERS

Millennials Entering Prime Home Buying Age

With the 35-44 year-old demographic considered the most active homebuyer, growth of this buyer segment supports future strong demand

Population Of 35-44 Year-Olds In The U.S. Based On Ten-Year Trailing Birth Rates



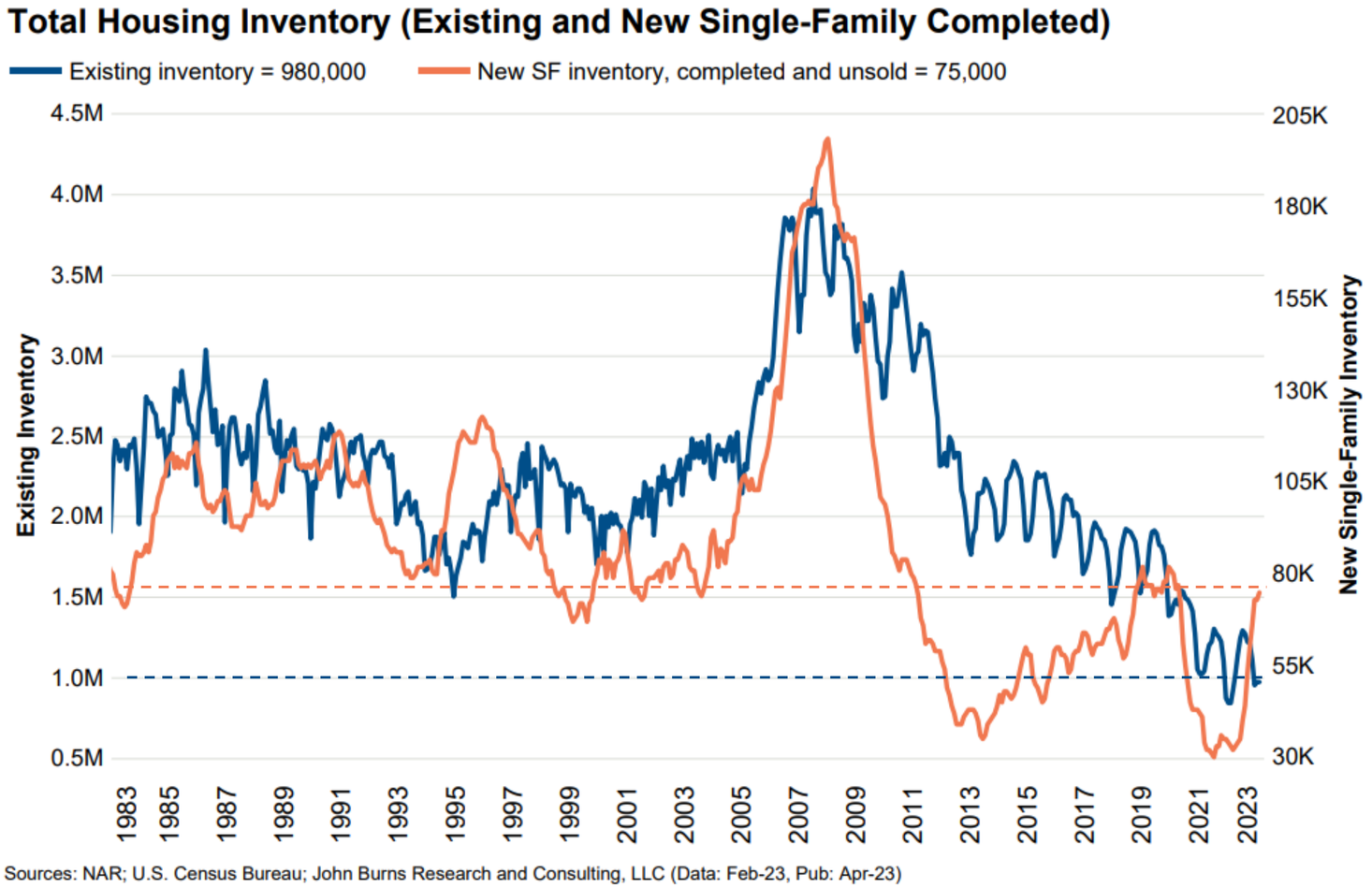
Source: United States Centers for Disease Control and Prevention, National Center for Health Statistics

GREEN BRICK PARTNERS



Single-Family Inventory Remains Low

Both existing and new single-family home inventory remain near all-time lows across the country



Sources: NAR; U.S. Census Bureau; John Burns Research and Consulting, LLC (Data: Feb-23, Pub: Apr-23)

GREEN BRICK PARTNERS

Highlights – Q1 2023

- **Net new home orders increased 77.5%** year-over-year, the largest increase among peers. Quarterly absorption rate increased 66.3% year-over-year to **13.3**, a record in company history.
- **Residential units revenue increased 23.5%** year-over-year to **$450.4 million** in Q1 2023, a record for any first quarter.
- **Average sales price of homes delivered was up 7.0%** year-over-year **to $590.6K**, and **average sales price of backlog was up 7.2%** year-over-year to **$653.1K** as of 3/31/2023.
- **SG&A** leverage (as a % of residential units revenue) increased by **80 bps** year-over-year to **10.2%.**
- **Diluted EPS was up 14.2%** year-over-year to **$1.37**, a record for any first quarter.
- **Homebuilding gross margin** decreased slightly by **20 bps** year-over-year to **27.6%**, but increased sequentially by 140 bps.

	Q1 2023	Q1 2022	Change
Net new home orders	**1,067**	**601**	**77.5%**
New homes delivered	761	658	15.7%
Residential units revenue	**$450,362**	**$364,661**	**23.5%**
Net income attributable to GRBK	$64,180	$61,577	4.2%
Diluted EPS	**$1.37**	**$1.20**	**14.2%**
Average sales price of homes delivered	$590.6	$551.8	7.0%
Homebuilding gross margin	**27.6%**	**27.8%**	**-20 bps**
SG&A (as a % of residential units revenue)	10.2%	9.4%	80 bps

Dollars in Thousands, except EPS.

GREEN BRICK PARTNERS

Business Priorities

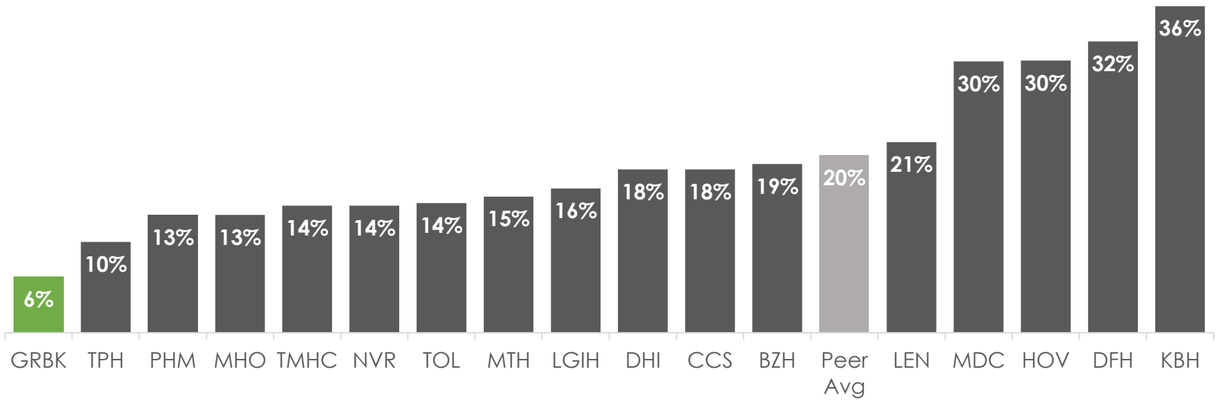
- **Manage closings in current backlog**
  - Actively working with buyers at all stages to secure financing. Buyer credit profiles remain consistent
  - Cancellation rate dropped significantly from Q4 2022 to 6.2% in Q1 2023

- **Manage sales pace**
  - Incentives on new orders in Q1 were reduced by 330bps sequentially and are being evaluated on a community-by-community basis
  - Selectively raised prices and started metering sales in a few communities due to strong demand
  - High gross margins relative to peers provide flexibility as needed (see chart on page 5)

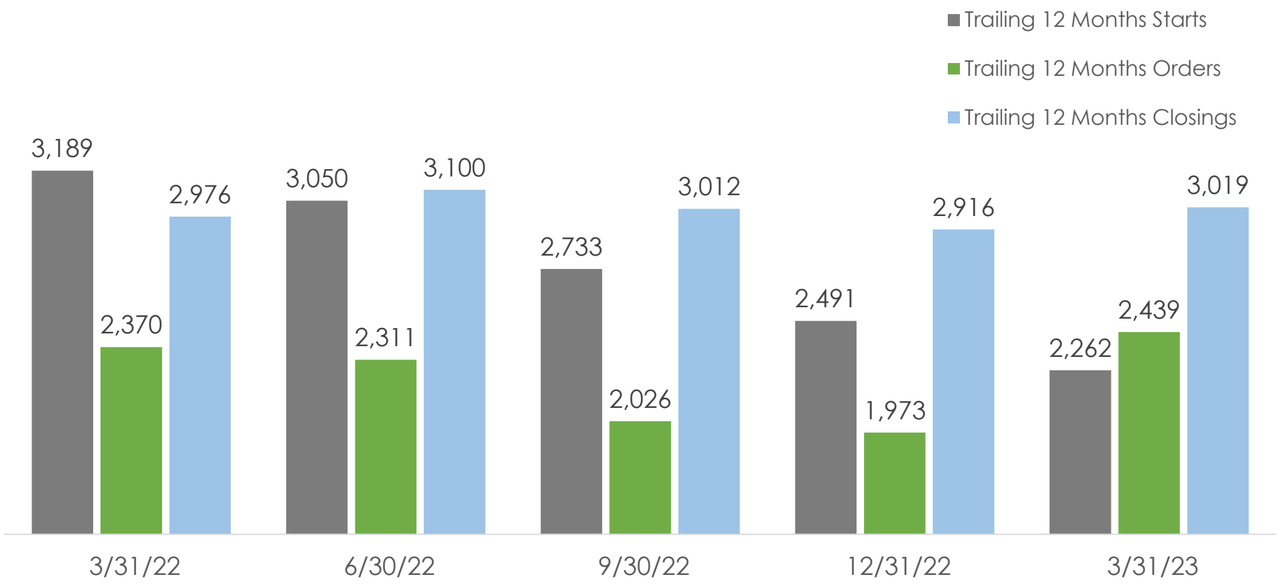
- **Manage capital allocation prudently**
  - Superior lot and land position to support future growth
  - Rigorous land underwriting and prudent development
  - Repurchased 468K shares of common stock for $15.4M in Q1 while decreasing debt-to-total capital ratio

- **Further strengthen balance sheet**
  - Maintain a low debt-to-total capital ratio to provide GRBK more financial flexibility in a volatile environment (see chart on page 4)
  - No balances outstanding on revolving lines of credit as of 3/31/23

Cancellation Rate (Most Recently Reported Quarter)



Orders, Starts & Closings (Trailing 12 Months)



GREEN BRICK PARTNERS

Finished Lot Position Provides Opportunities

Approximately 6,000

Finished Lots As Of 12/31/23

Approximately 75%

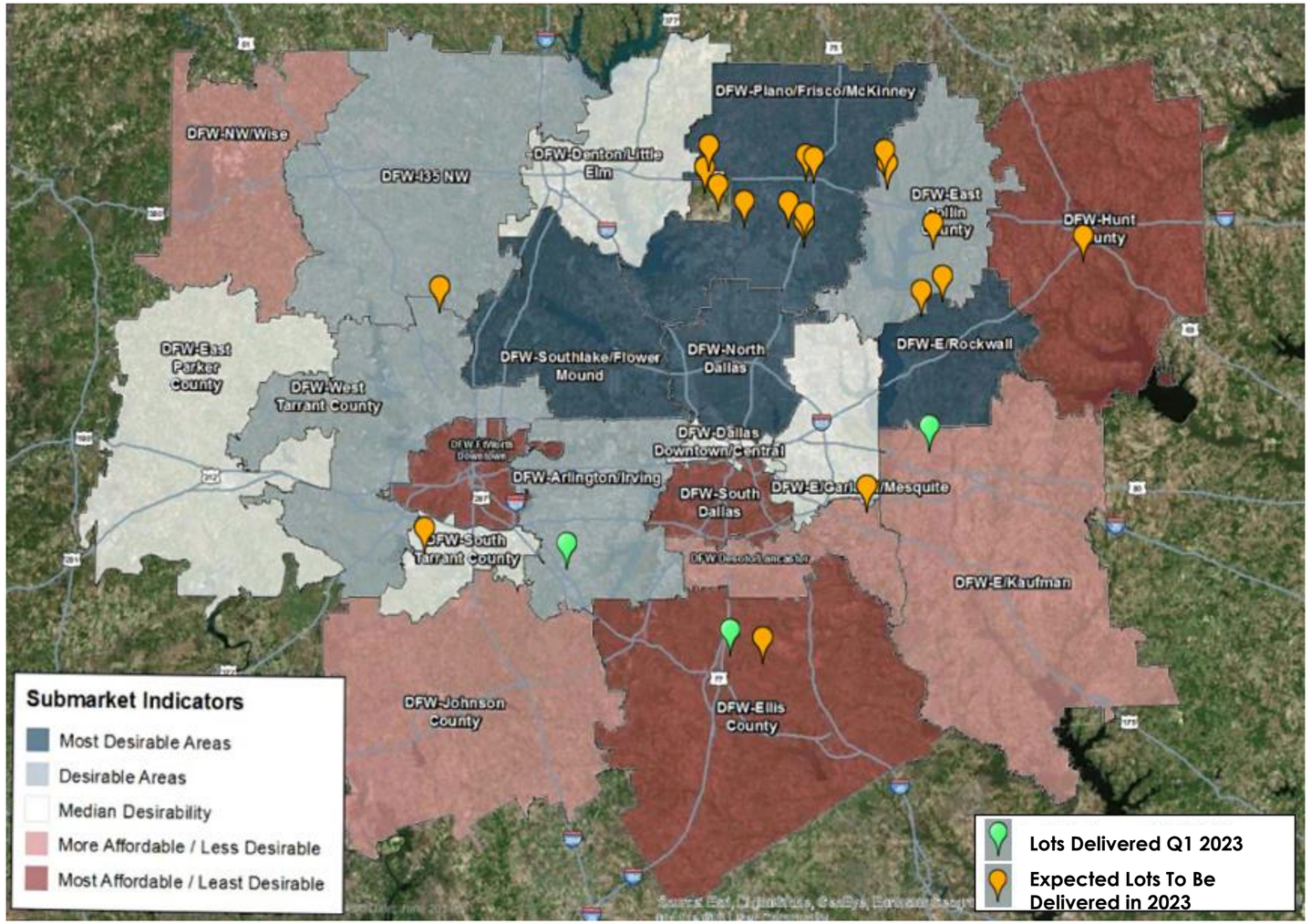
Finished Lots As Of 12/31/23 Expected To Be In Infill Locations

- Expect to have approximately 6,000 finished lots as 12/31/23.
- Approximately 75% of our finished lots as of 12/31/23 are expected to be located in infill locations.
- New communities provide ample runway to generate favorable sales per community. We believe that we can price aggressively and still maintain industry leading margins. We expect this to be an opportunity to build market share and effectively manage pace versus price decisions.
- Our self-developed lots are anticipated to continue to generate significantly higher margins than builders who option higher priced similar lots with lot price escalators from third party developers.

GREEN BRICK PARTNERS

Expected Lot Deliveries In 2023 - DFW

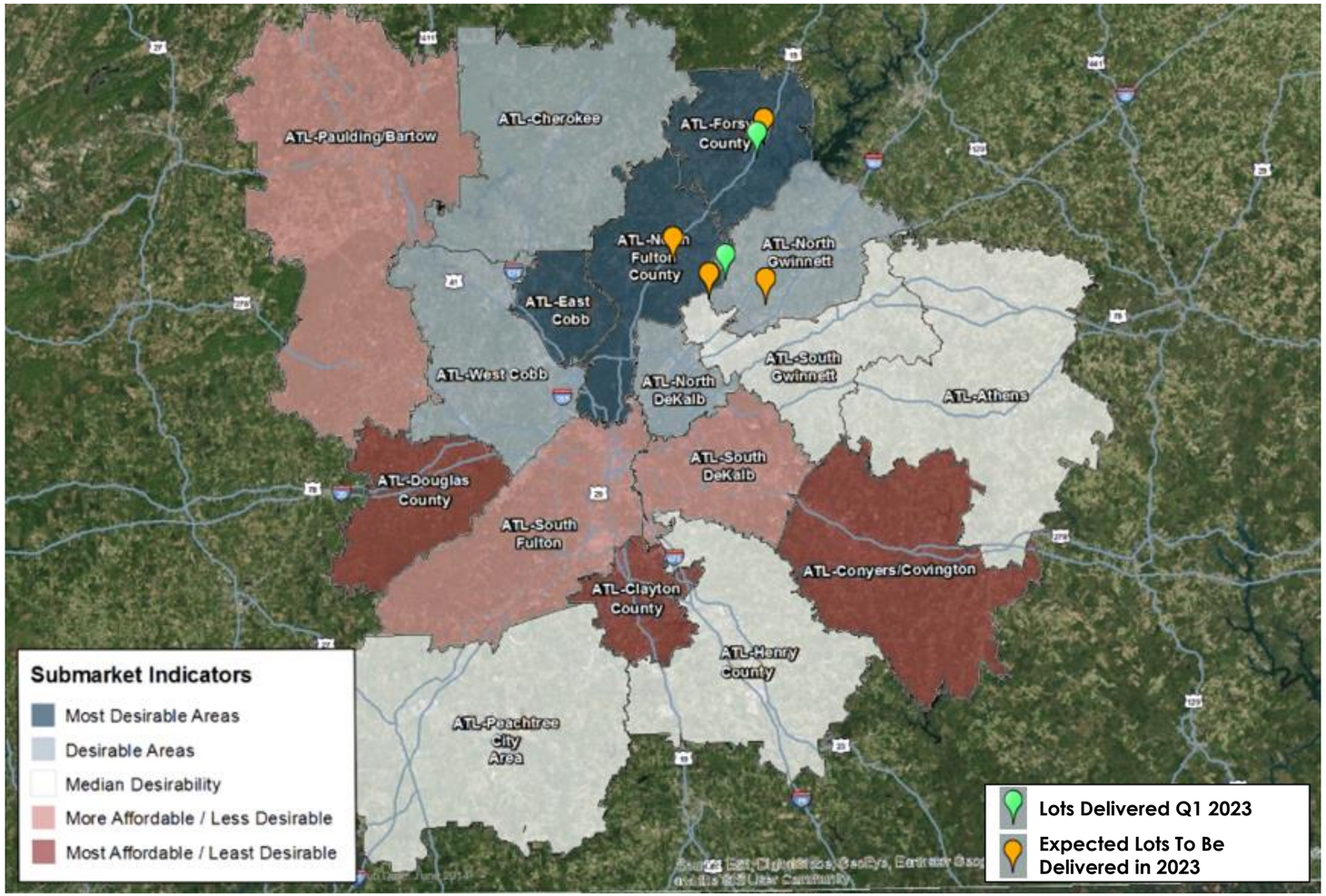
Majority of our DFW lots are being delivered in infill and adjacent “desirable areas”



GREEN BRICK PARTNERS

Expected Lot Deliveries In 2023 - Atlanta

Majority of our Atlanta lots are being delivered in infill and adjacent “desirable areas”



GREEN BRICK PARTNERS



Green Brick Partners

Appendix

Appendix: Net Debt To Total Capitalization (as of 3/31/23)

	Gross	Cash and cash equivalents	Net
Total debt, net of debt issuance costs	$348,074	$(177,271)	$170,803
Total Green Brick Partners, Inc. stockholders' equity	$1,114,154	$-	$1,114,154
Total capitalization	$1,462,228	$(177,271)	$1,284,957
Debt to total capitalization ratio	23.8%		
Net debt to total capitalization ratio			13.3%

Dollars in Thousands

GREEN BRICK PARTNERS